



BEFORE THE ARIZONA CORPORATION

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BOB STUMP
Chairman
GARY PIERCE
Commissioner
BRENDA BURNS
Commissioner
BOB BURNS
Commissioner
SUSAN BITTER SMITH
Commissioner

Arizona Corporation Commission

DOCKETED

MAY 23 2014

DOCKETED BY 

IN THE MATTER OF THE APPLICATION)
OF HYPERCUBE TELECOM, LLC FOR)
APPROVAL TO RESCIND ITS BOND)
REQUIREMENTS.)

DOCKET NO. T-20805A-14-0093
DECISION NO. 74495
ORDER

Open Meeting
May 13 and 14, 2014
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On March 18, 2014, Hypercube Telecom, LLC (“Hypercube” or “Applicant”) submitted an Application with the Arizona Corporation Commission (“Commission” or “ACC”) requesting rescission of its \$235,000 bond requirement ordered in ACC Decision No. 73154 and return of the bond to Hypercube.

2. In its Application, Hypercube states that it is authorized to provide resold and facilities-based local exchange and facilities-based long distance telecommunications services to business customers in Arizona. Hypercube’s tariffs indicate that it does not collect customer deposits.

3. In addition, Hypercube’s Application states that Hypercube currently has an Irrevocable Sight Draft Letter of Credit (“ISDLOC”) for \$235,000 in effect through June 30, 2014.

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1 Background

2 4. On May 18, 2012, in Decision No. 73154, the Commission granted Hypercube a CC&N
3 to provide resold and facilities-based local exchange and resold and facilities-based long distance
4 telecommunications services within the State of Arizona, provided Hypercube complies with
5 conditions outlined in the Decision.

6 Hypercube's Application

7 5. In its Application to eliminate the performance bond requirement, Hypercube cites
8 Arizona Administrative Code ("A.A.C.") R14-2-1105(d), which states that "[i]n appropriate
9 circumstances, the Commission may require, as a precondition to certification, the procurement of a
10 performance bond sufficient to cover any advances or deposits the telecommunications company may
11 collect from its customers, or order that such advances or deposits be held in escrow or trust."
12 Hypercube believes that it has proven financial, technical and managerial ability to provide services in
13 Arizona. In addition, Hypercube states that it does not collect any deposits in Arizona and does not
14 have any prepayment or advance payment policies, therefore believes maintaining a performance bond
15 is no longer necessary.

16 Complaints and Compliance

17 6. The Consumer Services Section of the Utilities Division reports that from January 1, 2011
18 to March 31, 2014 there have been no complaints, inquiries, or opinions filed against Hypercube.

19 7. Consumer Services also reports that Hypercube is in good standing with the Corporations
20 Division of the Commission.

21 8. The Compliance Section reports that Hypercube is currently in compliance.

22 Staff Recommendation

23 9. The Commission has recently, in appropriate circumstances, been relieving
24 telecommunications providers of the obligation of a bond requirement.

25 10. Staff recommends that Hypercube Telecom LLC be relieved of the \$235,000
26 performance bond or ISDLOC obligation approved in Decision No. 73154.

27 11. Hypercube has communicated to Staff that upon approval of this Application, the
28 ISDLOC should be returned to the following name and address:

1 Mr. Robert McCausland
2 Hypercube Telecom, LLC
3 3200 West Pleasant Run Road, Suite 300
4 Lancaster, Texas 75146

5 CONCLUSIONS OF LAW

6 1. Hypercube Telecom LLC is a public service corporation within the meaning of Article
7 XV of the Arizona Constitution.

8 2. The Commission has jurisdiction over Hypercube Telecom LLC and the subject
9 matter in this filing.

10 3. The Commission, having reviewed the filing and Staff's Memorandum dated April 15,
11 2014, concludes that it is in the public interest to approve Hypercube Telecom LLC's Application as
12 proposed and discussed herein.

13 ORDER

14 IT IS THEREFORE ORDERED that the Application of Hypercube Telecom LLC to rescind
15 the \$235,000 performance bond or irrevocable sight draft letter of credit requirement contained in
16 Decision No. 73154 be and hereby is approved.

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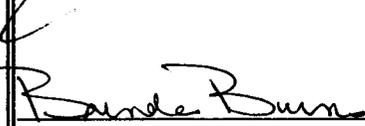
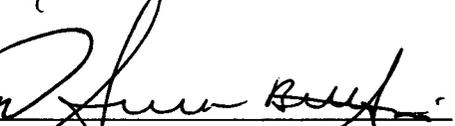
1 IT IS FURTHER ORDERED that Hypercube Telecom LLC may cancel, rescind, discontinue
 2 and be released from any performance bond, irrevocable sight draft letter of credit or other
 3 instrument obtained in compliance with the \$235,000 performance bond or irrevocable sight draft
 4 letter of credit requirement established in Decision No. 73154.

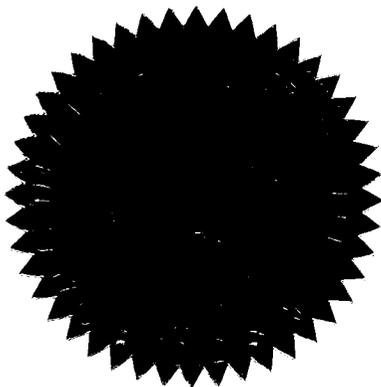
5 IT IS FURTHER ORDERED that the Hypercube Telecom LLC irrevocable sight draft letter
 6 of credit be returned to the following name and address as provided by the Applicant:

7 Mr. Robert McCausland
 8 Hypercube Telecom, LLC
 3200 West Pleasant Run Road, Suite 300
 9 Lancaster, Texas 75146

10 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

11 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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 14 CHAIRMAN 
 COMMISSIONER
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 16 COMMISSIONER 
 COMMISSIONER 
 COMMISSIONER



18 IN WITNESS WHEREOF, I, JODI JERICH, Executive
 19 Director of the Arizona Corporation Commission, have
 20 hereunto, set my hand and caused the official seal of this
 Commission to be affixed at the Capitol, in the City of
 Phoenix, this 23rd day of May, 2014.

21 
 22
 23 JODI JERICH
 EXECUTIVE DIRECTOR

24
 25 DISSENT: _____

26 DISSENT: _____

27 SMO:PJG:sms\CHH

1 SERVICE LIST FOR: HYPERCUBE TELECOM, LLC
DOCKET NO. T-20805A-14-0093

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11 Arizona Corporation Commission
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13 Ms. Lyn Farmer
Chief Administrative Law Judge, Hearing Division
14 Arizona Corporation Commission
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