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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

2000 DEC -4 P 3:39

DOCKETED

CARL J. KUNASEK
Chairman

JIM IRVIN
Commissioner

WILLIAM A. MUNDELL
Commissioner

DEC 04 2000

AT CORP COMMISSION
DOCUMENT CONTROL

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F03887A

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-03285A-00-0874
 ALLTEL CORPORATION, ALLTEL)
 COMMUNICATIONS, INC. AND 360° LONG) **AMENDED APPLICATION FOR**
 DISTANCE, INC. FOR APPROVAL TO) **APPROVAL OF TRANSFER OF**
 TRANSFER ASSETS, INCLUDING A) **ASSETS**
 CERTIFICATE OF CONVENIENCE AND)
 NECESSITY.)

ALLTEL Corporation ("ALLTEL"), ALLTEL Communications, Inc. ("ACI"), and 360° Long Distance, Inc. ("360°") (collectively "Applicants"), pursuant to A.R.S. § 40-281 et seq., submit this Amended Application for Approval of Transfer of Assets ("Amended Application"). This Amended Application amends the Joint Application For Approval Of Transfer Of Assets; Notice Of Restructure Of Holding Company; And Request For Limited Waiver Of A.A.C. R14-2-801, et seq. ("Original Application") previously filed in this docket.

I. PURPOSE OF AMENDMENT.

The Original Application (1) sought Commission approval of a transfer of assets, including a Certificate of Convenience and Necessity ("CC&N"), from 360° to ACI; and (2) constituted a Notice of Restructure of Holding Company pursuant to A.A.C. R14-2-801, et seq. Applicants have determined that the requirements of A.A.C. R14-2-801, et seq. do not apply because the intrastate revenues of 360° do not make it a Class A utility. Consequently, this Amended Application only seeks approval of the asset transfer.

1 **II. BACKGROUND.**

2 ALLTEL is the parent company of ACI and 360°. It owns 100% of the outstanding stock
3 of ALLTEL Mobile Communications, Inc., which owns 100% of the outstanding stock of ACI.
4 ALLTEL also owns 100% of the outstanding stock of 360° Communications Company, which
5 owns 100% of the outstanding stock of 360°. See Organizational Chart, Exhibit 1 hereto.

6 360° is a national reseller of long-distance service, and holds a CC&N to provide
7 competitive intrastate long-distance service as a reseller in Arizona. The Commission granted its
8 CC&N on February 1, 2000 in A.C.C. Decision No. 62280. See Exhibit 2 hereto. 360° presently
9 does business in Arizona as "ALLTEL." Thus, 360°'s customers enter into ALLTEL agreements
10 and receive ALLTEL bills.

11 ACI has two pending applications for CC&N's with the Commission. The first seeks
12 authority to provide intrastate long-distance service as a reseller. See ACC Docket No. T-03887A-
13 00-0386. The second seeks a CC&N to provide facilities-based and resold competitive local
14 exchange services. See Docket No. T-03887A-00-0529.

15 As of December 31, 2000, 360° will be merged into ACI. Following the merger, ACI will
16 own 360°'s CC&N and its accounts receiveable. All outstanding shares of 360° stock will then be
17 cancelled. ACI will remain a wholly-owned subsidiary of ALLTEL, doing business as
18 "ALLTEL," and will service all the customers of 360°. Customers will continue to receive
19 ALLTEL bills and ALLTEL customer service. Thus, there will be no impact on 360°'s current
20 customers as a result of this transaction.

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1 **III. INFORMATION SUPPORTING APPLICATION.**

2 **A. Purpose of the Asset Transfer.**

3 The purpose for the merger of 360° into ACI is to consolidate ALLTEL's long distance
4 operations into a single subsidiary, thus allowing it to operate more efficiently. Following the
5 transfer, all outstanding stock in 360° will be cancelled and ACI will remain a wholly-owned
6 subsidiary of ALLTEL. An organizational chart of ALLTEL that identifies its Arizona affiliates is
7 attached hereto as Exhibit 1.

8 Because ALLTEL owns both 360° and ACI, no financing of the transfer of assets is
9 necessary. The transfer will not affect the cost of service of 360°, and no cost of capital is
10 attributable to the merger. Because 360° is a reseller, no capital is needed for constructing or
11 improving utility plants. The transfer will have no effect on ALLTEL's investment in its reseller
12 business.

13 **B. Assets to be Transferred.**

14 The only assets to be transferred to ACI are 360°'s CC&N and its accounts receiveable.

15 **C. Officers and Directors.**

16 The officers and directors of ACI and 360° are the same. Their names are:

17 Scott T. Ford -- President and CEO
18 Michael T. Flynn -- Group President
19 Kevin Beebe -- Group President
20 Jeffery Gardner -- Senior VP and CFO
21 Francis X. Frantz -- Executive VP and Secretary
22 John M. Mueller -- Treasurer

23 The officers of ALLTEL are:

24 Joe Ford -- CEO
Scott T. Ford -- President and Chief Operating Officer
Michael T. Flynn -- Group President
Kevin Beebe -- Group President
Jeffery Gardner -- Senior VP and CFO

ROSHKA HEYMAN & DEWULF, PLC
TWO ARIZONA CENTER
400 NORTH 5TH STREET - SUITE 1000
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Francis X. Frantz -- Executive VP and Secretary
2 John M. Mueller -- Treasurer

3 The officers' addresses are the same as ALLTEL's corporate headquarters: One Allied Drive,
4 Little Rock, Arkansas 72202.

5 **D. Filings With Other Jurisdictions.**

6 Applicants do not anticipate that the proposed transaction will require any filings with the
7 Securities and Exchange Commission. They have not yet determined whether any Federal
8 Communication Commission filings are necessary, but will supplement this Application with
9 copies of any filings that are made. Applicants have made filings with dozens of state public
10 utility commissions, and can provide copies of those filings if the Commission deems it
11 appropriate.

12 **E. Customer Service Number.**

13 The customer service number for ACI and 360° is 1-888-9-ALLTEL.

14 **F. Contact.**

15 All orders, decisions or correspondence regarding this Application should be directed to:

16 Pam Gregg
17 Staff Manager – State Government Affairs
18 ALLTEL Communications, Inc.
19 One Allied Drive
20 Little Rock, Arkansas 72202
21 Telephone: (501)905-8207
22 Facsimile: (501)905-5679

23 And

24 Randall H. Warner, Esq.
Roshka Heyman & DeWulf, PLC
Two Arizona Center
400 North 5th Street, Suite 1000
Phoenix, Arizona 85004
Telephone: (602)256-6100
Facsimile: (602)256-6800
Attorneys for ALLTEL Communications, Inc.

1 **IV. APPROVAL OF THE ASSET TRANSFER IS IN THE PUBLIC INTEREST.**

2 The transfer of 360°'s assets to ACI will benefit customers by allowing ALLTEL to
3 provide better and more cost-effective service. In light of the fact that 360°'s customers presently
4 deal with ALLTEL and its employees, those customers will not be adversely affected by this
5 transaction.

6 **V. REQUEST FOR EXPEDITED CONSIDERATION.**

7 Applicants hereby request expedited consideration of this Amended Application. The
8 transfer contemplated is part of ALLTEL's restructuring of its reseller operations nationally and is
9 scheduled to occur on December 31, 2000. Moreover, because ALLTEL already owns both 360°
10 and ACI, the transfer will have no adverse impact on ALLTEL's Arizona operations and will be
11 transparent to customers. In the interests of efficiency and economy, this Application should be
12 approved in an expedited manner.

13 **VI. CONCLUSION.**

14 For the foregoing reasons, Applicants request that the Commission issue an order
15 approving the transfer of assets of 360°, including its CC&N, to ACI.

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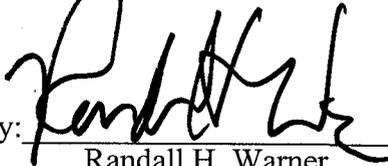
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RESPECTFULLY SUBMITTED this 4th day of December, 2000.

ROSHKA HEYMAN & DEWULF, PLC

By: 
Randall H. Warner
Two Arizona Center
400 North 5th Street, Suite 1000
Phoenix, Arizona 85004

Attorneys for ALLTEL Communications, Inc.

AND

Pam Gregg
Staff Manager – State Government Affairs
ALLTEL Communications, Inc.
One Allied Drive
Little Rock, Arkansas 72202

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TWC ARIZONA CENTER
400 NORTH 5TH STREET - SUITE 1000
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 **Original and ten copies of the foregoing**
2 **filed this 4th day of December, 2000, with:**

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 **Copy of the foregoing hand-delivered**
8 **this 4th day of December, 2000, to:**

9 Legal Division
10 Arizona Corporation Commission
11 1200 West Washington Street
12 Phoenix, Arizona 85007

13 Deborah Scott, Director
14 Utilities Division
15 Arizona Corporation Commission
16 1200 West Washington Street
17 Phoenix, Arizona 85007

18 **Copies of the foregoing mailed**
19 **this 4th day of December, 2000, to:**

20 Timothy Berg, Esq.
21 Fennemore Craig, P.C.
22 3003 N. Central Avenue
23 Suit 2600
24 Phoenix, Arizona 85016

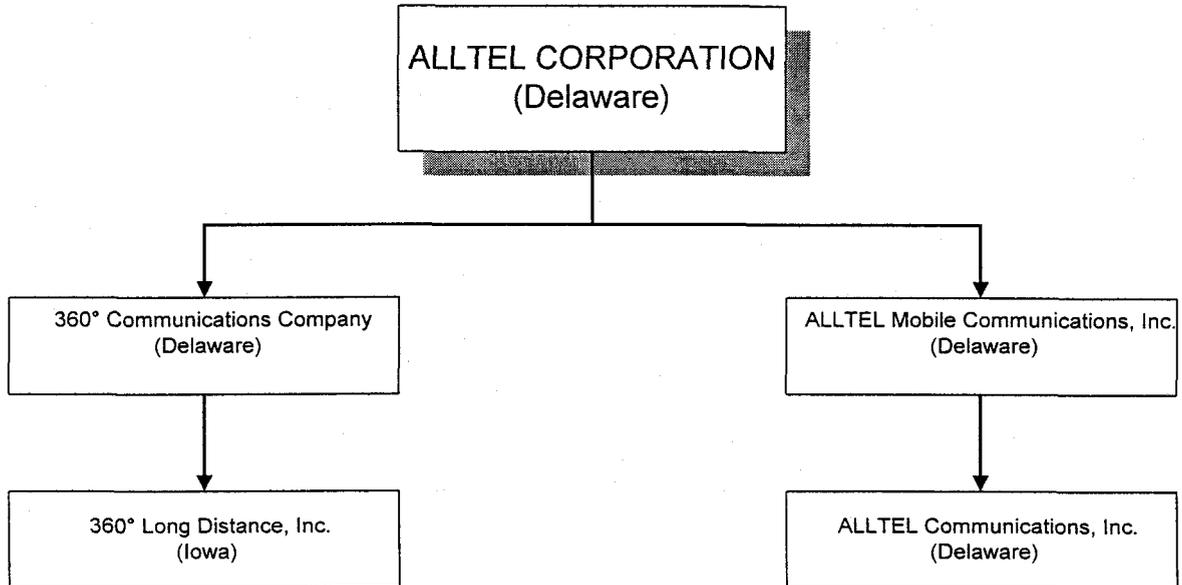
25 M. Lauer
26 a/tel/pl/amended app for approval

EXHIBIT 1

ALLTEL Org. Structure

(as applicable to this transaction)

CURRENT



AFTER

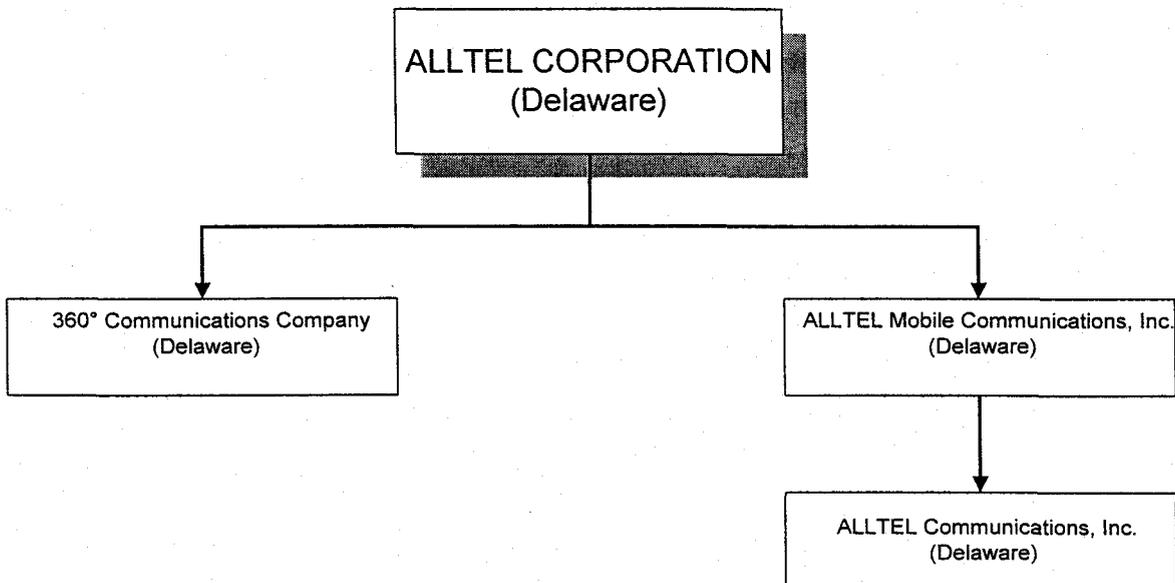


EXHIBIT 2

EXHIBIT 2

BEFORE THE ARIZONA CORPORATION COMMISSION
DOCKETED

CARL J. KUNASEK
CHAIRMAN
JIM IRVIN
COMMISSIONER
WILLIAM A. MUNDELL
COMMISSIONER

FFR 01 2000

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF
360° LONG DISTANCE, INC. FOR A
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE COMPETITIVE
INTRASTATE TELECOMMUNICATIONS
SERVICES AS A RESELLER.

DOCKET NO. T-03285A-96-0569

DECISION NO. 62280

ORDER

Open Meeting
January 25 and 26, 2000
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

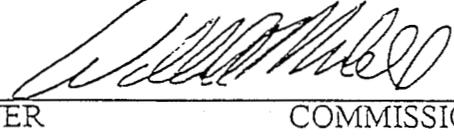
1. On November 14, 1996, 360° Long Distance, Inc. ("Applicant") filed with Docket Control of the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive intrastate telecommunications services within the State of Arizona.
2. On January 24, 1997, Applicant filed affidavits indicating that it published notice of its filing in all counties where service is to be provided pursuant to A.A.C. R14-2-1104 and R14-2-1105.
3. In Decision No. 58926 (December 22, 1994), the Commission found that resold telecommunications providers ("resellers") were public service corporations subject to the jurisdiction of the Commission.
4. In Decision No. 59124 (June 23, 1995), the Commission adopted A.A.C. R14-2-1101 through R14-2-1115 to regulate resellers.
5. Applicant is an Iowa corporation, authorized to do business in Arizona since 1996.
6. Applicant is a switchless reseller which purchases telecommunications services from Sprint Communications Company, L.P.

1 IT IS FURTHER ORDERED that 360° Long Distance, Inc. shall comply with the Staff
2 recommendations set forth in Findings of Fact No. 10.

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

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

5

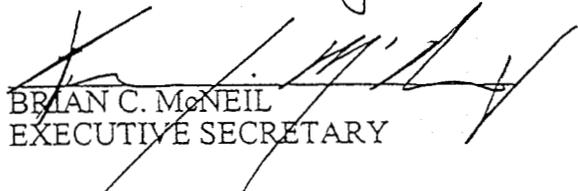
6   

7 CHAIRMAN COMMISSIONER COMMISSIONER

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10 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
 11 Secretary of the Arizona Corporation Commission, have
 12 hereunto set my hand and caused the official seal of the
 13 Commission to be affixed at the Capitol, in the City of Phoenix,
 14 this 1st day of February 2000.

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14 BRIAN C. McNEIL
 15 EXECUTIVE SECRETARY

16 DISSENT _____
 17 SG:bbs

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1 SERVICE LIST FOR: 360° LONG DISTANCE, INC.

2 DOCKET NO. T-03285A-96-0569

3
4 Mr. Thomas Curran, Director of External Affairs
5 360° Long Distance, Inc.
6 8725 West Higgins Road
7 Chicago, Illinois 60631-2702

8 Harbor Consulting Group, Inc.
9 P.O. Box 2461
10 Gig Harbor, Washington 98335

11 Lyn Farmer, Chief Counsel
12 Legal Division
13 ARIZONA CORPORATION COMMISSION
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15 Phoenix, Arizona 85007

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