



BEFORE THE ARIZONA CORPORATION COMMISSION

1
 2 JEFF HATCH-MILLER
 CHAIRMAN
 3 WILLIAM A. MUNDELL
 COMMISSIONER
 4 MARC SPITZER
 COMMISSIONER
 5 MIKE GLEASON
 COMMISSIONER
 6 KRISTIN K. MAYES
 COMMISSIONER

RECEIVED
 2005 DEC - 6 A 10: 04
 AZ CORP COMMISSION
 DOCUMENT CONTROL

7
 8 IN THE MATTER OF QWEST
 CORPORATION'S FILING OF RENEWED
 PRICE REGULATION PLAN.
 9

DOCKET NO. T-01051B-03-0454

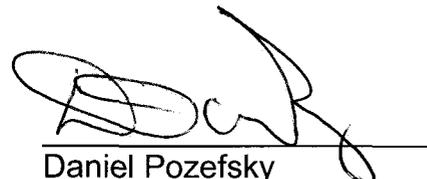
10 IN THE MATTER OF THE
 INVESTIGATION OF THE COST
 11 OF TELECOMMUNICATIONS
 ACCESS.
 12

DOCKET NO. T-00000D-00-0672

NOTICE OF FILING

13
 14 The Residential Utility Consumer Office ("RUCO") submits the following page 7
 15 that was inadvertently left out of RUCO's Post-Hearing Brief (Non-Proprietary Version)
 16 pertaining to the above-referenced Dockets, which was filed on December 2, 2005.
 17

18 RESPECTFULLY SUBMITTED this 6th day of December, 2005.

19
 20
 21 
 Daniel Pozefsky
 22 Attorney
 23
 24

1 AN ORIGINAL AND FIFTEEN COPIES
2 of the foregoing filed this 2nd day
3 of December, 2005 with:

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

6 COPIES of the foregoing hand delivered/mailed
7 this 2nd day of December, 2005 to:

8 Jane Rodda
9 Administrative Law Judge
10 Arizona Corporation Commission
11 400 West Congress
12 Tucson, Arizona 85701

Todd Lundy
Qwest Law Department
1801 California Street
Denver, Colorado 80202

10 Maureen A. Scott
11 Legal Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

Thomas F. Dixon
WorldCom Inc.
707 17th Street
39th Floor
Denver, Colorado 80202

13 Christopher Kempley
14 Legal Division
15 Arizona Corporation Commission
16 1200 West Washington
17 Phoenix, Arizona 85007

Thomas H. Campbell
Michael T. Hallam
Lewis & Roca
40 North Central Avenue
Suite 1900
Phoenix, Arizona 85004

16 Ernest Johnson, Director
17 Utilities Division
18 Arizona Corporation Commission
19 1200 West Washington
20 Phoenix, Arizona 85007

Michael W. Patten
Roshka, DeWulf & Patten, PLC
400 East Van Buren Street
Suite 800
Phoenix, Arizona 85004

19 Timothy Berg
20 Theresa Dwyer
21 Fennemore Craig, P.C.
22 3003 North Central Avenue
23 Suite 2600
24 Phoenix, Arizona 85012

Mark A. DiNunzio
Cox Arizona Telecom, LLC
1550 W. Deer Valley Rd.
MS:DV3-16; Bldg. C
Phoenix, Arizona 85027

1 Peter Q. Nyce, Jr.
Regulatory Law Office
2 U.S. Army Litigation Center
901 North Stuart Street
3 Suite 713
Arlington, Virginia 22203
4
5 Richard Lee
Snavey King Majoros O'Connor & Lee, Inc.
1220 L Street NW
6 Suite 410
Washington, DC 20005
7
8 Eschelon Telecom of Arizona
730 2nd Avenue South
Suite 1200
9 Minneapolis, Minnesota 55402
10 Martin A. Aronson
Morrill & Aronson, P.L.C.
11 One East Camelback
Suite 340
12 Phoenix, Arizona 85012
13 Brian Thomas
Vice President Regulatory
14 Time Warner Telecom, Inc.
223 Taylor Avenue North
15 Seattle, Washington 98109
16 Walter W. Meek, President
Arizona Utility Investors Association
17 2100 N. Central Avenue, Suite 210
Phoenix, AZ 85004
18
19 Jon Poston
ACTS
6733 East Dale Lane
20 Cave Creek, AZ 85331
21 Jeffrey W. Crockett
Snell & Wilmer
22 One Arizona Center
400 East Van Buren
23 Phoenix, Arizona 85004-2202
24

Albert Sterman, Vice President
Arizona Consumers Council
2849 E. 8th Street
Tucson, AZ 85716

Joan S. Burke
Osborn Maledon P.A.
2929 N. Central Avenue
Suite 2100
Phoenix, Arizona 85012

By 
Ernestine Gamble

1 RUCO has broken down Qwest's market share by wire center for both residential and
2 business lines. See RUCO-11 Schedules 4 and 5 attached hereto. **Begin Confidential End**
3 **Confidential.**

4 Another explanation frequently relied on by the Parties to explain Qwest's loss of
5 revenues and the increasing competitive market Qwest faces is wireless service. RUCO-11 at
6 137; S-5 at 24-25. Qwest does not provide wireless service. Regardless of the perception, the
7 available evidence suggests that wireless and wire line services are not close substitutes.
8 RUCO-11 at 138. Most people purchase both services, using the mobile phone in situations
9 where it will function best and the conventional phone where it functions best. Id. The fact that
10 most people keep both phones shows that wireless and wire line services should not be
11 viewed as competitive alternatives. Moreover, Qwest has not shown that significant numbers
12 of wireless customers disconnect their wire line service upon subscription to a wireless service.
13 Id. at 138. Since wire line and wireless services are not functional equivalents and there is no
14 quantitative evidence to suggest otherwise, the Commission should give little weight to this
15 argument.

16 In sum, the Commission needs to take a comprehensive look at geographic pricing and
17 consider how it fits into the competitive landscape. As competition continues to intensify in
18 Arizona, the Commission should not retain a rate averaging approach merely because to
19 properly address geographic pricing would be cumbersome. The Commission should reject
20 the Settlement and send this matter back to hearing.

21
22 **2) ARIZONA UNIVERSAL SERVICE FUND (AUSF)**

23 RUCO recognizes that the subject docket is not the place to have a comprehensive
24 discussion or review of the AUSF. However, it is appropriate to discuss the AUSF in this