

ORIGINAL

KATZ, KUTTER, HAIGLER, ALDERMAN, BRY  
PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS AT LAW  
www.katzlaw.com



Orlando Office  
Suite 900  
111 North Orange Avenue  
ORLANDO, FL 32801  
(407) 841-7100  
fax (407) 648-0660

Tallahassee Office  
12<sup>th</sup> Floor  
106 East College Avenue  
TALLAHASSEE, FL 32301  
(850) 224-9834  
fax (850) 222-0103

Miami Office  
Suite 409  
2999 NE 191<sup>st</sup> Street  
AVENTURA, FL 33180  
(305) 932-0996  
fax (305) 932-0972

Washington, DC Office  
Suite 750  
801 Pennsylvania Avenue, NW  
WASHINGTON, D.C. 20004  
(202) 393-1132  
fax (202) 624-0659

Respond to Tallahassee

June 1, 2001

VIA FEDERAL EXPRESS

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

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2001 JUN -4 P 12:16  
AZ CORP COMMISSION  
DOCUMENT CONTROL

Re: Docket No. T-02764A-94-0140 – In the Matter of the Application of Buehner-Fry, Inc. d/b/a Resort Operator Services for a Certificate of Convenience and Necessity to Provide Competitive Intrastate Telecommunications Services

Dear Docket Control Center:

Enclosed for filing are the original and ten (10) copies of Buehner-Fry, Inc. d/b/a Resort Operator Services' Fair Value Rate Base Information.

Please acknowledge receipt of this transmittal by returning a date-stamped copy of the enclosed cover letter duplicate in the return envelope provided for that purpose.

Please contact me if you have any questions. Thank you for your assistance in this matter.

Sincerely,

Charles J. Pellegrini

CJP:plk  
Enclosures  
cc: Mr. Pat Williams, Compliance

Arizona Corporation Commission  
DOCKETED

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE  
APPLICATION OF BUEHNER-FRY,  
INC. D/B/A RESORT OPERATOR  
SERVICES FOR A CERTIFICATE OF  
CONVENIENCE AND NECESSITY TO  
PROVIDE COMPETITIVE RESOLD  
INTRASTATE  
TELECOMMUNICATIONS SERVICES

DOCKET NO. T-02764A-94-0140

FAIR VALUE RATE BASE INFORMATION

COMES NOW Buehner-Fry, Inc. d/b/a Resort Operator Services ("Buehner-Fry"), through counsel, and, pursuant to order, files its Fair Value Rate Base Information, stating in support thereof the following.

1. On May 5, 1994, Buehner-Fry filed an Application for a Certificate of Convenience and Necessity ("Application") to provide competitive resold intrastate telecommunications services within the State of Arizona.
2. On August 29, 2000, the Court of Appeals, Division One, issued its Opinion in Cause No. 1 CA-CV 98-0672, in which it determined that pursuant to the Arizona constitution the Commission must determine the fair value rate base ("FVRB") of all public service corporations in Arizona prior to setting their rates and charges.
3. On September 12, 2000, Staff, Utilities Division, filed a Staff Report in this proceeding over the signature of Deborah R. Scott, Director. The Staff Report recommended that the Application be approved without a hearing pursuant to A.R.S. § 40-281 and that Buehner-Fry be required to file its tariff within 30 days of an order in this matter.
4. On October 3, 2000, the Commission issued a Procedural Order in this proceeding, in which it ordered Buehner-Fry to file its proposed FVRB and other related information by November 3, 2000.

5. On October 23, 2000, Buehner-Fry filed a Motion for Extension of Time until February 5, 2001, to file its proposed FVRB. The Commission granted Buehner-Fry an extension until February 7, 2001, in a Procedural Order, issued October 26, 2000.

6. On February 2, 2001, Buehner-Fry filed its revised tariff and price list, together with a Petition to Classify Tariffed Rates as Interim Rates. On March 9, 2001, Staff filed Staff's Fair Value Rate Base Comments ("Staff's Comments") in this matter, over the signature of Janet Wagner, in which it recommended that Buehner-Fry's proposed tariffs be approved on an interim basis and that Buehner-Fry be required to submit FVRB information within eighteen months of first providing service, consisting of, at minimum, total revenue for the first twelve months reflecting maximum rates, actual operating expenses for the same period, and the value of all assets used in the same period for providing telecommunications services to Arizona customers.

7. On March 30, 2001, the Commission issued Decision No. 63543, in which it granted Buehner-Fry's Application, while requiring Buehner-Fry to file FVRB information as recommended in the Staff's Comments and to file its tariffs within 30 days of the order.

8. On May 15, 2001, Buehner Fry, pursuant to order, advised the Commission that it is currently providing telecommunications services in Arizona and on May 16, 2001, Buehner-Fry concurred with Compliance Staff, Pat Williams, that for purposes of filing FVRB information, Buehner-Fry's service in Arizona would be deemed to have started on February 10, 2000.

9. On May 22, 2001, Buehner-Fry, pursuant to order, filed its tariff and price list.

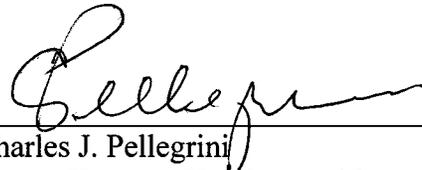
10. Buehner-Fry hereby submits that the "dollar amount representing the total revenue for the first twelve months of telecommunications service provided to Arizona customers by Buehner-Fry Inc. d/b/a Resort Operator Services following certification, adjusted to reflect the maximum rates Buehner-Fry Inc. d/b/a Resort Operator Services requests in its tariff" is \$14,733.83.

11. Buehner-Fry hereby submits that the "total actual operating expenses for the first twelve months of telecommunications service provided to Arizona customers by Buehner-Fry Inc. d/b/a Resort Operator Services following certification" are \$8,782.84.

12. Buehner-Fry hereby submits that, since it has no plant, equipment, office supplies, or any other property physically in Arizona, it has derived by imputation that "a description and value of all assets, including plant, equipment, and office supplies, to be used to provide telecommunications service provided to Arizona customers for the first twelve months following Buehner-Fry Inc. d/b/a Resort Operator Services' certification" is \$1,741.00.

WHEREFORE, Buehner-Fry, Inc. d/b/a Resort Operator Services respectfully submits the foregoing FVRB information in accordance with the Third Ordering Paragraph of Commission Decision No. 63543.

Submitted this 1<sup>st</sup> day of June, 2001.



Charles J. Pellegrini  
Katz, Kutter, Haigler, Alderman,  
Bryant & Yon, P.A.  
106 East College Street, 12<sup>th</sup> Floor  
Tallahassee, Florida 32301  
Telephone: 850 224 9634  
Facsimile: 850 224 0402  
email: [cjpellegrini@katzlaw.com](mailto:cjpellegrini@katzlaw.com)

Attorney for Buehner-Fry, Inc. d/b/a  
Resort Operator Services