



0000012129

ORIGINAL

RECEIVED

BEFORE THE ARIZONA CORPORATION COMMISSION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

2000 NOV 28 P 3: 38

CARL J. KUNASEK

Chairman

JIM IRVIN

Commissioner

WILLIAM A. MUNDELL

Commissioner

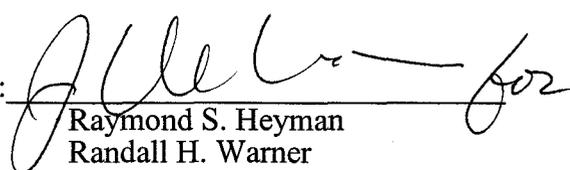
AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF US) DOCKET NO. T-01051B-99-0105
WEST COMMUNICATIONS, INC., A)
COLORADO CORPORATION, FOR A HEARING) **ARIZONA PAYPHONE**
TO DETERMINE THE EARNINGS OF THE) **ASSOCIATION'S NOTICE OF**
COMPANY, THE FAIR VALUE OF THE) **TESTIMONY**
COMPANY FOR RATEMAKING PURPOSES, TO)
FIX A JUST AND REASONABLE RATE OF)
RETURN THEREON AND TO APPROVE RATE)
SCHEDULES)

The Arizona Payphone Association ("APA"), through undersigned counsel, hereby provides notice that on this day it has filed the Testimony of Gary Joseph in the docket captioned above.

RESPECTFULLY SUBMITTED this 28th day of November, 2000.

ROSKA HEYMAN & DEWULF, PLC

By: 
Raymond S. Heyman
Randall H. Warner
Two Arizona Center
400 North 5th Street, Suite 1000
Phoenix, Arizona 85004

Attorneys for Arizona Payphone Association

1 **Original of the foregoing filed**
2 **this 28th day of November, 2000, with:**

3 Docket Control
4 Arizona Corporation Commission
5 1200 W. Washington Street
6 Phoenix, AZ 85007-2669

7 **Copy of the foregoing hand-delivered**
8 **this 28th day of November, 2000, to:**

9 Jane Rodda, Hearing Officer
10 Arizona Corporation Commission
11 1200 W. Washington Street
12 Phoenix, AZ 85007-2669

13 Lyn Farmer
14 Legal Division
15 Arizona Corporation Commission
16 1200 W. Washington Street
17 Phoenix, AZ 85007-2669

18 Deborah Scott, Director
19 Utilities Division
20 Arizona Corporation Commission
21 1200 W. Washington Street
22 Phoenix, AZ 85007-2669

23 **Copy of the foregoing mailed**
24 **this 28th day of November, 2000, to:**

Craig Marks, Esq.
Citizens Utilities Company
2901 N. Central Avenue,
Suite 1660
Phoenix, AZ 85012

Timothy Berg, Esq.
Fennemore Craig, P.C.
3003 N. Central Avenue,
Suite 2600
Phoenix, AZ 85012-2913

Steven J. Duffy, Esq.
Ridge & Isaacson, P.C.
3101 N. Central Avenue,
Suite 432
Phoenix, AZ 85012

Darren S. Weingard, Esq.
Natalie D. Wales, Esq.
Sprint Communications Company, L.P.
1850 Gateway Drive, 7th Floor
San Mateo, CA 94404-2467

Thomas F. Dixon
MCI WorldCom, Inc.
707 17th Street,
Suite 3900
Denver, CO 80202

Richard Lee
Snavelly, King & Majoros
O'Connor & Lee, Inc.
1220 L Street, N.W.,
Suite 410
Washington, D.C. 20005

ROSHKA HEYMAN & DEWULF

TWO ARIZONA CENTER
400 NORTH 5TH STREET - SUITE 1000
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Jim Scheltema
Blumenfeld & Cohen
2 1625 Massachusetts Avenue, N.W.,
Suite 300
3 Washington, D.C. 20036
4 Albert Sterman
Arizona Consumers Council
2849 E. 8th Street
5 Tucson, AZ 85716
6 Martin A. Aronson, Esq.
William D. Cleaveland, Esq.
7 Morrill & Aronson, P.L.C.
One E. Camelback Road,
8 Suite 340
Phoenix, AZ 85012-1648
9 J.E. & B.V. McGillivray
300 S. McCormick
10 Prescott, AZ 86303
11 Scott S. Wakefield, Esq.
RUCO
12 2828 N. Central Avenue,
Suite 1200
13 Phoenix, AZ 85004-1022
14 Peter Q. Nyce, Esq.
Regulatory Law Office
U.S. Army Legal Services Agency
15 Dept. of the Army
901 N. Stuart Street,
16 Suite 700
Arlington, VA 22203-1837
17 Douglas Hsiao
Rhythm Links, Inc.
18 6933 Revere Parkway
Englewood, CO 80112
19 Diane Bacon, Legislative Director
Communications Workers of America
20 District 7 AFL-CIO, CLC
21 5818 N. 7th Street,
Suite 206
22 Phoenix, AZ 85014-5811
23
24

Jeffrey W. Crockett, Esq.
Snell & Wilmer, LLP
400 E. Van Buren Street, 19th Floor
Phoenix, AZ 85004-0001

Thomas H. Campbell, Esq.
Lewis and Roca
40 N. Central Avenue
Phoenix, AZ 85004-4429

Chuck Turner, Mayor
Town of Gila Bend
P.O. Box A
Gila Bend, AZ 85337-0019

Richard S. Wolters, Esq.
AT&T Communications of the Mountain State,
Inc.
1875 Lawrence Street
Room 1575, 15th Floor
Denver, CO 80202

Mark J. Trierweiler
Assistant Vice President
AT&T
111 W. Monroe Street,
Suite 1201
Phoenix, AZ 85003

Joan S. Burke, Esq.
Osborn Maledon, P.A.
2929 N. Central Avenue
Suite 2100
Phoenix, AZ 85012

Mark N. Rogers
Excell Agent Services, L.L.C.
2175 W. 14th Street
Tempe, AZ 85281

Jon Poston
6733 E. Dale Lane
Cave Creek, AZ 85331

Michael W. Patten, Esq.
Brown & Bain, P.A.
2901 N. Central Avenue,
Suite 2000
Phoenix, AZ 85001-0400



BEFORE THE ARIZONA CORPORATION COMMISSION

CARL J. KUNASEK

Chairman

JIM IRVIN

Commissioner

WILLIAM A. MUNDELL

Commissioner

IN THE MATTER OF THE APPLICATION OF US) DOCKET NO. T-01051B-99-0105
WEST COMMUNICATIONS, INC., A)
COLORADO CORPORATION, FOR A HEARING)
TO DETERMINE THE EARNINGS OF THE)
COMPANY, THE FAIR VALUE OF THE)
COMPANY FOR RATEMAKING PURPOSES, TO)
FIX A JUST AND REASONABLE RATE OF)
RETURN THEREON AND TO APPROVE RATE)
SCHEDULES)

**TESTIMONY OF GARY JOSEPH
PRESIDENT
OF THE
ARIZONA PAYPHONE ASSOCIATION**

Q. PLEASE STATE YOUR NAME AND POSITION WITH THE ARIZONA PAYPHONE ASSOCIATION.

A. My name is Gary Joseph. I am President of the Arizona Payphone Association.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE COMMISSION?

A. Yes. I have testified before the Commission on behalf of the APA on several occasions.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS DOCKET?

A. I want to inform the Commission that APA and QWEST have reached a settlement in this case that allows the APA to support the Commission's approval of the Settlement Agreement that was filed in this docket by the Commission Staff and QWEST on October 20, 2000 ("Settlement Agreement"). Accordingly, the APA is requesting that the Commission approve the Settlement Agreement.

Q. WHAT ARE THE PAL RATE LEVELS THAT THE APA AND QWEST HAVE AGREED TO?

A. Contingent upon the Commission approving the Settlement Agreement and for the time of the initial term of the Rate Proceeding Moratorium Period (as defined in the Settlement Agreement), the following PAL rates will be in effect:

Basic Flat PAL: The rate set for QWEST's Flat Business Line (1 FB) which is currently set at \$32.78

Basic Measured PAL: A monthly charge of \$15.35, plus (a) a measured usage charge of .05¢ for the first minute and .015¢ for each additional minute subject to time of

day discounts of 35% in the evening and 60% for nights and weekends; or, (b) a message-usage rate of .08¢ per call, subject to the same time of day discounts.

Additionally, the APA and QWEST have agreed to resolve the pending appeal of the Commission's Decision No. 61304, which involved PAL rates.

Q. WHY DOES THE APA SUPPORT THE SETTLEMENT AGREEMENT?

A. The APA's main concern in this docket has been and continues to be that the public access line ("PAL") rates that QWEST charges to customers in Arizona be just and reasonable. As we have seen in Arizona as well as other state and federal venues across the country, there is substantial debate, at this time, as to the criteria that should be applied to determine whether PAL rates are just and reasonable. The APA and QWEST have had many discussions about what PAL rate levels would be acceptable to both parties at this time. While the rate levels that have been agreed to are a compromise for both parties, we have agreed that, within the context of the Settlement Agreement's Price Cap Plan they are acceptable for the initial term of the Rate Proceeding Moratorium Period. We believe that it is in the best interests of the APA's members and QWEST to put these rates in place for this time period while other proceedings in other jurisdictions continue to refine the applicable criteria. Of course, both the APA and QWEST are reserving their rights to request a modification of the PAL rates and ancillary services after the initial term of the Rate Proceeding Moratorium Period.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.