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Arizona Corporation Commission  
BEFORE THE ARIZONA CORPORATION COMMISSION  
**DOCKETED**

MAR 30 2001

2 WILLIAM A. MUNDELL  
CHAIRMAN  
3 JIM IRVIN  
COMMISSIONER  
4 MARC SPITZER  
COMMISSIONER  
5

DOCKETED BY *sd*

6 IN THE MATTER OF THE APPLICATION OF LA  
VACA, INC. D/B/A PIRTVILLE GROCERY  
7 FOR A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE CUSTOMER-OWNED  
8 PAY TELEPHONE SERVICE IN THE STATE OF  
ARIZONA.

DOCKET NO. T-03930A-00-0697

DECISION NO. 63519

**ORDER**

9 Open Meeting  
10 March 27 and 28, 2001  
Phoenix, Arizona

11 **BY THE COMMISSION:**

12 Having considered the entire record herein and being fully advised in the premises, the  
13 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

14 **FINDINGS OF FACT**

15 1. On September 14, 2000, Vaca, Inc. d/b/a Pirtleville Grocery ("Applicant") filed with  
16 the Commission an application for a Certificate of Convenience and Necessity ("Certificate") to  
17 provide customer-owned pay telephone ("COPT") service in the State of Arizona.

18 2. In Decision No. 55817 (December 10, 1987), the Commission found that COPT  
19 providers were public service corporations subject to the jurisdiction of the Commission.

20 3. Decision No. 57797 (April 8, 1992) adopted A.A.C. R14-2-901 through R14-2-909 to  
21 regulate COPT providers.

22 4. Decision No. 58535 (February 14, 1994) adopted a Generic Tariff that establishes  
23 rates and minimum service standards applicable to COPT service.

24 5. Pursuant to A.R.S. § 40-282, the Commission may issue Decisions regarding COPT  
25 Certificates without a hearing.

26 6. Applicant has requested that a Certificate be granted and has indicated that it will  
27 provide COPT service pursuant to the rates, terms and conditions specified in the Generic COPT  
28 Tariff.

1 7. Applicant is an Arizona corporation authorized to do business in Arizona since 1999.

2 8. Applicant does not currently provide COPT services in Arizona.

3 9. Applicant plans to provide end-users with 0+, 1+, local, calling card, long distance  
4 service, and operator-assisted calls. A minimum of three-minute time limit will be allowed on local  
5 calls.

6 10. On August 29, 2000, the Court of Appeals, Division One ("Court") issued its Opinion  
7 in US WEST Communications, Inc. v. Arizona Corporation Commission, 1 CA-CV 98-0672, holding  
8 that "the Arizona Constitution requires the Commission to determine fair value rate base ("FVRB")  
9 for all public service corporations in Arizona prior to setting their rates and charges."

10 11. On October 26, 2000, the Commission filed a Petition for Review to the Arizona  
11 Supreme Court. On February 13, 2001, the Commission's Petition was granted. However, at this  
12 time, we are going to request FVRB information to insure compliance with the Constitution should  
13 the ultimate decision of the Supreme Court affirm the Court's interpretation of Section 14. We are  
14 also concerned that the cost and complexity of FVRB determinations must not offend the  
15 Telecommunications Act of 1996.

16 12. On September 22, 2000, the Commission's Utilities Division Staff ("Staff") filed a  
17 Staff Report, recommending approval of the application without a hearing.

18 13. Staff recommended that the Commission order Applicant to file a copy of its customer  
19 information placard, in compliance with the Generic Tariff.

#### 20 CONCLUSIONS OF LAW

21 1. Applicant is a public service corporation within the meaning of Article XV of the  
22 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

23 2. The Commission has jurisdiction over Applicant and the subject matter of the  
24 application.

25 3. The provision of COPT service in Arizona by Applicant is in the public interest.

26 4. Applicant is a fit and proper entity to receive a Certificate for providing COPT service  
27 in Arizona.

28 5. Staff's recommendations in Findings of Fact No. 12 and 13 are reasonable and should

1 be adopted.

2 **ORDER**

3 IT IS THEREFORE ORDERED that the application of Vaca, Inc. d/b/a Pirtleville Grocery for  
4 a Certificate of Convenience and Necessity to provide customer-owned pay telephone service shall  
5 be, and is hereby, approved, conditioned upon Vaca, Inc. d/b/a Pirtleville Grocery filing a customer  
6 information placard approved by the Director of the Utilities Division for compliance with the  
7 requirements of the Generic COPT Tariff within 60 days of the effective date of this Decision.

8 IT IS FURTHER ORDERED that Vaca, Inc. d/b/a Pirtleville Grocery shall comply with the  
9 terms of the Generic COPT Tariff, unless otherwise ordered by the Commission.

10 IT IS FURTHER ORDERED that Vaca, Inc. d/b/a Pirtleville Grocery shall file the following  
11 FVRB information within 18 months of the date that it first provides service. The FVRB shall  
12 include a dollar amount representing the total revenue for the first twelve months of  
13 telecommunications service provided to Arizona customers by Vaca, Inc. d/b/a Pirtleville Grocery  
14 following certification, adjusted to reflect the maximum rates that Vaca, Inc. d/b/a Pirtleville Grocery  
15 requests in its tariff. This adjusted total revenue figure could be calculated as the number of units  
16 sold for all services offered times the maximum charge per unit. Vaca, Inc. d/b/a Pirtleville Grocery  
17 shall also file FVRB information detailing the total actual operating expenses for the first twelve  
18 months of telecommunications service provided to Arizona customers by Vaca, Inc. d/b/a Pirtleville  
19 Grocery following certification. Vaca, Inc. d/b/a Pirtleville Grocery shall also file FVRB information  
20 which includes a description and value of all assets, including plant, equipment, and office supplies to  
21 be used to provide telecommunications service to Arizona customers for the first twelve months  
22 following Vaca, Inc. d/b/a Pirtleville Grocery's certification.

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IT IS FURTHER ORDERED that within 90 days of the effective date of this Decision, Vaca, Inc. d/b/a Pirtleville Grocery shall notify the Compliance Section of the Arizona Corporation Commission of the date that it will begin or has begun providing service to Arizona customers.

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

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.



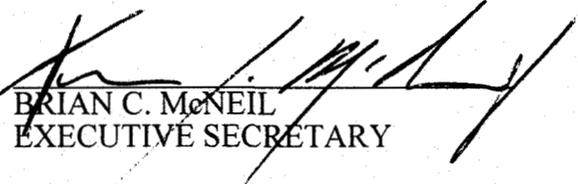
CHAIRMAN



COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 30<sup>th</sup> day of March 2001.

  
BRIAN C. McNEIL  
EXECUTIVE SECRETARY

DISSENT \_\_\_\_\_  
AG:dap

1 SERVICE LIST FOR: VACA, INC. D/B/A PIRTLEVILE GROCERY

2 DOCKET NO. T-03930A-00-0697

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