

ORIGINAL

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONER

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Arizona Corporation Commission

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AZ CORP COMMISSION
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RECEIVED

IN THE MATTER OF THE APPLICATION
OF dishNET WIRELINE L.L.C. FOR
RESCISSION OF BOND REQUIREMENT
CONTAINED IN ARIZONA
CORPORATION COMMISSION DECISION
NO. 72496

DOCKET NO. T-20752A-14-0067

APPLICATION

dishNET Wireline L.L.C. ("dishNET" or the "Company") requests rescission of the bond imposed by the Arizona Corporation Commission ("Commission") in Decision No. 72496. As explained below, this requirement is no longer necessary to protect dishNET's customers.

BACKGROUND

dishNET was certified by the Commission to provide intrastate telecommunications services in Arizona on July 25, 2011. See Decision No. 72496 (granting Certificate of Convenience and Necessity ("CC&N")) and Docket T-20752A-12-0182, Adm. Closure Number 73390 (acknowledging name change). dishNET provides local and long distance telecommunication services, broadband internet access and satellite television services to residential customers in the 14-state CenturyLink (historic US WEST) operating territory. Arizona is one of the company's fastest growing markets.

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1 Decision No. 72496 acknowledges that dishNET is a subsidiary of DISH Network
2 Corporation ("DISH"). DISH is a premier provider of pay television services. DISH has more
3 than 14 million customers across the United States and reported revenue for the 2013
4 calendar year of \$13.9 billion. As part of the DISH corporate family, dishNET has the
5 financial wherewithal to meet its obligations to customers.

6 The CC&N granted to dishNET requires the Company to maintain a bond. That
7 requirement was imposed on all carriers receiving a CC&N at that time. dishNET has
8 maintained the bond at all times. The bond has never been invoked and no customer
9 complaint has questioned dishNET's conduct as a public service corporation. The Company's
10 compliance with Commission regulations and orders has been excellent.

11 The cost of maintaining the bond creates an unnecessary expense for dishNET and
12 forces the Company to divert resources to maintain the bond instead of directing those
13 funds back into its business operations. In addition, the financial backing that dishNET
14 receives from DISH, a Fortune 200 company with almost \$14 billion in revenue makes a
15 bond an unnecessary business expense. While not regulated by the Commission, DISH has
16 deep ties to Arizona and maintains installation, repair and call centers in the Phoenix area in
17 addition to a satellite uplink center in Gilbert.

18 **CHANGES IN COMMISSION POLICY**

19 As a result of changes in the telecommunications industry, the Commission has
20 moved away from requiring a bond in every instance and will now deny applications for
21 CC&Ns if a company's financial, managerial or technical abilities are called into question. On
22 October 16, 2013, the Commission adopted a recommendation by Staff to grant a CC&N to
23 TNCI Operating Company without imposing a bond obligation. See Docket T-20882A-13-
24 0108, Decision No. 74152. On January 29, 2014, the Commission granted another CC&N
25 without a bond requirement. See Docket T-03864A-13-0051, Decision No. 74295 (Ionex
26 Communications North, Inc.).

1 dishNET now files this Application seeking rescission of its bond requirement. In
2 light of the financial investment made by the DISH corporate family in Arizona and
3 dishNET's operating history, customer deposits, advances and prepayments are not at risk
4 and a bond is no longer necessary in light of the Commission's new policy approach.
5 dishNET requests that the Commission act on this request by May 9, 2014 so that it can
6 cancel the existing bond before it automatically renews on May 12, 2014.

7 **CONTACTS**

8 Questions or any correspondence, orders, or other materials pertaining to this filing should
9 be directed to the following:

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23 **CONCLUSION**

24 For the reasons detailed in this Application, dishNET Wireline L.L.C. requests an
25 order cancelling the bond requirement imposed by the Commission in Decision No. 72496.
26

1 RESPECTFULLY SUBMITTED this 27th day of February, 2014.

2 LEWIS ROCA ROTHGERBER, LLP

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9 ORIGINAL and thirteen (13) copies
10 of the foregoing filed
11 this 27th day of February, 2014, with:

11 The Arizona Corporation Commission
12 Utilities Division – Docket Control
13 1200 W. Washington Street
14 Phoenix, Arizona 85007

14 Copy of the foregoing hand-delivered
15 this 28th day of February, 2014, to:

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