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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

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Application For a Certificate of Convenience and Necessity to Provide
Resold Interexchange Service and Alternative Operator Services and
For Determination that Services of the Applicant are Competitive

ARIZONA CORPORATION COMMISSION
DOCUMENT CONTROL

Applicant: Network Operator Services, Inc.
Docket No.: T-02679A-92-0190

On July 7, 1992 the Applicant filed an application for a Certificate of Convenience and Necessity (CC&N) to provide resold interexchange services and alternative operator services within the State of Arizona. The first portion of this Staff Report refers to the provision of resold interexchange services and was completed by Marta Kaffeberg. The second portion of this Staff Report refers to the provision of alternative operator services and was completed by Jim Fisher.

Staff's review of this application addresses the overall fitness of the Applicant to receive a CC&N to provide competitive resold intrastate interexchange telecommunications services. Staff's review considers the Applicant's integrity, technical, and financial capabilities, and whether the Applicant's proposed rates will be competitive, just, and reasonable.

**RESOLD INTEREXCHANGE
REVIEW OF APPLICANT INFORMATION**

Staff makes the following finding, indicated by an "X," regarding information filed by the Applicant:

- The necessary information has been filed to process this application, and the Applicant has authority to transact business in the State of Arizona.
- The Applicant has published legal notice of the application in all counties where service will be provided.

Arizona Corporation Commission

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**RESOLD INTEREXCHANGE
REVIEW OF TECHNICAL INFORMATION**

The Applicant has demonstrated sufficient technical capability to provide the proposed services for the following reasons, which are marked:

- The Applicant is currently providing service in Arizona.
- The Applicant is currently providing service in other states.
- The Applicant is a switchless reseller.
- The Applicant has provided a system diagram that depicts its network that is used for completing calls within Arizona. Local exchange carrier facilities are used to originate and terminate calls carried on the Applicant's interexchange network. The Applicant does not currently own any interexchange facilities. The facilities that are used to complete calls are obtained from a facilities-based carrier operating in the state.
- In the event the Applicant's network fails, end users can access other interexchange service providers.

**RESOLD INTEREXCHANGE
REVIEW OF FINANCIAL INFORMATION**

The Applicant has provided its unaudited financial statements for the period ending June 30, 2000. These financial statements list assets of \$11.31 million; shareholders' equity of \$1.19 million; and net income of \$1.91 million on revenue of \$28.60 million. Due to the unaudited nature of the financial statements, Staff believes the Applicant lacks sufficient financial resources to be allowed to charge customers any prepayments or deposits without posting a performance bond to cover such customer prepayments or deposits.

To that end, Staff recommends that the Applicant procure a performance bond equal to \$10,000. The minimum bond amount of \$10,000 should be increased if at any time it would be insufficient to cover prepayments or deposits collected from the Applicant's customers. Staff further recommends that proof of the above mentioned performance bond be docketed within 90 days of the effective date of an order in this matter or 30 days prior to the provision of service, whichever comes first.

Staff recommends that, after one year of operation under the CC&N granted by the Commission, the Applicant be allowed to file a request for cancellation of its established performance bond, and that such request be accompanied by information demonstrating the Applicant's financial viability. Upon receipt of such filing and after Staff review, Staff would forward its recommendation to the Commission for a Decision.

If this Applicant experiences financial difficulty, there should be minimal impact to the customers of this Applicant because there are many other companies that provide resold telecommunications service or the customers may choose a facilities-based provider. If the customer wants service from a different provider immediately, that customer is able to dial a 101XXXX access code. In the longer term, the customer may permanently switch to another company.

**RESOLD INTEREXCHANGE
REVIEW OF PROPOSED TARIFF AND FAIR VALUE DETERMINATION**

- The Applicant has filed a proposed tariff with the Commission.**
- The Applicant has filed with the Commission information sufficient to make a fair value determination.**

The Applicant has submitted proposed tariffs. Staff requires historical fair value information in order to provide tariff analysis and recommendations in terms of a fair value finding. Therefore, Staff recommends that, if the Applicant wishes to proceed with its certificate application, any tariffs filed in this matter be approved on an interim basis. If a certificate is conditionally granted and tariffs are authorized on an interim basis, the Applicant should be required to file in this Docket, within 18 months of the date it first provides service following certification, sufficient information for Staff analysis and recommendation for a fair value finding, as well as for an analysis and recommendation for permanent tariff approval. This information must include, at a minimum, the following:

1. A dollar amount representing the total revenue for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification, adjusted to reflect the **maximum rates** that the Applicant has requested in its tariff. This adjusted total revenue figure could be calculated as the number of units sold for all services offered times the maximum charge per unit.
2. The total actual operating expenses for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification.
3. The value of **all assets**, listed by major category, including a description of the assets, used for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

Staff further recommends that the Applicant's failure to meet the condition to timely file sufficient information for a fair value finding and analysis and recommendation of permanent tariffs should result in the expiration of the certificate and of the tariffs.

**RESOLD INTEREXCHANGE
COMPETITIVE SERVICES' RATES AND CHARGES**

Competitive Services

The Applicant is a reseller of services it purchases from other telecommunications companies. It is not a monopoly provider of service nor does it control a significant portion of the telecommunications market. The Applicant cannot adversely affect the intrastate interexchange market by restricting output or raising market prices. In addition, the entities from which the Applicant buys bulk services are technically and financially capable of providing alternative services at comparable rates, terms, and conditions. Staff has concluded that the Applicant has no market power and that the reasonableness of its rates will be evaluated in a market with numerous competitors. In light of the competitive market in which the Applicant will be providing its services, Staff believes that the Applicant's proposed tariffs for its competitive services will be just and reasonable.

Effective Rates

The Commission provides pricing flexibility by allowing competitive telecommunication service companies to price their services at or below the maximum rates contained in their tariffs as long as the pricing of those services complies with A.A.C. R14-2-1109. The Commission's rules require the Applicant to file a tariff for each competitive service that states the maximum rate as well as the effective (actual) price that will be charged for the service. Because Staff believes that the market in which these services will be offered is competitive, Staff recommends approval on an interim basis of the rates proposed by the Applicant in its most recently filed tariffs. In the event that the Applicant states only one rate in its tariff for a competitive service, Staff recommends that the rate stated be the effective (actual) price to be charged for the service as well as the service's maximum rate. Any changes to the Applicant's effective price for a service must comply with A.A.C. R14-2-1109.

Minimum and Maximum Rates

A.A.C. R14-2-1109(A) provides that minimum rates for the Applicant's competitive services must not be below the Applicant's total service long run incremental costs of providing the services. The Applicant's maximum rates should be the maximum rates proposed by the Applicant in its most recent tariffs on file with the Commission. Any future changes to the maximum rates in the Applicant's tariffs must comply with A.A.C. R14-2-1110.

**RESOLD INTEREXCHANGE
STAFF RECOMMENDATIONS**

Staff has reviewed the Applicant's application for a Certificate of Convenience and Necessity to offer intrastate interexchange services as a reseller and its petition to classify its intrastate interexchange services as competitive. Based on its evaluation of the Applicant's technical and financial capabilities to provide resold intrastate interexchange services, Staff recommends approval of the application subject to the following:

1. The Applicant should be ordered to comply with all Commission rules, orders, and other requirements relevant to the provision of intrastate telecommunications service;
2. The Applicant should be ordered to maintain its accounts and records as required by the Commission;
3. The Applicant should be ordered to file with the Commission all financial and other reports that the Commission may require, and in a form and at such times as the Commission may designate;
4. The Applicant should be ordered to maintain on file with the Commission all current tariffs and rates, and any service standards that the Commission may require;
5. The Applicant should be ordered to comply with the Commission's rules and modify its tariffs to conform to these rules if it is determined that there is a conflict between the Applicant's tariffs and the Commission's rules;
6. The Applicant should be ordered to cooperate with Commission investigations of customer complaints;
7. The Applicant should be ordered to participate in and contribute to a universal service fund, as required by the Commission;
8. The Applicant should be ordered to notify the Commission immediately upon changes to the Applicant's address or telephone number;
9. The Applicant's intrastate interexchange service offerings should be classified as competitive pursuant to A.A.C. R14-2-1108;
10. The rates proposed by the Applicant in its most recently filed tariffs should be approved on an interim basis. The maximum rates for these services should be the maximum rates proposed by the Applicant in its proposed tariffs. The minimum rates for the Applicant's competitive services should be the Applicant's total service long run incremental costs of providing those services as set forth in A.A.C. R14-2-1109;
11. In the event that the Applicant states only one rate in its proposed tariff for a competitive service, the rate stated should be the effective (actual) price to be charged for the service as well as the service's maximum rate; and

12. The Applicant be required to certify that all notification requirements have been completed.

Staff recommends approval of the application subject to the following conditions:

1. The Applicant should be ordered to file conforming tariffs within 30 days of an Order in this matter, and in accordance with the Decision;
2. Applicant should be required to file in this Docket, within 18 months of the date it first provides service following certification, sufficient information for Staff analysis and recommendation for a fair value finding, as well as for an analysis and recommendation for permanent tariff approval. This information must include, at a minimum, the following:
 - a. A dollar amount representing the total revenue for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification, adjusted to reflect the **maximum rates** that the Applicant has requested in its tariff. This adjusted total revenue figure could be calculated as the number of units sold for all services offered times the maximum charge per unit.
 - b. The total actual operating expenses for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification.
 - c. The value of **all assets**, listed by major category, including a description of the assets, used for the first twelve months of telecommunications service provided to Arizona customers by the Applicant following certification. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
3. The Applicant's failure to meet the condition to timely file sufficient information for a fair value finding and analysis and recommendation of permanent tariffs should result in the expiration of the certificate and of the tariffs; and
4. In order to protect the Applicant's customers,
 - a. the Applicant should be ordered to procure a performance bond equal to \$10,000. The minimum bond amount of \$10,000 should be increased if at any time it would be insufficient to cover prepayments or deposits collected from the Applicant's customers;
 - b. proof of the performance bond should be docketed within 90 days of the effective date of an order in this matter or 30 days prior to the provision of service, whichever comes first; and
 - c. after one year of operation under the CC&N granted by the Commission, Staff recommends that the Applicant be allowed to file a request for cancellation of its established performance bond. Such request should be accompanied by information demonstrating the Applicant's financial viability. Upon receipt of such filing and after Staff review, Staff will forward its recommendation to the Commission for a Decision that the requested cancellation is in the public interest.

ALTERNATIVE OPERATOR SERVICES

Background

On July 7, 1992, Staff received an application from Network Operator Services, Inc. (NOS) for certification as an Alternative Operator Services provider in the state of Arizona. On May 11, 2000, NOS provided supplemental tariff information to Staff. On August 18, 2000, NOS filed updated financial information.

Alternative Operator Services (AOS) is a sector focused service industry providing resold telecommunications and operator services to larger distinct customers, such as hotels, motels, health care and correctional facilities. The AOS provider will contract with the hotel or correctional facility to provide services. The hotel or correctional facility is referred to as an "aggregator" as in the ordinary course of its operations it allows for intrastate telephone services to be available to its patrons. The patrons of the "aggregator" are referred to as "end-users." AOS services are provided by routing all calls originating from the aggregator premise to the AOS provider, which then handles the call as required to meet the needs of the end-user.

"End-users" have no control over the aggregator's subscription for long distance service, and as such are essentially captive customers for telecommunications services. The Commission has previously determined that it is in the public interest to ensure that an end user using telecommunications services of an AOS provider be charged rates consistent with the corresponding rates and service charges of certified facilities-based toll carriers available to the calling public.

Staff has reviewed the authorized rates and service charges applicable to AOS providers. Staff reviewed the rates of AT&T Communications of the Mountain States, Inc. (AT&T), MCI Telecommunications Corporation, (MCI), Sprint Communications Company, (Sprint), Allnet Communications Services, Inc., (Allnet), and US West Communications of Arizona (US West). Staff then developed the attached Schedule 1 and 2, establishing maximum rates for the AOS services. These maximum rates coupled with discounting authority provide the market participants with the ability to compete on price and service quality. The Commission adopted this process in Decision No. 61274.

The Company

Network Operator Services, Inc. (NOS) is a Texas Corporation authorized to do business in Arizona with offices in Longview, Texas. As of April 1996, NOS provided services in Georgia, Louisiana, Texas, Virginia, New Mexico, Oklahoma, South Dakota, Missouri, Montana, Colorado, Iowa, Arkansas, Utah and Tennessee. The Company has been providing services to end-users in Arizona for more than five years.

No state has refused or revoked a certification for the Company, nor has the Company been involved in any state or federal formal complaint process. NOS has not been involved in any civil or criminal investigations, nor convicted of any criminal acts.

Customer inquiries are handled through a toll free number available during normal business hours. After hours an on-call representative handles inquiries 24 hours per day.

NOS network uses SS7 trunks interconnecting with WorldCom's point of presence in the LEC central office. The end-users calls are transported to the NOS facility in Longview, Texas via redundant broadband facilities. NOS also provides services on behalf of other AOS providers.

Financial Statements

Staff has reviewed the financial statements of NOS prepared by an independent auditor for the years ended 1992 through 1996, and for the six months ending June 30, 2000. The financial statements indicate that the company had positive net income in excess of \$1,900,000 as of June 30, 2000. Reported revenue was in excess of \$28 million for the same period. Total assets were reported in excess of \$7.4 million in the same period. The Company appears to have sufficient financial resources to provide its proposed alternative operator services.

The Commission has found competition in telecommunications services to be in the public interest. Competition inherently produces winners and losers. If an AOS provider encounters financial difficulty, there should be minimal impact to its customers because there are numerous competitors willing to replace any failed provider. In addition, the customer may choose a facilities-based carrier such as AT&T, MCI, Sprint, etc. If the customers would like to receive service from a different carrier immediately, they can "dial around" an AOS provider to the carrier of their choice.

Rate review process

Staff has reviewed the rates of five major toll carriers to establish the maximum AOS rates, service charges and operator-dialed surcharges set forth on Schedules 1 and 2. If any of the carriers forming the rate group obtain higher rates, NOS should be authorized to allow its rates to float in accordance with the carriers revised higher rates so long as the AOS provider complies with the following tariff filing requirements. The company is required to file: 1) an estimate of the value of the company's plant to serve Arizona customers; 2) a tariff setting forth the new maximum rates, which do not exceed the maximum rates of the five major carriers set; and 3) supporting documentation estimating the overall impact of the new maximum rate upon the company's rate of return.

In example, AT&T currently has maximum rates in the night/weekend rate period in mileage bands 0 through 292 for the first minute and additional minutes in Schedule 1. In the event AT&T were to increase its rates in these mileage bands, the rates changed would establish new maximum rates in Schedule 1. Pursuant to Staff's recommendation, Network Operator Services would be allowed to seek authorization to increase its maximum rates and/or service charges accordingly by complying with the filing requirements described above.

The Commission has authorized floating maximum rates for coin-operated pay telephone (COPT) providers that have been certified under the generic tariff established by A.A.C. R14-2-905. This mechanism is particularly appropriate for a market with alternative providers in which it is reasonable to set rates in reference to the rates of established carriers providing similar services. These factors are

present in the AOS industry; therefore, Staff believes that it is reasonable for the Commission to authorize NOS to adopt floating maximums.

Discounting Authority

Staff recommends that NOS should be allowed to discount its rates and service charges to the marginal cost of providing the services. Discount authority will provide the Company with pricing flexibility to compete with other providers, as well as allow the potential benefits of price competition to accrue to end-users.

InterLATA Toll Charges

Staff recommends interLATA rates and service charges to be based on the maximum rates and service charges authorized for certain inter-exchange carriers (IXCs) certificated in Arizona as described above.

Staff recommends that the Commission authorize NOS to charge the maximum rate in each mileage band, respective of the day of the week and time of the day, currently authorized for any of the facilities-based IXC's as set forth in Schedule 1. In addition, Staff recommends that the Commission limit the Company's service charges to the highest authorized maximum service charge of any of the facilities-based IXC's as set forth in Schedule 1.

IntraLATA Toll Charges

Staff recommends IntraLATA rates and service charges to be based on the maximum rates and service charges of the various facilities-based carriers certified to carry intraLATA toll calls in Arizona as described above.

Staff recommends that the Commission authorize NOS to charge the maximum rate in each mileage band, respective of the day of the week and time of the day, currently authorized for any of the various facilities-based intraLATA carriers set forth in Schedule 2. Furthermore, Staff recommends that the Commission limit the Company's service charges to the highest authorized maximum service charge of any of the facilities-based intraLATA carriers set forth in Schedule 2.

The attached Schedule 1 and 2 set forth Staff's recommended surcharges for interLATA and IntraLATA toll calls respectively.

Operator-Dialed Surcharge and Property Surcharge

An operator-dialed surcharge is imposed when an end-user has the capability to dial the call, but requests the operator to dial and make the call. A property surcharge is a per call bonus paid to the aggregator by the AOS Company. In prior decisions the Commission has approved both an operator-dialed surcharge and a property (location-specific or subscriber) surcharge.

Staff recommends that the property surcharge be limited to \$1.00 per call. The Commission has approved a property surcharge of \$1.00 for ten out of twelve AOS carriers certified in Arizona. Limiting the property surcharge provides a level playing field for the competitors. Staff recommends consistency

in the property surcharge to stress the importance of providing service to the end-users, rather than higher payments to aggregators for the opportunity to serve end-users.

Staff recommends approval of the operator-dialed surcharge and the property surcharge as described in Schedule 1 and 2.

Recommendation of NOS Proposed Tariff, the Zero-Minus Issue and CC&N.

NOS revised tariff filing of May 11, 2000, comports with the recommendations in the above sections. The Company's proposed rates and service charges for either interLATA or intraLATA telephone services are identical to or less than the rates and service charges contained in Staff's attached rate schedules 1 and 2. Therefore, Staff believes NOS's proposed tariff revisions are reasonable and should be approved.

Zero-Minus Calls

The term "zero-minus" refers to calls by individuals who dial "0" for the operator when they are experiencing an emergency situation rather than "911." The majority of calling public dial "911" for emergency telephone service, yet others will dial "0" in the same situation. The Commission adopted A.A.C. R14-2-1006.A, which requires the AOS provider to route all zero-minus calls to the originating LEC. The Commission also provided a waiver from the requirement upon a showing that the AOS provider could provide the caller with equally quick and reliable service.

An AOS provider that wishes to provide zero-minus service can request a waiver from the rule. In order to be granted a waiver, the company must demonstrate that it can meet the zero-minus time standard provided by the Local Exchange Company. Staff requires an AOS applicant to clearly and convincingly demonstrate that it has the capability to process zero-minus calls with equal time parameters and accuracy of the LEC. Staff requires any waiver applicant to provide data on zero-minus calls, which is compared to LEC standards. NOS provided Staff with the necessary data. Staff reviewed the data and believes that NOS meets the necessary standards to provide zero-minus service, and should therefore be authorized a waiver from the rule to allow them to carry said traffic. NOS is currently authorized to carry zero-minus calls in Tennessee, Iowa, Montana, Utah, New Mexico, Louisiana, Texas, Virginia, Colorado, South Dakota and Missouri.

This application may be approved without a hearing pursuant to A.R.S. § 40-282.



Deborah R. Scott
for Director
Utilities Division

Date: 3-20-01

Originator: Marta Kalleberg & Jim Fisher

Date: March 20, 2001

Schedule 1

**Alternative Operator Services
Maximum InterLata Usage Charges**

Mileage Band	Day Time (a)		Evening/Holiday (b)		Night/Weekend (c)	
	First Minute	Addtl. Minute	First Minute	Addtl. Minute	First Minute	Addtl. Minute
0-10	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
11-16	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
17-22	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
23-30	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
31-40	0.5065	0.3000	0.3135	0.3000	0.3000	0.3000
41-55	0.5307	0.3332	0.3135	0.3000	0.3000	0.3000
56-70	0.5560	0.3732	0.3590	0.3000	0.3000	0.3000
71-124	0.5560	0.3865	0.3590	0.3000	0.3000	0.3000
125-196	0.5560	0.4265	0.3590	0.3000	0.3000	0.3000
197-292	0.5560	0.4799	0.3590	0.3000	0.3000	0.3000
293 & Over	0.5800	0.4820	0.3908	0.3000	0.3000	0.3000

Rate Periods

- (a) Day time is Monday through Friday 8:00 a.m. to 5 p.m.
- (b) Evening/Holiday is Sunday through Friday 5:00 p.m. to 11:00 p.m.
Officially recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day. Evening rates are applicable during all holiday hours, except for hours when a lower rate (i.e. Night/Weekend) is applicable.
- (c) Night/Weekend is Sunday through Thursday 11:00 p.m. to 8:00 a.m., 11:00 p.m. Friday through 5:00 p.m. Sunday.

**Alternative Operator Services
Maximum InterLata Services Charges**

Service (1) (2)	Maximum Charge
Customer Dialed Calling or Credit Card	\$1.50
Operator Dialed Calling or Credit Card	\$2.50
Station – to – Station Collect	\$2.33
Person – to – Person Collect	\$4.66
Third Party Person – to – Person	\$4.66
Third Party Station – to Station	\$2.33
Person – to – Person	\$4.50
Station – to – Station	\$3.50
Directory Assistance	\$2.00

- (1) An Operator Dialed Surcharge of \$2.00 will be applied to the capability to call, but it is requested that the operator complete the call instead. In accordance with A.A.C. R14-2-1005, end users shall be informed of this charge before call completion. This surcharge will not be imposed in cases of equipment failure or where the end user is experiencing a disability.
- (2) A Property Surcharge, Subscriber Surcharge or Location Specific Charge may be added to all operator assisted calls completed from Company subscriber locations. This surcharge will appear on the customer's bill and will be capped at \$1.00 per call. All of this surcharge will be remitted to the aggregator. However, this surcharge will not be collected by the Company if the aggregator is also collecting a surcharge.

Schedule 2

**Alternative Operator Services
Maximum IntraLata Usage Charges**

Mileage Band	Day Time (a)		Evening/Holiday (b)		Night/Weekend (c)	
	First Minute	Addtl. Minute	First Minute	Addtl. Minute	First Minute	Addtl. Minute
0-10	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
11-16	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
17-22	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
23-30	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
31-40	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
41-55	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
56-70	0.5200	0.3300	0.3590	0.3000	0.3000	0.3000
71-124	0.5200	0.3300	0.3590	0.3000	0.3000	0.3000
125-196	0.5300	0.3600	0.3590	0.3000	0.3000	0.3000
197-292	0.5800	0.3600	0.3590	0.3000	0.3000	0.3000
293 & Over	0.5800	0.3800	0.3980	0.3000	0.3300	0.3000

Rate Periods

- (a) Day time is Monday through Friday 8:00 a.m. to 5 p.m.
- (b) Evening/Holiday is Sunday through Friday 5:00 p.m. to 11:00 p.m.
Officially recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day. Evening rates are applicable during all holiday hours, except for hours when a lower rate (i.e. Night/Weekend) is applicable.
- (c) Night/Weekend is Sunday through Thursday 11:00 p.m. to 8:00 a.m., 11:00 p.m. Friday through 5:00 p.m. Sunday.

**Alternative Operator Services
Maximum IntraLata Services Charges**

Service (1) (2)	Maximum Charge
Customer Dialed Calling or Credit Card	\$1.50
Operator Dialed Calling or Credit Card	\$2.50
Station – to – Station Collect	\$2.30
Person – to – Person Collect	\$4.50
Third Party Person – to – Person	\$4.50
Third Party Station – to Station	\$2.30
Person—to – Person	\$4.50
Station – to – Station	\$3.50
Directory Assistance	\$2.00

- (3) An Operator Dialed Surcharge of \$2.00 will be applied to the capability to call, but it is requested that the operator complete the call instead. In accordance with A.A.C. R14-2-1005, end users shall be informed of this charge before call completion. This surcharge will not be imposed in cases of equipment failure or where the end user is experiencing a disability.
- (4) A Property Surcharge, Subscriber Surcharge or Location Specific Charge may be added to all operator assisted calls completed from Company subscriber locations. This surcharge will appear on the customer's bill and will be capped at \$1.00 per call. All of this surcharge will be remitted to the aggregator. However, this surcharge will not be collected by the Company if the aggregator is also collecting a surcharge.