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ORIGINAL



BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
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Jeff Hatch-Miller  
Chairman  
William A. Mundell  
Commissioner  
Marc Spitzer  
Commissioner  
Mike Gleason  
Commissioner  
Kristin Mayes  
Commissioner

IN THE MATTER OF QWEST  
CORPORATION'S FILING AMENDED  
RENEWED PRICE REGULATION PLAN

DOCKET NO.  
T-01051B-03-0454

IN THE MATTER OF THE INVESTIGATION  
OF THE COST OF  
TELECOMMUNICATIONS ACCESS

DOCKET NO.  
T-00000D-00-0672

**NOTICE OF FILING SUMMARY OF TESTIMONY**

The ARIZONA UTILITY INVESTORS ASSOCIATION (AUIA) hereby submits the summary of the testimony of Walter W. Meek in support of the proposed Settlement Agreement in the above captioned matter.

Respectfully submitted, this 31st day of October, 2005.

Walter W. Meek, President

**CERTIFICATE OF SERVICE**

An original and 15 copies of the referenced testimony filed this 31st day of October, 2005, with:

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

Copies of the referenced testimony hand delivered this 31st day of October, 2005, to:

Jeff Hatch-Miller, Chairman  
Dean Miller, Executive Assistant  
William A. Mundell, Commissioner  
Adam Stafford, Executive Assistant  
Mark Spitzer, Commissioner  
Philip Dion, Executive Assistant  
Mike Gleason, Commissioner  
Kenneth Rozen, Executive Assistant  
Kristin Mayes, Commissioner  
Matt Derr, Executive Assistant  
Maureen A. Scott, Esq., Legal Division  
Jane Rodda, Esq., Hearing Division  
Ernest Johnson, Esq., Utilities Division  
Arizona Corporation Commission

A copy of the referenced testimony was mailed this 31st day of October, 2005, to:

Timothy Berg, Esq.  
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3003 N. Central Ave., Suite 2600  
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Norman Curtright, Esq.  
Qwest Law Department  
4041 N. Central Avenue, 11<sup>th</sup> Floor  
Phoenix, AZ 85012

Parties of Record

  
WALTER W. MEEK

**SUMMARY OF THE TESTIMONY OF WALTER W. MEEK  
IN SUPPORT OF THE SETTLEMENT AGREEMENT**

**Docket No. T-01051B-03-0454 & Docket No. T-00000D-00-0672**

In his testimony, Mr. Meek explains that AUIA supports the settlement agreement because it benefits both Qwest and its customers. He notes that the settlement addresses Qwest's critical need for new revenue to make up for lost market share and the company's need for more flexibility in pricing and packaging its services in order to compete effectively in the marketplace.

Mr. Meek asserts that the amended price cap plan which will result from the settlement does not offer a permanent solution to Qwest's problems, but should be regarded as triage rather than major corrective surgery.

With regard to consumers, Mr. Meek argues that improvements to Qwest's financial stability are important to consumers because they rely on Qwest to maintain the backbone of telecom service in Arizona and because it is the provider of last resort. In addition, the settlement provides potential benefits to Qwest without imposing a general rate increase on the company's customers.

Mr. Meek then summarizes eight key provisions in the settlement agreement: Basket Arrangement and Contents; Inflation/Productivity Adjustment; Switched Access Charges; Authorized Revenue Increases; Rate of Return; Special Offerings; Deregulated Services; and Dismissal of Court Appeals.

In addition to the broad consumer benefits discussed earlier, Mr. Meek cites other specific consumer benefits, to wit: reduced zone increment charges, lower rates for non-listed telephone numbers and doubled funding the Telephone Assistance Plan for the medically needy.

In conclusion, Mr. Meek cites evidence in the case that Qwest has lost more than 577,000 residential wire lines since 2000 and that Qwest's market share, including the impact of wireless service, has shrunk to a probable 40 percent. He urges the Commission to approve the settlement agreement as the minimum action required to stave off disaster for the state's leading provider of telecommunications services.