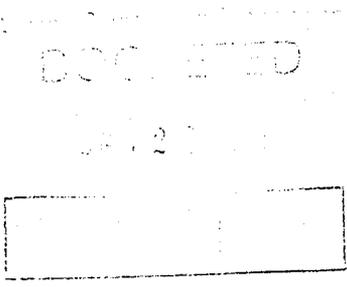




0000024501

BEFORE THE ARIZONA CORPORATION

- 1 MARC SPITZER
- 2 Chairman
- 3 JIM IRVIN
- 4 Commissioner
- 5 WILLIAM A. MUNDELL
- 6 Commissioner
- 7 JEFF HATCH-MILLER
- 8 Commissioner
- 9 MIKE GLEASON
- 10 Commissioner



7 IN THE MATTER OF THE APPLICATION OF )  
 8 MCLEODUSA TELECOMMUNICATIONS )  
 9 SERVICES, INC. TO INCREASE THE )  
 10 MAXIMUM RATE FOR LOCAL AND LONG )  
 DISTANCE BILLING COPIES TO BUSINESS )  
 CUSTOMERS )

DOCKET NO. T-03267A-02-0445  
 DECISION NO. 65538  
ORDER

11 Open Meeting  
 12 January 14 and 15, 2003  
 13 Phoenix, Arizona

13 BY THE COMMISSION:

FINDINGS OF FACT

15 1. McLeodUSA Telecommunications Services, Inc. ("McLeod") is certified to provide  
 16 intrastate telecommunications service as a public service corporation in the State of Arizona.

17 2. On June 14, 2002, McLeod filed tariff revisions to its Arizona Tariff No. 2:

Arizona Tariff No. 2

19 Check Sheet, Page 1, Release 19  
 20 Table of Contents, Page 8, Release 4  
 21 Section 4.1.6, Page 52.1, Original

21 3. This filing increases the maximum rate for local and long distance billing copies to  
 22 business customers.

- 23 • Business Customers, Billing Copies Maximum Rate, increases to \$10.00 per copy from
- 24 zero dollars per copy (actual rate would be \$10.00 per copy)

25 4. This item was first discussed by the Commissioners at its Open Meeting on October 8,  
 26 2002. The Commissioners did not vote on the item and tabled it pending additional information.

27 ...  
 28 ...

1           5.       McLeod provided information to Staff indicating that McLeod desires to keep its tariff  
2 rate for billing copies consistent nationwide. McLeod is approved to provide both local and long  
3 distance services in 25 states, including Arizona. McLeod submitted this tariff revision in 24 of these  
4 25 states. McLeod did not submit this tariff revision in Louisiana since it is not focusing on expanding  
5 its business in that state. Of the 24 states in which this tariff revision was submitted, the rate of \$10.00  
6 per copy was approved in 23 of the 24 states. The last state to approve the revision was Oklahoma,  
7 which approved it on July 18, 2002. McLeod stated that its mechanized system does not allow it to  
8 assess a charge for bill copies on a price per page basis. The mechanized system does not have the  
9 capability to count the pages of a bill. Therefore, in order to charge on a price per page basis, the pages  
10 in each bill would need to be manually counted. Therefore, under its mechanized system, the only  
11 option is for McLeod to charge a flat rate. According to McLeod, the national average monthly cost  
12 per business customer, per additional bill copy is \$9.28. McLeod states that in Arizona, from March to  
13 June 2002, the monthly cost for billing copies increased each month from \$9.51 to \$11.80 per bill.  
14 McLeod is proposing this rate change to cover its national average costs of providing billing copies.

15           6.       Since this filing increases the maximum rate for a component of a service that has been  
16 classified as competitive under the Commission's Competitive Telecommunications Services Rules,  
17 Arizona Administrative Code Rule R14-2-1110 applies to McLeod's proposal. Staff requested that  
18 McLeod provide the information required by R14-2-1110 to allow it to determine the potential effects  
19 of approval of the filing. McLeod provided information that indicates that the expected revenue effect  
20 of approval of this filing is an increase of less than 1 percent in McLeod's Arizona revenues.

21           7.       McLeod provided evidence to Staff that it has provided customer notification in  
22 accordance with Commission rules. Staff has reviewed the customer notification provided and agrees  
23 that it is consistent with Commission policy. (A copy of the notice is attached.)

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ORDER

IT IS THEREFORE ORDERED that the tariff pages listed in Findings of Fact No. 2 are approved.

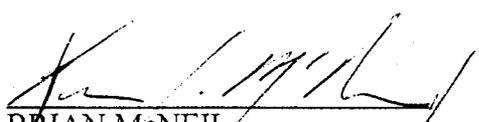
IT IS FURTHER ORDERED that this Decision shall become effective immediately.

**BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

		
CHAIRMAN	COMMISSIONER	COMMISSIONER

	
COMMISSIONER	COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN 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 23rd day of January, 2003.

  
 BRIAN McNEIL  
 Executive Secretary

DISSENT: 

EGJ:MGK:rdp/DR

65538

Decision No. \_\_\_\_\_

1 SERVICE LIST FOR: McLeodUSA Telecommunications Services, Inc.  
2 DOCKET NO. T-03267A-02-0445

3 Ms. Julia Redman-Carter  
4 Manager  
5 McLeodUSA Telecommunications Services, Inc.  
6 6400 C Street SW, PO Box 3177  
7 Cedar Rapids, Iowa 52406-3177

8 Mr. Christopher C. Kempley  
9 Chief Counsel, Legal Division  
10 Arizona Corporation Commission  
11 1200 West Washington Street  
12 Phoenix, Arizona 85007

13 Mr. Ernest G. Johnson  
14 Director, Utilities Division  
15 Arizona Corporation Commission  
16 1200 West Washington Street  
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