

ORIGINAL

OPEN MEETING



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MEMORANDUM

Arizona Corporation Commission

2017 APR 25 P 2:15

DOCKETED

TO: THE COMMISSION

APR 25 2017

FROM: Utilities Division

DOCKETED BY

DATE: April 25, 2017

RE: IN THE MATTER OF THE APPLICATION OF TCO NETWORK, INC. APPLICATION FOR APPROVAL FOR RESCISSION OF BOND IN ARIZONA CORPORATION COMMISSION DECISION NO. 73133 (DOCKET NO. T-20552A-17-0067)

INTRODUCTION

Enclosed are the Commission Staff's memorandum and proposed order for IN THE MATTER OF THE APPLICATION OF TCO NETWORK, INC. APPLICATION FOR APPROVAL FOR RESCISSION OF BOND IN ARIZONA CORPORATION COMMISSION DECISION NO. 73133 (DOCKET NO. T-20552A-17-0067). This is only a Staff recommendation to the Commission; it has not yet become an order of the Commission. The Commission can decide to accept, amend or reject Staff's proposed order.

You may file comments to the recommendation(s) of the proposed order by filing an original and thirteen (13) copies of the comments with the Commission's Docket Control Center at 1200 W. Washington St., Phoenix, AZ 85007 by 4:00 p.m. on or before May 2, 2017.

This matter may be scheduled for Commission deliberation at its Open Meeting on May 9, 2017 at 10:00 a.m. and May 10, 2017, at 10:00 a.m.

If you have any questions about this matter, please contact Matt Connolly of our Staff at (602) 542-0856 or Elijah O. Abinah, Acting Director, at (602) 542-6935.

BACKGROUND

On March 7, 2017, TCO Network, Inc. ("TCO" or "Applicant" or "Company") submitted an Application requesting elimination of the bond or letter of credit requirement contained in Decision No. 73133.

In Docket No. T-20552A-07-0537, on February 21, 2012, TCO filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide telecommunications service in the State of Arizona. On January 12, 2012, Staff filed its Report in the Docket recommending TCO procure either a performance bond or an irrevocable sight draft letter of credit ("ISDLOC") equal to \$25,000, file proof of such, and deliver the original to the Commission's Business Office. In response to the recommendation in the Staff Report, on February 21, 2012, TCO filed proof that it had obtained a bond in the amount of \$25,000 and had delivered the original to the Commission's Business Office. In Decision No. 73133, dated May 1, 2012, TCO was ordered to keep the bond on file in effect until further order of the Commission.

Staff has confirmed the Utilities Division is in possession of an original bond, with the named Principal as TCO Network, Inc., in the amount of \$25,000 dated January 30, 2012 and naming the Commission as the Trustee.

COMPLIANCE

According to the Corporations Division, TCO is in good standing. The Compliance Section of the Utilities Division reports that TCO is currently in compliance. The Consumer Services Section of the Utilities Division reports there were no complaints or opinions about TCO between January 1, 2014 and March 17, 2017. TCO filed its 2015 Utilities Annual Report on April 11, 2016.

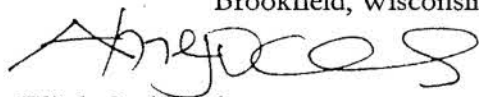
STAFF RECOMMENDATIONS

The Commission has, in appropriate circumstances, relieved telecommunications providers of the obligation to maintain a performance bond or ISDLOC. Staff recommends TCO be relieved of the \$25,000 performance bond or ISDLOC obligation contained in Decision No. 73133.

The Applicant states that in order to release the bond, it is sufficient for the Commission to include in an ordering paragraph language authorizing the Applicant to cancel, rescind, discontinue and be released from the performance bond or ISDLOC requirements set by Decision No. 73133 and authorizing cancellation of the bond effective with the date of the Order issued in this case.

TCO requested that the bond documentation should be returned to the following name and address:

Mr. William F. Linsmeier
TCO Network, Inc.
13400 Bishops Lane
Suite 295
Brookfield, Wisconsin 53005



Elijah O. Abinah
Acting Director
Utilities Division

EOA:MAC:nr\CHH

ORIGINATOR: Matt Connolly

THE COMMISSION

April 25, 2017

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SERVICE LIST FOR: TCO NETWORK, INC.

DOCKET NO.: T-20552A-17-0067

On this 25th day of April, 2017, the foregoing document was filed with Docket Control as a Utilities Division Memorandum & Proposed Order, 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. William F. Linsmeier
TCO Network, Inc.
13400 Bishops Lane
Suite 295
Brookfield, Wisconsin 53005

Mr. Matt W. Dean
12316 Hidden Forest Boulevard
Oklahoma City, Oklahoma 73142

Mr. Andy Kvesic
Director/Chief Counsel, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
Legaldiv@azcc.gov
Utildivservicebyemail@azcc.gov
Consented to Service by Email

By:



Nanisha Ross
Administrative Support Specialist

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BEFORE THE ARIZONA CORPORATION COMMISSION

TOM FORESE
Chairman
BOB BURNS
Commissioner
DOUG LITTLE
Commissioner
ANDY TOBIN
Commissioner
BOYD DUNN
Commissioner

IN THE MATTER OF THE APPLICATION)
OF TCO NETWORK, INC. APPLICATION)
FOR APPROVAL FOR RESCISSION OF)
BOND IN ARIZONA CORPORATION)
COMMISSION DECISION NO. 73133)

DOCKET NO. T-20552A-17-0067
DECISION NO. _____
ORDER

Open Meeting
May 9 and 10, 2017
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On March 7, 2017, TCO Network, Inc. ("TCO" or "Applicant" or "Company") submitted an Application requesting elimination of the bond or letter of credit requirement contained in Decision No. 73133.

Background

2. In Docket No. T-20552A-07-0537, on February 21, 2012, TCO filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide telecommunications service in the State of Arizona. On January 12, 2012, Staff filed its Report in the Docket recommending TCO procure either a performance bond or an irrevocable sight draft letter of credit ("ISDLOC") equal to \$25,000, file proof of such, and deliver the original to the Commission's Business Office. In response to the recommendation in the Staff Report, on February 21, 2012, TCO filed proof that it had obtained a bond in the amount of \$25,000 and had delivered the original to the Commission's Business Office. In Decision No. 73133, dated May 1, 2012, TCO was ordered to keep the bond on file in effect until further order of the Commission.

1 3. Staff has confirmed the Utilities Division is in possession of an original bond, with the
2 named Principal as TCO Network, Inc., in the amount of \$25,000 dated January 30, 2012 and naming
3 the Commission as the Trustee.

4 **Compliance**

5 4. According to the Corporations Division, TCO is in good standing. The Compliance
6 Section of the Utilities Division reports that TCO is currently in compliance. The Consumer Services
7 Section of the Utilities Division reports there were no complaints or opinions about TCO between
8 January 1, 2014 and March 17, 2017. TCO filed its 2015 Utilities Annual Report on April 11, 2016.

9 **Staff Recommendations**

10 5. The Commission has, in appropriate circumstances, relieved telecommunications
11 providers of the obligation to maintain a performance bond or ISDLOC. Staff recommends TCO be
12 relieved of the \$25,000 performance bond or ISDLOC obligation contained in Decision No. 73133.

13 6. The Applicant states that in order to release the bond, it is sufficient for the
14 Commission to include in an ordering paragraph language authorizing the Applicant to cancel, rescind,
15 discontinue and be released from the performance bond or ISDLOC requirements set by Decision
16 No. 73133 and authorizing cancellation of the bond effective with the date of the Order issued in this
17 case.

18 7. TCO requested that the bond documentation should be returned to the following
19 name and address:

 Mr. William F. Linsmeier
 TCO Network, Inc.
 13400 Bishops Lane
 Suite 295
 Brookfield, WI 53005

24 CONCLUSIONS OF LAW

25 1. TCO Network, Inc. is a public service corporation within the meaning of Article XV
26 of the Arizona Constitution.

27 2. The Commission has jurisdiction over TCO Network, Inc. and the subject matter in
28 this filing.

1 3. The Commission, having reviewed the filing and Staff's Memorandum dated April 25,
2 2017, concludes that it is in the public interest to approve TCO Network, Inc.'s Application as
3 proposed and discussed herein.

4 ORDER

5 IT IS THEREFORE ORDERED that the Application of TCO Network, Inc. to terminate
6 the performance bond requirements contained in Decision No. 73133 be and hereby is approved.

7 IT IS FURTHER ORDERED that TCO Network, Inc. may cancel, rescind, discontinue and
8 be released from any performance bond, irrevocable sight draft letter of credit or other instrument
9 obtained in compliance with the \$25,000 performance bond or irrevocable sight draft letter of credit
10 requirements set by Decision No. 73133.

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1 IT IS FURTHER ORDERED that the bond documentation on file with the Commission on
 2 behalf of TCO Network, Inc. be returned to the following name and address provided by the
 3 Applicant:

4 Mr. William F. Linsmeier
 5 TCO Network, Inc.
 6 13400 Bishops Lane
 7 Suite 295
 8 Brookfield, WI 53005

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

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

11
 12 CHAIRMAN

COMMISSIONER

13
 14 COMMISSIONER

COMMISSIONER

COMMISSIONER

15
 16 IN WITNESS WHEREOF, I, TED VOGT, Executive
 17 Director of the Arizona Corporation Commission, have
 18 hereunto, set my hand and caused the official seal of this
 Commission to be affixed at the Capitol, in the City of
 Phoenix, this _____ day of _____, 2017.

19
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 21 _____
 TED VOGT
 EXECUTIVE DIRECTOR

22
 23 DISSENT: _____

24 DISSENT: _____

25 EOA:MAC:nr\CHH

1 SERVICE LIST FOR: TCO NETWORK, INC
2 DOCKET NO. T-20552A-17-0067

3 Mr. William F. Linsmeier
4 TCO Network, Inc.
5 13400 Bishops Lane
6 Suite 295
7 Brookfield, Wisconsin 53005

8 Mr. Matt W. Dean
9 12316 Hidden Forest Boulevard
10 Oklahoma City, Oklahoma 73142

11 Mr. Andy Kvesic
12 Director/Chief Counsel, Legal Division
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007
16 Legaldiv@azcc.gov
17 Utildivservicebyemail@azcc.gov
18 **Consented to Service by Email**

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