



1 **BEFORE THE ARIZONA CORPORATION**

Arizona Corporation Commission

2 COMMISSIONERS

DOCKETED

3 BOB STUMP – Chairman
4 GARY PIERCE
5 BRENDA BURNS
6 BOB BURNS
7 SUSAN BITTER SMITH

JUL 30 2014

DOCKETED BY nr

7 IN THE MATTER OF THE APPLICATION OF
8 MOHAVE COOPERATIVE SERVICES, INC.
9 FOR APPROVAL TO CANCEL ITS
10 CERTIFICATE OF CONVENIENCE AND
11 NECESSITY TO PROVIDE COMPETITIVE
12 RESOLD LONG DISTANCE, RESOLD LOCAL
13 EXCHANGE, AND FACILITIES-BASED
14 LOCAL EXCHANGE
15 TELECOMMUNICATIONS SERVICES.

DOCKET NO. T-04268A-14-0050

DECISION NO. 74598

ORDER

12 Open Meeting
13 July 22 and 23, 2014
14 Phoenix, Arizona

14 **BY THE COMMISSION:**

15 Having considered the entire record herein and being fully advised in the premises, the
16 Arizona Corporation Commission (“Commission”) finds, concludes, and orders that:

17 * * * * *

18 **FINDINGS OF FACT**

19 1. On March 9, 2005, in Decision No. 67673, issued in Docket No. T-04268A-04-0491,
20 Mohave Cooperative Services, Inc. (“Mohave” or “Company”) was granted a Certificate of Convenience
21 and Necessity (“CC&N”) to provide competitive resold long distance, resold local exchange, and facilities-
22 based local exchange telecommunications services within the State of Arizona. In the Decision, Mohave
23 was required to docket conforming tariffs, to procure a \$135,000 performance bond and file proof of the
24 performance bond, within 365 days after the effective date of the Decision or within 30 days before
25 providing service, whichever came first. The bond was to remain in effect until further Order of the
26 Commission.

27 2. On March 8, 2006, Mohave filed its tariff in compliance with the requirements of Decision No.
28 67673.

1 3. On April 4, 2006, a Procedural Order was issued granting Mohave's request for additional time
2 to comply with the condition that it procure and docket proof of the performance bond required by Decision
3 No. 67673.

4 4. On May 24, 2006, Mohave filed a Notice of Filing Proof of Performance Bond.

5 5. On June 3, 2008, the Commission's Utilities Division ("Staff") filed a memorandum of
6 compliance certifying that the Company had met the compliance requirements of Decision No. 67673.

7 6. On February 21, 2014, Mohave filed with the Commission an Application to Cancel
8 Certificate of Convenience and Necessity ("Application") stating that Mohave had never provided any
9 resold or facilities-based local exchange telecommunications services in Arizona. According to the
10 Application, Mohave did provide Voice over Internet Protocol ("VoIP") for up to 125 customers in Mohave
11 County, Arizona between 2005 and 2013. Mohave sent notice to its VoIP customers of its intent to
12 discontinue providing VoIP services and the last VoIP customers were transferred to a different provider as
13 of August 15, 2013. The Application indicates the Company has no intention of providing or offering any
14 telecommunications services in Arizona in the future.

15 7. On March 31, 2014, the Company filed a Supplement/Correction to Application to
16 Cancel Certificate of Convenience and Necessity ("Supplement") in which it stated the correct year it
17 provided notice to its VoIP customers was March 2012, not March 2013 as originally stated in the
18 February 21, 2014 application. Mohave attached copies of the notice it provided as well as the
19 affidavit of publication from the *Mohave Valley Daily News*. Mohave also stated it published notice
20 of discontinuance of service in Mohave County in the *Mohave Daily News* on March 16, 2014, and
21 attached the notice and affidavit of publication to the Supplement. The Supplement also requested
22 cancellation of Mohave's tariff and the release and return of its \$135,000 bond that expired on April
23 30, 2014.

24 8. On April 30, 2014, Staff filed a Staff Report in this matter recommending approval of
25 Mohave's application to cancel its CC&N.

26 9. On May 27, 2014, Staff filed an Amended Staff Report and requested that the original
27 Staff Report be disregarded. The Amended Staff Report continues to recommend cancellation of
28 Mohave's CC&N and its related tariff, but clarifies that no performance bond is to be returned to

1 Mohave because Mohave did not file a bond with the Commission. Staff also indicates that, although
2 Mohave has the authority to provide telecommunications services throughout Arizona, the only
3 customers the Company served resided within Mohave County. According to Staff, Mohave
4 confirmed that it did not collect advances, deposits, and/or prepayments from customers in Arizona.

5 10. According to the Commission's Consumer Services Section, zero complaints,
6 inquiries, or opinions were filed against Mohave for the time period January 1, 2011 through
7 February 26, 2014.

8 11. The Commission's Compliance Section reports there are no current compliance
9 delinquencies for Mohave. Per the Staff Report, the Corporations Division reports that Mohave is not
10 in good standing for failure to file its 2014 Annual Report. Mohave has not filed an Annual Utilities
11 Report with the Utilities Division since 2010.

12 12. On May 5, 2014, Mohave filed a Notice of Support of Staff Recommendation and
13 Filing of Certificate of Good Standing, in which the Company stated it filed its 2014 annual report
14 and attached the Certificate of Good Standing.

15 13. A.A.C. R14-2-1107(A)(2) requires that an application to discontinue service include
16 verification that all affected customers have been notified of the proposed discontinuance and that all
17 affected customers will have access to an alternative provider. Mohave indicated in its Application
18 and provided proof in its Supplement that all affected customers have been notified and that all of its
19 customers had transitioned to alternate carriers.

20 14. A.A.C. R14-2-1107(A)(4) requires that an application to discontinue service include a
21 list of all alternative utilities providing the same or similar service in all counties affected by its
22 application within 20 days after filing the application. Because Mohave has verified that it
23 effectively transferred all of its customers to alternate carriers, Mohave has met the intent of the rule.

24 15. A.A.C. R14-2-1107(B) requires a competitive telecommunications provider to publish
25 legal notice of its application to discontinue service in all counties affected by its application within
26 20 days after filing the application. Mohave indicated in its Application and provided proof in its
27 Supplement that notice of Mohave's intent to discontinue service was published in the county in
28 which all of its customers resided.

1 IT IS FURTHER ORDERED that Mohave Cooperative Services, Inc.'s telecommunications
2 services tariffs on file with the Commission are hereby cancelled.

3 IT IS FURTHER ORDERED that Mohave Cooperative Services, Inc.'s request to release the
4 \$135,000 performance bond or irrevocable sight draft letter of credit requirement contained in
5 Decision No. 67673 be and hereby is approved.

6 IT IS FURTHER ORDERED that Mohave Cooperative Services, Inc. may cancel, rescind,
7 discontinue, and be released from any performance bond, irrevocable sight draft letter of credit or
8 other instrument obtained in compliance with the \$135,000 performance bond or irrevocable sight
9 draft letter of credit requirement established in Decision No. 67673.

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

11 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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13
14 CHAIRMAN

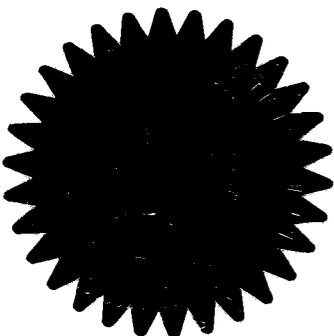
COMMISSIONER

15
16 **EXCUSED**
COMM. BURNS

17 COMMISSIONER

COMMISSIONER

COMMISSIONER



18 IN WITNESS WHEREOF, I, JODI A. JERICH, Executive
19 Director of the Arizona Corporation Commission, have
20 hereunto set my hand and caused the official seal of the
21 Commission to be affixed at the Capitol, in the City of Phoenix,
22 this 30th day of July, 2014.

23 JODI A. JERICH
24 EXECUTIVE DIRECTOR

25 DISSENT _____

26 DISSENT _____

27 SP:tv

1 SERVICE LIST FOR: MOHAVE COOPERATIVE SERVICES, INC.

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