

**ORIGINAL**



0000019115

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**RECEIVED**

57

**JEFF HATCH-MILLER  
CHAIRMAN  
WILLIAM A. MUNDELL  
COMMISSIONER  
MARC SPITZER  
COMMISSIONER  
MIKE GLEASON  
COMMISSIONER  
KRISTIN K. MAYES  
COMMISSIONER**

2005 APR 25 P 4: 46

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE  
INVESTIGATION INTO PREFERRED  
CARRIER ARRANGEMENTS AND  
OTHER POTENTIALLY ANTI-  
COMPETITIVE PRACTICES INVOLVING  
SERVICE TO RESIDENTIAL OR  
BUSINESS DEVELOPMENTS

DOCKET NO. T-00000K-04-0927

**NOTICE OF FILING**

The Arizona Corporation Commission Staff ("Staff") hereby files a copy of its First Set of Data Requests and the Responses received thereto in the above-captioned matter.

RESPECTFULLY SUBMITTED this 25<sup>th</sup> day of April, 2005.

By:

Maureen Scott  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-6022

The original and thirteen (13) copies of the foregoing Notice and Attachments were filed this 25<sup>th</sup> day of April, 2005 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Arizona Corporation Commission  
**DOCKETED**

APR 25 2005

DOCKETED BY

1 A copy of the foregoing Notice without Attachments  
2 was mailed/hand-delivered this 26<sup>th</sup> day of April,  
3 2005 to:

4 Curt Huttzell  
5 Navajo Communications Company  
6 4 Triad Center, Suite 200  
7 Salt Lake City, UT 84180

8 James F. Booth  
9 OnFiber Carrier Services, Inc.  
10 7887 E. Belevue Avenue, Suite 820  
11 Englewood, CO 8002

12 Thomas Bade  
13 Arizona Dialtone  
14 7170 Oakland Street  
15 Chandler, AZ 85226

16 Letty Friesen  
17 AT&T Communications of the Mountain States  
18 TCG Phoenix, Inc.  
19 1875 Lawrence Street  
20 Suite 1503  
21 Denver, CO 80202-1870

22 Curt Huttzell  
23 Citizens Telecommunications of Arizona, LLC  
24 4 Triad Center  
25 Suite 200  
26 Salt Lake City, UT 84180

27 Anthony Gillman  
28 Verizon Select Services, Inc.  
6665 N. MacArthur Blvd.  
HQB02D84  
Irving, TX 75039

James Falvey  
e.spire Communication Services, Inc.  
7125 Columbia Gate Drive  
Suite 200  
Columbia, MD 21046

Thomas Dixon  
MCI WorldCom Communications, Inc.  
707 17th Street #4200  
Denver, CO 80202

Karen S. Frame  
DIECA Communications, Inc.  
7901 Lowry Boulevard  
Denver, CO 80230

- 1 Jacqueline Manogian  
Mike Hazel  
2 Mountain Telecommunications, Inc.  
1430 Broadway Road, Suite A200  
3 Tempe, AZ 85282
- 4 Mark DiNunzio  
Cox Arizona Telecom, L.L.C.  
5 1550 W. Deer Valley Rd.  
MS:DV3-16, Bldg. C  
6 Phoenix, AZ 85027
- 7 Curt Huttzell  
Electric Lightwave, Inc.  
8 4 Triad Center  
Suite 200  
9 Salt Lake City, UT 84180
- 10 Todd Lesser  
North County Communications Corporation  
11 3802 Rosencrans  
Suite 485  
12 San Diego, CA 92110
- 13 Fred Goodwin  
SBC Telecom, Inc.  
14 1010 N. St. Mary's  
Room 13K  
15 San Antonio, TX 78125-2109
- 16 Norman Curtright  
Qwest Corporation  
17 4041 North Central Avenue  
11th Floor  
18 Phoenix, AZ 85012
- 19 Eric S. Heath, Esq.  
Sprint Communications Company, LP  
20 100 Spear Street  
Suite 930  
21 San Francisco, CA 94105
- 22 Kathy Hough  
Williams Local Network, LLC  
23 Williams Communications, LLC  
1 Technology Center, Mail Drop: TC-7B  
24 Tulsa, OK 74103
- 25 Manager of Regulatory Affairs  
ICG Telecom Group - AZ  
26 161 Inverness Drive West  
Englewood, CO 80112  
27  
28

1 Brenda Crosby  
2 Rio Virgin Telephone Company  
3 P.O. Box 189  
4 Estacada, OR 97023

4 Charles Gowder  
5 Accipiter Communications, Inc.  
6 2238 W. Lone Cactus Drive  
7 Suite 100  
8 Phoenix, AZ 85027

7 Manager of Regulatory Affairs  
8 McLeodUSA, Inc.  
9 6400 C. Street SW  
10 P.O. Box 3177  
11 Cedar Rapids, IA 52406-3177

10 Justin Laughlin  
11 Z-Tel Communications, Inc.  
12 601 S. Harbour Island Blvd.  
13 Suite 220  
14 Tampa, FL 33602

13 Brian Thomas  
14 Time Warner Telecom of Arizona, Inc.  
15 223 Taylor Avenue North  
16 Seattle, WA 98109

15 Rex Knowles  
16 XO Arizona, Inc.  
17 111 E. Broadway  
18 Suite 100  
19 Salt Lake City, UT 84111

18 Pam Moorehead  
19 CenturyTel of the Southwest, Inc.  
20 P.O. Box 4065  
21 Monroe, LA 71211-4065

21 Jesse (Jay) B. Tresler  
22 Verizon California  
23 112 S. Lakeview Canyon Road  
24 Thousand Oaks, CA 91362-3811

23 Mark McLemore  
24 South Central Utah Telephone Association, Inc.  
25 P.O. Box 226  
26 Escalante, UT 84726

26 Joseph Sanhri, Jr.  
27 Winstar Communications of Arizona, LLC  
28 1850 M Street, NW  
Suite 300  
Washington, DC 20036

1 Manager of Regulatory Affairs  
2 Pac-West Telecomm, Inc.  
3 4210 Coronado Avenue  
4 Stockton, CA 95204

5 James Falvey  
6 Xspedius Management Co. of Pima County, LLC  
7 Xspedius Management Co. Switched Services, LLC  
8 7125 Columbia Gateway Dr.  
9 Suite 200  
10 Columbia, MD 21046

11 William Hunt II  
12 Level 3 Communications, L.L.C.  
13 1025 Eldorado Blvd.  
14 Broomfield, CO 80021

15 Michael Morris  
16 XO Arizona, Inc. (Allegiance)  
17 505 Sansome Street  
18 20th Floor  
19 San Francisco, CA 94111

20 Rural Network Services, Inc.  
21 P.O. Box 217  
22 Midvale, Idaho 83645-0217

23 James Harlan  
24 XO Arizona, Inc./Allegiance  
25 9201 N. Central Expressway  
26 Dallas, TX 75231

27 Jeff Compton  
28 Telescape Communications, Inc.  
606 E. Huntington Drive  
Monrovia, CA 91016

Diane Reynolds  
Harold Oster  
Rio Virgin Telephone Company  
P.O. Box 299  
Mesquite, NV 89024-0299

Judy Burns  
Valley Connections, LLC  
752 E. Maley  
Wilcox, AZ 8564

Curt Huttzell  
Frontier Citizens Utilities Rural  
4 Triad Center  
Suite 200  
Salt Lake City, UT 84180

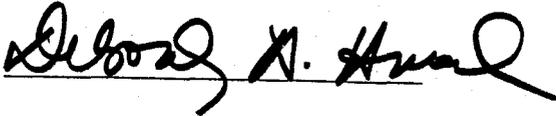
28

- 1     Manager of Regulatory Affairs  
Excel Telecommunications, Inc.  
1600 Viceroy Drive
- 2     Dallas, TX 75235
  
- 3     Karen Ellison  
Midvale Telephone Exchange, Inc.
- 4     P.O. Box 7  
Midvale, ID 83645
  
- 5     MCImetro Access Transmission Services, LLC
- 6     707 17th Street  
Suite 3900
- 7     Denver, CO 80202
  
- 8     Manager of Regulatory Affairs  
San Carlos Apache Telecommunication Utility, Inc.
- 9     P. O. Box 701  
Globe, AZ 85501-070
  
- 10    Manager of Regulatory Affairs
- 11    TDS Telecom
- 12    525 Junction Road  
Madison, WI 53717-215
  
- 13    Granite Telecommunications, LLC
- 14    234 Copeland Street  
Quincy, MA 02169
  
- 15    Michael Farmer  
First Mile Services, LLC
- 16    750 Liberty Drive  
Westfield, IN 46074
  
- 17    Manager of Regulatory Affairs
- 18    Southwestern Telephone Company, Inc.  
PO Box 5158
- 19    Madison, WI 53705-0158
  
- 20    Normal Descoteau  
Southwestern Bell Communications Services, Inc.
- 21    5850 W. Las Positas Blvd.  
Pleasanton, CA 94588
  
- 22    Virgil Barnard  
Valley Telephone Cooperative, Inc.  
Copper Valley Telephone, Inc.
- 23    752 E. Maley  
Wilcox, AZ 85642
  
- 24    John Hayes  
Table Top Telephone, Inc.
- 25    600 N. Second Avenue  
Ajo, AZ 85321
- 26
- 27
- 28

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Dennis D. Alhers  
Eschelon Telecom of Arizona, Inc.  
730 Second Avenue South, Suite 1200  
Minneapolis, MN 55402

Manager of Regulatory Affairs  
Cogent Communications of Arizona, Inc.  
1015 - 31<sup>st</sup> Street NW  
Washington DC 20007



BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER  
Chairman  
WILLIAM A. MUNDELL  
Commissioner  
JEFF HATCH-MILLER  
Commissioner  
MIKE GLEASON  
Commissioner  
KRISTEN K. MAYES  
Commissioner

RECEIVED

APR 19 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

IN THE MATTER OF THE )  
STAFF'S INVESTIGATION INTO )  
PREFERRED CARRIER ARRANGMENTS )

DOCKET NO. T-00000K-04-0927

AT&T'S RESPONSES TO STAFF'S  
FIRST SET OF DATA REQUESTS

RESPONSE

STF 1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

RESPONSE TO 1-1

AT&T objects to this data request on the ground that use of the term "preferred carrier agreements or other agreements" is vague and ambiguous and consequently overly broad potentially sweeping in contracts not necessary contemplated by this investigation. Subject to and without waiving its objections, AT&T states it has not entered into preferred carrier agreements in Arizona.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

RESPONSE TO 2-1

N/A.

STF 1-3 Does your company enter into marketing agreements with developers?

RESPONSE TO 1-3

AT&T has no such agreement in Arizona.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? . If your response is yes, please explain.

RESPONSE TO 1-4

N/A

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts r lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

RESPONSE TO 1-5

N/A

STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

RESPONSE TO 1-6

AT&T has no such agreement in Arizona.

STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

RESPONSE TO 1-7

N/A

STF 1-8 Do your marketing agreements include services other than telecommunication services?

RESPONSE TO 1-8

N/A

STF 1-9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

RESPONSE TO 1-9

N/A

STF 1-10 Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

RESPONSE TO 1-10

N/A

STF 1-11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

RESPONSE TO 1-11

Preferred Provider Agreements ("PPAs") permit telecommunications carrier to artificially restrict competition and the ability of tenants or others who reside or have a business at that particular location to use the services of other telecommunications carriers. PPAs can both be in the form of written agreements or "de-facto" such as when a property owner gives preferential treatment to or discriminates against a carrier. PPAs whether written or de-facto, are anti-competitive and are not in the public interest.

STF 1-12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

RESPONSE TO 1-12

N/A

STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

RESPONSE TO 1-13

N/A

STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

RESPONSE TO 1-14

AT&T's does not seek exclusionary or anti-competitive terms.

STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes?

RESPONSE TO 1-15

AT&T has not entered into such agreements in Arizona.

STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

RESPONSE TO 1-16

A PPA whether written or de-facto, allow the developer and the preferred telecommunications carrier to artificially restrict the ability of residence to reach other competitive telecommunications providers. This gives the preferred telecom provider with a captive base of customers and the developer with economic benefits that are derived solely from its exploitation of a "bottleneck" facility.

STF 1-17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

RESPONSE TO 1-17

AT&T has not such agreement in Arizona.

STF 1-18 Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

RESPONSE TO 1-18

N/A

STF 1-19 Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

RESPONSE TO 1-19

AT&T incorporates by reference its objections and response to STF 1-1, above.

STF 1-20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

RESPONSE TO 1-20

The Commission should address the inherent anti-competitive nature of a PPA whether real or de-facto, and provide for equal playing field for facilities based competition. The most efficient way the Commission can achieve this is by prohibiting any carrier from providing service to any development or building where another carrier is denied equal and non-discriminatory access to install its facilities and provide services within that development or building.

STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

RESPONSE TO 1-21

Any scenario where one carrier has access to a development or a multi-tenant building on a preferred or discriminatory basis is anti-competitive, and no carrier should be permitted to take advantage of it. Preferential or discriminatory treatment of one carrier over another results in the out of favor carrier(s) having to incur increased costs, delays in the provision of service or the outright denial of physical access to the development or building. The result is that a customer does not receive the benefits of real competition in terms of price and delivery of service.

STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

RESPONSE TO 1-22

Yes--see responses to 1-21 and 1-16.

STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

RESPONSE TO 1-23

Any arrangement that would give a developer or priority owner an incentive to discriminate amongst carriers should be discouraged

STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

RESPONSE TO 1-24

N/A

STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

RESPONSE TO 1-25

N/A

STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

RESPONSE TO 1-26

We would have no way of knowing of the existence on a PPC.

STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

RESPONSE TO 1-27

AT&T has encountered building owners who refuse to permit access by competitive carriers, others that exercise their enormous bargaining leverage to demand burdensome restrictions and excessive fees for access, and others that allow negotiations to drag on for months to increase their bargaining power over new entrants while denying their tenants access to competitive telecommunications options. Further, some building owners have insisted upon a multitude of fees, including substantial revenue sharing provision, monthly recurring fees well above commercial rates, and one-time processing and administrative fees. In contrast, the same building owners provide free access to preferred carriers. AT&T's experience, in sum, supports the Commission's concern that developers may be unreasonably discriminating among competing telecommunications service providers and that such discrimination may be an obstacle to competition and consumer choice.

STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

RESPONSE TO 1-28

N/A

STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

RESPONSE TO 1-29

See response to 1-16.

STF 1-30 What disadvantages do carriers experience by entering into these agreements?

RESPONSE TO 1-30

None

STF 1-31 How many preferred carrier agreements have you entered into?

RESPONSE TO 1-31

N/A

STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

RESPONSE TO 1-32

Yes. States conducted investigations of such contracts primarily in relation to the initial arbitrations under the Telecommunications Act of 1996.

STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

RESPONSE TO 1-33

No.

STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

RESPONSE TO 1-34

Without conducting independent research, AT&T cannot respond to this request with any precision or accuracy.

STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

RESPONSE TO 1-35

Yes See responses to 1-11, 1-16 and 1-21.

STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.

RESPONSE TO 1-36

N/A

STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

RESPONSE TO 1-37

N/A

STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

RESPONSE TO 1-38

N/A

STF 1-39 Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

RESPONSE TO 1-39

No.

**AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC.**

*Letty S.D. Friesen*

*by [signature] with permission*

Letty S.D. Friesen #21848  
919 Congress Avenue, Suite 900  
Austin, TX 78701-2444  
303-298-6475  
303-298-6301 fax  
[lsfriesen@att.com](mailto:lsfriesen@att.com)



*Manson  
Caroline*

**Arizona Dialtone, Inc.  
7170 W. Oakland Street  
Chandler, AZ 85226**

March 21, 2005

**RECEIVED**

**MAR 22 2005**

**LEGAL DIV.  
ARIZ. CORPORATION COMMISSION**

Caroline Butler  
Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

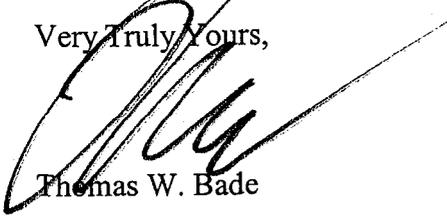
RE: Docket No. T-00000K-04-0927-Arizona Dialtone Response Data Request

Dear Madam:

Attached please find in data and hard copy our responses to your first data request. We don't do this. We believe in end user choice rather than developer profits.

I, Thomas W. Bade, President of Arizona Dialtone, at the above address formed the attached responses.

Very Truly Yours,

  
Thomas W. Bade

**QUESTION****ANSWER**

STF 1-1	NO
STF 1-2	
STF 1-3	NO
STF 1-4	N/A
STF 1-5	N/A
STF 1-6	NO
STF 1-7	N/A
STF 1-8	N/A
STF 1-9	N/A
STF 1-10	N/A
STF 1-11	NO BECAUSE NO END USER CHOICE
STF 1-12	N/A
STF 1-13	N/A
STF 1-14	N/A
STF 1-15	N/A
STF 1-16	DON'T KNOW
STF 1-17	N/A
STF 1-18	N/A
STF 1-19	NO
STF 1-20	DON'T KNOW
STF 1-21	YES, NO CHOICE OF PROVIDERS
STF 1-22	YES-MONOPOLISTIC
STF 1-23	YES-MONOPOLISTIC
STF 1-24	DON'T KNOW
STF 1-25	N/A
STF 1-26	YES
STF 1-27	DON'T KNOW
STF 1-28	DON'T KNOW
STF 1-29	DON'T KNOW
STF 1-30	DON'T KNOW
STF 1-31	0
STF 1-32	NOT THAT I KNOW OF
STF 1-33	NOT THAT I KNOW OF
STF 1-34	NOT THAT I KNOW OF
STF 1-35	DON'T KNOW
STF 1-36	DON'T KNOW
STF 1-37	DON'T KNOW
STF 1-38	N/A
STF 1-39	DON'T KNOW

**Cogent Communications of Arizona, Inc.**  
**1015 31<sup>st</sup> St. NW**  
**Washington, D.C. 20007**

March 14, 2005

Arizona Corporation Commission  
1200 West Washington St., 1<sup>st</sup> Floor  
Phoenix, AZ 85007

**RECEIVED**

**MAR 17 2005**

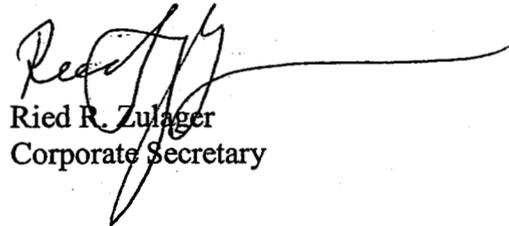
Re: Docket No. T-00000K-04-0927

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

Gentlemen:

In response to your letter of March 9, 2005 with respect to the above-captioned docket, Cogent Communications of Arizona, Inc. (the "Company") advises you that it has not yet engaged in business in Arizona. Accordingly, the Company has no response to your data request.

Sincerely,



Ried R. Zulager  
Corporate Secretary

cc: Robert N. Beury, Jr., Esq.

**COMMISSIONERS**  
JEFF HATCH-MILLER – Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES



BRIAN C. MCNEIL  
Executive Secretary

ARIZONA CORPORATION COMMISSION

March 9, 2005

**RECEIVED**

**MAR 17 2005** By United States Mail

Cogent Communications of Arizona, Inc.  
1015 31st Street, NW  
Washington, DC 20007

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

Re: Staff's First Set of Data Requests to Cogent Communications of Arizona, Inc. regarding the Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927

Dear Sir/Madam:

On December 23, 2004, the Staff ("Staff") of the Arizona Corporation Commission opened a generic docket for the purpose of investigating the use and operation of preferred carrier agreements in the local telecommunications market. To this end, Staff is soliciting information, comments and suggestions from facilities-based local exchange carriers in Arizona.

Please treat this as Staff's First Set of Data Requests to Cogent Communications of Arizona, Inc. in the above-referenced matter.

For purposes of this data request set, the words "Cogent Communications of Arizona, Inc.", "you" and "your" refer to Cogent Communications of Arizona, Inc. and any representative, including every person and/or entity acting with, under the control of, or on behalf of Cogent Communications of Arizona, Inc.

For each answer, please identify by name, title, and address each person providing information that forms the basis for the response provided.

These data requests are continuing, and your answers or any documents supplied in response to these data requests should be supplemented with any additional information or documents that come to your attention after you have provided your initial responses.

Please respond within ten calendar days of your receipt of the copy of this letter. *Please provide one complete set of all responses, in both electronic and hard copy form, to each of the following addressees:*

- (1) Caroline Butler, Paralegal, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007; [cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)
- (2) Wilfred Shand, Utilities Division, Arizona Corporation Commission, 1200 W. Washington Street, Phoenix, AZ 85007; [wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

If you have any questions, you may contact me at (602) 542-6022.

Very truly yours,

Maureen A. Scott  
Attorney, Legal Division

Enclosure

**From:** "Hankins, Lynn" <LHankins@Covad.COM>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/25/05 10:19AM  
**Subject:** Investigation into Preferred Carriers Agreements - DIECA Communications, Inc., d/b/a Covad Communications Company's Responses to Staff's First Set of DRs

Attached are Covad's responses to Staff's First Set of Data Requests in Docket No. T-00000K-04-0927. Hard copies will be sent out today as well.

Thank you,

Lynn Hankins

---

This mailbox protected from junk email by MailFrontier Desktop  
from MailFrontier, Inc. <http://info.mailfrontier.com>





7901 Lowry Blvd. Denver, CO 80230  
W > <http://www.covad.com>

T > 720.670.2010  
F > 720.670.3300

March 25, 2005

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

**Re: *DIECA Communications, Inc. d/b/a Covad Communications Company  
Responses to Staff's First Set of Data Requests in the Investigation Into  
Preferred Carrier Agreements  
Docket No. T-00000K-04-0927***

Ms. Butler and Mr. Shand:

Attached are the responses of DIECA Communications, Inc. d/b/a Covad Communications Company to Staff's First Set of Data Requests in the above-referenced docket. Electronic copies will also be sent to each of you. The information was pulled by the legal department from various company records the week of 3/21/05.

Please advise if you need further information.

Thank you.

Very truly yours,

  
Lynn Hankins, Paralegal

Encls.

cc: Greg Diamond (w/out encls.)



DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS  
Docket No.: T-00000K-04-0927  
March 28, 2005

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? . If your response is yes, please explain.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts r lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS  
Docket No.: T-00000K-04-0927  
March 28, 2005

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-8 Do your marketing agreements include services other than telecommunication services?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-10 Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS  
Docket No.: T-00000K-04-0927  
March 28, 2005

RESPONSE: Covad has no opinion or position at this time with regard to preferred carrier or marketing agreements.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes?

RESPONSE: No. See response to STF 1-1.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS  
Docket No.: T-00000K-04-0927  
March 28, 2005

STF 1-17      What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-18      Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-19      Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

RESPONSE: Covad does not presently enter into agreements with developers.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-20      What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

RESPONSE: Covad has no opinion or position at this time with regard to preferred carrier or marketing agreements.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-21      Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

RESPONSE: See response to STF 1 -20

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

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Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

RESPONSE: See response to STF 1 -20

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

RESPONSE: See response to STF 1 -20

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 28, 2005

STF 1-27      Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-28      Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

RESPONSE: Covad Communications Company does not utilize preferred carrier agreements in any state in which they do business. Covad Communications does not track companies who have preferred carrier agreements.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-29      What benefits/advantages do carriers receive from preferred provider agreements?

RESPONSE: Covad Communications Company does not enter into these types of agreements and cannot therefore respond to this data request.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-30      What disadvantages do carriers experience by entering into these agreements?

RESPONSE: Covad Communications Company does not enter into these types of agreements and cannot therefore respond to this data request.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-31      How many preferred carrier agreements have you entered into?

RESPONSE: Covad has entered into only one such agreement in the past. The agreement was never utilized and is no longer effective.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 28, 2005

STF 1-32      Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

RESPONSE: Covad has no knowledge of any other regulatory agencies investigating the issue of preferred provider agreements at this time.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-33      Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-34      Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-35      Do you believe such arrangements should be, or are, unlawful? Please explain your response.

RESPONSE: Covad has no opinion regarding this question.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-36      Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

DIECA COMMUNICATIONS, INC., D/B/A COVAD COMMUNICATIONS COMPANY'S  
RESPONSES TO STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 28, 2005

STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

RESPONSE: See response to SFT 1 -35

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

RESPONSE: Not applicable.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

STF 1-39 Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

RESPONSE: No.

Respondent: Legal Department, 7901 Lowry Blvd., Denver, CO 80230, phone 720-670-2018.

 Mamen  
Caroline

COPY

March 22, 2005

VIA FIRST CLASS U.S. MAIL and  
VIA ELECTRONIC MAIL TO [cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)

Ms. Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

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MAR 28 2005

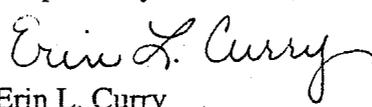
LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

Re: Data Request Regarding Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

Dear Ms. Butler:

Excel Telecommunications, Inc. ("Excel") is in receipt of the Commission's data request in the above-noted docket. While Excel is certified as a facilities-based local exchange carrier in the state of Arizona, the Company provides local exchange services exclusively through UNE-P arrangements. Excel does not own or construct physical facilities and currently has no preferred carrier arrangements as discussed in the Commission's Data Request. As such, the Company has no information to provide in response to the Commission's Data Request in Docket No. T-00000K-04-0927.

Excel sincerely appreciates your attention to this matter. Should you have questions or require additional information regarding this correspondence, please contact the undersigned directly at (972) 478-3363 or at the below referenced address.

Respectfully submitted,  
  
Erin L. Curry  
Senior Regulatory Analyst

cc: Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
[wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

Kevin Allen  
Senior Manager, Regulatory Affairs



March 25, 2005

*Via email and DHL Express Overnight Mail*

Caroline Butler, Paralegal  
Wilfred Shand  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

**RECEIVED**

**MAR 28 2005**

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

RE: Investigation into Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

Dear Ms. Butler and Ms. Shand:

Enclosed are two copies of Eschelon Telecom, Inc.'s Response to Staff's First Set of Data Requests in connection with the above-referenced matter.

Sincerely,

Kim K. Wagner  
Senior Legal Secretary  
612.436.6225 (direct)  
612.436.6818 (fax)  
[kkwagner@eschelon.com](mailto:kkwagner@eschelon.com)

Enclosures

ARIZONA CORPORATION COMMISSION STAFF  
FIRST SET OF DATA REQUESTS  
TO  
ESCHELON TELECOM OF ARIZONA, INC.

DOCKET NO. T-00000K-04-0927

Date Requested: March 14, 2005  
Date Responded: March 25, 2005

Request STF1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

RESPONSE: No. Not as of this date.

Request STF 1-2 If you response to SFT 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

RESPONSE: Not Applicable.

Request STF 1-3 Does your company enter into marketing agreements with developers?

RESPONSE: No.

Request STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you

have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

**RESPONSE:** Eschelon does not have such agreements.

Request STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement.
- b. The name of each party participating in the agreement.
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement.
- g. The ending date (To) of the agreement.
- h. The number of residential units, family homes, main accounts r lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

**RESPONSE:** Eschelon does not have such agreements.

Request STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

**RESPONSE:** No.

Request STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature or any other telecommunications company? If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end users' perspective and the rationale for your position.

**RESPONSE:** Not applicable.

Request STF 1-8 Do your marketing agreements include services other than telecommunication services?

**RESPONSE:** Not applicable.

Request STF 1-9      What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

**RESPONSE:** Eschelon does not know.

Request STF 1-10      Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with developers?

**RESPONSE:** Not applicable.

Request STF 1-11      Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

**RESPONSE:** Eschelon generally opposes preferred provider agreements in most situations because they stifle competition and tend to benefit the larger incumbent providers who have more customers, more money and a better ability to absorb short-term costs for long-term benefits. They also allow incumbent carriers to inhibit competition in newly developing areas to which CLECs have not yet expanded by locking up locations in long-term contracts.

Request STF 1-12      Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

**RESPONSE:** Not applicable.

Request STF 1-13      Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

**RESPONSE:** Not applicable.

Request STF 1-14      What are your standard terms for the installation of facilities in a commercial and/or residential development?

**RESPONSE:** Not applicable.

Request STF 1-15      Do you enter into preferred carrier or marketing agreements with apartment complexes?

**RESPONSE:** No.

Request STF 1-16      What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

**RESPONSE:** Eschelon has little personal experience with such agreements and thus cannot comment.

Request STF 1-17      What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

**RESPONSE:** Not applicable.

Request STF 1-18      Are third party telecommunications companies allowed to provide service over facilities that are used to provider services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

**RESPONSE:** We have no such agreements.

Request STF 1-19      Do you enter into agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

**RESPONSE:** None other than our normal agreements to provide telephone service.

Request STF 1-20      What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

**RESPONSE:** The potential for inhibiting competition.

Request STF 1-21      Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

**RESPONSE:** Yes. It does an end user no good to have telephone competition in his city if he can not obtain it at his location. Also to the extent that developments and buildings have exclusive agreements there is much less of an incentive for competitors to enter that market.

Request STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

**RESPONSE:** In many cases, yes. See Response to STF 1-11.

Request STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

**RESPONSE:** Yes, see the response to STF 1-11.

Request STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

**RESPONSE:** Not applicable. We do not have such agreements.

Request STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

**RESPONSE:** Not applicable.

Request STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

**RESPONSE:** Not appreciably.

Request No. STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

**RESPONSE:** Not aware of any at present.

Request No. STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

**RESPONSE:** Eschelon has also experienced it in some other states.

Request No. STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

**RESPONSE:** Eschelon does not have any such agreements.

Request No. STF 1-30 What disadvantages do carriers experience by entering into these agreements?

**RESPONSE:** Eschelon does not have any such agreements.

Request No. STF 1-31 How many preferred carrier agreements have you entered into?

**RESPONSE:** None.

Request No. STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

**RESPONSE:** Eschelon is not aware of other proceedings.

Request No. STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

**RESPONSE:** Eschelon is not aware of any.

Request No. STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

**RESPONSE:** No.

Request No. STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

**RESPONSE:** We have not researched the issue and thus have no opinion.

Request No. STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider? Please explain.

**RESPONSE:** Not that we are aware of.

Request No. STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

**RESPONSE:** Eschelon has no information concerning this question.

Request No. STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

**RESPONSE:** Eschelon has none.

Request No. STF 1-39 Are there any other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

**RESPONSE:** Eschelon is not aware of any.

Responses Provided By:

Dennis D. Ahlers  
Senior Attorney  
Eschelon Telecom, Inc.  
730 Second Avenue South  
Suite 900  
Minneapolis, MN 55402  
612.436.6249 (direct)  
612.436.6349 (fax)  
ddahlers@eschelon.com

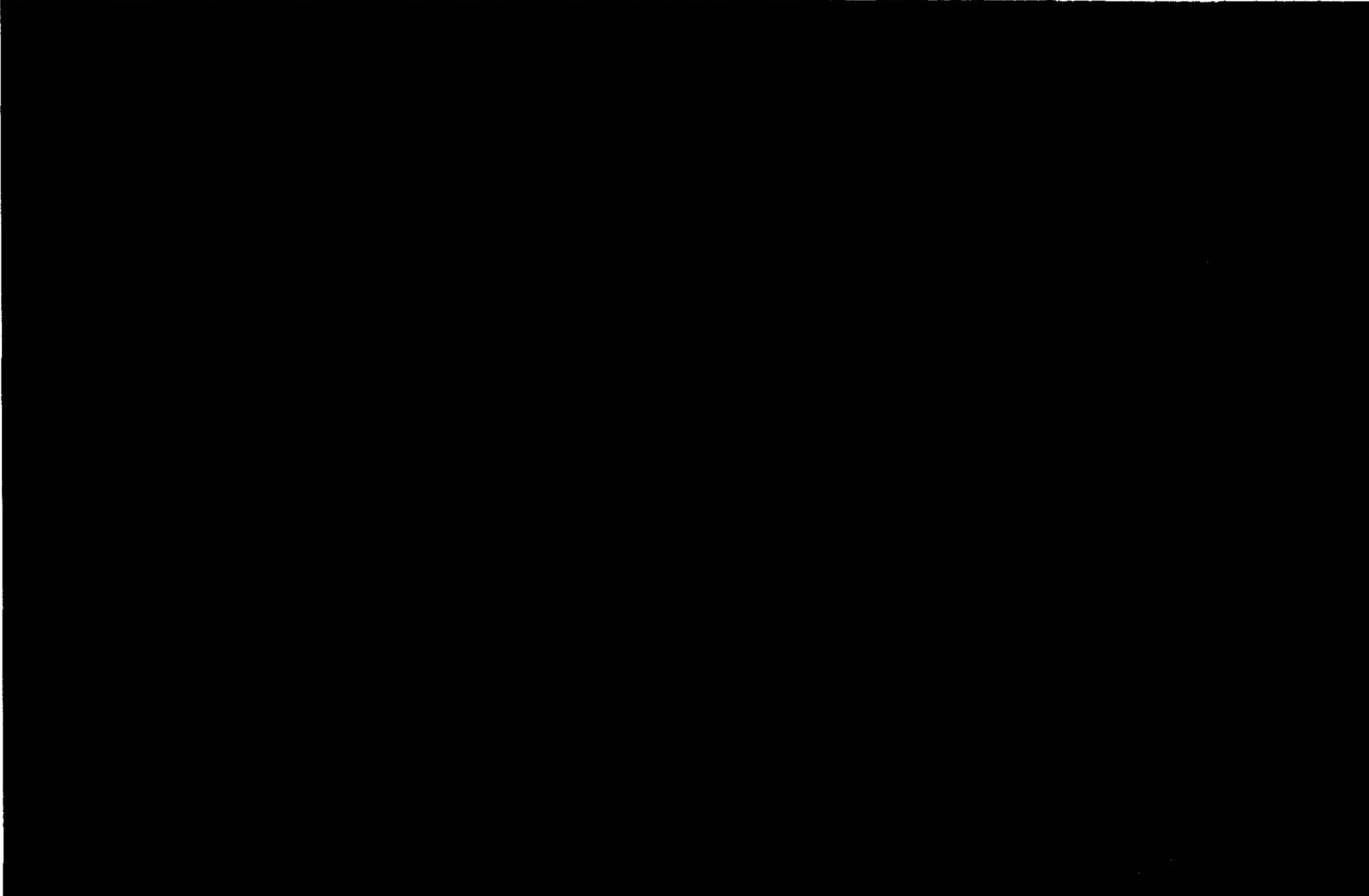
**From:** "Wagner, Kim K." <kkwagner@eschelon.com>  
**To:** "cbutler@cc.state.az.us" <cbutler@cc.state.az.us>, "wshand@cc.state.az.us" <wshand@cc.state.az.us>  
**Date:** 3/25/05 2:41PM  
**Subject:** Docket No. T-00000K-04-0927

Attached is an electronic copy of ~~Eschelon's Response to Staff's First Set~~ of Data Requests in connection with the above docket. Hard copies are being sent via Express Overnight Mail for delivery on Monday, March 28, 2005.

<<Data Request Responses.03.25.05.doc>>

Kim Wagner  
Senior Legal Secretary  
Eschelon Telecom, Inc.  
612.436.6225 (voice)  
612.436.6816 (Department fax)  
kkwagner@eschelon.com

=====  
This footnote confirms that this email message  
has been scanned to detect malicious content.



**From:** "Ahlers, Dennis D." <ddahlers@eschelon.com>  
**To:** "cbutler@cc.state.az.us" <cbutler@cc.state.az.us>, "wshand@cc.state.as.us" <wshand@cc.state.as.us>, "mscott@cc.state.az.us" <mscott@cc.state.az.us>  
**Date:** 3/23/05 10:38AM  
**Subject:** T-00000K-04-0927 Data Requests

On March 14, 2005, Eschelon received 39 data requests from the Commission in the above docket. You requested responses within 10 days which would be March 24. I am attempting to complete our answers by the due date, however, due to vacations and other matters a couple of people that I need to talk to have been out of the office. Therefore, I request that Eschelon be given until March 29 to submit its responses. If we complete them earlier we will, of course, submit them right away.

Dennis D. Ahlers, Senior Attorney  
 Phone: 612-436-6249 Fax: 612-436-6349

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 postmaster@ccsd.cc.state.az.us CC  
 =====

**ARIZONA CORPORATION COMMISSION STAFF  
FIRST SET OF DATA REQUESTS  
TO  
ESCHELON TELECOM OF ARIZONA, INC.**

**DOCKET NO. T-00000K-04-0927**

Date Requested: March 14, 2005  
Date Responded: March 25, 2005

Request STF1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

**RESPONSE:** No. Not as of this date.

Request STF 1-2 If you response to SFT 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

**RESPONSE:** Not Applicable.

Request STF 1-3 Does your company enter into marketing agreements with developers?

**RESPONSE:** No.

Request STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you

have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

**RESPONSE:** Eschelon does not have such agreements.

Request STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement.
- b. The name of each party participating in the agreement.
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement.
- g. The ending date (To) of the agreement.
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

**RESPONSE:** Eschelon does not have such agreements.

Request STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

**RESPONSE:** No.

Request STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature or any other telecommunications company? If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end users' perspective and the rationale for your position.

**RESPONSE:** Not applicable.

Request STF 1-8 Do your marketing agreements include services other than telecommunication services?

**RESPONSE:** Not applicable.

Request STF 1-9      What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

**RESPONSE:** Eschelon does not know.

Request STF 1-10      Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with developers?

**RESPONSE:** Not applicable.

Request STF 1-11      Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

**RESPONSE:** Eschelon generally opposes preferred provider agreements in most situations because they stifle competition and tend to benefit the larger incumbent providers who have more customers, more money and a better ability to absorb short-term costs for long-term benefits. They also allow incumbent carriers to inhibit competition in newly developing areas to which CLECs have not yet expanded by locking up locations in long-term contracts.

Request STF 1-12      Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

**RESPONSE:** Not applicable.

Request STF 1-13      Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

**RESPONSE:** Not applicable.

Request STF 1-14      What are your standard terms for the installation of facilities in a commercial and/or residential development?

**RESPONSE:** Not applicable.

Request STF 1-15      Do you enter into preferred carrier or marketing agreements with apartment complexes?

**RESPONSE:** No.

Request STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

**RESPONSE:** Eschelon has little personal experience with such agreements and thus cannot comment.

Request STF 1-17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

**RESPONSE:** Not applicable.

Request STF 1-18 Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

**RESPONSE:** We have no such agreements.

Request STF 1-19 Do you enter into agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

**RESPONSE:** None other than our normal agreements to provide telephone service.

Request STF 1-20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

**RESPONSE:** The potential for inhibiting competition.

Request STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

**RESPONSE:** Yes. It does an end user no good to have telephone competition in his city if he can not obtain it at his location. Also to the extent that developments and buildings have exclusive agreements there is much less of an incentive for competitors to enter that market.

Request STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

**RESPONSE:** In many cases, yes. See Response to STF 1-11.

Request STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

**RESPONSE:** Yes, see the response to STF 1-11.

Request STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

**RESPONSE:** Not applicable. We do not have such agreements.

Request STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

**RESPONSE:** Not applicable.

Request STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

**RESPONSE:** Not appreciably.

Request No. STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

**RESPONSE:** Not aware of any at present.

Request No. STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

**RESPONSE:** Eschelon has also experienced it in some other states.

Request No. STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

**RESPONSE:** Eschelon does not have any such agreements.

Request No. STF 1-30 What disadvantages do carriers experience by entering into these agreements?

**RESPONSE:** Eschelon does not have any such agreements.

Request No. STF 1-31 How many preferred carrier agreements have you entered into?

**RESPONSE:** None.

Request No. STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

**RESPONSE:** Eschelon is not aware of other proceedings.

Request No. STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

**RESPONSE:** Eschelon is not aware of any.

Request No. STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

**RESPONSE:** No.

Request No. STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

**RESPONSE:** We have not researched the issue and thus have no opinion.

Request No. STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider? Please explain.

**RESPONSE:** Not that we are aware of.

Request No. STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

**RESPONSE:** Eschelon has no information concerning this question.

Request No. STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

**RESPONSE:** Eschelon has none.

Request No. STF 1-39 Are there any other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

**RESPONSE:** Eschelon is not aware of any.

Responses Provided By:

Dennis D. Ahlers  
Senior Attorney  
Eschelon Telecom, Inc.  
730 Second Avenue South  
Suite 900  
Minneapolis, MN 55402  
612.436.6249 (direct)  
612.436.6349 (fax)  
ddahlers@eschelon.com

**From:** Erin Curry <ELCurry@vartec.net>  
**To:** "cbutler@cc.state.az.us" <cbutler@cc.state.az.us>  
**Date:** 3/22/05 2:03PM  
**Subject:** Docket No. T-00000K-04-0927 - Data Request

Dear Ms. Butler--

Please find attached the responses to the Commission's Data Request in Docket No. T-00000K-04-0927 for VarTec Telecom, Inc. and Excel Telecommunications, Inc. Please do not hesitate to contact me should you have questions regarding this correspondence.

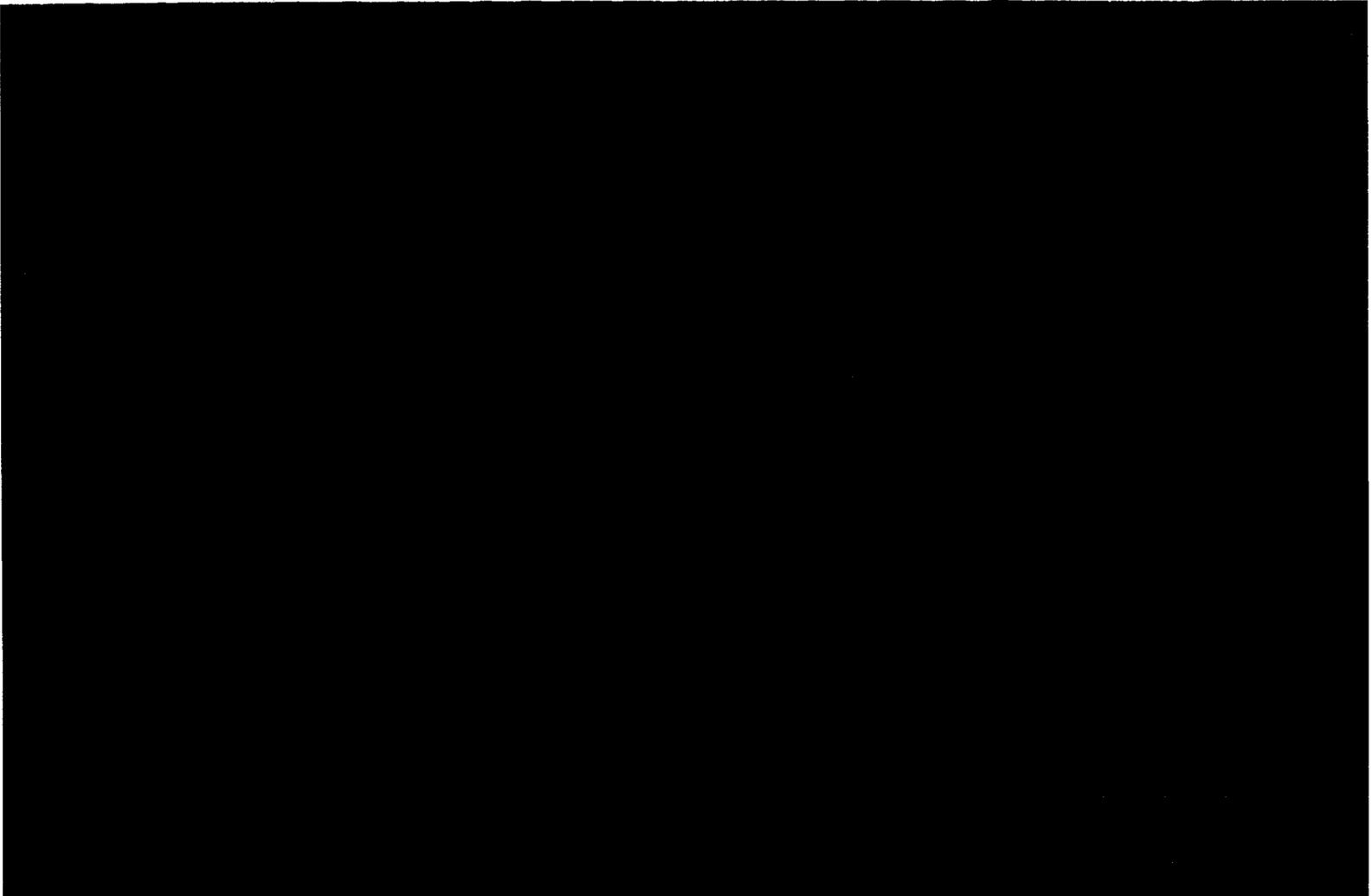
Respectfully submitted,

Erin L. Curry  
Senior Regulatory Analyst  
Regulatory Affairs  
VarTec Telecom, Inc.  
972-478-3363 voice  
972-478-3310 fax  
elcurry@vartec.net <mailto:elcurry@vartec.net>

NOTICE OF ADDRESS CHANGE: The corporate offices of VarTec Telecom, Inc. and its subsidiaries, Excel Telecommunications, Inc. and VarTec Solutions, Inc. (f/k/a eMeritus Communications, Inc.) are relocating to the following address as of December 13, 2004:

2440 Marsh Lane

Carrollton, Texas 75006



March 22, 2005

**VIA FIRST CLASS U.S. MAIL and  
VIA ELECTRONIC MAIL TO [cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)**

**Ms. Caroline Butler, Paralegal**  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Data Request Regarding Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

Dear Ms. Butler:

Excel Telecommunications, Inc. ("Excel") is in receipt of the Commission's data request in the above-noted docket. While Excel is certified as a facilities-based local exchange carrier in the state of Arizona, the Company provides local exchange services exclusively through UNE-P arrangements. Excel does not own or construct physical facilities and currently has no preferred carrier arrangements as discussed in the Commission's Data Request. As such, the Company has no information to provide in response to the Commission's Data Request in Docket No. T-00000K-04-0927.

Excel sincerely appreciates your attention to this matter. Should you have questions or require additional information regarding this correspondence, please contact the undersigned directly at (972) 478-3363 or at the below referenced address.

Respectfully submitted,

Erin L. Curry  
Senior Regulatory Analyst

cc: Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
[wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

Kevin Allen  
Senior Manager, Regulatory Affairs

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MAR 23 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION



Maureen  
Caroline

March 17, 2005

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Re: Staffs First Set of Data Requests regarding the Investigation into Preferred Carrier Arrangements  
Docket No.: T-000000K-04-0927

Dear Ms. Butler and Mr. Shand:

Please be advised that Granite Telecommunications has never entered into Preferred Carrier Arrangements and has no plans to do so in the future.

Sincerely,

*Suzanne L. Goldberg*

Suzanne L. Goldberg  
Regulatory Counsel



March 17, 2005

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Re: Staffs First Set of Data Requests regarding the Investigation into Preferred Carrier  
Arrangements  
Docket No.: T-000000K-04-0927

Dear Ms. Butler and Mr. Shand:

Please be advised that Granite Telecommunications has never entered into Preferred  
Carrier Arrangements and has no plans to do so in the future.

Sincerely,

Suzanne L. Goldberg

Suzanne L. Goldberg  
Regulatory Counsel



Andrea M Guzmán  
Regulatory Manager  
Legal  
ICG Communications, Inc.  
161 Inverness Drive West  
Englewood, Colorado 80112

Sent via electronic mail

March 23, 2005

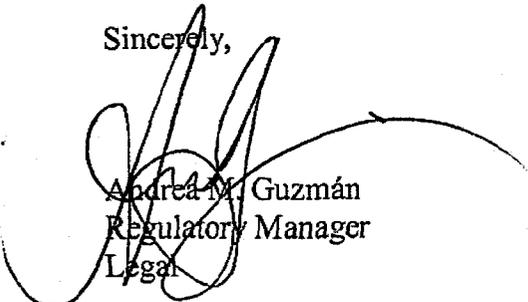
Attn: Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

**Re: Staff's First Set of Data Requests to ICG Telecom Group  
(Docket No. T-00000K-04-0927)**

Dear Ms. Butler:

Please accept this letter in response to the above listed Data Request. ICG Telecom Group, Inc. ("ICG") does not currently offer or provide local services in the state of AZ and as such ICG has not entered into any of the agreements referenced in the Data Request. Therefore, based on your email dated March 21, 2005, the Data Request does not apply to ICG. Please feel free to contact me should you have any questions or require additional information.

Sincerely,



Andrea M. Guzmán  
Regulatory Manager  
Legal



andrea\_guzman@icgcomm.com

\*\*\*\*\*

This email is CONFIDENTIAL and intended only for use by the addressee(s) named herein and may contain legally PRIVILEGED information. If you are not the intended recipient of this email, you are hereby notified any dissemination, distribution or copying of this email is strictly prohibited. If you receive this email in error, please immediately notify me at (303) 414-5450 and permanently delete the email, and any attachments thereto, and any printouts thereof.

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postmaster@ccsd.cc.state.az.us  
=====

CC:           "Beer, Scott" <Scott\_Beer@icgcomm.com>, <wshand@cc.state.az.us>

**Level(3)**  
COMMUNICATIONS

RECEIVED

MAR 24 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

**Gregg Strumberger**  
**Regulatory Counsel**

TEL: (720) 888-1780  
FAX: (720) 888-5134  
Gregg.Strumberger@Level3.com

March 23, 2005

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MAR 24 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

*Via Overnight Delivery*

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

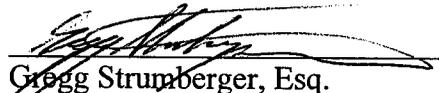
**RE: *Staff's First Set of Data Requests to Level 3 Communications, LLC Regarding the Investigation into Preferred Carrier Arrangements, Docket No.:T-00000K-04-0927.***

Dear Ms. Butler:

Please find attached the response of Level 3 Communications, LLC ("Level 3") to *Staff's First Set of Data Requests to Level 3 Communications, LLC Regarding the Investigation into Preferred Carrier Arrangements, Docket No.:T-00000K-04-0927*. As noted in our response, Level 3 is primarily a wholesale provider and does not participate in any of the arrangements at issue in this proceeding.

If you have any questions or would like any further information regarding Level 3's business activities in the State of Arizona, please do not hesitate to contact me at (720) 888-1780 or [Gregg.Strumberger@Level3.com](mailto:Gregg.Strumberger@Level3.com).

Very truly yours,

  
Gregg Strumberger, Esq.  
Level 3 Communications, LLC

cc: Caroline Butler, ACC  
Greg Rogers, Level 3

ARIZONA CORPORATION COMMISSION

\_\_\_\_\_  
)  
**In the matter of Staff's First Set of Data** )  
**Requests to Level 3 Communications, LLC** )  
**Regarding the Investigation into Preferred** )  
**Carrier Arrangements** )  
\_\_\_\_\_

Docket No.: T-00000K-04-0927

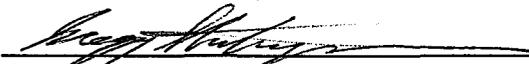
**RESPONSE OF LEVEL 3 COMMUNICATIONS, LLC**

Level 3 Communications, LLC ("Level 3") is an international communications and information services company and operates one of the largest communications and Internet backbones in the world. The company offers a wide range of wholesale communications services including patented Softswitch-based voice and data services, transport services, and Voice over IP ("VoIP") services. As primarily a wholesale provider of telecommunications services, Level 3 does not directly serve any residential customers in Arizona. Moreover, the majority of Level 3 commercial customers are wholesale customers, with only a very limited number that may be considered retail end users of Level 3's private line services.

As primarily a wholesale provider, Level 3 does not enter into preferred carrier agreements or other agreements with property owners, developers, managers or any other entities that are of the type at issue in this docket. Moreover, Level 3 does not enter into any marketing agreements with developers, apartment complexes, commercial or residential developments, or other entities that are of the type at issue in this docket.

Level 3 respectfully requests that, since it does not partake in any of the activities at issue in this docket, it be exempted from filing further responses to Staff's First Set of Data Requests.

**Respectfully Submitted by Level 3  
Communications, LLC on the  
23rd Day of March, 2005:**

  
\_\_\_\_\_  
**Gregg Strumberger, Esq.**  
Level 3 Communications, LLC  
1025 Eldorado Boulevard  
Broomfield, CO 80021  
Tel: 720-888-1780  
e-mail: [gregg.strumberger@level3.com](mailto:gregg.strumberger@level3.com)

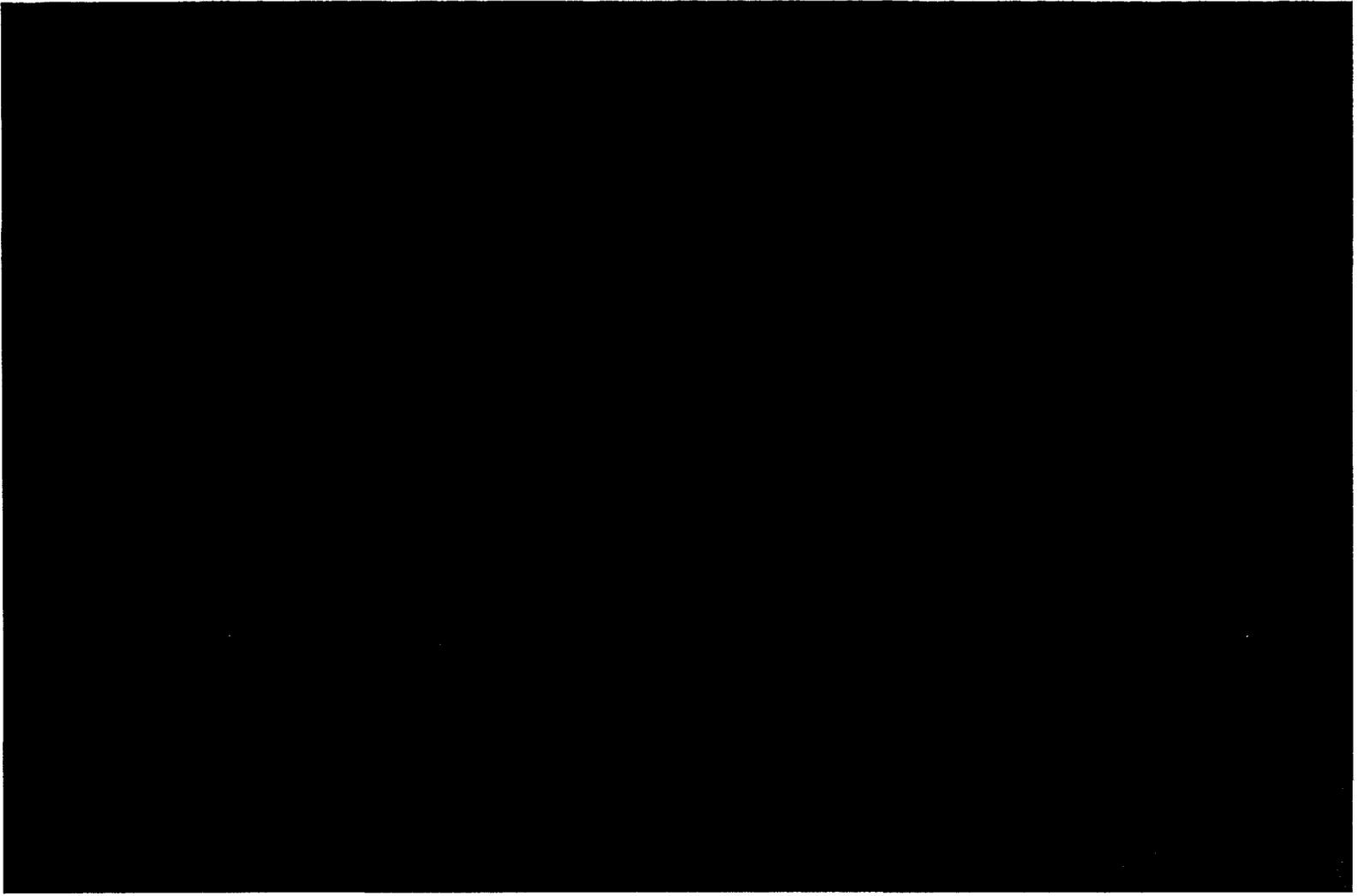
**From:** "Strumberger, Gregg" <Gregg.Strumberger@Level3.com>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/23/05 11:30AM  
**Subject:** Level 3 Response to Staff Data Request in Docket No.:T-00000K-04-0927

Please find attached the response of Level 3 Communications, LLC ("Level 3") to Staff's First Set of Data Requests to Level 3 Communications, LLC Regarding the Investigation into Preferred Carrier Arrangements, Docket No.:T-00000K-04-0927. As noted in our response, Level 3 is primarily a wholesale provider and does not participate in any of the arrangements at issue in this proceeding.

If you have any questions or would like any further information regarding Level 3's business activities in the State of Arizona, please do not hesitate to contact me at (720) 888-1780 or [Gregg.Strumberger@Level3.com](mailto:Gregg.Strumberger@Level3.com) <mailto:Gregg.Strumberger@Level3.com> .

Many thanks,

Gregg Strumberger  
Regulatory Counsel



ARIZONA CORPORATION COMMISSION

\_\_\_\_\_  
In the matter of Staff's First Set of Data )  
Requests to Level 3 Communications, LLC )  
Regarding the Investigation into Preferred )  
Carrier Arrangements )  
\_\_\_\_\_

Docket No.: T-00000K-04-0927

RESPONSE OF LEVEL 3 COMMUNICATIONS, LLC

Level 3 Communications, LLC ("Level 3") is an international communications and information services company and operates one of the largest communications and Internet backbones in the world. The company offers a wide range of wholesale communications services including patented Softswitch-based voice and data services, transport services, and Voice over IP ("VoIP") services. As primarily a wholesale provider of telecommunications services, Level 3 does not directly serve any residential customers in Arizona. Moreover, the majority of Level 3 commercial customers are wholesale customers, with only a very limited number that may be considered retail end users of Level 3's private line services.

As primarily a wholesale provider, Level 3 does not enter into preferred carrier agreements or other agreements with property owners, developers, managers or any other entities that are of the type at issue in this docket. Moreover, Level 3 does not enter into any marketing agreements with developers, apartment complexes, commercial or residential developments, or other entities that are of the type at issue in this docket.

Level 3 respectfully requests that, since it does not partake in any of the activities at issue in this docket, it be exempted from filing further responses to Staff's First Set of Data Requests.

**Respectfully Submitted by Level 3  
Communications, LLC on the  
18<sup>th</sup> Day of March, 2005:**

/s

**Gregg Strumberger, Esq.**  
Level 3 Communications, LLC  
1025 Eldorado Boulevard  
Broomfield, CO 80021  
Tel: 720-888-1780  
e-mail: [gregg.strumberger@level3.com](mailto:gregg.strumberger@level3.com)

**From:** "Thomas F. Dixon" <thomas.f.dixon@mci.com>  
**To:** 'Maureen Scott' <MScott@admin.cc.state.az.us>, <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/24/05 1:31PM  
**Subject:** RE: 04-0927 DR1

Here are MCI's responses for all AZ regulated entities, MCImetro (Brooks and MFS were merged into MCImetro), MCI WorldCom Communications, Inc., MCI WorldCom Network Services, Inc., TTI National, Teleconnect Long Distance services and Systems, Inc. Hard copies are being mail to Caroline and Wil

Tom

-----Original Message-----

**From:** Thomas F. Dixon [mailto:thomas.f.dixon@mci.com]  
**Sent:** Thursday, March 24, 2005 12:19 PM  
**To:** 'Maureen Scott'; cbutler@cc.state.az.us; wshand@cc.state.az.us  
**Cc:** thomas.f.dixon@mci.com  
**Subject:** FW: 04-0927 DR1

We only received these March 14, 2005. My preliminary investigation suggests that MCI entities have no preferred carrier agreements or similar agreements in AZ that are addressed in these data requests. I am still checking; however.

In addition, in the competition docket, Docket No. 000001-04-0794, under Topic 10 entitled: How do exclusive service arrangements or preferred provider agreements between developers and carriers affect competition in some markets in Arizona? MCI Responded: MCI has not studied this issue in



1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3 **MARC SPITZER**

4 **Chairman**

5 **WILLIAM A. MUNDELL**

6 **Commissioner**

7 **JEFF HATCH-MILLER**

8 **Commissioner**

9 **MIKE GLEASON**

10 **Commissioner**

11 **KRISTIN K. MAYES**

12 **Commissioner**

13  
14  
15 **RE: GENERIC INVESTIGATION ) DOCKET NO. T-00000K-04-0927**  
16 **INTO PREFERRED CARRIER )**  
17 **ARRANGEMENTS IN ARIZONA ) RESPONSES OF MCI, INC. TO**  
18 **) TO STAFF'S 1<sup>ST</sup> DATA TREQUESTS**  
19

20 MCI, Inc., or behalf of its regulated subsidiaries, MCImetro Access Transmission

21 Services LLC, MCI WorldCom Communications, Inc., MCI WorldCom Network

22 Services, Inc., TTI National, Inc., and Teleconnect Long Distance Services and Systems,

23 Co., dba Telecom\*USA submits these responses to Staff First Set of Data Requests to

24 MCI's regulated entities dated March 9, 2005 and received March 14, 2005. MCI has

25 responded to these data requests as they relate to information for the State of Arizona.

26  
27 **STF 1-1** Does your company enter into preferred carrier agreements or other  
28 agreements with property owners (including developers) that address  
29 issues associated with:

- 30  
31 a. The installation of telecommunications network facilities?  
32 b. The price associated with the installation of those facilities?  
33 c. Marketing of telecommunications services?  
34 d. Distribution of sales literature?  
35 e. Statements regarding the developer's "preferred" provider  
36 of telecommunications services?  
37 f. Incentives to the property owner to encourage end user  
38 customers  
39 to obtain telecommunications service from the "preferred"  
40 provider of telecommunications services?

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**MCI Response:** No, not in Arizona.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

**MCI Response:** N/A.

STF 1-3 Does your company enter into marketing agreements with developers?

**MCI Response:** No, not in Arizona.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

**MCI Response:** N/A.

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement.
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- h. The number of residential units, family homes, main accounts r lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

**MCI Response:** N/A.

STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

87 **MCI Response:** No, not in Arizona.  
88  
89 STF 1-7 Can developers who have preferred carrier agreements or marketing  
90 agreements with you distribute, or allow to be distributed, the advertising  
91 literature of any other telecommunications company. If your response is  
92 "No," please indicate whether you consider such terms to be anti-  
93 competitive from the end-users' perspective and the rationale for your  
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124 **MCI Response:** N/A.  
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128  
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155 what rates, terms and conditions?  
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160 marketing agreements, with developers that relate to the provision of  
161 telecommunications services? If so, please describe these agreements.  
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171 provide an impediment to the ability of end users to purchase  
172 telecommunications services in a competitive market? Please explain  
173 why you believe that they do or do not impede customers' access to a  
174 competitive telecommunications marketplace.  
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176 **MCI Response:** MCI has not studied this issue in Arizona.  
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178 STF 1-22 Do you believe that preferred carrier agreements are anti-competitive?  
179 Please explain the basis for your belief.

180

181 **MCI Response:** MCI has not studied this issue in Arizona.

182

183 STF 1-23 Do you believe that exclusive marketing agreements which prevent  
184 property owners, including developers, from marketing a competitor's  
185 service are anti-competitive? Please explain the basis for your belief.

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187 **MCI Response:** MCI has not studied this issue in Arizona.

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189 STF 1-24 Do your preferred carrier agreements or marketing agreements contain a  
190 condition that the terms and conditions of the agreement are confidential?

191

192 **MCI Response:** N/A.

193

194 STF 1-25 Describe the incentives that are included in your preferred carrier  
195 agreements or marketing agreements that the property owner or developer  
196 receives under the terms of the agreement.

197

198 **MCI Response:** N/A.

199

200 STF 1-26 Has your ability to access customers been impeded by the existence of a  
201 preferred provider or marketing agreement between one of your  
202 competitors and a property owner (including a developer)?

203

204 **MCI Response:** MCI has not studied this issue in Arizona.

205

206 STF 1-27 Other than preferred carrier or marketing agreements, are there other  
207 customer access problems? For example, are there landlords that deny  
208 you access to customers in their buildings or landlords that charge high  
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210 ability to gain access to a right of way? Please describe any such  
211 restriction.

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214

215 STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this  
216 phenomenon most prevalent in Arizona?

217

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219

220 STF 1-29 What benefits/advantages do carriers receive from preferred provider  
221 agreements?

222

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224  
225 STF 1-30 What disadvantages do carriers experience by entering into these  
226 agreements?  
227  
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229  
230 STF 1-31 How many preferred carrier agreements have you entered into?  
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232 **MCI Response:** None in Arizona.  
233  
234 STF 1-32 Have the use of preferred provider agreements been addressed or  
235 investigated by any other regulatory agency to your knowledge? If you  
236 are aware of any such proceeding, please provide the name of the agency,  
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238 have regarding the status of the case.  
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240 **MCI Response:** MCI is not aware of such investigations in other states.  
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243 agreements that you are aware of? If your response is yes, please provide  
244 a case number and cite, if available.  
245  
246 **MCI Response:** No.  
247  
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249 provider agreements? If yes, please provide a copy of the state laws with  
250 your response.  
251  
252 **MCI Response:** No.  
253  
254 STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please  
255 explain your response.  
256  
257 **MCI Response:** MCI has not studied this issue in Arizona.  
258  
259 STF 1-36 Do you provide services to any development or other complex that is  
260 under a preferred carrier agreement with another provider. Please explain.  
261  
262 **MCI Response:** No, not in Arizona.  
263  
264 STF 1-37 Are business lines/customers treated differently than residential  
265 lines/customers under preferred provider agreements or exclusive  
266 marketing arrangements? If your response is yes, how does the treatment  
267 differ?  
268  
269 **MCI Response:** N/A.

270 STF 1-38 Please provide a copy of any and all marketing literature distributed by the  
271 developer and your company regarding the provision of telephone service  
272 to a development covered by a preferred provider agreement or exclusive  
273 marketing arrangement.  
274

275 **MCI Response:** N/A.  
276

277 STF 1-39 Are there other issues associated with preferred carrier agreements or  
278 marketing agreements which the Commission should address?  
279

280 **MCI Response:** MCI has not studied this issue in Arizona.  
281

282 These responses were prepared by Don Price, 701 Brazos, Suite 600, Austin, TX 78701  
283 Telephone Number 512-495-6724, with the assistance of counsel.  
284

285 Dated: March 24, 2005  
286

287 MCI, INC.  
288

289  
290 By: /s/  
291 Thomas F. Dixon  
292 707 – 17<sup>th</sup> Street, #4200  
293 Denver, Colorado 80202  
294 303-390-6206  
295 303-390-6333 (fax)  
296 thomas.f.dixon@mci.com  
297

298 **CERTIFICATE OF SERVICE**  
299

300 **I hereby certify that I sent** a true and exact copy of the within response by email  
301 and by U S Mail, First class postage Prepaid, addressed to:  
302

303 Caroline Butler, Paralegal  
304 Arizona Corporation Commission  
305 1200 W. Washington Street  
306 Phoenix, AZ 85007  
307 cbutler@cc.state.az.us  
308

Wilfred Shand, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007  
wshand@cc.state.az.us

309 March 24, 2005

/s/



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**MCI Response:** No, not in Arizona.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

**MCI Response:** N/A.

STF 1-3 Does your company enter into marketing agreements with developers?

**MCI Response:** No, not in Arizona.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

**MCI Response:** N/A.

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

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**MCI Response:** N/A.

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192 **MCI Response:** N/A.

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281

282 These responses were prepared by Don Price, 701 Brazos, Suite 600, Austin, TX 78701  
283 Telephone Number 512-495-6724, with the assistance of counsel.  
284

285 Dated: March 24, 2005  
286

287 MCI, INC.  
288

289  
290 By: /s/  
291 Thomas F. Dixon  
292 707 - 17<sup>th</sup> Street, #4200  
293 Denver, Colorado 80202  
294 303-390-6206  
295 303-390-6333 (fax)  
296 thomas.f.dixon@mci.com  
297

298 **CERTIFICATE OF SERVICE**  
299

300 **I hereby certify that I sent** a true and exact copy of the within response by email  
301 and by U S Mail, First class postage Prepaid, addressed to:  
302

303 Caroline Butler, Paralegal  
304 Arizona Corporation Commission  
305 1200 W. Washington Street  
306 Phoenix, AZ 85007  
307 cbutler@cc.state.az.us  
308

Wilfred Shand, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007  
wshand@cc.state.az.us

309 March 24, 2005

/s/

*Cheryl Lee*

RECEIVED

MOUNTAIN TELECOMMUNICATIONS, INC. MAR 16 2005  
RESPONSE

TO  
STAFF'S FIRST SET OF DATA REQUESTS REGARDING THE ARIZONA CORPORATION COMMISSION'S INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

RECEIVED

DOCKET NO. T-00000K-04-0927

MAR 17 2005

MARCH 16, 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

- 
- 1.1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:
- The installation of telecommunications network facilities?
  - The price associated with the installation of those facilities?
  - Marketing of telecommunications services?
  - Distribution of sales literature?
  - Statements regarding the developer's "preferred" provider of telecommunications services?
  - Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

Response: No.

- 1.2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

Response: N/A.

- 1.3 Does your company enter into marketing agreements with developers?

Response: No.

- 1.4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

Response: N/A.

1.5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
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- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
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- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

Response: N/A.

1.6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

Response: No.

1.7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No", please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

Response: N/A.

1.8 Do your marketing agreements include services other than telecommunication services?

Response: N/A.

1.9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

Response: N/A

1.10 Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

Response: N/A

1.11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

Response: MTI has no opinion at this time.

1.12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

Response: N/A.

1.13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

Response: N/A

1.14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

Response: N/A.

1.15 Do you enter into preferred carrier or marketing agreements with apartment complexes?

Response: No.

1.16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

Response: MTI has no opinion at this time

1.17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

Response: N/A.

1.18 Are third Party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or

marketing agreement? If your response is "yes," under what rates, terms and conditions?

Response: N/A.

- 1.19 Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

Response: N/A.

- 1.20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

Response: MTI has no opinion at this time.

- 1.21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

Response: MTI has no opinion at this time.

- 1.22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

Response: MTI has no opinion at this time.

- 1.23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

Response: MTI has no opinion at this time.

- 1.24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

Response: N/A

1.25 Describe be the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

Response: N/A

1.26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

Response: No.

1.27 Other than preferred carrier or marketing agreements are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restrictions.

Response: No.

1.28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

Response: MTI is unaware of agreements utilized in other states.

1.29 What benefits/ advantages do carriers receive from preferred provider agreements?

Response: Unknown

1.30 What disadvantages do carriers experience by entering into these agreements?

Response: Unknown

1.31 How many preferred carrier agreements have you entered into?

Response: None

1.32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

Response: Unknown

1.33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

Response: Unknown

1.34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

Response: Unknown

1.35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

Response: MTI has no opinion at this time.

1.36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider? Please explain.

Response: No

1.37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

Response: N/A

1.38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

Response: N/A

1.39 Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

Response: **Unknown**

All responses prepared by:

Michael Hazel, VP  
Jacqueline Manogian, Corporate Secretary  
Mountain Telecommunications  
1430 W. Broadway Road, Suite 206  
Tempe, Arizona 85282

## Caroline Butler

---

**From:** Jim Booth [Jim.Booth@onfiber.com]  
**Sent:** Wednesday, April 06, 2005 11:07 AM  
**To:** cbutler@cc.state.az.us; WilfredShand  
**Subject:** OnFiber - Responses to Data Requests

**Attachments:** 20050406113932614.pdf; OFC Responses to Ariz Staff DR #1 (3-9-05).doc



2005040611393261 OFC Responses to  
4.pdf (34 KB) Ariz Staff DR...

Please see the attached letter and responses to the data request dated March 9.

JFB

James F. Booth, Esq.  
General Counsel and V. P. for Law & Government Affairs

OnFiber Communications, Inc.  
6300 S. Syracuse Way, Suite 350  
Englewood, Colorado 80111  
Tel: (303) 729-3150  
Cell: (303) 517-3812  
Fax: (720) 554-7257  
JBooth@OnFiber.com

This E-Mail and any attachments may contain confidential and/or attorney-client privileged

A large, solid black rectangular redaction box covers the majority of the lower half of the page, obscuring all text and graphics that would otherwise be present.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

Enclosure

STF 1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities? ONFIBER RESPONSE: No.
- b. The price associated with the installation of those facilities? ONFIBER RESPONSE: No.
- c. Marketing of telecommunications services? ONFIBER RESPONSE: No.
- d. Distribution of sales literature? ONFIBER RESPONSE: No.
- e. Statements regarding the developer's "preferred" provider of telecommunications services? ONFIBER RESPONSE: No.
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services? ONFIBER RESPONSE: No.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

STF 1-3 Does your company enter into marketing agreements with developers? ONFIBER RESPONSE: No.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

ONFIBER RESPONSE: OnFiber does not provide residential service and has not entered any marketing agreements with any other corporation or entity. As such, we have no comment on how a marketing agreement would be characterized nor differentiated from a preferred provider agreement.

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

ONFIBER RESPONSE: N/A to all questions below.

- a. The name and date of each agreement.
- b. The name of each party participating in the agreement.
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

- STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers? ONFIBER RESPONSE: No.
- STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position. ONFIBER RESPONSE: n/a.
- STF 1-8 Do your marketing agreements include services other than telecommunication services? ONFIBER RESPONSE: n/a.
- STF 1-9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers? ONFIBER RESPONSE: n/a.
- STF 1-10 Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer? ONFIBER RESPONSE: n/a.
- STF 1-11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate. ONFIBER RESPONSE: n/a.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

- STF 1-12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex. ONFIBER RESPONSE: n/a.
- STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages. ONFIBER RESPONSE: n/a.
- STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development? ONFIBER RESPONSE: n/a.
- STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes? ONFIBER RESPONSE: n/a.
- STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer? ONFIBER RESPONSE: n/a.
- STF 1-17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer? ONFIBER RESPONSE: n/a.
- STF 1-18 Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions? ONFIBER RESPONSE: n/a.
- STF 1-19 Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements. ONFIBER RESPONSE: n/a.
- STF 1-20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?
- ONFIBER RESPONSE: The Commission should ensure that competitive local exchange carriers receive the same access rights at the incumbent local exchange carrier.
- STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
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Docket No.: T-00000K-04-0927

March 9, 2005

ONFIBER RESPONSE: OnFiber does not have sufficient experience to form an opinion.

STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

ONFIBER RESPONSE: OnFiber does not have sufficient experience to form an opinion.

STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

ONFIBER RESPONSE: OnFiber does not have sufficient experience to form an opinion.

STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

ONFIBER RESPONSE: n/a

STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

ONFIBER RESPONSE: n/a

STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

ONFIBER RESPONSE: OnFiber has no knowledge of this one way or the other.

STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

ONFIBER RESPONSE: OnFiber has a very limited network footprint in Arizona and has not run into these problems in Arizona. In other states, OnFiber has encountered landlords who unreasonably delay or condition access on the payment of fees. This puts OnFiber at a competitive disadvantage against the local exchange carrier.

STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

ONFIBER RESPONSE: n/a

STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

ONFIBER RESPONSE: n/a

STF 1-30 What disadvantages do carriers experience by entering into these agreements?

ONFIBER RESPONSE: n/a

STF 1-31 How many preferred carrier agreements have you entered into?

ONFIBER RESPONSE: OnFiber has not entered into any preferred carrier agreements.

STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

ONFIBER RESPONSE: n/a

STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

ONFIBER RESPONSE: n/a

STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

ONFIBER RESPONSE: n/a

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

ONFIBER RESPONSE: n/a

STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.

ONFIBER RESPONSE: n/a

STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

ONFIBER RESPONSE: n/a

STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

ONFIBER RESPONSE: n/a

STF 1-39 Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

ONFIBER RESPONSE: n/a



**PAC-WEST TELECOMM, INC.**

1776 West March Lane, Ste. 250

Stockton, California 95207

Phone: 1.800.399.1234

Fax: 209.926.4272

March 18, 2005

Caroline Butler  
Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007  
[cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007  
[wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

Re: Staff's first set of data requests for Docket No.: T-00000K-04-0927

Dear Sir/Madam:

On behalf of Pac-West Telecomm, the responses to the Staff's first set of data requests regarding the Investigation into Preferred Carrier Arrangements, Docket No.: T-00000K-04-0927 are attached.

Please call me with any questions.

Regards,

A handwritten signature in black ink, appearing to read "Josh P. Thieriot". The signature is fluid and cursive, with a long, sweeping tail that curves upwards and to the right.

Josh P. Thieriot  
Regulatory Case Manager  
Pac-West Telecomm  
1776 W. March Lane #250  
Stockton, Ca 95207

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MAR 21 2005  
LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

**Pac-West Telecomm**

**Pac-West Responses to Staff's First Set of Data Requests regarding the  
Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927**

All responses have been provided by:

Josh P. Thieriot  
Regulatory Case Manager  
Pac-West Telecomm  
1776 W. March Lane #250  
Stockton, Ca 95207

- STF 1-1: Pac-West does not engage in, and is not familiar with preferred carrier agreements, marketing agreements, or other agreements with property owners, or developers in the State of Arizona.
- STF 1-2: N/A.
- STF 1-3: No.
- STF 1-4: N/A.
- STF 1-5: N/A.
- STF 1-6: No.
- STF 1-7: N/A.
- STF 1-8: N/A.
- STF 1-9: N/A.
- STF 1-10: N/A.
- STF 1-11: Please refer to STP 1-1.
- STF 1-12: Please refer to STP 1-1.
- STF 1-13: N/A.
- STF 1-14: N/A.

## Pac-West Telecomm

- STF 1-15: No.
- STF 1-16: Please refer to STP 1-1.
- STF 1-17: Please refer to STP 1-1.
- STF 1-18: N/A
- STF 1-19: No
- STF 1-20: Please refer to STP 1-1.
- STF 1-21: Please refer to STP 1-1.
- STF 1-22: Please refer to STP 1-1.
- STF 1-23: Please refer to STP 1-1.
- STF 1-24: Please refer to STP 1-1.
- STF 1-25: Please refer to STP 1-1.
- STF 1-26: Pac-West is not aware of any instances where it has been impacted by a preferred provider or marketing agreement.
- STF 1-27: Please refer to STP 1-1.
- STF 1-28: Please refer to STP 1-1. Pac-West is not familiar with these types of agreements in any of the states in which it operates.
- STF 1-29: Please refer to STP 1-1.
- STP 1-30: Please refer to STP 1-1.
- STP 1-31: None.
- STP 1-32: Pac-West is not aware of any other preferred provider agreement investigations in any of the states in which it operates.
- STP 1-33: No.
- STP 1-34: No.
- STP 1-35: Please refer to STP 1-1. Pac-West does not have the intelligence to provide comment to this question.

**Pac-West Telecomm**

STP 1-36: No.

STP 1-37: Please refer to STP 1-1.

STP 1-38: Please refer to STP 1-1.

STP 1-39: Please refer to STP 1-1.



Qwest Corporation  
Law Department  
1801 California Street  
10<sup>th</sup> Floor  
Denver, CO 80202

Kathy Rowley  
Lead Paralegal-Interrogatory Manager

April 8, 2005

VIA HAND DELIVERY

Maureen Scott  
Attorney, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Re: In the Matter of the Investigation Into Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

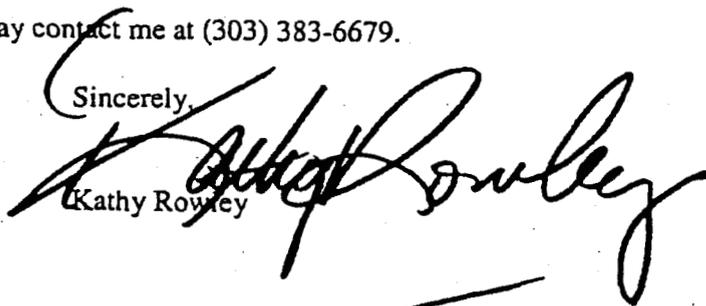
Dear Ms. Scott:

Enclosed please find Qwest Corporation's Responses to the following, in the above-referenced matter:

*Staff Set 1 (Nos. 001-039)*

Should you have any questions, you may contact me at (303) 383-6679.

Sincerely,

  
Kathy Rowley

Enclosures

cc: Norm Curtright  
Tim Berg, Esq.  
Caroline Butler  
Wilfred Shand  
Monica Luckritz

RECEIVED  
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ARIZ. CORPORATION COMMISSION

Arizona  
T-00000K-04-0927  
STF 01-001

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 001

Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

RESPONSE:

It is important to place preferred provider agreements in context. When it comes to communications services available to their customers, Developers and MDU owners are primarily interested in high speed Internet access and video capabilities. Unless the development is in completely unserved territory, they assume that generally ubiquitous POTS will be available. Thus, in relation to telecommunications services, advanced services are the most central to the preferred provider concept. To the extent POTS is addressed, it is because POTS capability is inherent in the advanced services infrastructure and rounds out the marketing bundle of the "triple play"- video, internet, and voice.

In response to STF 1-1(c) through (f), Qwest Corporation ("Qwest") states that it enters into preferred provider agreements and marketing agreements with residential real estate developers and with owners of MDUs, and such agreements address the issues listed in STF 1-1(c) through (f)

In response to STF 1-1 (a) and (b), Qwest states that matters related to the Qwest Provisioning Agreement for Housing Development (PAHD) tariff or the Qwest Cable and Wire Service Termination (CWSTP) tariff, which are part of the standard process for new developments and MDUs, are sometimes addressed in the preferred provider agreement or marketing agreement for the convenience of having a single contract document; however, the terms of the PAHD and the CWSTP, including the price associated with the installation of local exchange telephone network facilities, are materially the same as the PAHD and CWST arrangements that exist for any development or MDU.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-002

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 002

If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

RESPONSE:

See Qwest's responses to STF 01-005 and STF 01-012 in this docket.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-003

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 003

Does your company enter into marketing agreements with developers?

RESPONSE:

Yes.

Respondent: Rick Rodarte

Arizona  
T-00000K-04-0927  
STF 01-004

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 004

Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

RESPONSE:

Qwest considers preferred provider agreements to be a type of marketing agreement. The marketing agreements Qwest enters provide for Qwest to conduct on-site sales activity, and obligate the developer or property owner (someone other than the end-user, such as MDU owner, builder or developer) to market Qwest services to residents. See Qwest's response in STF 01-012 in this docket for specimen forms of agreements.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-005

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 005

Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

RESPONSE:

Highly Confidential Attachment A will be provided to those who have executed the appropriate non-disclosures as soon as a Protective Agreement has been entered for this docket.

Respondent: Legal and Brenda Freeman

Arizona  
T-00000K-04-0927  
STF 01-006

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 006

Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

RESPONSE:

For the purpose of this response, Qwest defines property owners as someone other than the end user, such as MDU owner, builder or developer. Yes; however, the marketing restriction is limited to the specific development or MDU property, and does not limit other means that may be available to other telecom providers to market their services, including, but not limited to direct mail and door-to-door sales in the development. Additionally, the competing service providers have a multitude of other ways to market their services, including television, radio, print, outdoor advertising, yellow pages, and the like.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-007

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 007

Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

RESPONSE:

No. Historically developers have not distributed advertising literature of telecom providers. Now, developers who willingly enter into these marketing agreements and accept compensation for such, willingly distribute the collateral and marketing materials to the end user. Because these marketing agreements provide the developer incentives paid for by Qwest to market Qwest services, it is reasonable to request that a developer who signs a Qwest marketing agreement only market Qwest's products. This arrangement serves to provide end users information at the point they make decisions about buying the residence. This information is very pertinent to their buying decision and is valuable because it is delivered timely and would not otherwise be readily available to the buyer.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-008

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 008

Do your marketing agreements include services other than telecommunication services?

RESPONSE:

Yes. In addition, Qwest Preferred Provider Agreements can include, high speed internet service, wireless telephone service, cable TV service and satellite TV service. Generally, the developers are interested primarily in the high speed Internet service and the video services, since POTS is generally ubiquitous. Several of these services are provided by different corporate entities. For instance, Qwest Broadband Services, Inc. provides Qwest Choice OnLine and Qwest Choice TV.

Respondent: Rick Rodarte

Arizona  
T-00000K-04-0927  
STF 01-009

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 009

What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

RESPONSE:

See Qwest's response to STF 01-002 in this docket. Additionally, in various agreements, Qwest may provide additional marketing in the form of such things as specialized marketing and promotional materials and/or on-site sales support.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-010

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 010

Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

RESPONSE:

See Qwest's response to STF 01-006 in this docket.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-011

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 011

Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

RESPONSE:

Yes, preferred provider agreements are in the public interest. Qwest believes that appropriately structured preferred provider agreements can be entirely beneficial to competition, deployment of advanced telecommunications services, and cost-effective for customers, developers, and providers alike. The preferred provider agreements Qwest enters promote co-marketing between the telecommunications provider and the property developer. These types of co-marketing agreements are common in commercial practice. For example, airlines and rental cars, and retailers and competing suppliers such as Best Buy and Direct TV.

There are a number of competition-enhancing benefits to the kind of preferred provider agreements Qwest enters. First, they provide developers with incentives to ensure that advanced telecommunications infrastructure can be completed at the same time as other construction efforts. Coordinating the timing and installation of telecommunications lines in utility trenches avoids the costs of reopening trenches, reduces inadvertent interference with other utility lines, such as line cuts, and provides residents of new developments with immediate access to telecommunications services. Second, preferred provider agreements can enable telecommunications providers to install and deploy advanced services and video services that might not be cost-justified without the higher penetration levels that can result from preferred provider agreements. Developers are benefited because the attractiveness of their product, the homes, is enhanced by the availability of the advanced services and video services. Also, preferred provider agreements enable greater communications between provider and consumer than would otherwise occur, as consumers have an additional, and sometimes more convenient, source for obtaining information about telecommunications services. These agreements are clearly in the public interest.

Qwest has previously provided the Commission a statement about preferred provider agreements, a copy of which is attached as Non-Confidential Attachment A.

Respondent: Legal

**Question:** How do exclusive service arrangements or preferred provider agreements between developers and carriers affect competition in some markets in Arizona?

**Response:** Preferred provider agreements (PPA) may impact competition in several ways. First, they may make it possible for a variety of different technologies and services to be profitably offered to a subdivision or multi-dwelling unit. Second, the ability to enter into a PPA may be necessary in order for some areas to be profitable enough to attract a service provider. That is to say, absent a PPA, some areas might not receive any service requiring the placement of fiber, twisted pair, or coaxial cable. Third, exclusive PPAs may be used by some providers, although not by Qwest, to preclude other carriers from serving a particular property. Since Qwest must make its essential network elements available to other carriers, it is not possible for Qwest to enter into exclusive PPA arrangements with any property owner.

Regardless of the reason for a PPA, the fact that they exist raises a significant policy concern. In an area where a carrier other than the incumbent local exchange provider has a PPA with the property owner/developer, who should serve as the carrier of last resort? Requiring an incumbent provider like Qwest to provide service to individual isolated customers or buildings in such an area will inevitably result in the necessity of making investments in facilities that are wholly disproportionate from the revenues to be obtained from the services provided. This would require a subsidy from the incumbent's other customers, which would require rates to be set higher than they would otherwise need to be and make it more vulnerable to further competitive losses. In this instance, depending on the carrier of last resort policy decision adopted by the Commission, the existence of a PPA in one area could actually have a detrimental affect on competition for customers outside of the PPA area. Unless the PPA provider could be required to unbundle its network and make essential elements available to other carriers, Qwest believes that a better policy decision would be to require the PPA provider to be the carrier of last resort, since it owns and controls the telecommunications infrastructure in such areas.

Although a PPA may make it unattractive or impossible for another carrier to serve a given property, it is worth noting that there are a couple of other ways that competitors and property owners can restrict the development of competitive alternatives. For instance, a carrier could be precluded from serving a property simply by failure to notify them of the schedule for trenching activities in time to place their facilities. In other instances, the right of way holder could refuse to grant access to a potential competitor, although, as mentioned above, this could not be done by Qwest due to the requirements of the 96 Act.

Most PPAs, including those offered by Qwest, include a variety of services, such as video and data, and are not limited to telephone service. This is done because it not only provides an opportunity for a carrier to sell more services, but also because many customers today want more services than just basic telephone service and it is possible to

provide different packages of service over the same facilities used to provide telephone service. It is important that the commission consider the entire package offered by a PPA provider. Even if telephone service is incidental to the video and data services being offered, the PPA provider should be responsible to offer telephone service to all potential customers in a given area. Further, the commission should not decide how telephone service is to be offered to any given customer because the dominant provider may offer service through a technology other than twisted copper pairs.

Arizona  
T-00000K-04-0927  
STF 01-012

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 012

Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

RESPONSE:

See Highly Confidential Attachment A which will be provided to those who have executed the appropriate non-disclosures as soon as a Protective Agreement has been entered for this docket.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-013

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 013

Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

RESPONSE:

See Qwest's response to STF 01-001(a) in this docket.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-014

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 014

What are your standard terms for the installation of facilities in a commercial and/or residential development?

RESPONSE:

See Qwest's response to STF 01-001(a), (b), and (c) in this docket.

Respondent: Steve Nicholls

Arizona  
T-00000K-04-0927  
STF 01-015

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 015

Do you enter into preferred carrier or marketing agreements with apartment complexes.

RESPONSE:

Yes.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-016

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 016

What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

RESPONSE:

See Qwest's response to Staff 01-011 in this docket.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-017

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 017

What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

RESPONSE:

5-10 years.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-018

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 018

Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

RESPONSE:

Yes, for Qwest facilities in its service territory, for a preferred provider agreement or not, CLECs can provide local exchange telecom services by reselling Qwest services, by purchasing unbundled network elements, or by purchasing unbundled network elements and the Qwest Platform Plus product. The rates, terms and conditions are published and offered on a nondiscriminatory basis. Other providers such as Cox do not have this requirement.

Respondent: Regulatory

Arizona  
T-00000K-04-0927  
STF 01-019

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 019

Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

RESPONSE:

Yes, as provided for in Qwest's tariffs filed at the Commission. See Qwest's response to STF 01-001 in this docket.

Respondent: Rick Rodarte

Arizona  
T-00000K-04-0927  
STF 01-020

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 020

What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

RESPONSE:

The Commission should address the obligation of facilities-based CLECs to open their networks to competitors and be the provider of last resort in developments and MDUs where the CLEC has constructed facilities and is the dominant provider.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-021

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 021

Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

RESPONSE:

No. A customer can always choose a CLEC when Qwest is a preferred provider because Qwest has an obligation to make its network open to competitors.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-022

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 022

Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

RESPONSE:

No. Please see Qwest's response to STF 01-011 in this docket. However, the Commission should address the obligation of facilities-based CLECs to open their networks to competitors (See also Qwest's response to STF 01-020 in this docket).

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-023

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 023

Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief

RESPONSE:

For the purpose of this response, Qwest defines property owners as someone other than the end user such as MDU owner, builder or developer. No. See Qwest's responses to STF 01-006, 01-007 and 01-011 in this docket. Additionally, the parties have signed the agreement willingly.

Respondent: Legal, Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-024

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 024

Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

RESPONSE:

Yes. The terms and conditions of the marketing arrangements embodied in the subject agreements are Highly Confidential.

Respondents: Rick Rodarte and Monica Luckritz

Arizona  
T-00000K-04-0927  
STF 01-025

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 025

Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

RESPONSE:

For the purpose of this response, Qwest defines property owner as someone other than the end user such as MDU owner, builder or developer. See Qwest's response to STF 01-002 in this docket.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-026

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 026

Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

RESPONSE:

Qwest may have trouble physically if served by Cox. See Qwest's response to STF-01-020 in this docket.

Respondent: Legal, Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-027

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 027

Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

RESPONSE:

Yes. There are apartment complexes, commercial developments and residential subdivisions where each of these circumstances apply. More specifically, circumstances exist where Qwest has been denied rights of way access to cross commercial properties to bring facilities into a commercial building. Additionally, there are apartment complexes where Qwest has facilities deployed into a main point of presence room but the wiring beyond the main room is owned by another provider that has either denied use by Qwest, or has required Qwest to pay unacceptably high lease rates to complete the circuit. Also, there are circumstances where developers have closed subdivision trenches without communicating with Qwest regarding the existence or timeline of the development.

Respondent: Steve Nicholls

Arizona  
T-00000K-04-0927  
STF 01-028

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 028

Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

RESPONSE:

Yes. PPA's are utilized in other states.

Respondent: Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-029

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 029

What benefits/advantages do carriers receive from preferred provider agreements?

RESPONSE:

See Qwest's response to STF 01-011 in this docket.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-030

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 030

What disadvantages do carriers experience by entering into these agreements?

RESPONSE:

See Qwest's response to STF 01-018 in this docket.

Respondent: Legal, Rick Rodarte and Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-031

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 031

How many preferred carrier agreements have you entered into?

RESPONSE:

See Highly Confidential Attachment A which will be provided to those who have executed the appropriate non-disclosures as soon as a Protective Agreement has been entered for this docket.

Respondent: Brenda Freeman

Arizona  
T-00000K-04-0927  
STF 01-032

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 032

Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

RESPONSE:

Not to the best of Qwest's knowledge.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-033

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 033

Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

RESPONSE:

Not to the best of Qwest's knowledge.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-034

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 034

Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

RESPONSE:

None, to the best of Qwest's knowledge.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-035

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 035

Do you believe such arrangements should be, or are, unlawful? Please explain your response.

RESPONSE:

No. See Qwest's response to STF 01-011 in this docket.

Respondent: Legal

Arizona  
T-00000K-04-0927  
STF 01-036

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 036

Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.

RESPONSE:

Yes. Qwest has provided services to many developments that are under PPAs.

Respondent: Steve Nicholls

Arizona  
T-00000K-04-0927  
STF 01-037

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 037

Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

RESPONSE:

No.

Respondent: Jay Schlum

Arizona  
T-00000K-04-0927  
STF 01-038

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 038

Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

RESPONSE:

Qwest objects to this request on the grounds that it is overly broad, unduly burdensome and unlikely to lead to the development of admissible evidence in this proceeding. Qwest also objects to this request based on the fact that the above-requested information may no longer be available due to its document retention guidelines. Without waiving its objections, Qwest states as follows:

See Attachments A - J which are examples of Qwest's current marketing literature.

Respondent: Legal and Rick Rodarte





# GET IT ALL WITH QWEST. PRODUCTS, SERVICES AND SAVINGS!

ARIZONA  
DOCKET NO. T-00000K-04-0927  
STF 01-038  
ATTACHMENT: **B**

## HOME PHONE



Our best home phone package for just \$25 a month\* for the first two months!

### Qwest Choice™ Home Plus

You get a home phone line plus your choice of up to 10 features including:

- Voice Mail and Caller ID with Qwest® Security Screen™
- Call Waiting with Call Waiting ID and Talking Call Waiting
- Linebacker™ and Directory Assistance
- 3-Way, Last Call Return and Call Forwarding

You can change your choice of features at any time at no additional charge. Some features may not be available in all areas.

Qwest Choice Home Plus ..... **\$25.00/month\***  
\$32.99/month after the first two months.

Qwest Choice™ Home ..... **\$25.00/month\***  
Home phone line, plus your choice of up to three features.

Ask about adding a second line for additional savings.

## LONG DISTANCE



One simple long-distance calling plan that's right for everyone.

### Qwest Choice™ Long Distance

- No restrictions – call anytime, anywhere within the continental U.S.
- Just 5¢ a minute plus \$2.99 monthly fees\*\* for all direct-dialed, domestic long-distance calls from home
- After \$20 per month, per line, calls are on us (\$2.99 fees included in cap)\*

Qwest Choice ..... **8¢/minute**  
Long Distance ..... **\$29/month\*** or less  
Prices and plans subject to change.

\*Plus taxes and surcharges.

\*\*\$2.00 monthly recurring fee per line and \$1.99 interstate services fee per account.



## HIGH-SPEED INTERNET



Choose our high-speed DSL (Up to 1.5Mbps) and save over \$115.

### Qwest Choice™ DSL Deluxe with MSN® Premium

Get your first two months for only \$25.00/month\* with a qualifying home phone package.

- Installation just \$10, a savings of \$89
- Download images and music files up to 25x faster than the standard 56Kbps dial-up connection
- Upload up to 896Kbps
- Up to 11 e-mail accounts
- McAfee Virus Scan and parental controls

And you'll enjoy a dedicated DSL connection, unlike cable Internet connections that are shared with your neighbors.

### Qwest Choice DSL Deluxe with MSN Premium

With Qwest® qualifying home phone package ..... **\$25.00/month\***  
\$39.99/month after the first two months.

Without Qwest qualifying home phone package ..... **\$39.99/month\***  
\$44.99/month after the first two months.  
Prices and plans subject to change.

Other high-speed Internet packages available.

**ASK HOW WE CAN SAVE YOU MONEY  
BY CHOOSING MORE THAN ONE  
QWEST SERVICE!**

**Qwest**   
Spirit of Service

HIGH-SPEED INTERNET • WIRELESS • LONG DISTANCE • LOCAL • DIGITAL TV

EFFECTIVE 1/09/05 PAGE 1 OF 2 LMS-3ST-PS-C\_EXP 04/09/05

## NATIONWIDE WIRELESS



Sign up for a Qwest Choice™ Wireless plan of \$39.99/month or higher and pay only \$25 a month\* for the first two months.

Plus, get free unlimited calls between your Qwest Wireless® and Home Phone!

- Available with a qualifying Qwest Choice™ Cross Country or State Plan

Requires combined billing of Qwest® home and Wireless phones and the selection of this feature at time of order. Calls must be on the network and in your home coverage area.

### Qwest Choice™ Wireless Cross Country 500

- 500 Anytime Minutes to use anywhere on the network
- Includes caller ID, 3-way calling, domestic long-distance
- UNLIMITED night and weekend long-distance minutes on your home phone – when you combine your Qwest residential, long-distance and wireless services on one bill
- You can also get UNLIMITED nights and weekends on your wireless plan (starting at \$5/month; roaming excluded)

Qwest Choice Wireless Cross Country 500 Plan ..... **\$25.99/month\***

\*Plus taxes, surcharges and other fees. Plan is regularly \$39.99/month. 1- or 2-year contract required.

We offer a variety of wireless plans and phones to meet your wireless needs. Ask your Qwest representative for additional options and prices.

## A FREE PHONE

### Kyocera® KE414

Get a free Kyocera KE414 after a \$30 bill credit\* and with a 2-year agreement.

- Brilliant-blue background display
- Changeable mask
- Supports Two-Way Text Messaging (requires subscription to additional feature)

\*Price does not include taxes or shipping/handling.



**Qwest Choice™ Home:** For Qwest® AZ, MT, NE, and UT residential local service customers only. \$25.99 monthly recurring rate. Not available in N. Idaho. Choice of 3 features. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen™, Line-Backer™, and Last Call Return. Ask your Qwest representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ Home Plus:** For Qwest residential local service customers in AZ, MT, NE and UT only. \$32.99 monthly recurring rate. Activation Promotion: New or existing residential customers between 01/10/05 and 04/09/05 receive \$7.99 credit first two months. If customer downgrades to Choice Home prior to the two month effective window any remaining credits will no longer apply. Not available in N. Idaho. Line-Backer™, Directory Assistance (DA), 3-Way, and Last Call Return automatically included. Other features available for selection. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen™, Line-Backer™, and Last Call Return. Ask your Qwest representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ Long Distance:** Available only to Qwest local service customers for residential use. Not available in MT or AK. \$2.00 MRC per line and \$0.99 interstate service fee per account are included in domestic LD charges cap. \$5.00 PIC Change Charge for changing long distance carriers is not included. Originating calls available in AK with Qwest calling card. Certain use restrictions apply except in CO. Long Distance service provided by Qwest LD Corp. Listed rates cover calls only within the US and to Puerto Rico, Guam, USVI and CNMI and does not include taxes, incremental charges and surcharges. International rates are excluded. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ DSL:** Deluxe with MSN™ Premium; Available to new Qwest DSL® customers for residential and non-commercial use. Phone line installation charges are extra. Service may not be available in all areas. Activation Offer: \$10.00 activation and \$25 MRC for first two months of service with a qualifying home phone package or \$30 MRC for first two months of service without a qualifying home phone package available to new Qwest DSL customers and upgrading 256K customers who have Qwest local service, expires April 9, 2005. Requires DSL modem available from Qwest for \$59.99 purchase or \$5/mo. rental. Rented modems will be refurbished modems. Non-supplied Qwest modems may not be supported. Shipping and handling fee of \$9.99 will be charged to your account. Modem rental charges continue until modem is returned. Actual DSL speed varies depending on service location, phone line qualifications, computer performance/configuration, network/internet congestion and other factors. Uninterrupted or error-free service not guaranteed. Computer requirements: Windows® 98 or later; further Wi-Fi equipment may be required to enable additional computers. **Wireless Disclaimer:** Nationwide service provides coverage in 98.5% of the 200 largest U.S. cities. \$25 for 2 Months Offer: Available to new Qwest Wireless® customers who subscribe to a Qwest Choice™ Wireless State or Cross Country plan of \$39.99 or greater by 4/08/05. Credits applied within 3 billing cycles and do not include cost for additional features, taxes, surcharges and other fees. Qwest Wireless service must be active and in good standing at the time the credit is processed. May only be combined with handset or feature offers. Other restrictions may apply. **FREE Kyocera KE414 Offer:** Available to new and existing (with 3 months or fewer remaining on their contract) Qwest Wireless customers who purchase a new Kyocera KE414 handset for \$29.99 with 2-year agreement

or \$59.99 with 1-year agreement on a Qwest Wireless Service Plan. Handset price does not include shipping & handling, taxes and surcharges. Offer ends 04/09/05. Subject to handset availability. Qwest may substitute with a comparable model. Wireless plan must be active for at least 31 consecutive days and in good standing at the time the rebate is processed. Rebate form must be postmarked by 5/16/05 and received no later than 6/01/05. Offer void if phone is returned. Offer not valid with any other rebates, offers or promotions. One request per Qwest Wireless phone number, maximum of 15 requests per billing address. See rebate form included with phone shipment for details. **Qwest Choice™ Wireless Cross Country Plan:** Available in selected areas. Requires credit approval, OTA compatible handset, \$35 new service activation fee and \$200 per-phone early termination fee with fixed-term contracts. Prices do not include shipping and handling charges, taxes, surcharges, \$1.75 monthly cost recovery fees per handset, and other fees that vary by market. Local and domestic long distance calls made on the network are included in plan minutes and additional per minute charge applies once monthly minutes are exceeded. Calls are rounded up to the next full minute. Unused monthly minutes do not carry forward. Coverage restrictions apply and service is not guaranteed, even in home coverage area. Calls made or received off the wireless network, even within the home coverage area, will be charged at the roaming rate. Other restrictions apply. Complete details in service agreement and coverage maps provided with handset and at [www.qwestwireless.com](http://www.qwestwireless.com). **Free Calls between Qwest Wireless and Home Phones:** Only available with a qualifying Qwest Choice Cross Country or State Plan. Requires combined billing of Qwest home and Wireless phones and the selection of this feature at time of order. Unlimited calls between wireless phones and the primary home wireline telephone number on your account are permitted if on the network within the Home Coverage Area. Restrictions may apply. Call for complete details and to select this feature. **Free Nights and Weekends on Home Phones:** Only available to Qwest residential customers subscribing to a qualifying Qwest Wireless plan and Qwest Long Distance residential service, with combined billing. Canceling service to either will result in termination from promotion. Must be selected at time of order. Covers residential voice calls to numbers throughout the continental U.S. and made from customer's home wireline phone between 7pm and 7am on weekdays (Monday through Thursday) and weekends from 7pm Friday to 7am Monday. Other restrictions may apply. Offer not available in all states and may be discontinued without notice. Not available for calls originating in AK. Service is provided by Qwest Long Distance. Subject to applicable tariffs and regulations. **Unlimited Wireless Nights and Weekends:** Only available with qualifying Qwest Choice™ Wireless plan. \$5 monthly charge covers unlimited wireless voice calls placed on the network to numbers throughout the U.S. between 8pm and 7am on weekdays (Monday through Thursday) and weekends from 8pm Friday to 7am Monday. \$10 monthly charge permits unlimited calls to begin at 7pm on weekdays and Friday. Must be selected at time of order. Other restrictions may apply. **Qwest Promise of Value™:** Invites a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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**Qwest Promise of Value™ – better service, simpler plans, more value.**



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**Qwest**  
Spirit of Service™

# QWEST CHOICE WIRELESS

ARIZONA  
DOCKET NO. T-00000K-04-0927  
STF 01-038  
ATTACHMENT: *C*

## PLANS THAT GO WHERE YOU GO.

Save over 35% on select Qwest Choice™ Wireless plans with this special introductory offer.

### WIRELESS PLANS

**\$25**  
a month

Plus taxes and surcharges

FREE calls between your wireless phone and your home phone

UNLIMITED night and weekend long-distance minutes on your home phone when you combine your Qwest residential, long-distance and wireless services on one bill (see details below)

Did you know you can save more money by combining your Qwest™ services on one bill?

**ASK HOW WE CAN SAVE YOU MONEY  
BY CHOOSING MORE THAN ONE  
QWEST SERVICE!**



Qwest   
*Spirit of Service*

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Effective 1/09/05 Page 1 of 2 LM-ALL-PS-Q\_EXP 04/09/05

## WIRELESS STATE PLANS

Make most of your calls from in-state?  
These Anytime plans are for you.

## WIRELESS CROSS COUNTRY PLANS

Plans with a nationwide home coverage area.\*

## WIRELESS CROSS COUNTRY PLUS PLANS

Get anytime, anywhere nationwide calling  
with no automatic roaming charges.

All prices do not include taxes and surcharges.

## A FREE PHONE

### Kyocera® KE414

Get a free Kyocera KE414  
after a \$30 bill credit\* and  
with a 2-year agreement.

- Brilliant-blue background display
- Changeable faceplate
- Supports Two-Way Text Messaging (requires subscription to additional feature)



### Kyocera KE414

FREE with a two-year agreement.  
Offer ends 4/08/05.

\*Price does not include taxes or shipping/handling.



Qwest Promise of Value™— better service,  
simpler plans, more value.

**Wireless Disclaimer:** \$25 for 2 Months Offer: Available to new Qwest Wireless® customers who subscribe to a Qwest Choice™ Wireless State or Cross Country plan of \$39.99 or greater by 4/08/05. Credits applied within 3 billing cycles and do not include cost for additional features, taxes, surcharges and other fees. Qwest Wireless service must be active and in good standing at the time the credit is processed. May only be combined with handset or feature offers. Other restrictions may apply. Kyocera KE414 Free after \$30 Credit Offer: Available to new and existing (with 3 months or less remaining on their contract) Qwest Wireless customers who purchase new Kyocera KE414 handset for \$29.99 with two-year Qwest Choice™ Wireless Service Plan. Handset price does not include shipping & handling and taxes. Offer ends 4/08/05. Subject to availability. Qwest® may substitute with comparable model. Wireless plan must be active and in good standing at the time the credit is processed. Offer void if phone is returned. Offer not valid with any other handset rebates, offers or promotions. One request per Qwest Wireless phone number, maximum of 15 requests per billing address. Qwest may modify or terminate this offer at any time. Qwest Choice™ Wireless Cross Country Plus: Available in selected areas. Requires credit approval, OTA compatible handset, \$35 new service activation fee and \$200 per-phone early termination fee with fixed-term contracts. Prices do not include shipping and handling charges, taxes, surcharges, \$1.75 monthly cost recovery fee per handset, and other fees that vary by market. Local and domestic long distance calls made on the network are included in plan minutes and additional per minute charge applies once monthly minutes are exceeded. Calls are rounded up to the next full minute. Unused monthly minutes do not carry forward. Coverage restrictions apply and service is not guaranteed, even in home coverage areas. Calls made or received off the wireless network, even within the home coverage area, will be charged at the roaming rate. Other restrictions apply. Complete details in service agreement and coverage maps provided with handset and at [www.qwestwireless.com](http://www.qwestwireless.com). Qwest Choice™ Wireless Cross Country Plus Plan: Same as above, except automatic roaming is included at no additional charge for calls placed within the U.S. Automatic roaming calls in excess of monthly minutes will be charged at additional per minute rate. Qwest Choice™ Wireless State Plan: Same as Cross Country Plan, except different coverage areas and roaming terms apply. Roaming charges will apply for on-network calls made outside home coverage area ("Roaming On-Network"). Check coverage map and service agreement for details. Free Calls between Qwest Wireless and Home Phones: Only available with a qualifying Qwest Choice Cross Country or State Plan. Requires combined billing of Qwest home and Wireless phones and the selection of this feature at time of order. Unlimited calls between wireless phones and the primary home wireless telephone number on your account are permitted if on the network within the Home Coverage Area. Restrictions may apply. Call for complete details and to select this feature. Free Nights and Weekends on Home Phones: Only available to Qwest residential customers subscribing to a qualifying Qwest Wireless plan and Qwest Long Distance residential service, with combined billing. Canceling service to either will result in termination from promotion. Must be selected at time of order. Covers residential voice calls to numbers throughout the continental U.S. and made from customer's home wireless phone between 7pm and 7am on weekdays (Monday through Thursday) and weekends from 7pm Friday to 7am Monday. Other restrictions may apply. Offer not available in all states and may be discontinued without notice. Not available for calls originating in AK. Service is provided by Qwest Long Distance. Subject to applicable tariffs and regulations. Unlimited Wireless Nights and Weekends: Only available with qualifying Qwest Choice Wireless plan. \$5 monthly charge covers unlimited wireless voice calls placed on the network to numbers throughout the U.S. between 8pm and 7am on weekdays (Monday through Thursday) and weekends from 8pm Friday to 7am Monday. \$10 monthly charge permits unlimited calls to begin at 7pm on weekdays and Friday. Must be selected at time of order. Other restrictions may apply. Qwest Promise of Value™: Invites a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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# QWEST HIGH-SPEED INTERNET

ARIZONA  
DOCKET NO. T-00000K-04-0927  
STF 01-038  
ATTACHMENT: D

## SUPER FAST WITH SUPER SAVINGS.

DSL DELUXE WITH MSN PREMIUM

**\$25\***  
a month

With our Flagship Edition  
package. Excludes taxes and  
regulatory surcharges.

Did you know you can save more money by combining your Qwest services on one bill?

**ASK HOW WE CAN SAVE YOU MONEY  
BY CHOOSING MORE THAN ONE  
QWEST SERVICE!**



Qwest   
*Spirit of Service*

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Effective 1/09/05 Page 1 of 2 LM-ALL-PS-W\_EXP 04/09/05

DSL WITH MSN PREMIUM

With MSN Premium you add these unique features<sup>1</sup> and more:

MSN DIAL-UP



**Qwest Promise of Value™— better service,  
simpler plans, more value.**

**Qwest Choice™ DSL with MSN® Premium:** Available only to Qwest® local service customers for residential and non-commercial use. Phone line installation charges are extra. Service may not be available in all areas. Price increases 4/10/05 for all customers. Activation Offer: \$10.00 activation expires April 9, 2005. Requires DSL Modem, available from Qwest for \$59.99 purchase or \$5/mo. rental. Rented modems will be refurbished modems. Non-supplied Qwest modems may not be supported. Shipping and handling fee of \$9.99 will be charged to your account. Modem rental charges continue until modem returned. Actual DSL speed varies depending on service location, phone line qualifications, computer performance/configuration, network/Internet congestion and other factors. Uninterrupted or error-free service not guaranteed. Computer requirements: Windows® 98 or later; further WiFi equipment may be required to enable additional computers. Price does not include taxes, incremental charges and surcharges. Other restrictions may apply. Rates subject to change. MSN ISP requires agreement to MSN Acceptable Use Policy. Microsoft, MSN and the MSN logo are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. **Qwest Choice™ DSL Deluxe with MSN® Premium Activation Offer:** New Qwest DSL® customers and upgrading 256K customers who have Qwest local service are eligible for \$10.00 activation, \$25 MRC for first two months of service with a qualifying home phone package or \$30 MRC for first two months of service without a qualifying home phone package, and waiver of service change fee expires April 9, 2005. **MSN® Dial-Up Powered by Qwest™:** Available for Qwest residential local services customers. Service may not be available in all areas. Activation Offer: One-month service charge waived if ordered by April 9, 2005. Price may change at any time and does not include taxes, incremental charges and surcharges. Additional telephone and/or long distance toll charges may apply. Actual speed varies depending on service location, phone line qualifications, computer performance/configuration, network/Internet congestion and other factors. Uninterrupted or error-free service not guaranteed. Other restrictions may apply. Computer requirements: Windows® 98 or later. Microsoft, MSN and the MSN logo are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. **Qwest Promise of Value™** invites a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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# QWEST WIRELESS

ARIZONA  
DOCKET NO. T-00000K-04-0927  
STF 01-038  
ATTACHMENT: E

## GREAT PHONES AND GREAT OFFERS MADE EASY.



KE414 PHONE

**FREE**  
PHONE

Did you know you can save more money by combining your Qwest® services one one bill?

ASK HOW WE CAN SAVE YOU MONEY BY CHOOSING MORE THAN ONE QWEST SERVICE!



6225 PHONE

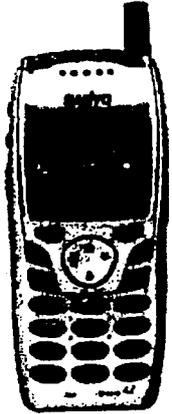
**\$49<sup>99</sup>**



**Qwest**  
*Spirit of Service*

HIGH-SPEED INTERNET • WIRELESS • LONG DISTANCE • LOCAL • DIGITAL TV

Effective 1/09/05 Page 1 of 2 LM-ALL-PS-EE\_EXP 04/08/05



4920 PHONE

\$49<sup>99</sup>

4/9/05 - 4/30/05



A680 PHONE

\$149<sup>99</sup>



**Qwest Promise of Value™**—  
better service, simpler  
plans, more value.

**Kyocera KE414 Free after \$30 Credit Offer:** Available to new and existing (with 3 months or less remaining on their contract) Qwest Wireless® customers who purchase new Kyocera KE414 handset for \$29.99 with two-year Qwest Choice™ Wireless Service Plan. Handset price does not include shipping & handling and taxes. Offer ends 4/30/05. Subject to availability. Qwest® may substitute with comparable model. Wireless plan must be active and in good standing at the time the credit is processed. Offer void if phone is returned. Offer not valid with any other handset rebates, offers or promotions. One request per Qwest Wireless phone number, maximum of 15 requests per billing address. Qwest may modify or terminate this offer at any time. **Qwest Choice™ Wireless Cross Country Plans:** Available in selected areas. Requires credit approval, OTA compatible handset, \$35 new service activation fee and \$200 per-phone early termination fee with fixed-term contracts. Prices do not include shipping and handling charges, taxes, surcharges, \$1.75 monthly cost recovery fee per handset, and other fees that vary by market. Local and domestic long distance calls made on the network are included in plan minutes and additional per minute charge applies once monthly minutes are exceeded. Calls are rounded up to the next full minute. Unused monthly minutes do not carry forward. Coverage restrictions apply and service is not guaranteed, even in home coverage area. Calls made or received off the wireless network, even within the home coverage area, will be charged at the roaming rate. Other restrictions apply. Complete details in service agreement and coverage maps provided with handset and at [www.qwestwireless.com](http://www.qwestwireless.com). **Qwest Promise of Value™:** Invites a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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# GET IT ALL WITH QWEST. PRODUCTS, SERVICES AND SAVINGS!

ARIZONA  
DOCKET NO. T-00000K-04-0927  
STF 01-038  
ATTACHMENT: **F**

## HOME PHONE



Our best home phone package for just \$25 a month for the first two months!

### Qwest Choice™ Home Plus

You get a home phone line plus your choice of up to 10 features including:

- Voice Mail and Caller ID with Qwest™ Security Screen™
- Talking Call Waiting with Call Waiting or Call Waiting ID
- Linebacker™ and Directory Assistance
- 3-Way, Last Call Return and Call Forwarding

You can change your choice of features at any time at no additional charge. Some features may not be available in all areas.

Qwest Choice Home Plus ..... **\$25.00/month**  
\$32.99/month after the first two months.  
Plus tax and surcharges.

Qwest Choice™ Home ..... **\$25.00/month**  
Plus tax and surcharges.  
Home phone line, plus your choice of up to three features.

## LONG DISTANCE



The more you talk,  
the more you save.

### Qwest Choice™ Long Distance

- No restrictions – call anytime within the continental U.S.
- Just 5¢ a minute\* plus \$2.99 monthly fees for all direct-dialed, domestic long-distance calls from home
- After \$20 per month\*, per line, calls are on us (\$2.99 fees included in cap\*\*)
- **HURRY!** Offer ends 4/9/05

Qwest Choice Long Distance ..... **5¢/minute\***  
**\$20/month\*\*** or less  
Prices and plans subject to change.  
\*Plus tax and surcharges.

\*\*\$2.00 monthly recurring fee per line and 99¢ interstate services fee per account.

## DIGITAL TELEVISION

Get your 1st month FREE, plus FREE installation – save up to \$75. Plus, get HBO for only \$8 a month\* for the first 6 months.

### Qwest Choice™ TV

Programming packages starting at ..... **\$39.99/mo.**  
\$44.99/month without Qwest Choice OnLine or a home phone package.  
Plus tax and surcharges.

- Over 210 all 100% digital channels
- Includes 60 Pay-Per-View channels and 45 digital Music Choice channels
- Interactive Program Guide with full parental control
- 1 Gateway box and up to 3 remotes
- Programming available on up to 3 TVs at no additional charge

Qwest Choice TV Standard Installation ..... **\$29.99**  
Plus tax and surcharges.

\*Available to new and existing Choice TV subscribers without HBO. At a minimum, customers must also subscribe to the Basic Choice plan at \$9.99/month.

## HIGH-SPEED INTERNET



Get your first 3 months of Qwest Choice™ OnLine Deluxe for just \$26.99 a month, plus FREE\* installation. Save up to \$163.99.

### Qwest Choice™ OnLine

Qwest Choice OnLine Deluxe ..... **\$26.99/month**  
\$44.99/month without Qwest Choice TV or a home phone package.  
Plus tax and surcharges.

- Includes unlimited, one click service with ISP
- Download up to 1.5Mbps/Upload up to 896Kbps
- Support for up to 4 computers
- ISP service with 5 e-mail accounts

Qwest Choice OnLine ..... **\$26.99/month**  
\$31.99/month without Qwest Choice TV or a home phone package.  
Plus tax and surcharges.

- Down/Upload speeds up to 256Kbps
- Support for 1 computer
- ISP service with 2 e-mail accounts

Modem rental for Qwest Choice TV subscribers ..... **No charge**

Optional modem rental for non-Qwest Choice TV subscribers ... **\$1.99/mo.**

Standard installation for desktop, laptop or portable computer without Ethernet cards (per computer) ... **No charge**

For first computer only. A \$124.99 value.  
Promotional installation charge for non-Qwest Choice TV customers, \$9.99.

HIGH-SPEED INTERNET • WIRELESS • LONG DISTANCE • LOCAL • DIGITAL TV

## NATIONWIDE WIRELESS



Coverage available in 99.5% of the 200 largest U.S. cities.

Sign up for a Qwest Choice™ Wireless Cross Country Plan of \$38.99/month or higher and pay only \$25 a month\* for the first two months.

Plus, get free unlimited calls between your Qwest Wireless® and primary home phone!

- Available with a qualifying Qwest Choice™ Cross Country or State Plan

Requires combined billing of Qwest® home and Wireless phones and the selection of this feature at time of order. Calls must be on the network and in your home coverage area.

### Qwest Choice™ Wireless Cross Country 500

- 500 Anytime Minutes to use anywhere on the network
- Includes Caller ID, 3-Way Calling, domestic on-network long-distance
- UNLIMITED night and weekend long-distance minutes on your home phone – when you combine your Qwest residential, long-distance and wireless services on one bill
- You can also get UNLIMITED nights and weekends on your wireless plan (starting at \$5/month; roaming excluded)

### Qwest Choice Wireless Cross Country 500 Plan . . . . . \$25.00/month\*

\*Plus taxes, surcharges and other fees.

We offer a variety of wireless plans and phones to meet your wireless needs. Ask your Qwest representative for additional options and prices.

## A FREE PHONE

### Kyocera® KE414

Get a free Kyocera KE414 after a \$30 bill credit\* and with a 2-year agreement.



- Brilliant-blue background display
- Changeable mask
- Supports Two-Way Text Messaging (requires subscription to additional feature)

\*Price does not include taxes or shipping/handling.

**Qwest Choice™ Home:** For Qwest® AZ, MT, NE, and UT residential local service customers only. \$25.99 monthly recurring rate. Not available in N. Idaho. Choice of 3 features. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen®, Line-Backer®, and Last Call Return. Ask your Qwest representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ Home Plus:** For Qwest residential local service customers in AZ, MT, NE and UT only. \$32.99 monthly recurring rate. Activation Promotion: New or existing residential customers between 01/10/05 and 04/09/05 receive \$7.99 credit first two months. If customer downgrades to Choice Home prior to the two month effective window any remaining credits will no longer apply. Not available in N. Idaho. Line-Backer®, Directory Assistance (DA), 3-Way, and Last Call Return automatically included. Other features available for selection. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen®, Line-Backer®, and Last Call Return. Ask your Qwest representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ Long Distance:** Offer ends 4/9/05. Available only to Qwest local service customers for residential use. Not available in MT or AK. \$2.00 MFC per line and \$0.99 interstate services fee per account are included in domestic LD charges cap. \$5.00 PIC Change Charge for changing long distance carriers is not included. Originating calls available in AK with Qwest calling card. Certain use restrictions apply except in CO. Long Distance service provided by Qwest LD Corp. Listed rates cover calls only within the US and Puerto Rico, Guam, USVI and CNMI and does not include taxes, incremental charges and surcharges. International rates are excluded. Subject to applicable tariffs and regulations. Rates subject to change. **Qwest Choice™ TV:** Available to new customers. Service not available in all areas. Installation subject to technical feasibility. Full Choice™ rate customers without Qwest home phone service or Qwest Choice™ OnLine is \$44.99/mo. **Activeline® Offer:** first month free and installation up to \$75; offer expires April 9, 2005. TV service includes one Gateway box, up to three remotes and activation of three pre-existing, cable-ready outlets, premium channels at additional monthly charge. Additional outlet installation is additional. Additional remote, \$0.99 each/month. Failure to return equipment upon service termination results in assessment of \$650 equipment charge. Price does not include shipping and handling, taxes, incremental charges and surcharges. Other restrictions may apply. Channel line-up, prices and package components subject to change. **HBO Offer:** 1 month of service at \$6 per month offer expires 4/9/05. Available to new and existing Choice TV subscribers without HBO. At a minimum, customers must also subscribe to the Basic Choice plan at \$9.99/month. After offer term, customers pay the following for HBO: \$12.99/month in Phoenix/Denver. **Qwest Choice OnLine:** Available to new customers. Service not available in all areas. Installation subject to technical feasibility. Requires Internet Modem available through Qwest. \$5 monthly modem rental fee does not apply to Qwest Choice TV customers. Failure to return equipment upon service termination results in assessment of \$250 charge for the modem, \$45 charge for 4 port hub and \$55 charge for 6 port hub. Actual speed varies depending on service location, phone line qualifications, computer performance/configuration, network/Internet congestion and other factors. Uninterrupted or error-free service not guaranteed. Price does not include shipping and handling, taxes, incremental charges and surcharges. Prices subject to change. Other restrictions may apply. **Activeline® Offer or Qwest Choice OnLine:** Free installation of \$124.99 for Qwest Choice TV customers and \$9.99 installation offer for non-Qwest Choice TV customers expires April 9, 2005. Offers apply to first PC only; each additional one at \$124.99 installation charge. **Activeline® Offer for Choice OnLine Delivery:** Available to new customers at \$28.99 or \$31.99 for first three months and free installation of \$124.99 for Qwest Choice TV customers and \$9.99 installation offer selected by non-Qwest Choice TV customers expires April 9, 2005. **Wireless Welcome:** \$25 for 2 Months Offer: Available to new Qwest Wireless® customers who subscribe to a Qwest Choice™ Wireless State or Cross Country plan of \$39.99 or greater by 4/9/05. Credits applied on or after first

and second monthly bills and do not include cost for additional features, taxes, surcharges and other fees. Qwest Wireless service must be active and in good standing at the time the credit is processed. May only be combined with handset or feature offers. Other restrictions may apply. **FREE Kyocera KE414 Offer:** Available to new and existing (with 3 months or fewer remaining on their contract) Qwest Wireless customers who purchase a new Kyocera KE414 handset for \$29.99 with 2-year agreement on a Qwest Wireless Service Plan. Handset price does not include shipping & handling, taxes and surcharges. Offer ends 04/09/05. Subject to handset availability. Qwest may substitute with a comparable model. Wireless plan must be active for at least 31 consecutive days and in good standing at the time the rebate is processed. Rebate form must be postmarked by 5/16/05 and processed no later than 6/01/05. Offer void if phone is returned. Offer not valid with any other rebates, offers or promotions. One request per Qwest Wireless phone number, maximum of 15 requests per billing address. See rebate form included with phone shipment for details. **Qwest Choice™ Wireless Cross Country Plan:** Available in selected areas. Requires credit approval, OTA compatible handset, \$35 new service activation fee and \$200 per-phone early termination fee with fixed-term contracts. Prices do not include shipping and handling charges, taxes, surcharges, \$1.75 monthly cost recovery fees per handset, and other fees that vary by market. Local and domestic long distance calls made on the network are included in plan minutes and additional per minute charge applies once monthly minutes are exceeded. Calls are rounded up to the next full minute. Unused monthly minutes do not carry forward. Coverage restrictions apply and service is not guaranteed, even in home coverage area. Calls made or received off the wireless network, even within the home coverage area, will be charged at the roaming rate. Other restrictions apply. Complete details in service agreement and coverage maps provided with handset and at [www.qwestwireless.com](http://www.qwestwireless.com). **Free Calls between Qwest Wireless and Home Phones:** Only available with a qualifying Qwest Choice Cross Country or State Plan. Requires combined billing of Qwest home and Wireless phones and the selection of this feature at time of order. Unlimited calls between wireless phones and the primary home wireless telephone number on your account are permitted if on the network within the Home Coverage Area. Restrictions may apply. Call for complete details and to select this feature. **Free Nights and Weekends on Home Phones:** Only available to Qwest residential customers subscribing to a qualifying Qwest Wireless plan and Qwest Long Distance residential service, with combined billing. Canceling service to either will result in termination from promotion. Must be selected at time of order. Covers residential voice calls to numbers throughout the continental U.S. and made from customer's home wireless phone between 7pm and 7am on weekdays (Monday through Thursday) and weekends from 7pm Friday to 7am Monday. Other restrictions may apply. Offer not available in all states and may be discontinued without notice. Not available for calls originating in AK. Service is provided by Qwest Long Distance. Subject to applicable tariffs and regulations. **Unlimited Wireless Nights and Weekends:** Only available with qualifying Qwest Choice™ Wireless plan. \$5 monthly charge covers unlimited wireless voice calls placed on the network to numbers throughout the U.S. between 9pm and 7am on weekdays (Monday through Thursday) and weekends from 9pm Friday to 7am Monday. \$10 monthly charge permits unlimited calls to begin at 7pm on weekdays and Friday. Must be selected at time of order. Other restrictions may apply. **Qwest Promise of Value™:** Invite a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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Qwest Promise of Value™ – better service, simpler plans, more value.



QLM4039-AZ, EXP 04/09/05

Qwest  
Spirit of Service®

# YOU CAN SIGN UP FOR QWEST CHOICE HOME PHONE SERVICE AND RECEIVE TWO MONTHS COMPLIMENTARY SERVICE WITH INSTALLATION WAIVED!

Switching to Qwest<sup>®</sup> is easy. Call us today to get all the services you need and get a great offer just for you. Plus, our service is backed by the Qwest Promise of Value<sup>™</sup>. Just call for a free account review and your Qwest consultant will let you know if we can offer you a better value.

**QWEST CHOICE HOME PHONE** **\$25<sup>99</sup>** per month

You get a home phone line plus your choice of 3 features, including Voice Mail, Caller ID with Qwest<sup>®</sup> Security Screen<sup>™</sup>, Call Waiting and Call Forwarding.

**PLUS:**

- No installation fee
- Keep your current phone number<sup>\*</sup>
- Change features at any time with no additional charge

<sup>\*</sup> Not available in all areas

**QWEST CHOICE LONG DISTANCE** **5c a minute**  
**\$20<sup>00</sup>** per month

Talk a little or a lot. One simple plan that's right for everyone.

- No calling time restrictions
- Only 5¢/min. for all your direct-dialed domestic long-distance calls from home, plus low monthly fees, taxes and surcharges
- Low monthly base of \$2.00 per line and \$64 per account apply toward the \$20 per month cap
- Heavy! Offer ends April 9, 2005

<sup>\*</sup> Plus low monthly fees, taxes and surcharges

**ANGELA**  
Qwest customer,  
trailblazing pre-law  
student



**CALL TODAY TO SEE HOW WE CAN SAVE YOU MONEY!**

**Qwest** Simple. Different.

• LOCAL • LONG DISTANCE • LOCAL •

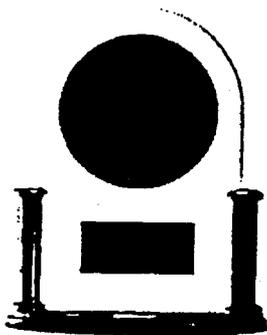
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DOCKET NO. T-00000K-04-0927  
STF 01-038  
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H

# QWEST HOME AND LONG DISTANCE

LOCAL LONG  
DISTANCE

## YOU CAN STAY CONNECTED TO LOVED ONES FOR LESS.



Ask how you can get  
these great prices on one  
convenient, low bill.

"#1 in Customer Satisfaction for Standalone  
Residential Long Distance Telephone Services."  
J.D. Power and Associates'

### QWEST CHOICE LONG DISTANCE

**5¢**  
a minute



HIGH-SPEED INTERNET • WIRELESS • LONG DISTANCE • LOCAL • DIGITAL TV

Qwest   
*Spirit of Service*

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QWEST CHOICE HOME PLUS

**\$25\***  
a month

QWEST CHOICE HOME

**\$25<sup>99</sup>**  
a month



**Qwest Promise of Value™ – better service,  
simpler plans, more value.**

† J.D. Power and Associates 2004 Residential Long Distance Customer Satisfaction Study.™ Study conducted among 10,570 residential long-distance users. Standalone segment includes residential long-distance customers who are not billed for other telecom services on the same statement. [www.jdpower.com](http://www.jdpower.com)

Qwest Choice™ Home: For Qwest® AZ, MT, NE, and UT residential local service customers only. \$25.00 monthly recurring rate. Not available in N. Idaho. Choice of 3 features. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen™, Line-Backer™, and Last Call Return. Ask your Qwest Representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. Qwest Choice™ Home Plus: For Qwest® residential local service customers in AZ, MT, NE, and UT only. \$32.98 monthly recurring rate. Activation Prerequisite: New or existing residential customers between 01/10/05 and 04/09/05 receive \$7.98 credit first two months; if customer downgrades to Choice Home prior to the two months effective window any remaining credits will no longer apply. Not available in N. Idaho. Line-Backer™, Directory Assistance (DA), 3-Way, and Last Call Return automatically included. Other features available for selection. Prices/package components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to Directory Assistance, Caller ID with Qwest® Security Screen™, Line-Backer™, and Last Call Return. Ask your Qwest Representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. Qwest Choice™ Long Distance: Offer expires 4/30/05. Available only to Qwest local service customers for residential use. Not available in MT or AK. \$2.00 MISC per line and \$0.89 interstate services fee per account are included in domestic LD charges cap. \$5.00 PIC Change Charge for changing long distance carriers is not included. Originating calls available in AK with Qwest calling card. Certain use restrictions apply except in CO. Long Distance service provided by Qwest LD Corp. Listed rates cover calls only within the US and to Puerto Rico, Guam, USVI and CNMI and does not include taxes, incremental charges and surcharges. International rates are excluded. Subject to applicable tariffs and regulations. Rates subject to change. Qwest Promise of Value™: Invite a customer to contact Qwest to obtain an account review at any time and Qwest will inform the customer if a better value is available from Qwest. Notice may also be communicated in other ways. Better value is not a guarantee of price reduction. Limited time offer.

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# SWITCH FOR THE OFFER STAY FOR THE SERVICE AND SAVE OVER \$300\*

\* Offer not valid to existing Qwest home phone customers.

Switching to Qwest® is easy, and now it saves you money. Call us today to get all the services you need, all on one bill, and great offers just for Valley residents.

Why pay more? Look what you get with Qwest everyday, low prices.

**Qwest Choice™  
Home Phone Package**  
With Unlimited Local Calling

**JUST \$25<sup>99</sup>**  
A MONTH  
(Plus taxes and surcharges)

SPECIAL OFFER

\* Offer valid for Arizona Valley residents until 04/08/05 and unless activation fees and up to 2 months of local service monthly recurring charges for Qwest Choice Home.

**Qwest Choice™  
Digital TV**

**JUST \$39<sup>99</sup>**  
A MONTH\*  
(Plus taxes and surcharges)

SPECIAL OFFER

Up to a **\$120.00** Value\*\*

\* With Qwest home phone service or Choice OnLine (\$44.99 per month without).  
\*\* Offer valid for Arizona Valley residents until 04/08/05 and provides free activation and 2 months of Fall Choice® recurring charges only. Monthly recurring charges for premium services not included in offer.

**Qwest Choice™ OnLine  
High-Speed Internet**

**JUST \$26<sup>99</sup>**  
A MONTH  
(Plus taxes and surcharges)

SPECIAL OFFER

Up to a **\$188.97** Value

Includes one-click conversion speed up to 25Mbps (asymmetric), higher speeds available.  
\* With a Qwest home phone service or Choice TV (\$31.99 without).  
\* Offer valid for Arizona Valley residents until 04/08/05 and provides free standard installation up to \$124.99 and 2 months of recurring charges for Qwest Choice OnLine. Customers purchasing nonstandard installation will receive a \$124.99 credit toward hardware purchase.

Switch today to get 2 months, plus activation on home phone, digital TV & high-speed Internet needs and save in more ways than one —

Qwest

## ENJOY OVER 200 DIGITAL CHANNELS

### BASIC CHOICE

- 2 Qwest Channel
- 3 KTVK-IND
- 4 Pay-Per-View Preview
- 5 KPHO-CBS
- 6 KASW-IND
- 7 International Channel
- 8 KAET-PBS
- 9 Leased Access
- 10 KSAZ-FOX
- 11 Government Access
- 12 KPNH-NBC
- 13 KAZT-IND
- 15 KOBV-ABC
- 18 KUTP-LPN
- 17 KPPX-PAX
- 16 KDRX-IND
- 19 KTVW-IND
- 20 Educational Access
- 21 KPAX-Religious
- 22 KOTV-Religious
- 23 Educational Access
- 24 Local Access
- 25 ENTH
- 26 Telekurs
- 27 DVC

### SPORTS

- 28 ESPN
- 29 ESPN2
- 30 ESPN Classic Sports
- 31 ESPN News
- 32 FOX Sports World
- 33 Outdoor Life
- 34 FOX Sports Net (AZ)
- 35 The Golf Channel
- 36 Speed Channel
- 37 WTBS-Atlanta
- 38 WGN
- 40 Discovery Health Network
- 41 FOX Sports En Español
- 42 FOX Sports Digital East
- 43 FOX Sports Digital West
- 44 FOX Sports Digital Central

### NEWS & INFORMATION

- 50 CNN
- 51 CNNfn
- 52 CNN Headline News
- 53 The Weather Channel
- 54 Court TV
- 55 FOX News
- 58 CNBC
- 57 C-SPAN
- 58 C-SPAN2
- 60 Home Shopping Network
- 61 Bloomberg TV
- 62 MSNBC
- 64 ShopNBC
- 65 G4TechTV
- 66 CNBC World Service

### FAMILY

- 70 Disney Channel
- 71 Nickelodeon
- 72 ABC Family
- 73 Hallmark Channel
- 74 Sci-Fi Channel
- 75 Lifetime Television
- 76 Cartoon Network
- 77 AMC
- 78 Turner Classic Movies
- 79 MOVIE!
- 80 BBC America
- 81 TV Land
- 82 Lifetime Movie Network
- 83 Inspirational Network
- 84 Toon Disney

### SPORTS

- 88 WHI
- 91 MTV
- 92 USA Network
- 93 Great American Country
- 94 Spike TV
- 95 Comedy Central
- 96 TNT
- 97 BET
- 98 E! Entertainment TV

### 99 RISE

- 100 VE
- 101 FX
- 102 FOX Movie Channel
- 103 Oxygen
- 104 SoapNet
- 105 International Channel
- 107 Galaxia
- 108 GSN
- 109 Fine Living

### ARTS & EDUCATION

- 110 A&E
- 111 Discovery Channel
- 112 History Channel
- 113 Bravo
- 114 TV Food Network
- 116 Home & Garden TV
- 116 DR
- 117 The Learning Channel
- 118 Travel Channel
- 119 Animal Planet
- 120 Independent Film Channel
- 121 National Geographic

### ADVANTAGE PLUS

- 126 BYU TV
- 127 Discovery Home & Leisure
- 128 Discovery Kids
- 129 Discovery Times
- 130 The Science Channel
- 131 Discovery Wings
- 133 Boomerang
- 134 CSTV
- 135 FUEL
- 136 Tennis Channel
- 137 ESPN Deportes
- 138 NFL Network

### ADDITIONAL CHANNELS

- 45 Music Choice channels
- 27 Premium movie channels
- 60 Pay-Per-View channels

Please call today for special offers and a FREE account review!

# CALL TODAY

## TO ORDER QWEST CHOICE™ HOME PACKAGE, QWEST CHOICE™ DIGITAL TV & QWEST CHOICE™ ONLINE HIGH-SPEED INTERNET!

### Special offers end April 9th, 2005!

Qwest   
Spirit of Service™

**Waver Offer:** Offer valid for AZ Valley residents only until April 9, 2005. Offer is a waiver for Qwest Choice™ Home in the form of a credit for up to 100% of current nonrecurring charges, or up to 2 months of recurring charges, or up to 100% of the current nonrecurring charges and up to 2 months of recurring charges, or a benefit or consideration not associated with the service or product. Total amount waived will not exceed total nonrecurring charges plus 2 months of recurring charges and does not cover taxes or long distance charges or any amount not specifically identified. Customer is eligible only once for waiver. Offer does not apply to Qwest wireless, long distance, DSL and any other products not selected by Qwest. Qwest Choice™ Home: For Qwest AZ, MT, NE, and UT residential local service customers only. \$25.99 monthly recurring rate. Not available in IL, IN, IA, MO, ND, SD, WI, WY. Prices/packages components subject to change. Listed rates do not include taxes, incremental charges and surcharges. Feature limitations exist, including but not limited to: C-Directory Assistance, Caller ID with Qwest Security Screen™, Line-Backer™, and Last Call Feature. Ask your Qwest Representative for details. Some features not compatible with others, require special equipment at an additional charge, and may not be available in all areas. Subject to applicable tariffs and regulations. Rates subject to change. Qwest Choice™ TV: Available to new customers. Service not available in all areas. Installation subject to technical feasibility. Full Choice™ rate customers without Qwest home phone service or Qwest Choice™ OnLine is \$44.99/mo. Activation Offer: first month free and installation up to \$75; offer expires April 9, 2005. TV service includes one Gateway box, up to three remotes and activation of three pre-existing, cable-ready outlets. Premium channels of additional monthly charge. Additional outlet installation is additional. Additional remote, \$9.99 each/month. Failure to return equipment upon service termination results in assessment of \$630 equipment charge. Price does not include shipping and handling, taxes, incremental charges and surcharges. Other restrictions may apply. Channel line-up, prices and package components subject to change. Qwest Choice™ TV Activation Offer: Available for AZ Valley residents only until April 9, 2005 and provides for 2 months of Full Choice™ service and installation free up to \$120. Offer does not apply to monthly recurring charges for premium services, such as HBO/Max Pak. Qwest Advantage Plus: Optional service available only to Qwest Choice™ TV subscribers. \$6.99 per month for Full Choice customers and \$8.99 for basic service customers. Qwest Choice™ OnLine: Available to new customers. Service not available in all areas. Installation subject to technical feasibility. Requires Ethernet Modem available through Qwest. \$5 monthly modem rental fee. Failure to return equipment upon service termination results in assessment of \$250 charge for the modem, \$45 charge for 4 port hub and \$55 charge for 6 port hub. Actual speed varies depending on service location, phone line qualifications, computer performance/configuration, network/Internet congestion and other factors. Uninterrupted or error-free service not guaranteed. Price does not include shipping and handling, taxes, incremental charges and surcharges. Prices subject to change. Other restrictions may apply. Activation Offer for Choice Online: free installation of \$124.99 for Qwest Choice™ TV customers and \$8.99 installation offer for non-Qwest Choice TV customers expires April 9, 2005. Offers apply to flat PC only; each additional one at \$124.99 installation charge. Activation Offer for Qwest Choice OnLine: Available for AZ Valley residents only until April 9, 2005 and provides for 2 months of service (up to \$89.99) and standard installation (up to \$124.99) free. Customer selecting non-standard installation will receive a \$124.99 credit toward their installation purchase.

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OST-443-WB-VDSL-PS\_EXP 040306





Arizona  
T-00000K-04-0927  
STF 01-039

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 039

Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

RESPONSE:

Yes. See Qwest's response to STF 01-020 in this docket.

Respondent: Jay Schlum

*\* Current was desk*

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LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

March 11, 2005

Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007  
Attn: Caroline Butler, Paralegal

Re: Staff's first set of data requests to Rio Virgin Telephone Company regarding the  
Investigation into Preferred Carrier Arrangements Docket No: T-00000K-04-0927

To Whom It May Concern:

The following response is being submitted pursuant to the request above. Answers are  
being provided by Harold Oster, Area Manager Rio Virgin Telephone, 61 W. Mesquite  
Blvd. Mesquite NV 89024. Answers are provided to the following staff questions.

- STF 1-1 NO
- STF 1-2 N/A
- STF 1-3 NO
- STF 1-4 NONE
- STF 1-5 N/A
- STF 1-6 NONE
- STF 1-7 N/A
- STF 1-8 N/A
- STF 1-9 N/A
- STF 1-10 N/A
- STF 1-11 N/A
- STF 1-12 NONE
- STF 1-13 N/A
- STF 1-14 Filed tariff with ACC.
- STF 1-15 N/A
- STF 1-16 UNKNOWN
- STF 1-17 N/A
- STF 1-18 N/A
- STF 1-19 NO
- STF 1-20 They should comply with all FCC rules as they apply to Telecommunications.
- STF 1-21 UNKNOWN

STF 1-22 UNKNOWN

STF 1-23 UNKNOWN

STF 1-24 N/A

STF 1-25 N/A

STF 1-26 NO

STF 1-27 NONE

STF 1-28 UNKNOWN

STF 1-29 UNKNOWN

STF 1-30 UNKNOWN

STF 1-31 NONE

STF 1-32 Nevada does not allow exclusive contracts for the provisioning of telephone services. Provider of last resort must provide service even if there are CLEC in same area. NAC 704.68098 covers this.

STF 1-33 NONE

STF 1-34 Same as response to 1-32.

STF 1-35 Yes, as long as there is public right-of-way any utility should have access. In case of a private development the customer should have the right to select their carrier. Owner should be required to provide access to facilities.

STF 1-36 NO

STF 1-37 N/A

STF 1-38 NONE

STF 1-39 NONE

Should you have any questions please contact me at 702-346-5211.

Sincerely



Harold Oster  
Area Manager

**From:** "McMahon, Kathy M [CC]" <KATHY.MCMAHON@mail.sprint.com>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/22/05 10:35AM  
**Subject:** Sprint's Response to ACC Staff's First Set of Data Requests RePreferred Carrier Arrangements

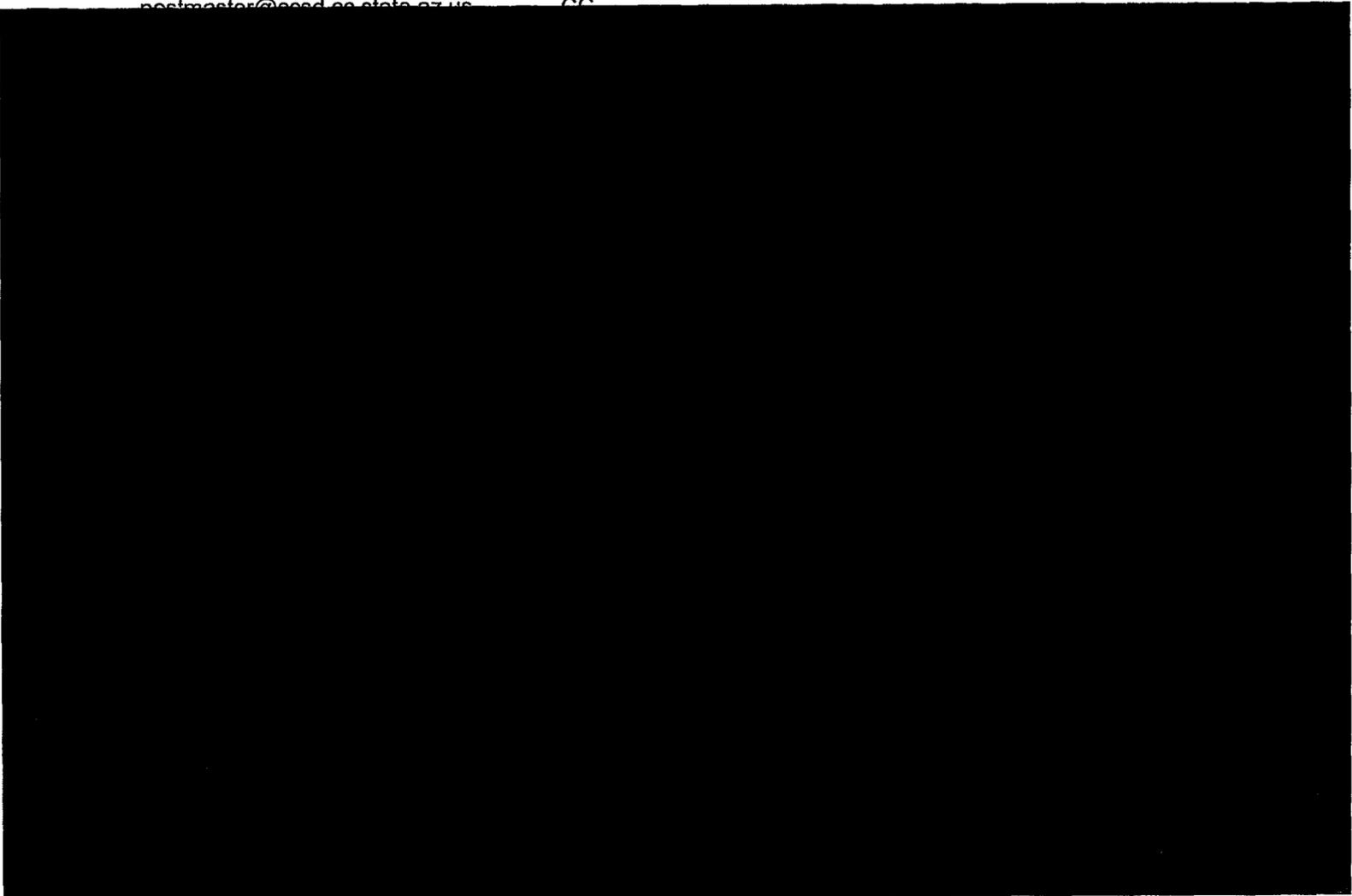
Attached you will find the above-referenced document. The hard copy will be sent via Federal Express.

<<Sprint Response to Staff's First Set of DRs Dated March 9, 2005 (3-22-05).pdf>>

Kathy  
Kathy McMahon, Legal Analyst II  
Sprint  
100 Spear Street, Suite 930  
San Francisco, CA 94105  
Tel: 415-371-7181  
Fax: 415-371-7186

=====  
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**Eric S. Heath**  
Attorney

100 Spear Street, Suite 930  
San Francisco, CA 94105  
Telephone: 415-371-7179  
Facsimile: 415-371-7186  
Email: [eric.s.heath@mail.sprint.com](mailto:eric.s.heath@mail.sprint.com)

March 22, 2005

**VIA OVERNIGHT DELIVERY AND ELECTRONIC MAIL**

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Wilfred Shand, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

**RE: SPRINT'S RESPONSES TO ACC STAFF'S FIRST SET OF DATA REQUESTS  
DATED MARCH 9, 2005 IN DOCKET NO. T-00000K-04-0927**

Dear Ms. Butler and Mr. Shand:

Enclosed please find Sprint Communications Company L.P.'s responses to the Commission Staff's First Set of Data Requests in the above-referenced matter.

Please do not hesitate to contact me should you have any questions in this regard.

Sincerely,

Eric S. Heath

ESH:km

Enclosure

cc: Steve Duffy, Esq.  
File

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**MARC SPITZER  
CHAIRMAN  
WILLIAM A. MUNDELL  
COMMISSIONER  
JEFF HATCH-MILLER  
COMMISSIONER  
MIKE GLEASON  
COMMISSIONER  
KRISTIN MAYES  
COMMISSIONER**

**IN THE MATTER OF THE  
INVESTIGATION INTO PREFERRED  
CARRIER ARRANGEMENTS**

**DOCKET NO. T-00000K-04-0927**

**SPRINT COMMUNICATIONS COMPANY L.P.'S  
RESPONSES TO ACC STAFF'S FIRST SET OF DATA REQUESTS**

Sprint Communications Company L.P. ("Sprint") hereby submits its responses to the ACC Staff's First Set of Data Requests dated March 9, 2005 in the above-captioned matter.

**PRELIMINARY STATEMENT**

In responding to the discovery herein, Sprint does not concede the relevancy, materiality, or admissibility of any information or documents sought by the requests or of any response thereto. Sprint's responses are made subject to, and without waiver of, any questions or objections as to the competency, relevancy, materiality, privilege or admissibility as evidence or for any other purpose, of any of the documents and information referred to herein. These responses are made on the basis of information presently known to Sprint at the time the

responses were provided, with particular regard to the Arizona jurisdiction, and are made without prejudice to Sprint's right to amend and/or supplement such responses.

### GENERAL OBJECTIONS

Sprint makes the following general objections to Staff's First Set of Data Requests. Unless otherwise specified, each of the following General Objections is continuing, and is incorporated in response to each request propounded by Staff, as if fully set forth therein.

1. Sprint objects to each and every data request to the extent it purports to seek information or documents that are protected from disclosure by the attorney-client privilege or attorney work product doctrine.

2. Sprint objects to each and every data request to the extent Staff seeks information or documents that are confidential, proprietary and/or trade secret information protected from disclosure. Without waiving any right to object to specific data requests on such grounds, to the extent Sprint produces responsive information, the information and documents will only be provided pursuant to a suitable protective order signed by Staff, and all persons to whom documents are provided.

3. Sprint objects to each and every data requests to the extent it seeks information regarding operations other than those of Sprint Communications Company L.P. in the state of Arizona.

4. Sprint objects to each and every data request to the extent it seeks documents or information equally available to Staff through public sources or records, on the grounds that it subjects Sprint to unreasonable and undue annoyance, oppression, burden and expense.

**SPRINT RESPONSES**

Subject to the foregoing, Sprint provides the attached responses to ACC Staff's First Set of Data Requests dated March 9, 2005 in the above-captioned matter.

Dated this 22<sup>nd</sup> day of March, 2005.

Respectfully submitted,

SPRINT COMMUNICATIONS COMPANY L.P.

By



Eric S. Heath – Attorney  
Sprint Law and External Affairs Dept.  
100 Spear Street, Suite 930  
San Francisco, CA 94105-3114  
415-371-7179 – tel  
415-371-7186 – fax  
eric.s.heath@mail.sprint.com

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-1: Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owners to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

Response: No. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-2: If your response to STF 1-1 is "yes," please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

Response: Not applicable. See response to STF 1-1.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-3      Does your company enter into marketing agreements with developers?

Response:              No. Sprint has no such agreements in Arizona.

Response Provided By:      John Felz, Director - State Regulatory  
   Sprint  
   6450 Sprint Parkway  
   Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-4      Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is "yes," please explain.

Response:              Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:      John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement.
- b. The name of each party participating in the agreement.
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement.
- g. The ending date (To) of the agreement.
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Questions STF 1-6    Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

Response:            Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Questions STF 1-7    Can developers who have preferred carrier agreements or marketing agreement with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company? If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

Response:            Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-8 Do your marketing agreements include services other than telecommunications services?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-9      What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

Response:              Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:      John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question 1-10            Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developers?

Response:                Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-11    Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

Response:                Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-12    Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

Response:            Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-13    Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so, please describe the linkages.

Response:                    Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-15 Do you enter into preferred carrier or marketing agreement with apartment complexes?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-16    What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

Response:                Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
                                  Sprint  
                                  6450 Sprint Parkway  
                                  Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-17    What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

Response:            Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-18    Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

Response:                    Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:     John Felz, Director - State Regulatory  
   Sprint  
   6450 Sprint Parkway  
   Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-19 Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

Response: In addition to the general objections listed above, Sprint objects to this question on the basis that it is vague and calls for speculation. Without further clarification of the Staff's question, Sprint cannot know whether it has any such "other agreements." As noted above, Sprint has no such preferred carrier agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-20    What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

Response:                Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

Response: Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-22 Do you believe that preferred carrier agreements are anti-competitive?  
Please explain the basis for your belief.

Response: Sprint has no such agreements in Arizona, and therefore does not offer a  
response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

Response: Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-26 Has the ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-27    Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their building or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

Response:            Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-28    Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

Response:            Sprint has no such agreements in Arizona, however Sprint does know that such agreements are used in other jurisdictions, and are therefore not exclusive to Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

Response: Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-30    What disadvantages do carriers experience by entering into these agreements?

Response:            Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-31 How many preferred carrier agreements have you entered into?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-32    Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

Response:            Sprint has not completed a comprehensive review to determine if there have been other state proceedings on this issue.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-33    Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is "yes," please provide a case number and cite, if available.

Response:                Sprint has not completed a comprehensive review to determine if there have been court proceedings on this issue.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-34    Are you aware of any states that have enacted laws concerning preferred provider agreements? If "yes," please provide a copy of the state laws with your response.

Response:            Sprint has not completed a comprehensive review to determine if there have been states that have enacted laws on this issue.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

Response: Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-36 Do you believe services to any development or other complex that is under a preferred carrier agreement with another provider? Please explain.

Response: In addition to the general objections listed above, Sprint objects to this question on the basis that it is vague and calls for speculation. As noted above, Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is "yes," how does the treatment differ?

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

Response: Not applicable. Sprint has no such agreements in Arizona.

Response Provided By: John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-39    Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

Response:            Sprint has no such agreements in Arizona, and therefore does not offer a response to this question.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100

**From:** "PAULSEN, CAROL (SBCSI)" <cp5962@sbc.com>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/21/05 11:09AM  
**Subject:** RE: Docket No. T-00000K-04-0927

<<Arizona Data Request docket no. T-00000K-04-0927.doc>>

Attached are SBC Telecom, Inc.'s responses to Staff's First Set of Data Requests regarding the Investigation into Preferred Carrier Arrangements, Docket No. T-00000K-04-0927 dated March 9, 2005.

Please call me if you have any questions.

Carol Paulsen  
SBC Telecom  
Director-Regulatory  
210-246-8750

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**CC:** "DAVILA, DENISE M (SBCSI)" <dd1320@sbc.com>

STAFF'S FIRST SET OF DATA REQUESTS REGARDING THE ARIZONA  
CORPORATION COMMISSION'S INVESTIGATION INTO PREFERRED CARRIER  
ARRANGEMENTS

Docket No: T-00000K-04-0927

March 9, 2005

**STF 1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:**

- a. The installation of telecommunications network facilities?**
- b. The price associated with the installation of those facilities?**
- c. Marketing of telecommunications services?**
- d. Distribution of sales literature?**
- e. Statements regarding the developer's "preferred" provider of telecommunications services?**
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?**

Answer: No, SBC Telecom, Inc. does not have any preferred carrier agreements or other agreements with property owners in the state of Arizona.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements? Are such revenue sharing provisions a standard or typical provision in such agreements?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-3 Does your company enter into marketing agreements with developers?**

Answer: SBC Telecom has not entered into any marketing agreements with developers in Arizona.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-4** Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain?

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-5** Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement.
- d. The address of this contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-7 Can developers who have preferred carrier arrangements or marketing agreements with you distribute or allow to be distributed, the advertising literature of any other telecommunications company. If your response is "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-8 Do your marketing agreements include services other than telecommunication services?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-9**      **What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-10**      **Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-11**      **Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.**

Answer: SBC Telecom, Inc. does not have an opinion on this matter.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-12**      **Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes?**

Answer: SBC Telecom, Inc. does not have any preferred carrier or marketing agreements with any apartment complexes in Arizona.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements. What are the benefits to the developer?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-17      What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-18      Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response if "yes," under what rates, terms and conditions?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-19      Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? Is so, please describe these agreements.**

Answer: No, SBC Telecom does not have any agreements that relate to the provision of telecommunications services in Arizona.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-20      What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?**

Answer: SBC Telecom, Inc. does not have an opinion on which issues the Commission should address with respect to preferred carrier or marketing agreements in Arizona.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-21      Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.**

Answer: SBC Telecom, Inc. does not have an opinion regarding the impediments of preferred carrier agreements or marketing agreements as they related to the ability of end users to purchase telecommunications services in a competitive market.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-22      Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis of your belief.**

Answer: SBC Telecom, Inc. does not have an opinion regarding the anti-competitiveness of preferred carrier agreements.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-23      Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.**

Answer: SBC Telecom, Inc. does not have an opinion regarding exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?**

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-27**      **Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their building or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.**

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-28**      **Are preferred carrier agreements utilized in other states as well, or this is phenomenon most prevalent in Arizona?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-29**      **What benefits/advantages do carriers receive from preferred provider agreements?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-30**      **What disadvantages do carriers experience by entering into these agreements?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-31 How many preferred carrier agreements have you entered into?**

Answer: None in Arizona

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.**

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.**

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.**

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.**

Answer: SBC Telecom, Inc. does not have an opinion regarding the lawfulness of such arrangements.

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-37 Are business line/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?**

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-38** Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

Answer: N/A

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215

**STF 1-39** Are there other issues with preferred carrier agreements or marketing agreements which the Commission should address?

Answer: No

Responsible Party:

Denise Davila, Associate Director-Regulatory  
1010 N. St. Mary's, Room 1328  
San Antonio, Texas 78215



Regulatory Department

SBC Long Distance  
5850 W. Las Positas Blvd.  
Pleasanton, CA 94588

March 16, 2005

Caroline Butler  
Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Re: Staff's First Set of Data Requests to Southwestern Bell Communications Services, Inc. regarding the Investigation into preferred Carrier Arrangements  
Docket No.:T-00000K-04-0927

Dear Sir/Madam:

Although SBC Long Distance, Inc. (formerly known as Southwestern Bell Communications Services Inc.) received a CCN in 2004 to provide local exchange services in Arizona, we have not yet begun to offer local exchange service. SBC Long Distance, Inc. ("SBCLD") has no preferred carrier agreements, agreements with other property owners, or marketing agreements with developers. Therefore, SBCLD has no information to provide regarding these data requests, and this letter constitutes our response.

Please contact me with any questions.

Sincerely,

Norman W. Descoteaux  
Associate Director – Regulatory  
(925) 468-6209

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LEGAL DIV.  
ARIZ. CORPORATION COMMISSION



SBC Long Distance  
5850 W. Las Positas Blvd.  
Pleasanton, CA 94588

March 16, 2005

Caroline Butler  
Paralegal  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

Re: Staff's First Set of Data Requests to Southwestern Bell Communications Services, Inc. regarding the Investigation into preferred Carrier Arrangements  
Docket No.:T-00000K-04-0927

Dear Sir/Madam:

Although SBC Long Distance, Inc. (formerly known as Southwestern Bell Communications Services Inc.) received a CCN in 2004 to provide local exchange services in Arizona, we have not yet begun to offer local exchange service. SBC Long Distance, Inc. ("SBCLD") has no preferred carrier agreements, agreements with other property owners, or marketing agreements with developers. Therefore, SBCLD has no information to provide regarding these data requests, and this letter constitutes our response.

Please contact me with any questions.

Sincerely,

s/d

Norman W. Descoteaux  
Associate Director – Regulatory  
(925) 468-6209

**From:** "DESCOTEUX, NORMAN (SBLD)" <nd1639@sbc.com>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/16/05 11:57AM  
**Subject:** Docket No.:T-00000K-04-0927

Attached is the response from SBC Long Distance, Inc. (formerly known as Southwestern Bell Communications Services Inc) to Staff's First Set of Data Requests to Southwestern Bell Communications Services, Inc. regarding the Investigation into preferred Carrier Arrangements

Docket No.:T-00000K-04-0927

<<3-16-05 Data Request Response w Logo.doc>>

Norman W. Descoteaux

Norman W. Descoteaux  
Associate Director - Regulatory  
SBC Long Distance  
(925) 468-6209

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=====

**CC:** "ANDREJKO, LISA M (SBLD)" <la5173@sbc.com>

**From:** Stacey Haro <SHaro@telscape.net>  
**To:** "cbutler@cc.state.az.us" <cbutler@cc.state.az.us>, "wshand@cc.state.az.us" <wshand@cc.state.az.us>  
**Date:** 3/21/05 4:09PM  
**Subject:** Staff's First Data Request Regarding the Investigation into Preferred Carrier Arrangements

Telscape Communications, Inc.'s response to Staff's First Data Request Regarding the Investigation into Preferred Carrier Arrangements is attached. A hard copy will follow via Fed Ex tomorrow.

<<ACC Preferred Carrier Agreements Data Request.doc>>

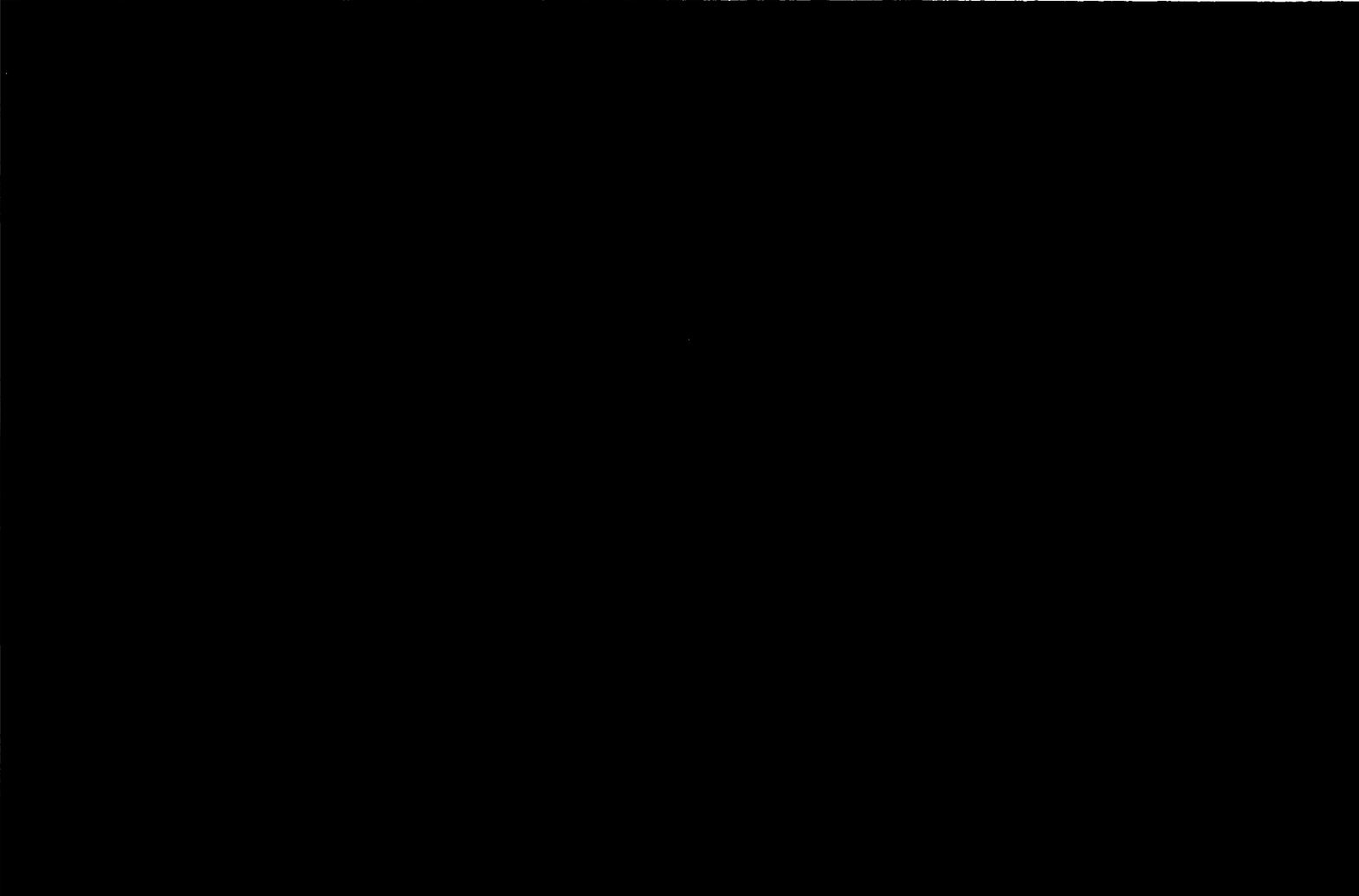
Please let me know if you have any questions.

Thanks,

Stacey Haro  
Regulatory Administrator  
Telscape Communications, Inc.  
(626) 415-1192 (office)

=====  
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STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-0927

March 9, 2005

STF 1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service from the "preferred" provider of telecommunications services?

Response: Telscape Communications, Inc. does not enter into preferred carrier agreements or other agreements with property owners or developers. Telscape does not enter into any agreements that address any of issues associated with the list above.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

Response: Telscape's response to STF 1-1 is no. STF 1-2 is not applicable to Telscape.

STF 1-3 Does your company enter into marketing agreements with developers?

Response: Telscape does not enter into marketing agreements with developers.

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

Response: Telscape characterizes a marketing agreement as an agreement between a carrier and a property owner in which the property owner agrees that no other carrier will be allowed to distribute or post advertisements on the property, distribute carrier information to property tenants, or otherwise engage in marketing activities with property tenants.

Telscape believes that marketing agreements differ from preferred provider agreements. In Telscape's opinion, a preferred provider agreement is an agreement between a carrier and a property owner in which the property owner agrees to inform all property tenants that the carrier is the preferred provider for that property. The preferred provider agreement does not necessarily include a marketing agreement, unless the preferred

provider agreement also includes provisions stating the preferred carrier is the only carrier allowed to engage in marketing activities with the property's tenants.

Telscape has not entered into any marketing or preferred provider agreements.

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the name of each party participating in the agreement
- d. The address of the contact name corresponding to the name of each party participating in the agreement
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement

Response: Telscape has not entered into any preferred provider agreements, preferred carrier agreements, or marketing agreements.

STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

Response: Telscape has not entered into any agreements that prohibit property owners from marketing the services of other telecommunications service providers.

STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company? If your response in "No", please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

Response: Telscape has not entered into any preferred carrier agreements or marketing agreements with any developers.

STF 1-8 Do your marketing agreements include services other than telecommunications services?

Response: Telscape does not currently have any marketing agreements. Telscape does not anticipate entering into any marketing agreements in the future.

STF 1-9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

Response: While Telscape has not entered into any preferred carrier or marketing agreements with any developers, Telscape believes developers often receive monetary compensation from telecommunications carriers for entering into preferred carrier or marketing agreements with carriers.

STF 1-10 Do your agreements include such items as exclusive marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

Response: Telscape has not entered into any agreements with developers.

STF 1-11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

Response: Telscape believes that preferred provider agreements should be allowed if the agreements do not result in property owners, property managers, or developers engaging in anti-competitive actions in their attempts to adhere to a misguided concept of the intent of the preferred provider agreement.

If enacted as intended, preferred provider agreements should merely establish that one particular carrier is the preferred carrier for that property, but should not prevent tenants from choosing a different carrier than the preferred carrier. In Telscape's experience, property owners and developers often interpret preferred provider agreements to mean that no carrier should be afforded the same ease of access to the property that is afforded to the preferred carrier.

If preferred provider agreements are enacted in this manner, they are not in the public interest. The public should be able to choose the carrier they prefer without fearing reproach from their property owner and without experiencing service trouble or delays because their carrier does not have convenient, hassle-free access to the premises.

STF 1-12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

Response: Telscape has not entered into any preferred carrier or marketing agreements.

STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so, please describe the linkages.

Response: Telscape has not entered into any preferred carrier or marketing agreements.

STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

Response: As Telscape rarely installs facilities in commercial or residential developments; we do not have any standard terms.

STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes?

Response: Telscape does not enter into preferred carrier or marketing agreements with apartment complexes.

STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

Response: Telecommunications companies benefit from entering into preferred carrier agreements because property owners and managers refer their tenants directly to the telecommunications carrier that has been established as the preferred provider for their property. This enables telecommunications companies to maintain a steady source of subscribers at each property at which the company is the preferred provider.

The benefits to the developer may include monetary compensation based on the number of subscribers referred, or other forms of compensation as specified in the preferred provider agreement.

STF 1-17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

Response: Telscape does not enter into preferred carrier or marketing agreements with developers. However, we believe the standard term of a preferred carrier or marketing agreement with a developer is one year.

STF 1-18 Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? Is your response is "yes", under what rates, terms, and conditions?

Response: Telscape does not believe that third party telecommunications companies are allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement.

STF 1-19 Do you enter into other agreements, other than preferred carrier or marketing agreements with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

Response: Telscape does not enter into any agreements with developers that relate to the provision of telecommunications services.

STF 1-20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

Response: The Commission should address the anti-competitive actions that some property owners, property managers, and developers choose to engage in that make it difficult for other carriers to obtain hassle-free access to the property and to the property tenants' minimum points of entry.

STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

Response: If followed by the letter of the law and enacted as intended, preferred carrier and marketing agreements do not provide an impediment to the ability of end users to purchase telecommunications services in a competitive market. Although preferred carrier and marketing agreements encourage end users to purchase telecommunications services from the preferred carrier, if the preferred carrier and marketing agreements are enacted as intended, end users are still free to choose the provider they believe will best suit their telecommunications needs.

STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

Response: Telscape does not believe that preferred carrier agreements are anti-competitive when followed by the letter of the law and enacted as intended. While preferred carrier agreements may not be anti-competitive in and of themselves, actions in which some property owners or managers choose to engage may be considered anti-competitive. If property owners or managers engage in activities that prevent carriers other than the preferred carrier to have the same ease of access to the property as the preferred carrier, Telscape believes those actions are anti-competitive.

STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anti-competitive? Please explain the basis for your belief.

Response: Telscape believes that exclusive marketing agreements that prevent property owners and developers from marketing a competitor's service are not anti-competitive if followed by the letter of the law and enacted as intended. The actions in which some property owners and developers choose to engage while enacting or enforcing the exclusive marketing agreements may be anti-competitive.

STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

Response: Telscape has not entered into any preferred carrier agreements or marketing agreements.

STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer received under the terms of the agreement.

Response: Telscape has not entered into any preferred carrier agreements or marketing agreements.

STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

Response: In Telscape's experience, our ability to obtain access to customers' premises has been impeded by the existence of a preferred provider or marketing agreement between one of our competitors and a property owner.

STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

Response: Telscape's main concerns regarding preferred carrier or marketing agreements are related to the customer access problems that arise from property owners or developers engaging in activities that impede or deny access to customer premises and rights of way. In Telscape's experience, some landlords do deny access to customers in their buildings. In addition, some landlords, property owners, and developers deliberately miss scheduled access appointments in which they were supposed to provide access to the customer's premises or right of way.

STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

Response: Telscape believes that preferred carrier agreements are also utilized in California.

STF 1-29      What benefits/advantages do carriers receive from preferred provider agreements?

Response:    Please see response to STF 1-16.

STF 1-30      What disadvantages do carriers experience by entering into these agreements?

Response:    The disadvantages carriers experience by entering into those agreements may include poor working relationships with their competitors if the competitors are denied access to the property for which the carrier has a preferred provider agreement.

STF 1-31      How many preferred carrier agreements have you entered into?

Response:    Telscape has not entered into any preferred carrier agreements.

STF 1-32      Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

Response:    Telscape is not aware of any other regulatory agency investigating preferred provider agreements.

STF 1-33      Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

Response:    Telscape is not aware of any court proceedings involving preferred provider agreements.

STF 1-34      Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

Response:    Telscape is not aware of any states that have enacted laws concerning preferred provider agreements.

STF 1-35      Do you believe such arrangements should be, or are, unlawful? Please explain your response.

Response:    Telscape does not believe preferred provider or marketing arrangements should be unlawful. However, Telscape believes the anti-competitive activities in which some property owners, managers, and developers choose to engage should be unlawful.

STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider? Please explain.

Response: Telscape is unaware if we provide service to any development or other complex that is under a preferred carrier agreement with another provider.

STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

Response: Telscape focuses primarily on providing residential service. Telscape does not have experience with preferred provider agreements or exclusive marketing arrangements with business lines or customers.

STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

Response: Telscape has not entered into any preferred provider agreements or exclusive marketing arrangements with any developers.

STF 1-39 Are there other issues associated with preferred carrier arrangements or marketing agreements which the Commission should address?

Response: Please see response to STF 1-20.

COPY

*Maureen  
Caroline*

Anthony P. Gillman  
General Counsel – Verizon Select Services Inc.  
Legal Department



FLTC0007  
201 North Franklin Street (33602)  
Post Office Box 110  
Tampa, Florida 33601-0110

Phone 813 483-2615  
Fax 813 204-8870  
anthony.gillman@verizon.com

Via Electronic Mail and U.S. Mail

RECEIVED

APR 05 2005

March 31, 2005

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

LEGAL DIV.  
ARIZ CORPORATION COMMISSION

Mr. Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

**Re: Staff's First Set of Data Requests to Verizon Select Services Inc. regarding  
the Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927**

Dear Ms. Butler and Mr. Shand:

This letter is in response to the Arizona Corporation Commission's ("Commission") letter dated March 9, 2005 concerning the use and operation of preferred carrier arrangements in the local telecommunications market. The Commission is seeking comments and suggestions from facilities-based local exchange carriers.

Verizon Select Services Inc. ("VSSI") has reviewed the data requests provided by the Commission and finds that the information requested is not applicable to services presently offered by VSSI. VSSI does not currently offer local services to Arizona customers and is not a facilities-based local exchange carrier. Therefore, VSSI has no information to submit in response to the data requests.

If there are any questions concerning this response, or if the Commission requires any further information, please contact me at 813-483-2615.

Respectfully submitted,

*Anthony P. Gillman*

Anthony P. Gillman

APG:mcp

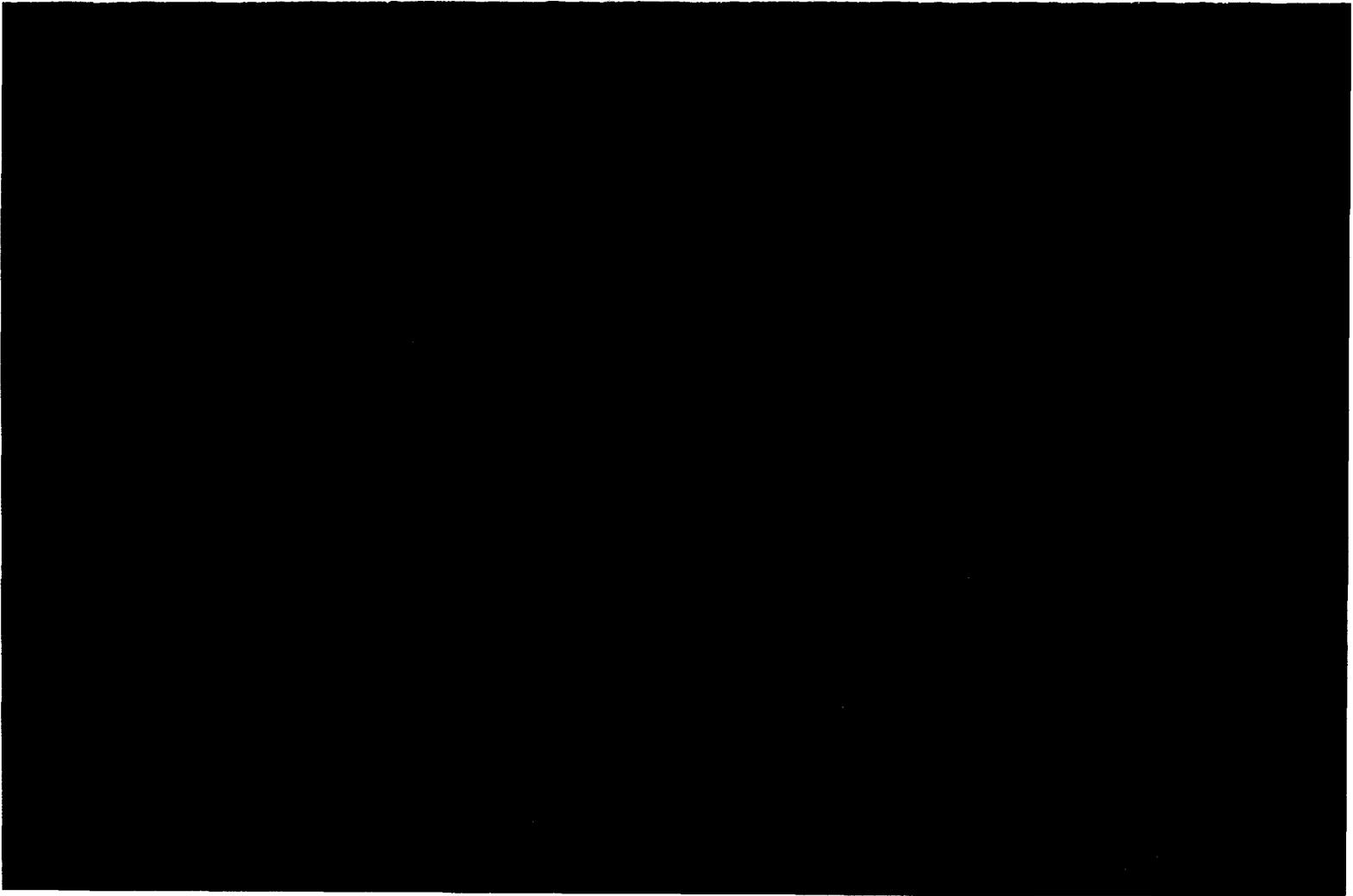
**From:** <terry.scobie@verizon.com>  
**To:** <cbutler@cc.state.az.us>, <wshand@cc.state.az.us>  
**Date:** 3/31/05 9:02AM  
**Subject:** Verizon Select Services Inc.'s Response to Staff's First DataRequests - Preferred Carrier Arrangements

Attached is Verizon Select Services Inc.'s response to the Arizona Corporation Commission's letter dated March 9, 2005 regarding the investigation into Preferred Carrier Arrangements.

(See attached file: AZ-VSSI Response to Staff's 1st DR-Pref Carrier Arrangements.pdf)

Terry Scobie  
Executive Adm. Assistant  
Verizon Legal Department  
813-483-2610 (tel)  
813-204-8870 (fax)  
terry.scobie@verizon.com

=====  
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Via Electronic Mail and U.S. Mail

Phone 813 483-2615  
Fax 813 204-8870  
anthony.gillman@verizon.com

March 31, 2005

Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

Mr. Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

**Re: Staff's First Set of Data Requests to Verizon Select Services Inc. regarding  
the Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927**

Dear Ms. Butler and Mr. Shand:

This letter is in response to the Arizona Corporation Commission's ("Commission") letter dated March 9, 2005 concerning the use and operation of preferred carrier arrangements in the local telecommunications market. The Commission is seeking comments and suggestions from facilities-based local exchange carriers.

Verizon Select Services Inc. ("VSSI") has reviewed the data requests provided by the Commission and finds that the information requested is not applicable to services presently offered by VSSI. VSSI does not currently offer local services to Arizona customers and is not a facilities-based local exchange carrier. Therefore, VSSI has no information to submit in response to the data requests.

If there are any questions concerning this response, or if the Commission requires any further information, please contact me at 813-483-2615.

Respectfully submitted,



Anthony P. Gillman

APG:mcp

COPY

*Maura  
Caroline*



**VarTec Telecom, Inc.**

March 22, 2005

**RECEIVED**

**MAR 28 2005**

VIA FIRST CLASS U.S. MAIL and  
VIA ELECTRONIC MAIL TO [cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)

LEGAL DIV  
ARIZ. CORPORATION COMMISSION

Ms. Caroline Butler, Paralegal  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Data Request Regarding Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

Dear Ms. Butler:

VarTec Telecom, Inc. ("VarTec") is in receipt of the Commission's data request in the above-noted docket. While VarTec is certified as a facilities-based local exchange carrier in the state of Arizona, the Company provides local exchange services exclusively through UNE-P arrangements. VarTec does not own or construct physical facilities and currently has no preferred carrier arrangements as discussed in the Commission's Data Request. As such, the Company has no information to provide in response to the Commission's Data Request in Docket No. T-00000K-04-0927.

VarTec sincerely appreciates your attention to this matter. Should you have questions or require additional information regarding this correspondence, please contact the undersigned directly at (972) 478-3363 or at the below referenced address.

Respectfully submitted,  
*Erin L. Curry*  
Erin L. Curry  
Senior Regulatory Analyst

cc: Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
[wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

Kevin Allen  
Senior Manager, Regulatory Affairs

*(Please noted that the Company's address has change to: 2440 Marsh Lane, Carrollton, Texas 75006.)*

**From:** Erin Curry <ELCurry@vartec.net>  
**To:** ""cbutler@cc.state.az.us"" <cbutler@cc.state.az.us>  
**Date:** 3/22/05 2:03PM  
**Subject:** Docket No. T-00000K-04-0927 - Data Request

Dear Ms. Butler--

Please find attached the responses to the Commission's Data Request in Docket No. T-00000K-04-0927 for VarTec Telecom, Inc. and Excel Telecommunications, Inc. Please do not hesitate to contact me should you have questions regarding this correspondence.

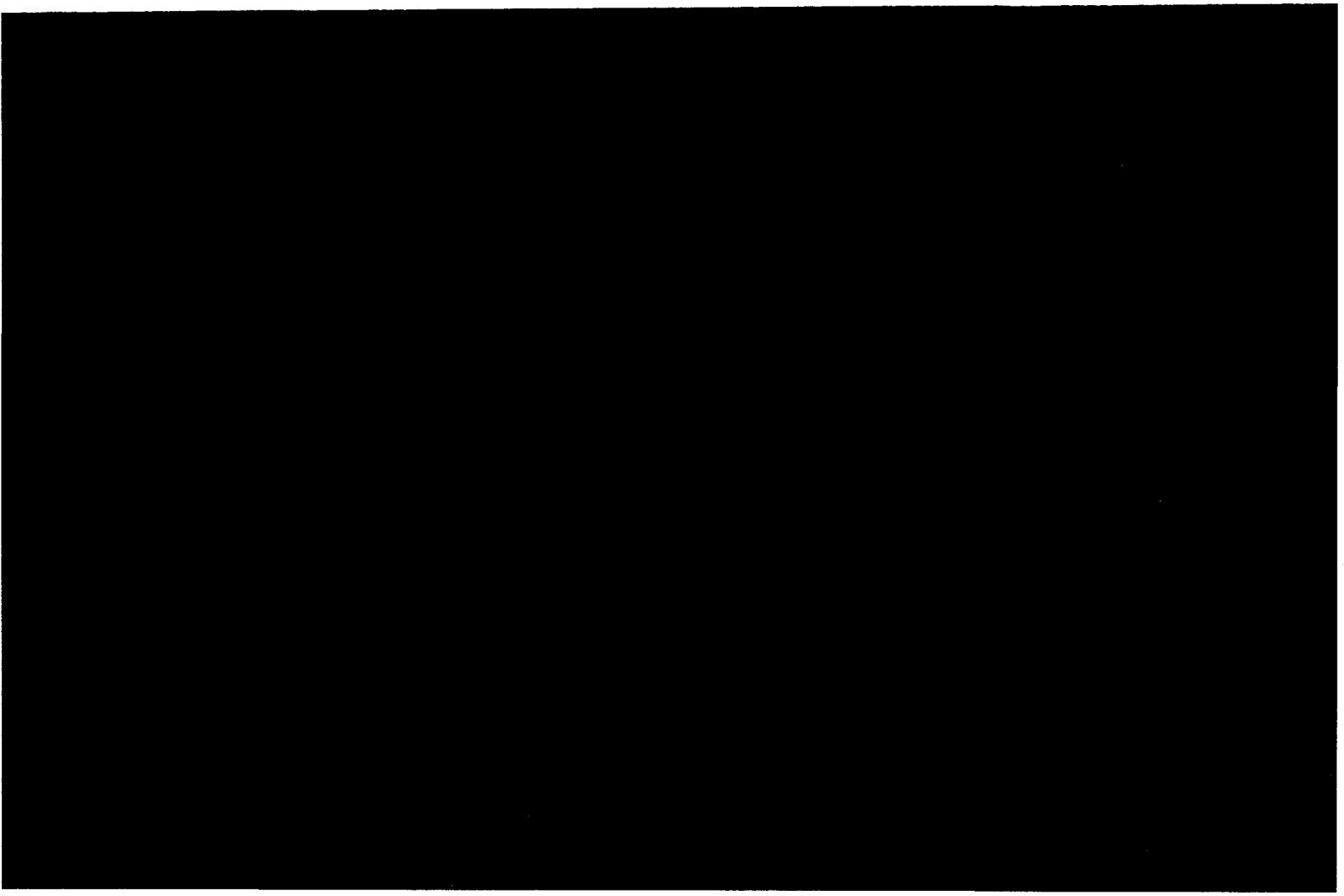
Respectfully submitted,

Erin L. Curry  
Senior Regulatory Analyst  
Regulatory Affairs  
VarTec Telecom, Inc.  
972-478-3363 voice  
972-478-3310 fax  
elcurry@vartec.net <mailto:elcurry@vartec.net>

**NOTICE OF ADDRESS CHANGE:** The corporate offices of VarTec Telecom, Inc. and its subsidiaries, Excel Telecommunications, Inc. and VarTec Solutions, Inc. (f/k/a eMeritus Communications, Inc.) are relocating to the following address as of December 13, 2004:

2440 Marsh Lane

Carrollton, Texas 75006





March 22, 2005

**VIA FIRST CLASS U.S. MAIL and  
VIA ELECTRONIC MAIL TO [cbutler@cc.state.az.us](mailto:cbutler@cc.state.az.us)**

**Ms. Caroline Butler, Paralegal**  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Data Request Regarding Preferred Carrier Arrangements  
Docket No. T-00000K-04-0927

Dear Ms. Butler:

VarTec Telecom, Inc. ("VarTec") is in receipt of the Commission's data request in the above-noted docket. While VarTec is certified as a facilities-based local exchange carrier in the state of Arizona, the Company provides local exchange services exclusively through UNE-P arrangements. VarTec does not own or construct physical facilities and currently has no preferred carrier arrangements as discussed in the Commission's Data Request. As such, the Company has no information to provide in response to the Commission's Data Request in Docket No. T-00000K-04-0927.

VarTec sincerely appreciates your attention to this matter. Should you have questions or require additional information regarding this correspondence, please contact the undersigned directly at (972) 478-3363 or at the below referenced address.

Respectfully submitted,

Erin L. Curry  
Senior Regulatory Analyst

cc: Wilfred Shand  
Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
[wshand@cc.state.az.us](mailto:wshand@cc.state.az.us)

Kevin Allen  
Senior Manager, Regulatory Affairs

**VarTec Telecom, Inc.**  
2440 Marsh Lane  
Carrollton, Texas 75006  
(972) 478-3000

**From:** <lorraine.kocen@verizon.com>  
**To:** <wshand@cc.state.az.us>, <cbutler@cc.state.az.us>  
**Date:** 3/18/05 4:20PM  
**Subject:** Docket T-00000K-04-0927 - First Data Rquest

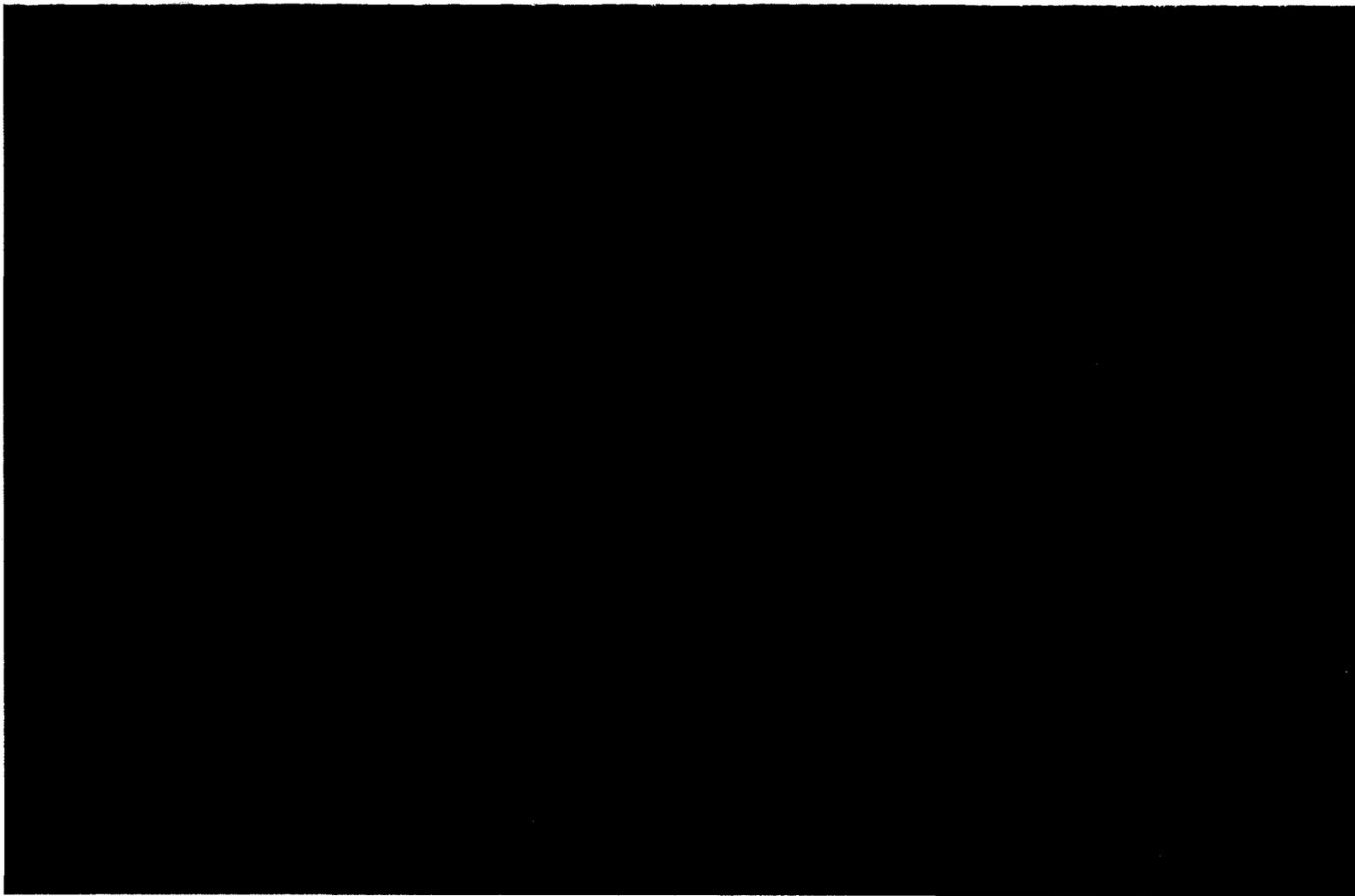
Here is the response for Verizon California Inc. A hard copy will follow.

(See attached file: AZDataReqPrefprov.doc)  
(See attached file: Pref Carrier DR Resp.doc)

Thanks,  
Lorraine A. Kocen  
Specialist - Regulatory Affairs  
Phone: 805-372-6945  
FAX: 805-372-7321

=====  
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Verizon California Inc.

112 S. Lakeview Canyon Road, 501LS  
Thousand Oaks, CA 91362-3811  
805 372-6000

March 21, 2005

Mr. Wilfred Shand  
Arizona Corporation Commission  
Utilities Division  
1200 West Washington Street  
Phoenix, AZ 85007

Subject: Staff's First Set of Data Requests to Verizon California regarding the Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927

Dear Mr. Shand:

Attached is Verizon California Inc.(Verizon) response to Staff's Data Request.

Here is updated information for your contact list:

Eugene M. Eng  
Verizon California Inc.  
112 S. Lakeview Canyon Road MC 501LS  
Thousand Oaks, CA 91362-3811  
[eugene.eng@verizon.com](mailto:eugene.eng@verizon.com)

Lorraine A. Kocen  
Verizon California Inc.  
112 S. Lakeview Canyon Road MC 501LS  
Thousand Oaks, CA 91362-3811  
[lorraine.kocen@verizon.com](mailto:lorraine.kocen@verizon.com)

If you have any questions, please call me at (805) 372-7350, or Lorraine Kocen at (805) 372-6945.

VERIZON CALIFORNIA INC.

Eugene M. Eng  
Director-Regulatory Policy and Planning

c: Caroline Butler, Arizona Corporation Commission

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T -00000K-04-0927

March 9, 2005

STF 1-1 Does your company enter into preferred carrier agreements or other agreements with property owners (including developers) that address issues associated with:

- a. The installation of telecommunications network facilities?
- b. The price associated with the installation of those facilities?
- c. Marketing of telecommunications services?
- d. Distribution of sales literature?
- e. Statements regarding the developer's "preferred" provider of telecommunications services?
- f. Incentives to the property owner to encourage end user customers to obtain telecommunications service: from the "preferred" provider of telecommunications services?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

No, Verizon California Inc. (Verizon) does not have any preferred carrier agreements in Arizona and therefore has no opinion on these types of arrangements.

STF 1-2 If your response to STF 1-1 is yes, please describe any revenue sharing provisions from such agreements. Are such revenue sharing provisions a standard or typical provision in such agreements?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-3 Does your company enter into marketing agreements with developers?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

No, Verizon California Inc. (Verizon) does not have any marketing agreements with developers in Arizona and therefore has no opinion on these types of arrangements.

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-4 Please describe what you would characterize as a marketing agreement. Please describe in detail the provision of any marketing agreements that you have entered into. Is there any difference in your opinion between a marketing agreement and a preferred provider agreement? If your response is yes, please explain.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-5 Please provide the following information for each preferred provider agreement, preferred carrier agreement or marketing agreement with residential or business developments. Please provide all information in excel, spreadsheet, electronic file format. Each item named below should be taken to represent a column heading in an excel spreadsheet.

- a. The name and date of each agreement
- b. The name of each party participating in the agreement
- c. A contact name corresponding to the: name of each party participating in the agreement.
- d. The address of the contact name corresponding to the name of each party participating in the agreement.
- e. The phone number of the contact name corresponding to the name of each party participating in the agreement.
- f. The signing date (From) of the agreement
- g. The ending date (To) of the agreement
- h. The number of residential units, family homes, main accounts or lines expected to be covered by the agreement.
- i. The number of business units, main accounts or lines expected to be covered by the agreement.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-6 Have you entered into an agreement that prohibits property owners from marketing the services of other telecommunications service providers?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-7 Can developers who have preferred carrier agreements or marketing agreements with you distribute, or allow to be distributed, the advertising literature of any other telecommunications company. If your response is: "No," please indicate whether you consider such terms to be anti-competitive from the end-users' perspective and the rationale for your position.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-8 Do your marketing agreements include services other than telecommunication services?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-9 What consideration do developers receive as compensation for entering into either preferred carrier or marketing agreements with telecommunications carriers?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-10 Do your agreements include such items as exclusive: marketing rights which limits the ability of your competitors to market their services in areas where you have entered into agreements with the developer?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-11 Should preferred provider agreements be allowed, and in your opinion, are they in the public interest? Please elaborate.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-12 Provide a copy of a "typical" preferred carrier or marketing agreement that you have entered into, and any associated or related agreements governing your provision of service to a development or complex.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-13 Are your preferred carrier/marketing agreements linked to the installation of facilities in a development? If so please describe the linkages.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-14 What are your standard terms for the installation of facilities in a commercial and/or residential development?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Our standard terms for installation of facilities are in Verizon's Arizona tariffs, Schedule No. AC, Rule No. 13, Outside Plant Facilities and Service Connections.

STF 1-15 Do you enter into preferred carrier or marketing agreements with apartment complexes?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-16 What are the benefits to the telecommunications company of entering into preferred carrier or marketing agreements? What are the benefits to the developer?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-17 What is the standard term (months or years) of a preferred carrier or marketing agreement with a developer?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-18 Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-19 Do you enter into other agreements, other than preferred carrier or marketing agreements, with developers that relate to the provision of telecommunications services? If so, please describe these agreements.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-20 What issues do you think the Commission should address with respect to preferred carrier or marketing agreements?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-21 Do you believe the preferred carrier agreements or marketing agreements provide an impediment to the ability of end users to purchase telecommunications services in a competitive market? Please explain why you believe that they do or do not impede customers' access to a competitive telecommunications marketplace.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-22 Do you believe that preferred carrier agreements are anti-competitive? Please explain the basis for your belief.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-23 Do you believe that exclusive marketing agreements which prevent property owners, including developers, from marketing a competitor's service are anticompetitive? Please explain the basis for your belief.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-24 Do your preferred carrier agreements or marketing agreements contain a condition that the terms and conditions of the agreement are confidential?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-25 Describe the incentives that are included in your preferred carrier agreements or marketing agreements that the property owner or developer receives under the terms of the agreement.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-26 Has your ability to access customers been impeded by the existence of a preferred provider or marketing agreement between one of your competitors and a property owner (including a developer)?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-27 Other than preferred carrier or marketing agreements, are there other customer access problems? For example, are there landlords that deny you access to customers in their buildings or landlords that charge high fees for access? Are there developers that impose restrictions on your ability to gain access to a right of way? Please describe any such restriction.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-28 Are preferred carrier agreements utilized in other states as well, or is this phenomenon most prevalent in Arizona?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-29 What benefits/advantages do carriers receive from preferred provider agreements?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-30 What disadvantages do carriers experience by entering into these agreements?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-31 How many preferred carrier agreements have you entered into?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-32 Have the use of preferred provider agreements been addressed or investigated by any other regulatory agency to your knowledge? If you are aware of any such proceeding, please provide the name of the agency, the docket number of the proceeding and any other information you may have regarding the status of the case.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-33 Have there been any court proceedings involving preferred provider agreements that you are aware of? If your response is yes, please provide a case number and cite, if available.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-34 Are you aware of any states that have enacted laws concerning preferred provider agreements? If yes, please provide a copy of the state laws with your response.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-35 Do you believe such arrangements should be, or are, unlawful? Please explain your response.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STAFF'S FIRST SET OF DATA REQUESTS REGARDING  
THE ARIZONA CORPORATION COMMISSION'S  
INVESTIGATION INTO PREFERRED CARRIER ARRANGEMENTS

Docket No.: T-00000K-04-09:27

March 9, 2005

STF 1-36 Do you provide services to any development or other complex that is under a preferred carrier agreement with another provider. Please explain.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-37 Are business lines/customers treated differently than residential lines/customers under preferred provider agreements or exclusive marketing arrangements? If your response is yes, how does the treatment differ?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-38 Please provide a copy of any and all marketing literature distributed by the developer and your company regarding the provision of telephone service to a development covered by a preferred provider agreement or exclusive marketing arrangement.

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable

STF 1-39 Are there other issues associated with preferred carrier agreements or marketing agreements which the Commission should address?

RESPONSE: Lorraine Kocen, Specialist – Regulatory  
Verizon California Inc.  
112 S. Lakeview Canyon Rd. MC CA501LS  
Thousand Oaks, California 91362

Not Applicable



March 18, 2005

Arizona Corporation Commission  
Attn: Maureen A. Scott  
Attorney, Legal Division  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

Re: Staff's First Set of Data Requests to Williams Local Network, LLC regarding the  
Investigation into Preferred Carrier Arrangements  
Docket No.: T-00000K-04-0927

Williams Local Network, LLC has not commenced to provide facilities-based local  
exchange services in the State of Arizona. As a result, at this time, the Data Request is  
not applicable.

If you need anything further, please contact me at 918-547-9140 or via e-mail  
[Kathy.hough@wiltel.com](mailto:Kathy.hough@wiltel.com).

Sincerely,

A handwritten signature in cursive script that reads "Kathy L. Hough".

Kathy L. Hough  
Analyst, Regulatory Affairs  
WilTel Communications

Cc: Caroline Butler, Paralegal  
Wilfred Shand, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

RECEIVED

MAR 25 2005

LEGAL DIV.  
ARIZ. CORPORATION COMMISSION

Winstar

**Caroline Butler**

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**From:** Mac McIntyre [mmcintyre@winstar.com]  
**Sent:** Thursday, April 07, 2005 9:37 AM  
**To:** cbutler@cc.state.az.us; WilfredShand  
**Subject:** Docket T-00000K-04-0927

**Attachments:** AZ data request #1 cover letter (4-6-05).doc

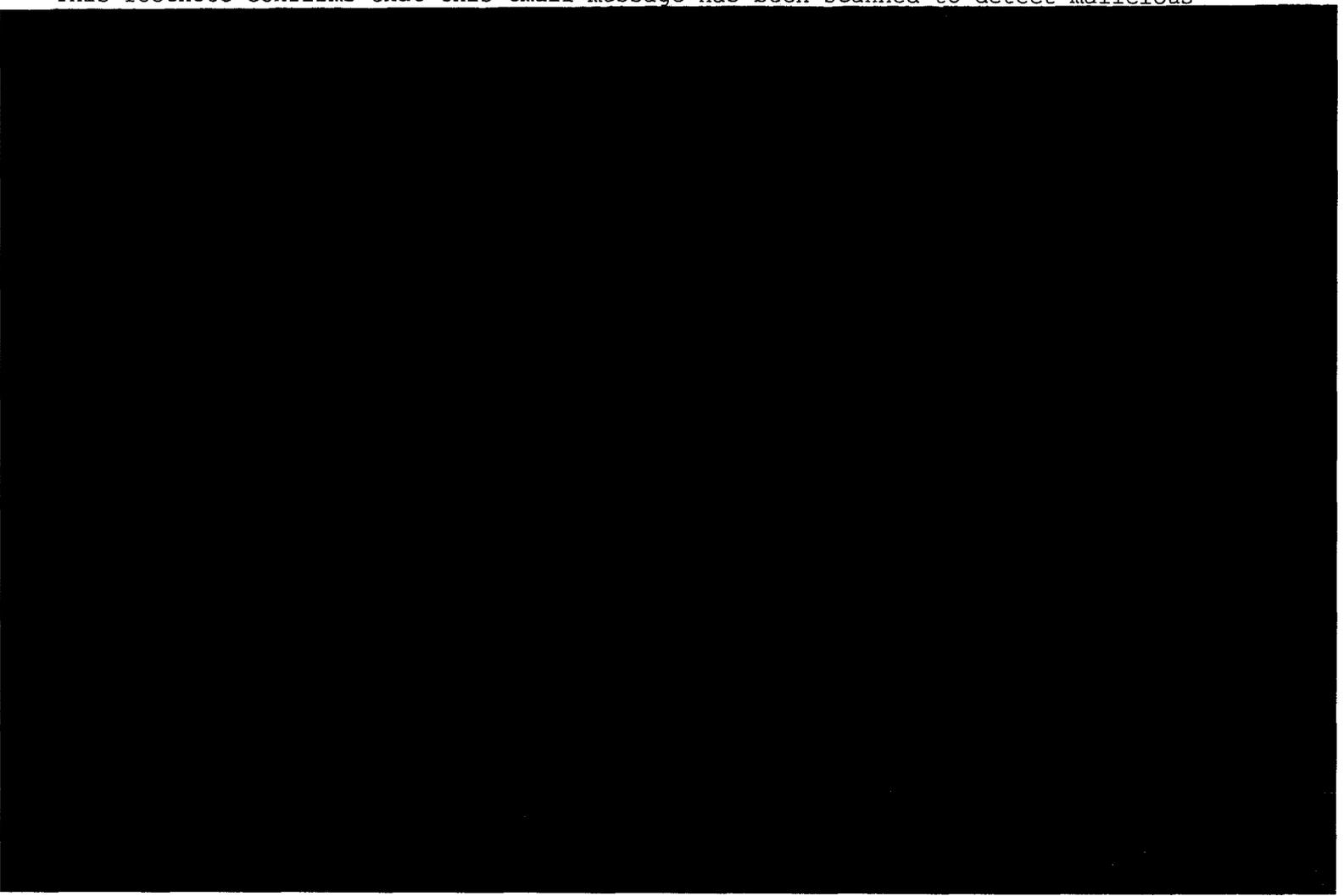


AZ data request #1  
cover lette...

Please find attached Winstar of Arizona, LLC's response to Data Request #1.  
A hard copy was sent today via overnight mail.

Mac McIntyre, Esq.  
Regulatory Compliance Manager  
Winstar Communications, LLC  
1850 M St., NW, Suite 300  
Washington, DC 20036  
W 202-367-7652  
F 202-659-1931

=====  
This footnote confirms that this email message has been scanned to detect malicious



*Via Overnight Delivery and Electronic Form*

April 6, 2005

Caroline Butler, Paralegal  
Wilfred Shand, Utilities Division  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, AZ 85007

**Re: Docket No. T-00000K-04-0927  
Staff's First Set of Data Requests Regarding the  
Arizona Corporation Commission's Investigation  
into Preferred Carrier Arrangements – Responses to  
Data Request #1**

Dear Ms. Butler and Ms. Shand:

Please note that Winstar Communications of Arizona, LLC, (Winstar) does not provide service to any local exchange customers in Arizona. The Commission released an Order on December 3, 2004, in Docket No. T-03023A-04-0317, which granted Winstar's application to discontinue services to local exchange and interexchange customers. Therefore, the questions in Data Request #1 are not relevant and Winstar has no responses.

Please date-stamp the extra copy of this letter and return it in the enclosed self-addressed stamped envelope. Should you have any questions, please contact the undersigned at (202) 367-7652.

Respectfully submitted,

Mac McIntyre, Esq.  
Regulatory Compliance Manager

**SPRINT'S RESPONSE TO  
THE ARIZONA CORPORATION COMMISSION STAFF'S  
FIRST SET OF DATA REQUESTS DATED MARCH 9, 2005  
DOCKET NO. T-00000K-04-0927**

Question STF 1-18    Are third party telecommunications companies allowed to provide service over facilities that are used to provide services that are covered by a preferred carrier or marketing agreement? If your response is "yes," under what rates, terms and conditions?

Response:                    Not applicable. Sprint has no such agreements in Arizona.

Response Provided By:    John Felz, Director - State Regulatory  
Sprint  
6450 Sprint Parkway  
Overland Park, KS 66251-6100