



0000174489

**ORIGINAL**

MEMORANDUM

RECEIVED  
AZ CORP COM  
DOCKET CONTROL

TO: Docket Control  
  
FROM: Thomas M. Broderick  
*for* Director  
Utilities Division

*Ameyo* 2016 NOV 3 PM 12 14

DATE: November 3, 2016

RE: IN THE MATTER OF THE APPLICATION OF PRIMUS TELECOMMUNICATIONS, INC. FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY AND DISCONTINUANCE OF SERVICE (DOCKET NO. T-03243A-16-0352)

Attached is the Staff Report for the above referenced application. The Applicant is applying for approval to cancel its Certificate of Convenience and Necessity ("CC&N") to provide Resold Interexchange Telecommunications Services.

Staff recommends cancellation of the CC&N.

TMB:MAC:nr\ML

Originator: Matt Connolly

Arizona Corporation Commission  
**DOCKETED**  
NOV 03 2016

DOCKETED BY *[Signature]*

SERVICE LIST FOR: PRIMUS TELECOMMUNICATIONS, INC.  
DOCKET NO.: T-03243A-16-0352

On this 3rd day of November, 2016, the foregoing document was filed with Docket Control as a Staff Report, and copies of the foregoing were mailed on behalf of the Utilities Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

Mr. Michael Nowlan  
Chief Executive Officer  
Primus Telecommunications, Inc.  
7901 Jones Branch Drive, Suite 900  
McLean Virginia 22102

Ms. Ms. Janet Wagner  
Interim Director, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Mr. Thomas M. Broderick  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

By:   
Nanisha Ross  
Administrative Support Specialist

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

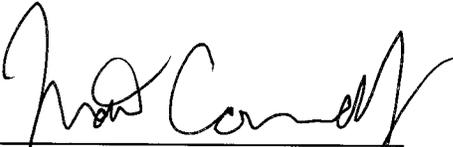
PRIMUS TELECOMMUNICATIONS, INC.  
DOCKET NO. T-03243A-16-0352

IN THE MATTER OF THE APPLICATION OF  
PRIMUS TELECOMMUNICATIONS, INC. FOR CANCELLATION  
OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
AND DISCONTINUANCE OF SERVICE

November 3, 2016

## STAFF ACKNOWLEDGEMENT

The Staff Report for Primus Telecommunications, Inc., Docket No. T-03243A-16-0352, was the responsibility of the Staff member listed below. Matt Connolly was responsible for the review and analysis of Primus Telecommunications, Inc.'s Application to cancel its Certificate of Convenience and Necessity.



---

Matt Connolly  
Executive Consultant II

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>INTRODUCTION.....</b>	<b>1</b>
<b>BACKGROUND .....</b>	<b>1</b>
<b>STAFF'S ANALYSIS.....</b>	<b>1</b>
<b>RECOMMENDATIONS.....</b>	<b>1</b>

## INTRODUCTION

On October 3, 2016, Primus Telecommunications, Inc., (“Primus” or “Applicant”) submitted an Application to discontinue resold interexchange telecommunications services, to cancel its Certificate of Convenience and Necessity (“CC&N”) and request a waiver of the customer notification requirements required by Arizona Administrative Code (“A.A.C.”) R14-2-1107.

## BACKGROUND

Primus is a Delaware corporation with headquarters located at 7901 Jones Branch Drive, Suite 900, McLean, Virginia, 22102. On March 30, 2001, the Arizona Corporation Commission (“Commission”), in Decision No. 63529, granted Primus a CC&N to provide competitive resold interexchange telecommunications services within the State of Arizona.

On June 27, 2016, the Commission issued Decision No. 75602<sup>1</sup>, granting a waiver of A.A.C. R14-2-1901 et. seq. in connection with the purchase of certain assets and transfer of Primus’ customers in Arizona to Ionex. Primus and Ionex have now completed the transfer of assets and customers to Ionex<sup>2</sup>, and have closed the transaction. As Primus reports it no longer provides any telecommunications services to customers in Arizona, therefore no longer requires a CC&N in Arizona.

## STAFF’S ANALYSIS

Pursuant to A.A.C. R14-2-1107(B), Primus is required to publish legal notice of an Application to discontinue or abandon local exchange or interexchange services in all counties affected by the Application. The Applicant indicated to Staff that it no longer has any customers, therefore no customers would benefit from publication of a legal notice. Consequently, Staff recommends that the notice requirement contained in A.A.C. R14-2-1107 be waived.

The Consumer Services Section of the Utilities Division reports one resolved billing complaint filed against Primus between January 1, 2013, and October 19, 2016. Primus filed its 2015 Utilities Annual Report on April 19, 2016. Per information received from the Corporations Division, Primus is not in Good Standing for failure to file an Annual Report in 2016.

## RECOMMENDATIONS

Staff recommends approval of Primus’s Application to cancel its CC&N to provide competitive resold interexchange telecommunications service. Staff further recommends the cancellation of Primus’s tariff on file with the Commission.

---

<sup>1</sup> Docket Nos. T-03864A-16-0052 and T-03243A-16-0052, In the Matter of the Application of Ionex Communications North, Inc. d/b/a Birch Communications for Approval of Waiver of Slamming Rules and Transfer of Customers from Primus Telecommunications, Inc.

<sup>2</sup> Docket Nos. T-03864A-16-0052 and T-03243A-16-0052, Compliance to a Decision, Notice filed July 14, 2016.

Staff also recommends that the legal notice requirement contained in A.A.C R14-2-1107 be waived.

Upon cancellation of its CC&N, Primus will no longer be authorized to provide competitive resold interexchange telecommunications services in Arizona and therefore, will no longer be subject to the requirements of Decision No. 63529.