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MEMORANDUM
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FROM: John Bostwick *JBP*
Administrative Service Officer
Utilities Division

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

JUN 22 2007

DATE: June 22, 2007

DOCKETED BY *SW*

RE: Broadband Dynamics, L.L.C.
Docket No. T-04102A-06-0176 Decision No. 69648

On June 12, 2007, Docket Control received a copy of Broadband Dynamics, L.L.C.'s ("Broadband" or "Company") Arizona Tariff No. 3 Release 1 bearing an effective date of June 13, 2007. On June 13, 2007, Staff was requested by the Compliance, Enforcement, and Administrative Section of the Utilities Division of the Arizona Corporation Commission ("Commission") to review Broadband's tariff for compliance purposes, contact the Company to correct any deficiencies, and recommend, if required, that the Company re-file their tariff through Docket Control.

Staff reviewed the effective date of Decision No. 69648 and the effective date of Broadband's tariff to be filed with the Commission. Decision No. 69648 has an effective date of June 6, 2007 and Broadband filed its tariff within the required timeframe.

The contents of Broadband's proposed tariff are addressed in ten Sections consisting of 115 pages. Staff reviewed the ten Sections of the tariff but did not review every numbered item in each Section. Staff is not aware of every numbered item in Broadband's tariff that agrees or conflicts with every regulation established in the Arizona Administrative Code ("A.A.C.") rules. Also, Staff is unable to verify that every regulation in each Section of the Articles related to telecommunications in the A.A.C. rules is captured in Broadband's proposed tariff.

Staff is aware that Broadband has deficiencies in its proposed tariff that need to be corrected for compliance purposes. Broadband's tariff lacks accurate information regarding definition(s), billing and collection, late payment penalty, ICB rates/charges, and termination of service.

Definition(s)

The following lists each technical term or abbreviation in Broadband's tariff and the A.A.C. rule number that defines the technical term or abbreviation approved by the Commission:

<u>Term or Abbreviation</u>	<u>A.A.C. Rule Number</u>
Customer	R14-2-501 item number 9
Equal Access	R14-2-1102 item number 6
IXC (Interexchange Carrier)	R14-2-1001 item number 11
LATA (Local Access Transport Area)	R14-2-1001 item number 13
Local Exchange Carrier (LEC)	R14-2-1001 item number 14
Subscriber	R14-2-1901 F

Staff recommends that Broadband use the same definition for each term or abbreviation as those listed by the corresponding A.A.C. rule number. This will help to ensure each term or abbreviation approved by the Commission is used in Broadband's tariff.

Billing and Collection

Staff was not able to locate billing and collection procedures in Broadband's tariff. According to A.A.C. R14-2-508, Billing and Collection, more specifically R14-2-508 C., entitled "Billing terms", each utility shall file a tariff which incorporates certain billing procedures. The billing procedures are numbered 1 through 4 within this Section of the Commission rules.

Staff recommends that Broadband revise its tariff to include these billing terms and procedures. This will help to ensure that all customers in Arizona are treated with fair and consistent billing terms and procedures.

Late Payment Penalty

According to Broadband's tariff in Section 2.5.2 "Billing and Collection of Charges", item E., on page 31 "If any portion of the payment is not received by the Company, or if any portion of the payment is received by the Company in funds that are not immediately available, within twenty (20) days of the mail date on the bill, then a late penalty shall be due the Company. The late payment penalty shall be that portion of the payment not received by the date due minus any charges billed as local taxes multiplied by 1.5%." Staff does not see any indication that the amount of the late payment penalty is put on the customer's bill when rendered by the utility as required in A.A.C. R14-2-508 G. 2.

Staff recommends that Broadband revise its tariff to reflect the Commission approved language for late payment penalty. This will help to ensure that the amount of the late payment is properly listed on a customer's bill.

ICB Rates/Charges

As a matter of practice, the Commission does not accept tariffs with Individual Case Basis ("ICB") rates or charges listed in Section 7 of your tariff. The ICB rate or charge for each service listed in a tariff needs to reflect a specific dollar amount so that customers and consumers

are able to evaluate the cost of a specific telecommunication service. Besides providing clarification, an established rate or charge for a given telecommunication service will help to ensure the rate or charge was computed in an equitable and consistent manner.

Staff recommends that Broadband establish a rate or charge for each service listed in its tariff. If Broadband is unable to provide a rate or charge for each service then, the ICB rate or charge of the service needs be removed from the tariff. When a rate or charge has been established for the service, the cost of the specific telecommunication service can be listed in Broadband's tariff.

Termination of Service

Under R14-2-509 D, items 1 and 2, there are termination notice requirements to provide advance written notice to the customer and the written notice must contain minimum information. Staff was unable to locate termination notice requirements in Broadband's tariff.

Staff recommends that Broadband revise its tariff to include the termination notice requirements numbered 1 and 2 in R14-2-509 D. This will help to ensure that all Arizona customers being terminated by the Company are properly informed.

According to A.A.C. R-14-2-509 E., items 1 through 6, there are requirements that address the timing of terminations with notice. Staff was unable to locate requirements that addressed the timing of terminations with notice in Broadband's tariff.

Staff recommends that Broadband revise its tariff to include the timing of terminations with notice requirements numbered 1 through 6 in R14-2-509 E. This will help to ensure that all Arizona customers being terminated by the Company are informed in a timely manner.

Recommendation(s)

Staff forwarded an electronic copy and a docketed copy of this memorandum to Ms. Angela Jansen, Legal Assistant to Lance J.M. Steinhart, to inform her of the revisions that need to be made to Broadband's tariff. Staff recommends that Broadband adopt Staff's recommended tariff changes, revise its tariff and file its revised tariff (Original and thirteen (13) copies) with Docket Control as a tariff compliance item at the Commission. Any questions regarding Staff's recommended revisions to this tariff may be directed to me at (602)-542-0856.