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BEFORE THE ARIZONA CORPORATION COMMISSION

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

Arizona Corporation Commission

DOCKETED

AUG 17 2005

DOCKETED BY	<i>[Signature]</i>
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IN THE MATTER OF COX ARIZONA
TELCOM, L.L.C. TARIFF FILING FOR
REVISIONS TO ARIZONA C.C. TARIFF
NO. 3

DOCKET NO. T-03471A-05-0036

DECISION NO. 68075

ORDER

Open Meeting
August 9 and August 10, 2005
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Cox Arizona Telcom, L.L.C. ("Cox") is certificated to provide intrastate telecommunications service as a public service corporation in the State of Arizona.

2. On January 19, 2005, Cox filed tariff revisions to increase the maximum rate for its Directory Assistance ("DA") service from \$0.60 to \$3.00 and its currently effective rate from \$0.60 to \$1.20. Cox also proposes to change the name of its service to Directory Assistance with Call Completion:

LOCAL EXCHANGE SERVICE

Arizona CC Tariff No. 1, Page No. 2, Thirty Eighty Revised
Arizona CC Tariff No. 1, Page No. 5, Twenty-Third Revised
Arizona CC Tariff No. 1, Page No. 93, Second Revised

INTERLATA SERVICE

Arizona CC Tariff No. 3, Page No. 2, Sixteenth Revised
Arizona CC Tariff No. 3, Page No. 19, First Revised

1 3. On January 27, 2005, Staff issued a data request to Cox for information responsive
2 to Title 14, Article 11, Section 1110 (Competitive Telecommunications Services) of the Arizona
3 Administrative Code.

4 4. On February 18, 2005, Cox filed its response to Staff's January 27, 2005 data
5 request.

6 5. On July 20, 2005, Cox filed amended pages reducing its proposed maximum rate
7 for its Directory Assistance service from \$3.00 to \$2.00 and its effective rate from \$1.20 to \$1.00.

8 6. The proposed increase corresponds to service enhancements that provide call
9 completion, movie and theater information and increase the number of telephone numbers the
10 customer receives from two to three numbers per call. Customers will not received additional
11 charges for these service enhancements in addition to the proposed charges noted above. Cox
12 states that the proposed increase will assist in offsetting the cost for additional trunking needed to
13 provide Directory Assistance with Call Completion to Southern Arizona.

14 7. Cox's estimate of the incremental revenue increase for Directory Assistance with
15 Call Completion is below 2 percent of Cox's annual Arizona revenues. The estimate is based on
16 the number of DA calls for Full Year 2004 and the estimated demand elasticity based on the price
17 increase.

18 8. Since this filing increases the maximum rates for a component of a service that has
19 been classified as competitive under the Commission's Competitive Telecommunications Services
20 Rules, Arizona Administrative Code Rule R14-2-1110 applies to Cox's proposal. Cox provided
21 the information required by R14-2-1110 to allow Staff to determine the potential effects of
22 approval of the filing.

23 9. Cox supplied evidence to Staff that it has provided customer notification in
24 accordance with Commission rules. Staff has reviewed the customer notification provided and has
25 concluded that it is consistent with Commission rules.

26 10. The rate increase contained in this filing are for services that have been classified as
27 competitive by the Commission and that are now subject to the Commission's Competitive
28 Telecommunications Services Rules. Under those rules, rates for competitive services are not set

1 according to rate of return regulation standards. Staff obtained information regarding Cox's fair
2 value rate base. Because of the nature of the competitive market and other factors, a fair value
3 analysis is not necessarily representative of the company's operations. Therefore, while Staff
4 considered the fair value rate base information of Cox, it did not accord that information
5 substantial weight in its analysis of this matter.

6 11. Staff has recommended approval of this filing.

7 CONCLUSIONS OF LAW

8 1. Cox Arizona Telcom, L.L.C. is an Arizona public service corporation within the
9 meaning of Article XV, Section 2, of the Arizona Constitution.

10 2. The Commission has jurisdiction over Cox and over the subject matter of the
11 Application.

12 3. The Commission, having reviewed the tariff pages (copies of which are contained in
13 the Commission's tariff files) and Staff's Memorandum dated July 25, 2005 concludes the tariff, as
14 amended, is reasonable, fair and equitable, and is therefore in the public interest.

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ORDER

ORDER

IT IS THEREFORE ORDERED that the tariff filing, as amended, be and hereby is approved.

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

BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION


CHAIRMAN

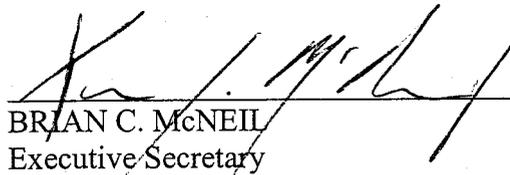
COMMISSIONER

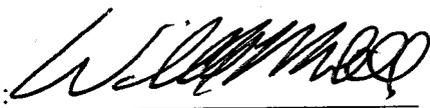

COMMISSIONER


COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 17th day of August, 2005.


BRIAN C. McNEIL
Executive Secretary

DISSENT: 

DISSENT: 

EGJ:AFF:lhmvJMA

1 SERVICE LIST FOR: Cox Arizona Telcom, L.L.C.
2 Docket No. T-03471A-05-0036

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