

ORIGINAL

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

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Commissioner
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Commissioner
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Commissioner

AZ CORP COMMISSION
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Arizona Corporation Commission

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OCT 03 2016

DOCKETED BY R.A.

In the Matter of the Application of Primus
Telecommunications, Inc. for Cancellation
of its Certificate of Convenience and Necessity
and Discontinuance of Service

T-03243A-16-0352

Docket No. T- 03243A-16-_____

APPLICATION FOR CANCELLATION OF CERTIFICATE OF
CONVENIENCE AND NECESSITY, DISCONTINUANCE OF SERVICE
AND REQUEST FOR WAIVER OF PUBLICATION REQUIREMENT

Primus Telecommunications, Inc. ("Primus") files this application under Arizona Administrative Code R14-2-1107 to discontinue resold long distance services and to cancel its certificate of convenience and necessity. Primus was issued a certificate of convenience and necessity by the Arizona Corporation Commission on March 30, 2001, to provide competitive resold interexchange telecommunications services. See Decision 63529 in Docket No. T-03243A-96-0443.

On January 18, 2016, Birch Communications, Inc. ("BCI") entered into an Asset Purchase Agreement with Primus (the "Agreement"). Ionex Communications North, Inc. ("Ionex") is a wholly-owned subsidiary of BCI. Ionex is authorized to provide telecommunications services in Arizona by virtue of a certificate of convenience and necessity issued by the Commission on January 29, 2014.

On February 12, 2016, Ionex and Primus filed with this Commission an Application for Waiver of Slamming Rules and Notification of Customer Transfer (the "Application"). See Docket No. T-03864A-16-0052 and T- 03243A-16-0052. The Application provided notice of Ionex's intention to purchase certain assets and customers of Primus, including certain customer accounts and receivables, certain customer agreements and contracts, certain vendor agreements and contracts, certain equipment, and certain intellectual property. The Application further stated that all Arizona customers currently served by Primus would be transferred to Ionex.¹ Notice of the transfer was sent to Primus's customers via First Class United States mail in accordance with the FCC's rules, 47 C.F.R. §64.1120(e), and copies of those notices were provided to the Commission.

On June 27, 2016, the Commission issued Decision 75602 in Docket No. T-03864A-16-0052 and T- 03243A-16-0052 granting a waiver of Arizona Administrative Code R14-2-1901 et seq. and imposing certain other post-transfer obligations upon the parties. Primus and Ionex have now completed the transfer of assets and closed the transaction. Notice of the consummation of the transaction was filed in Docket No. Docket No. T-03864A-16-0052 and T-03243A-16-0052 on July 14, 2016. Accordingly, Primus no longer provides any telecommunications services to Arizona customers. Because services are now provided by Ionex, which has its own certificate of convenience and necessity, Primus no longer requires its own certificate of convenience and necessity. Primus does not hold any advances, deposits and/or prepayments collected from its Arizona customers pursuant to R14-2-502(B), so R14-2-1107(A)(3) requiring a plan for the refund of deposits is not applicable. Primus was a reseller of long distance services in Arizona and was not restricted to a specific geographic area. Dozens of

¹ At the time of the filing of the Application, Primus had between 200-250 long distance customers in Arizona.

alternate carriers provide this same service so competition will not be adversely impacted by discontinuance of service by Primus.

Primus also seeks a waiver of the requirements imposed by R14-2-1107(a)(2) requiring verification that all affected customers have been notified of the proposed discontinuance of service. Rule 1107(B) requires publication of legal notice of the application in all counties affected by the publication. By virtue of the consummation of the transaction with Ionex, Primus no longer has customers in Arizona, making notice to affected customers impossible and causing publication of legal notice to be unproductive. Publishing legal notice on a statewide basis under these circumstances would be expensive and unproductive. Primus seeks to avoid such unnecessary expense and asks the Commission to waive this publication requirement.

Primus hereby respectfully requests that this Commission issue an order granting this application to discontinue service and cancelling the Primus certificate of convenience and necessity issued on March 30, 2001 in Decision No. 63529 and further granting a waiver of the publication requirements imposed by Rule 1107(A)(2) and (B).

Respectfully submitted,

/s/ Michael Nowlan

Michael Nowlan

Chief Executive Officer

Primus Telecommunications, Inc.

ORIGINAL and one (1) copy of the foregoing
filed this ___ day of _____ 2016 with:

Docket Control
Arizona Corporation Commission
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Phoenix, Arizona 85007
