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LETTER OF DEFICIENCY

Mr. Jeffrey W. Crockett, Esq.
SNELL & WILMER
One Arizona Center
Phoenix, Arizona 85004-2202

Arizona Corporation Commission

DOCKETED

APR 11 2003



RE: COPPER VALLEY TELEPHONE COMPANY – APPLICATION TO EXTEND ITS
CERTIFICATE OF CONVENIENCE AND NECESSITY IN COCHISE COUNTY
(DOCKET NO. T-02727A-03-0161)

Dear Mr. Crockett:

In reference to your application received on March 17, 2003, this letter is to inform you that your application has not met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-502.

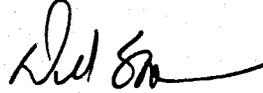
Staff has found several deficiencies with your application, which are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the Company corrects the deficiencies and Docket Control receives an original and sixteen copies of the corrected application.

You have 60 calendar days, or until June 10, 2003, to correct the deficiencies, or make other arrangements with Staff to remedy your application for a CC&N amendment. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

Mr. Jeffrey W. Crockett, Esq.
April 11, 2003
Page 2

I am the Staff person assigned to your case. I can be reached at (602) 542-7277 if you have any questions or concerns.

Sincerely,



Del Smith
Utilities Engineer Supervisor
Utilities Division

DWS:lhbm

Enclosure

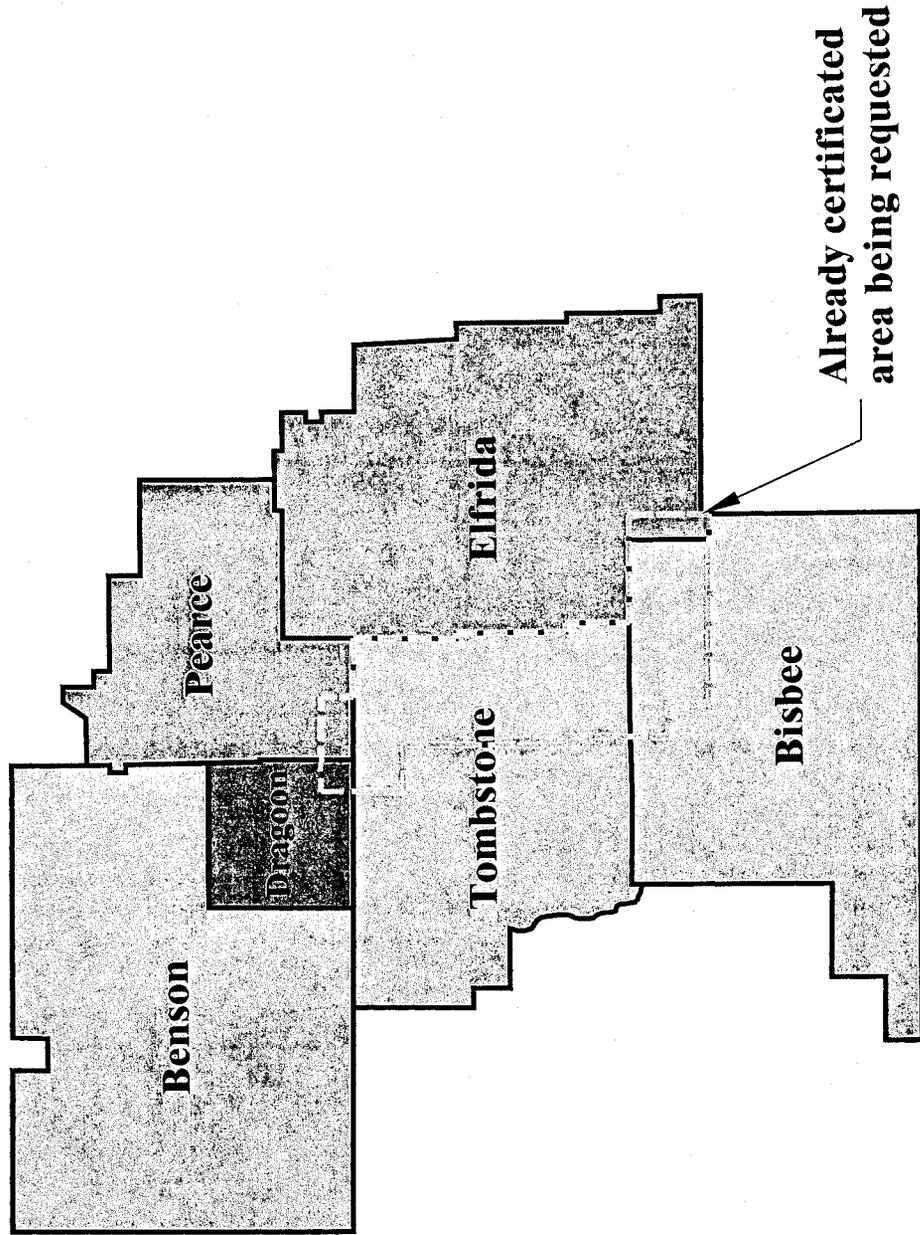
cc: Docket Control Center (sixteen copies)
Ms. Lyn Farmer, Hearing Division
Mr. David Ronald, Legal Division
Ms. Judy D. Bruns, Copper Valley Telephone Company

DEFICIENCY ATTACHMENT

1. The extension area, as filed, overlaps Qwest's service area. Applicant requests that the overlap area be deleted from Qwest's service area maps. According to the Application, Copper Valley has provided Qwest with a copy of its filing. Please summarize any discussions, verbal or otherwise, that have taken place between the two companies regarding this matter. Please provide Staff with copies of all written communications regarding this matter. Please describe any agreement, formal or informal, that has been reached between the two companies regarding this matter.
2. There are several discrepancies between the requested service area depicted in Attachments I and J, and the Application narrative (see attached map).
 - The requested extension area includes sections that are within the certificated service area of Midvale Telephone Exchange. The Application narrative is silent with regards to this overlap and lists no requests for service in this area.
 - The requested extension area includes sections that are within the Bisbee Exchange of Qwest's service area. The Application narrative is silent with regards to this overlap and lists no requests for service in this area.
 - The requested extension area includes sections that are within the certificated area of Valley Telephone Cooperative. The Application narrative is silent with regards to this overlap and lists no requests for service in this area.
 - The narrative includes names and locations of individuals that have requested service. However, two of the locations given are not within the requested extension area.
 - The narrative includes requests for service in an area that covers approximately ten square miles (individual locations in ten different sections) within Qwest's service area. The requested extension area includes approximately 172 square miles of Qwest's service area. Although the requested extension area includes approximately 172 square miles of Qwest's service area, the narrative simply states that to the best of Applicant's knowledge Qwest has no facilities and no customers within the requested extension area. The Application is silent regarding the reason for requesting this area absent requests for service from anyone located in most of the area.

- According to the narrative, Applicant has facilities in the vicinity of each of the persons requesting service. Several of the individuals listed are located in Qwest's service area seven to eight miles from Applicant's existing service area boundary. The Application is silent as to how the Company could construct facilities more economically than Qwest to serve these individuals.
3. Other discrepancies in the Application.
 - The 642 Exchange boundary on the map in Attachment I is incorrectly drawn. The requested extension area depicted on the map includes seven and one-half sections that are already within the certificated area of the Applicant.
 4. Has Applicant had any discussions with Qwest regarding service to High Lonesome Ranch Estates? Please provide Staff with copies of all written communications between the Applicant and Qwest regarding this matter.
 5. According to the narrative, Applicant has facilities in the vicinity of each of the persons requesting service. Please provide maps showing the location of these facilities relative to the location of each person requesting service?
 6. Please provide Copper Valley's estimated cost to extend its facilities to serve each person requesting service. Provide the construction charge, if any, which would apply to each person listed in the Application that is requesting service.
 7. The narrative states "upon information and belief, Qwest has no telecommunications facilities and no customers within the extension area." Please describe to what extent the Applicant has surveyed the extension area to verify this statement.
 8. Does Applicant's Elfrida (642) Exchange share the same local calling area as the exchanges of Qwest, Midvale Telephone and Valley Telephone that currently include portions of the requested extension area?
 9. It is unclear in the Application whether Copper Valley has a firm source of financing should its Application for a CC&N expansion be approved. Please provide documentation from RUS indicating that funds are available upon approval of the Company's application.
 10. The Application does not include pertinent information in support of Applicant's ability to provide service in the requested sections such as 1) listing of required franchises/permits and projected dates for approval, 2) project timeline and dates by which the company commits to making service available, and 3) results of preliminary engineering and descriptions of the plant to be placed.

11. An estimate of annual operating revenues and expenses that are expected to accrue from the proposed construction are not included.
12. The narrative states that "Qwest does not have the ability to provide as high a level of telecommunications services as that which would be provided by Copper Valley. Please explain in detail the basis for this statement.
13. According to Applicant, Qwest has reportedly advised persons requesting service in the extension area that there could be significant delays in provisioning service, the narrative states that it is not economically feasible for these potential customers to obtain telephone service from Qwest. Does Applicant believe that Qwest has violated any rate, term or condition contained in its tariff? If so, please site the specifics of each violation. Please explain why Applicant believes Qwest has acted inappropriately.
14. According to Applicant it is ". . . ready, willing and able to provide telephone service to customers within the extension area." Does Applicant believe that Qwest is not ready, willing and able to provide telephone service to customers within the extension area? Please explain.
15. There is a typographical error in the legal description that needs to be corrected. On Page 2, fifth paragraph, it says "Thence West along the North line of Sections 13, 14 . . ." it should be "along the South line . . .".



QWEST COMMUNICATIONS, INC.

VALLEY TELEPHONE COOPERATIVE, INC.

COPPER VALLEY TELEPHONE, INC.

MIDVALE TELEPHONE EXCHANGE, INC.

COPPER VALLEY REQUESTED EXTENSION AREA