

OPEN MEETING ITEM



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SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE



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Executive Director

ARIZONA CORPORATION COMMISSION

2015 AUG 24 P 2:50

AZ CORP COMMISSION
DOCKET CONTROL

DATE: AUGUST 24, 2015

DOCKET NO.: T-03779A-15-0201

TO ALL PARTIES:

ORIGINAL

Enclosed please find the recommendation of Administrative Law Judge Yvette B. Kinsey. The recommendation has been filed in the form of an Order on:

WILTEL LOCAL NETWORK, LLC
(CANCEL CC&N)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

SEPTEMBER 2, 2015

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

SEPTEMBER 8, 2015 AND SEPTEMBER 9, 2015

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission
DOCKETED

AUG 24 2015

JODI JERICH
EXECUTIVE DIRECTOR

DOCKETED BY

1200 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET, TUCSON, ARIZONA 85701-1347
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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail SBernal@azcc.gov.

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

IN THE MATTER OF THE APPLICATION OF
WILTEL LOCAL NETWORK, LLC FOR
APPROVAL TO CANCEL ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY TO PROVIDE
COMPETITIVE RESOLD AND FACILITIES-
BASED LOCAL EXCHANGE, EXCHANGE
ACCESS AND INTRASTATE DEDICATED
ACCESS TELECOMMUNICATION SERVICES.

DOCKET NO. T-03779A-15-0201

DECISION NO. _____

ORDER

Open Meeting
September 8 and 9, 2015
Phoenix, Arizona

BY THE COMMISSION:

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

* * * * *

FINDINGS OF FACT

1. In Decision No. 62727 (June 30, 2000), the Commission granted Wiltel Local Network, LLC ("WLN" or the "Company") a Certificate of Convenience and Necessity ("CC&N") to provide competitive resold and facilities-based local exchange, exchange access, and intrastate dedicated access telecommunication services in Arizona.

2. In 2005, WilTel Communications ("WilTel-Comm"), WLN, and Level 3 Communications, LLC ("Level 3"),¹ filed a joint application requesting a limited waiver of the Commission's Public Utility Holding Companies and Affiliated Interest Rules, Arizona Administrative Code ("A.A.C.") R14-2-801 and R14-2-806, whereby Level 3 proposed to acquire

¹ In Arizona, Level 3 is authorized to provide facilities-based and resold local exchange, toll, and access services. See, Decision No. 61737 (June 4, 1999).

1 indirect control of WilTel-Comm and WLN.²

2 3. On June 17, 2015, WLN filed an application with the Commission requesting approval
3 to cancel its CC&N to provide the above-mentioned telecommunication services in Arizona and for a
4 waiver of the notice and return of customer deposits requirements set forth in A.A.C. R14-2-1107.
5 WLN's application states that after it was acquired by Level 3: "having multiple subsidiaries
6 providing similar services became inefficient;" WLN's products and services have been gradually
7 integrated into the Level 3 offerings; the integration of services caused no customer contracts to be
8 canceled or terminated; WLN no longer has any customers; WLN does not hold customer deposits;
9 and WLN has not provided services in Arizona for more than five years.

10 4. Staff has filed a Complaint and Petition for an Order to Show Cause against utilities
11 who failed to file their Utilities Annual Report ("Complaint and Petition").³ WLN was listed in
12 Staff's Complaint and Petition as one of the utilities that failed to file an Annual Report. WLN's
13 application in this matter, requests that the Company's name be removed from Staff's Complaint and
14 Petition, because it was an oversight that the Annual Report did not get filed and stating that WLN's
15 parent company has consistently filed its Utilities Annual Report. On August 14, 2015, Staff filed an
16 Amended Complaint and Petition and removed WLN's name. Therefore, WLN's request is moot and
17 will not be addressed in this Order.

18 5. On July 24, 2015, the Commission's Utilities Division ("Staff") filed a Memorandum
19 in response to WLN's application to cancel its CC&N. Staff states that the Commission's Consumer
20 Services Section reports that no complaints were filed against WLN from January 1, 2012 through
21 June 26, 2015. Further, the Commission's Corporations Division indicates that WLN did not file a
22 Utilities Annual Report for 2008, and that WLN's status has been revoked, but Staff states that the
23 Commission's Compliance Section reports that the Company is otherwise in compliance.

24 6. Staff recommends cancellation of the Company's CC&N and its tariffs on file with the
25 Commission. Staff also recommends that the Commission grant WLN a waiver of the requirement
26 to provide direct notice to affected customers and to publish notice as set forth in A.A.C. R14-2-

27 _____
28 ² See, Decision No. 68346 (December 9, 2005).

³ See, Docket No. C00000A-15-0118.

1 1107. Staff further recommends that upon cancellation of WLN’s CC&N, the Company will no
2 longer be authorized to provide resold and facilities-based local exchange services, access exchange
3 services and intrastate dedicated access telecommunications services in Arizona.

4 7. Because WLN holds no customer deposits, we believe it is reasonable to also grant
5 WLN a waiver of a plan to return customer deposits as set forth in A.A.C. R14-2-1107(A)(3).

6 8. Staff’s recommendations, as modified herein, are reasonable and should be adopted.

7 **CONCLUSIONS OF LAW**

8 1. WilTel Local Network, LLC is a public service corporation within the meaning of
9 Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

10 2. The Commission has jurisdiction over WilTel Local Network, LLC and the subject
11 matter of the application.

12 3. The cancellation of WilTel Local Network, LLC’s CC&N to provide resold and
13 facilities-based local exchange services, access exchange services, and intrastate dedicated access
14 telecommunications services in Arizona is in the public interest.

15 4. Granting waiver of the notice, publication, and plan for return of customer deposits
16 requirements set forth in A.A.C. R14-2-1107(A)-(B) is reasonable, in this matter.

17 5. Staff’s recommendations, as modified herein, are reasonable and should be adopted.

18 **ORDER**

19 IT IS THEREFORE ORDERED that WilTel Local Network, LLC.’s application to cancel its
20 Certificate of Convenience and Necessity to provide resold and facilities-based local exchange
21 services, access exchange services and intrastate dedicated access telecommunications services in
22 Arizona, is hereby approved.

23 IT IS FURTHER ORDERED that WilTel Local Network, LLC is hereby granted a waiver of
24 the notice, publication, and plan to return customer deposits requirements set forth in A.A.C. R14-2-
25 1107 (A)-(B).

26 ...

27 ...

28 ...

1 IT IS FURTHER ORDERED that WilTel Local Network, LLC's tariffs on file with the
2 Arizona Corporation Commission are hereby cancelled and the Company is no longer subject to the
3 requirements in Decision No. 62727.

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

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.
6
7

8 CHAIRMAN _____ COMMISSIONER _____

9
10 COMMISSIONER _____ COMMISSIONER _____ COMMISSIONER _____

11
12 IN WITNESS WHEREOF, I, JODI JERICH, Executive
13 Director of the Arizona Corporation Commission, have
14 hereunto set my hand and caused the official seal of the
15 Commission to be affixed at the Capitol, in the City of Phoenix,
16 this _____ day of _____ 2015.

17 _____
18 JODI JERICH
19 EXECUTIVE DIRECTOR

20 DISSENT _____

21 DISSENT _____
22 YK:tv(ru)

1 SERVICE LIST FOR: WILTEL LOCAL NETWORK, LLC

2 DOCKET NO.: T-03779A-15-0201

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