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Transcript Exhibit(s)

AZ CORP COMMISSION  
DOCKET CONTROL

Docket#(s): T-04036A-07-0108

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Exhibit #: A<sup>1</sup>, A<sup>2</sup>, S<sup>1</sup>, S<sup>2</sup>

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Arizona Corporation Commission  
**DOCKETED**

DEC 14 2007

DOCKETED BY	
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**ORIGINAL NEW APPLICATION**  
**frontier**  
COMMUNICATIONS SOLUTIONS

RECEIVED

Fax: (801) 256-9561  
[chuttsel@czn.com](mailto:chuttsel@czn.com)

2007 FEB 20 P 3: 26

AZ CORP COMMISSION  
DOCUMENT CONTROL

February 19, 2007

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

T-04036A-07-0108

**Re: Frontier Communications of America (T-04036A) Application for  
Certificate of Convenience and Necessity to Operate as a Facilities-Based  
Competitive Local Exchange Carrier in the State of Arizona**

Dear Commissioners and Staff:

Enclosed please find an original and 13 copies of the application of Frontier Communications of America ("FCA") for a certificate of convenience and necessity to operate as a facilities-based competitive local exchange carrier in the State of Arizona. FCA is seeking authority to operate within Qwest's service territory statewide in Arizona but, as reflected in its proposed tariff, will initially confine its operations to the following Qwest exchanges: Cottonwood, Flagstaff, Joseph City, Payson, Prescott, Sedona, Williams and Winslow.

Please direct any communications regarding this application to me at 801-256-9560, at P.O. Box 708970, Sandy, UT 84070-8970, or at [chuttsel@czn.com](mailto:chuttsel@czn.com).

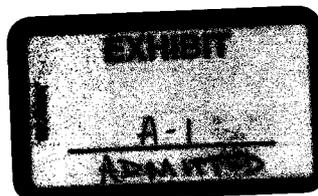
Sincerely,



Curt Huttsell, Ph.D.  
Manager, Government and External Affairs

Arizona Corporation Commission  
**DOCKETED**

FEB 20 2007



DOCKETED BY	<i>WLL</i>
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**ARIZONA CORPORATION COMMISSION**

**Application and Petition for Certificate of Convenience and Necessity to Provide  
Intrastate Telecommunications Services**

Mail original plus 13 copies of completed application to:

For Docket Control Only:  
(Please Stamp Here)

Docket Control Center  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending  
in Arizona as an Interexchange reseller, AOS provider,  
or as the provider of other telecommunication services.

Type of Service: \_\_\_\_\_ N/A \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

Type of Service: \_\_\_\_\_ N/A \_\_\_\_\_

Docket No.: \_\_\_\_\_ Date: \_\_\_\_\_ Date Docketed: \_\_\_\_\_

**A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION**

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- Resold Long Distance Telecommunications Services (Answer Sections A, B).
- Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- Other \_\_\_\_\_ (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

Frontier Communications of America  
P.O. Box 708970  
Sandy, UT 84070-8970  
Phone: 801-256-9560 Fax: 801-256-9561  
E-Mail: <chuttisel@czn.com> <<http://www.frontieronline.com>>

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2): *N/A*

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

**Curt Huttzell, Ph.D.**  
Frontier Communications of America  
P.O. Box 708970  
Sandy, UT 84070-8970  
Phone: 801-256-9560 Fax: 801-256-9561  
E-Mail: [chuttzell@czn.com](mailto:chuttzell@czn.com)

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

**Kevin Saville, Esq.**  
Frontier Communications of America  
2378 Wilshire Blvd.  
Mound, MN 55364  
Phone: 952-491-5564 Fax: 952-491-5577  
E-Mail: [ksaville@czn.com](mailto:ksaville@czn.com)

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

**Barbara Saunders**  
Frontier Communications of America  
3124 Stockton Hill Road  
Kingman, AZ 86401  
Phone: 800-605-3290 Fax: 877-718-1432  
E-Mail: [bsaunders@czn.com](mailto:bsaunders@czn.com)

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

- Sole proprietorship
- Partnership: \_\_\_\_\_ Limited, \_\_\_\_\_ General, \_\_\_\_\_ Arizona, \_\_\_\_\_ Foreign
- Limited Liability Company: \_\_\_\_\_ Arizona, \_\_\_\_\_ Foreign
- Corporation: \_\_\_\_\_ "S",  "C", \_\_\_\_\_ Non-profit
- Other, specify: \_\_\_\_\_

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2. *N/A*

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

(A-10) Indicate the geographic market to be served:

- Statewide. (Applicant adopts statewide map of Arizona provided with this application).
- Other. Describe and provide a detailed map depicting the area.

**Please see Attachments B-1 (Map) and B-2 (Description of Geographic Market).**

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency. **No.**

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years. **No.**

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

Yes

No

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

Yes

No

If "No", continue to question (A-15).

For Local Exchange Resellers, a \$25,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

Yes

No

If "No", continue to question (A-15).

For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

Yes

No

If any box in (A-14) is marked "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers. **As set forth in its draft AZ C.C. Tariff No. 2 in Sections 2.4.2 and 2.4.3, FCA will neither collect deposits or require payments in advance. In addition, FCA's parent company, Citizens Communications Company, is financially sound as demonstrated by its 2005 Annual Report (10-K), which may be obtained by going to the following link:**

<<http://www.czn.com/documents/Citizens2005-AR-10K.pdf>>

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:

Yes

No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona: **None.**

**Note:** If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

**FCA has obtained facilities-based authority to provide local exchange services in California, Idaho, Montana, Nevada and Oregon.**

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona. **None.**

**Note:** If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

**Please refer to "Attachment C" for a list of FCA's key personnel.**

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801. **None.**

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- Decision # 64178 Resold Long Distance
- Decision # 64178 Resold LEC
- Decision # 64178 Facilities Based Long Distance
- Decision # 64178 Facilities Based LEC

#### **B. FINANCIAL INFORMATION**

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

- Yes  No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

**Note:** Make sure "most recent years" includes current calendar year or current year reporting period.

**Frontier Communications of America's 2004 and 2005 Confidential Annual Reports are on file with the Commission.**

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

**FCA will rely upon the financial resources of its parent, Citizens Communications Company.**

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.
2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.
3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.
4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

**Confidential "Attachment D-1" containing projected revenues, expenses and investments will be provided to the Commission Staff when appropriate.**

**SERVICES**

(C-1) Indicate if the Applicant has a resale agreement in operation,

Yes  No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

**D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

Yes  No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

**FCA intends to begin offering facilities-based local exchange telecommunications services during the 2nd Quarter of 2007.**

**E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

Yes  No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

Yes

No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

Yes

No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.

Curt Huttzell

(Signature of Authorized Representative)

02/16/07

(Date)

Curt Huttzell

(Print Name of Authorized Representative)

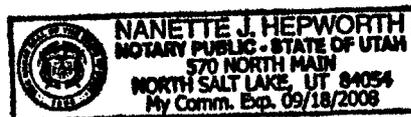
Manager Gov't. & External Affairs

(Title)

SUBSCRIBED AND SWORN to before me this 16 day of February, 2007

Nanette J. HEPWORTH  
NOTARY PUBLIC

My Commission Expires 9-18-08



**Attachment A**

**Certificate of Good Standing**  
**Frontier Communications of America**

# STATE OF ARIZONA



Office of the  
**CORPORATION COMMISSION**  
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, **Brian C. McNeil**, Executive Director of the Arizona Corporation Commission, do hereby certify that

**\*\*\*FRONTIER COMMUNICATIONS OF AMERICA, INC.\*\*\***

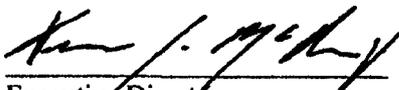
a foreign corporation organized under the laws of Delaware did obtain authority to transact business in the State of Arizona on the 31st day of March 1994.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 12th Day of October, 2006, A. D.



  
Executive Director

Order Number: 96171

**Certificate of Incorporation**  
**Frontier Communications of America**

State of Delaware  
Office of the Secretary of State PAGE 1

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I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "CITIZENS TELECOMMUNICATIONS COMPANY", FILED IN THIS OFFICE ON THE FIRST DAY OF JULY, A.D. 1993, AT 9 O'CLOCK A.M.



A handwritten signature in cursive script, appearing to read "Edward J. Freel".

---

Edward J. Freel, Secretary of State

AUTHENTICATION:

2342881 8100

DATE: 7363667

950002579

01-05-95

**CERTIFICATE OF INCORPORATION**  
**OF**  
**CITIZENS TELECOMMUNICATIONS COMPANY**

**FIRST:** The name of the corporation is Citizens Telecommunications Company.

**SECOND:** The address of its registered office is in Kent County, Delaware at 32 Lookerman Square, Suite L-100, Dover, Delaware 19901.

The name of its registered agent at such address is The Prentice-Hall Corporation System, Inc.

**THIRD:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

**FOURTH:** The total number of shares of capital stock which the corporation shall have authority to issue is one hundred (100) shares of common stock, \$10.00 par value per share.

**FIFTH:** The name and address of the incorporator is:

Charles J. Weiss                      High Ridge Park Stamford  
Stamford, CT 06905

**SIXTH:** The powers of the incorporator terminate upon the filing of this certificate of incorporation. The names and addresses of the directors who are to serve until the first annual meeting of stockholders or until their successors are elected and qualify are:

<u>Name</u>	<u>Address</u>
Leonard Tow	High Ridge Park Stamford, CT 06905
Daryl A. Ferguson	High Ridge Park Stamford, CT 06905
Donald K. Robertson	High Ridge Park Stamford, CT 06905

**SEVENTH:** In addition to the powers conferred under the General Corporation Law, the board of directors shall have power to adopt, amend, or repeal the by-laws of the corporation.

**EIGHTH:** Subject to any contrary provision of the General Corporation Law, the books of the corporation may be kept at such place or places, within or without the State of Delaware, as may be designated from time to time by the board of directors or in the by-laws of the corporation.

**NINTH:** The election of directors need not be by written ballot unless the by-laws of the corporation shall so provide.

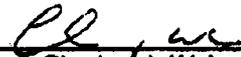
**TENTH:** To the fullest extent permitted by Section 102(b)(7) of the General Corporation Law of the State of Delaware, as amended from time to time, or in analogous provisions of successor law, there shall be no liability on any part of any director of the corporation to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a Director of the Corporation existing hereunder with respect to any act or omission occurring prior to or at the time of such repeal or modification.

**ELEVENTH:** The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by law, and all rights conferred herein upon stockholders and directors are granted subject to this reservation.

**TWELFTH:** The corporation may indemnify officers, directors, employees and agents to the fullest extent allowed by Section 145 of the General Corporation Law.

I, **THE UNDERSIGNED**, being the incorporator hereinbefore named, do make this Certificate for the purpose of forming a corporation pursuant to the General Corporation Law of the State of Delaware; and intending that this be an acknowledgement within the meaning of Section 103 of the General Corporation Law, have executed this document on June 30, 1993.

  
\_\_\_\_\_  
Charles J. Weiss

**Certificate of Merger**  
**Frontier Communications of America**

Secretary of State  
Division of Business Services  
312 Eighth Avenue North  
Floor, William R. Snodgrass Tower  
Nashville, Tennessee 37243

DATE: 05/02/05  
REQUEST NUMBER: 5447-0557  
TELEPHONE CONTACT: (615) 741-2286  
FILE DATE/TIME: 04/27/05 1158  
EFFECTIVE DATE/TIME: 04/27/05 1630  
CONTROL NUMBER: 0278200

TO:  
FRONTIER COMMUNICATIONS OF AMERICA INC  
THREE HIGH RIDGE  
PARK  
STAMFORD, CT 06905

RE:  
FRONTIER COMMUNICATIONS OF AMERICA, INC.  
OTHER DOCUMENT

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED DOCUMENT WITH AN  
EFFECTIVE DATE AS INDICATED ABOVE.

FOR: OTHER DOCUMENT

FROM:

ON DATE:

RECEIVED:	FEES	
	\$0.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$0.00

RECEIPT NUMBER:  
ACCOUNT NUMBER:

*Riley C. Darnell*

RILEY C. DARNELL  
SECRETARY OF STATE



# Delaware

PAGE 1

*The First State*

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"FRONTIER COMMUNICATIONS OF AMERICA, INC.", A DELAWARE CORPORATION,

"NEW NORTH TELECOMMUNICATIONS, INC.", A WISCONSIN CORPORATION,

"NEWOP COMMUNICATIONS CORPORATION", A NEW YORK CORPORATION, WITH AND INTO "CITIZENS TELECOMMUNICATIONS COMPANY" UNDER

THE NAME OF "FRONTIER COMMUNICATIONS OF AMERICA, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-FIFTH DAY OF FEBRUARY, A.D. 2003, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF MERGER IS THE THIRTY-FIRST DAY OF MARCH, A.D. 2003, AT 11:59 O'CLOCK P.M.

RECEIVED  
STATE OF TENNESSEE  
2005 APR 27 AM 11:58  
SECRETARY OF STATE

**FILED**



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

2342881 8100M  
030222381

AUTHENTICATION: 2353752  
DATE: 04-08-03

04 27 05 13

STATE OF DELAWARE  
SECRETARY OF STATE PAGE  
DIVISION OF CORPORATIONS  
FILED 09:00 AM 02/25/2003  
030142933 - 2342881

**CERTIFICATE OF MERGER**  
*of*  
**FRONTIER COMMUNICATIONS OF AMERICA, INC.,  
NEW NORTH TELECOMMUNICATIONS, INC., and  
NEWOP COMMUNICATIONS CORPORATION**  
*into*  
**CITIZENS TELECOMMUNICATIONS COMPANY**

Pursuant to Title 8, Section 252(c) of the Delaware General Corporation Law and Sections 180.1103 and 180.1104 of the Wisconsin Business Corporation Law, the undersigned corporations executed the following Certificate of Merger:

**WITNESSETH THAT:**

WHEREAS, Frontier Communications of America, Inc. ("FCA") is a corporation duly organized on August 19, 1992, existing and in good standing under the laws of the State of Delaware, and

WHEREAS, New North Telecommunications, Inc. ("NNT") is a corporation duly organized on July 30, 1996, existing and in good standing under the laws of the State of Wisconsin, and

WHEREAS, NewOp Communications Corporation ("NOCC") is a corporation duly organized on May 9, 1995, existing and in good standing under the laws of the State of New York, and

WHEREAS, Citizens Telecommunications Company ("CTC") is a corporation duly organized on July 1, 1993, existing and in good standing under the laws of the State of Delaware, is qualified to conduct business in and in good standing under the laws of the States of New York and Wisconsin, and

WHEREAS, on the date of this Certificate of Merger, the total number of shares of capital stock of FCA, NNT, NOCC and CTC issued and outstanding is set forth below:

CORPORATION	CLASS OF STOCK	PAR VALUE	NUMBER OF SHARES OUTSTANDING
CTC	Common	\$10.00	100
FCA	Common	\$0.01	200
NNT	Common	\$1.00	1,000
NOCC	Common	No par value	200

WHEREAS, the Board of Directors of FCA, NNT, NOCC, and CTC deem it advantageous to the shareholders thereof to merge FCA, NNT, and NOCC into CTC in accordance with the applicable laws of the States of Delaware, New York and Wisconsin.

NOW THEREFORE, FCA, NNT, NOCC, and CTC and the respective Boards of Directors thereof do hereby approve, adopt, certify, execute and acknowledge the following Certificate of Merger, and do hereby prescribe and state the terms and conditions of said merger, the mode of carrying same into effect and such other pertinent matters as are required or permitted by law to be set forth herein as follows:

**FIRST:** FCA, NNT, and NOCC shall be merged into CTC (hereinafter sometimes referred to as the "Surviving Corporation") and the Surviving Corporation shall be governed by the laws of the State of Delaware and the Articles of Incorporation of CTC shall be the Articles of Incorporation for the Surviving Corporation.

**SECOND:** The terms and conditions of the merger and the mode of carrying the same into effect are as follows:

Each of the Boards of Directors of each of FCA, NNT, and NOCC have approved the proposed merger, and upon the conditions herein set forth the Board of Directors of CTC has determined not to abandon the merger, then in such event, this Certificate of Merger (and such other documents and certificates as may be required by law) shall be signed, certified, acknowledged, filed and recorded pursuant to the applicable laws of the State of Delaware. When the merger herein provided shall become effective, the separate existences of FCA, NNT, and NOCC shall cease and FCA, NNT, and NOCC shall be merged into the Surviving Corporation in accordance with the provisions of the Certificate of Merger.

**THIRD:** The Boards of Directors of CTC and FCA, NNT, and NOCC have agreed that as of the effective date of the merger, all of the issued and outstanding shares of FCA, NNT, and NOCC shall cease to exist and be canceled, without further action and there shall be no conversion of any shares of FCA, NNT, or NOCC into shares of the Surviving Corporation.

**FOURTH:** Bylaws of CTC as presently in effect shall remain and be the Bylaws of the Surviving Corporation until altered or amended according to the provisions thereof.

**FIFTH:** The Board of Directors of the Surviving Corporation shall consist of the individuals who are the Directors of CTC at the time the merger becomes effective and the said persons shall be, and continue to be, Directors of the Surviving Corporation until the next ensuing meeting of its stockholders for the election of the Board of Directors and/or until their respective successors are elected and qualified.

**SIXTH:** The officers of the Surviving Corporation shall consist of the individuals who are the officers of CTC at the time the merger becomes effective and the said persons shall be, and continue to be, officers of the Surviving Corporation until the next ensuing meeting of its Board of Directors for the election of the officers and/or until their respective successors are elected and qualified.

- SEVENTH: From and after the effective date of the merger, the separate existences of FCA, NNT, and NOCC shall cease and the Surviving Corporation shall continue to conduct the business theretofore conducted by FCA, NNT, and NOCC; and the Surviving Corporation shall possess all the rights, privileges, immunities and franchises of a public as well as a private nature of FCA, NNT, and NOCC; and all property, real, personal and mixed, and all debts due or whatever account and all other choses in action and every other interest or belonging to or due to FCA, NNT, and NOCC shall be transferred to and vested in the Surviving Corporation without further act or deed; and the title to any real estate or any interest therein vested in FCA, NNT, and NOCC shall not revert or be in any way impaired by reason of the merger provided for hereby. From and after the effective date of the merger, the Surviving Corporation shall be responsible and liable for all the liabilities and obligations of FCA, NNT, and NOCC and any claim existing or action or proceeding pending by or against FCA, NNT, and NOCC may be prosecuted through judgment as if the merger had not taken place or the Surviving Corporation may be substituted in place of FCA, NNT, and NOCC. Neither the rights of creditors nor any liens upon the property of FCA, NNT, and NOCC shall be impaired by the consummation of the merger.
- EIGHTH: Effective upon consummation of the merger, that ARTICLE FIRST of the Certificate of Incorporation of the Surviving Corporation shall be amended to read as follows:
- FIRST: The name of the corporation is *Frontier Communications of America, Inc.*
- NINTH: This Certificate of Merger, when filed, shall be effective as of 11:59 PM on the 31<sup>st</sup> day of March 2003.
- TENTH: The Agreement of Merger is on file at Three High Ridge Park, Stamford, Connecticut, the place of business of the Surviving Corporation.
- ELEVENTH: A copy of the Agreement of Merger will be furnished by the Surviving Corporation on request, without cost, to any stockholder FCA, NNT, and NOCC.

Feb 24 10 55 AM '03

IN WITNESS WHEREOF, said Surviving Corporation has caused this Certificate to be signed and executed by an authorized officer the 24<sup>th</sup> day of FEBRUARY, 2003.

FRONTIER COMMUNICATIONS OF AMERICA, INC.  
3 High Ridge Park, Stamford, Connecticut

NEW NORTH TELECOMMUNICATIONS, INC.  
3 High Ridge Park, Stamford, Connecticut

By: [Signature]  
L. Russell Mitten, Secretary

By: [Signature]  
L. Russell Mitten, Secretary

NEWOP COMMUNICATIONS CORPORATION  
3 High Ridge Park, Stamford, Connecticut

CITIZENS TELECOMMUNICATIONS COMPANY  
3 High Ridge Park, Stamford, Connecticut

By: [Signature]  
L. Russell Mitten, Secretary

By: [Signature]  
L. Russell Mitten, Secretary

Subscribed and Sworn to before me, a Notary Public, in and for the County of Fairfield and State of Connecticut, this 24<sup>th</sup> day of FEBRUARY, 2003.

[Signature]  
Notary Public

My Commission Expires 10/31/06

## **Corporate Executive Officers Frontier Communications of America**

Mary Agnes Wilderotter . . . . . Chairman of the Board and Chief Executive Officer  
John H. Casey, III . . . . . Executive Vice President  
Donald R. Shassian . . . . . Chief Financial Officer  
Hilary E. Glassman . . . . . Senior Vice President, General Counsel and Secretary  
Peter B. Hayes . . . . . Executive Vice President Sales, Marketing and  
Business Development  
Robert J. Larson . . . . . Senior Vice President and Chief Accounting Officer  
Daniel J. McCarthy . . . . . Executive Vice President and Chief Operating Officer  
Cecilia K. McKenney . . . . . Senior Vice President, Human Resources

**Attachment B**

**FRONTIER COMMUNICATIONS OF AMERICA, INC.**

**ARIZONA TELECOMMUNICATIONS TARIFF**

This tariff contains the descriptions, regulations, and rates applicable to telecommunications services provided by Frontier Communications of America, Inc. This tariff applies for services furnished within the State of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

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CHECK SHEET

<u>SECTION/PAGE</u>	<u>REVISION</u>	<u>SECTION/PAGE</u>	<u>REVISION</u>
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3	Original *		
4	Original *		
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2-1	Original *		
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3-2	Original *		
3-3	Original *		
3-4	Original *		
4-1	Original *		
4-2	Original *		
5-1	Original *		

\* Included in this filing

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**CONCURRING CARRIERS**

None

**CONNECTING CARRIERS**

None

**OTHER PARTICIPATING CARRIERS**

None

**EXPLANATION OF SYMBOLS**

The following are the only symbols used for the purposes indicated below:

- (C) - To Signify Changed Regulation
- (D) - Delete or Discontinue
- (I) - Change Resulting in an Increase to a Customer's Bill
- (M) - Moved From Another Tariff Location
- (N) - Indicates new rate or regulation
- (R) - Change Resulting in a Reduction to a Customer's Bill
- (T) - Change in Text or Regulation But No Change in Rate or Charge

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**TARIFF FORMAT**

**Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

**Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the AZ C.C. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14.

**Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).i.
- 2.1.1.A.1.(a).i.(i).
- 2.1.1.A.1.(a).i.(i).(1).

**Check Sheets** - When a tariff filing is made with the AZ C.C., an updated check sheet accompanies the tariff filing. The check sheet lists the sheet contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

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**SECTION 1 - DEFINITIONS**

**Access Line:** An arrangement, which connects the Customer's telephone to a designated switching center or point of presence.

**Authorized User:** A person, firm, corporation, or any other entity authorized by the Customer to utilize the Carrier's service.

**AZ C.C.:** Arizona Corporation Commission.

**Basic Exchange Service:** Basic telephone service furnished within an exchange area or local service area.

**Call Waiting/Cancel Call Waiting:** Call Waiting permits the customer engaged in a call to receive a tone signal indicating a second call is waiting, and by operation of the switch hook, to place the first call on hold and answer the waiting call. The customer may alternate between the two calls by operation of the switch hook but a three-way conference cannot be established. In addition, the Cancel Call Waiting feature provides the customer who has Call Waiting with the ability to disable the Call Waiting feature for the duration of a call. The feature is automatically deactivated when the customer terminates the call in progress. Call Waiting is not offered as a compatible service to customers who also subscribe to Call Forwarding Busy and/or Call Forwarding Don't Answer.

**Caller ID:** Is an arrangement, which permits a customer with local Exchange Service other than foreign central office service to receive the calling telephone number for calls placed to the customer. The calling telephone number will be forwarded from the terminating central office to compatible customer provided display equipment associated with a customer's Local Exchange Service. The calling telephone number will be delivered during the first silent interval of ringing. For calls originating from a line within a multi-line hunt group, only the main telephone number will be delivered. If the calling telephone number is not available for forwarding to the called party, the customer's display device will record the time of day and date, and show "OUT OF AREA" and in some cases, dashes (— —), for the non- available numbers. The calling telephone number is unavailable from calls made via some large PABX systems within the Customized Local Area Signaling Service calling area, from most cellular radio calls, and currently from interexchange carrier calls. Compatible customer provided display equipment is required for this service.

- 1) Any customer subscribing to Caller ID will be responsible for the provision of a display device, which will be located on the customer's premises. The installation, repair, and technical capability of that equipment to function in conjunction with the feature specified herein will be the responsibility of the customer. The Company assumes no liability and will be held harmless for any incompatibility of this equipment to perform satisfactorily with the network features described herein.
- 2) Telephone numbers are not available on operator-handled calls.
- 3) Telephone numbers transmitted via Caller ID are intended solely for the use of the Caller ID subscriber. Resale of this information is prohibited by this Tariff.

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**SECTION 1 - DEFINITIONS**, (Continued)

**Caller ID with Name**: is an arrangement, which permits a customer who subscribes to Caller ID service to receive the phone number and name of the calling party, pursuant to Caller ID limitations, on a customer provided display device. When calls are marketed private by the calling party, number and name cannot be received.

**Company or Carrier**: Frontier Communications of America, Inc. unless otherwise clearly indicated by the context.

**Customer**: The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

**Equal Access**: Where the local exchange company central office provides interconnection to interexchange carriers with Feature Group D circuits. In such end offices, customers presubscribe their telephone line(s) to their preferred interLATA carrier.

**Exchange Area**: An area within which the Company holds itself out to furnish telephone service from one or more central offices serving that area in accordance with the provision of the tariffs.

**Intrastate Communications**: Any communications that originates and terminates within the same state and is subject to the oversight by a state regulatory commission as provided by the laws of that state.

**LEC**: Local Exchange Company.

**Move and Change Charges**: Non-recurring charges made to cover in part the cost of changes in location or type of facilities on a customer's premises at the request of the customer, where there is no interruption to service, other than that incident to the work involved, and where such changes are not required for the proper maintenance of the equipment or service.

**Non Published Telephone Number Service**: Customer may request that the telephone number of his service not be published in the Company's directories. The Company may require such a request to be in writing. If the customer makes such a request, the Company will take the following reasonable precautions.

- a. Not to publish the number in any of its publicly distributed directories.
- b. Except when required by law, not to disclose the number to any person other than representatives of law enforcement agencies, 911, its own employees for use in compiling service records and billing information, or other telephone companies, or other telephone customers who are billed for calls placed from the nonpublished number.

The customer releases, indemnifies and holds harmless the Company from any and all loss, claims, demands, suits or other action or any liability whatsoever whether suffered, made, instituted or asserted by the customer or by any other person caused or claimed to have caused directly or indirectly by the publication of such number or the disclosure of said number to any person.

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**SECTION 1 - DEFINITIONS**, (Continued)

**Non-recurring Charge**: A one-time charge associated with certain installations, change or transfer of services either in lieu of or in addition to recurring monthly rates.

**Point of Demarcation**: The point of interconnection between the Company communications facilities and Customer provided facilities as defined in Part 68 of the Federal Communications Commissions Rules and Regulations.

**Point of Origination**: The Company's switch location accessed by the customer for the purpose of making a call using Company's service.

**Point of Termination**: The point of demarcation within a Customer premises at which the Company's responsibility for the provision of service ends.

**Residential Customer**: A customer whose use of service is primarily personal and domestic nature.

**Service Charge**: The charge as specified in the Company's tariffs which covers the cost of establishing, moving, changing or reconnecting service or equipment.

**Service Connection Charge**: A non-recurring charge made to cover in part certain operating expenses incident to the establishment of telephone service and the connection of the service with the telephone system.

**Service or Services**: The services covered by this tariff shall include only the State of Arizona.

**Service Date**: The date that billing starts for service or any service component.

**Service Component**: Service components include access arranged by the Company, Authorization Codes, ports, traffic management services, and voice or data transmission facilities or capabilities.

**Serving Wire Center**: A specified geographic point from which the vertical and horizontal coordinate is used in calculation of airline mileage.

**Simultaneous Ring feature**: Rings the customer's home and wireless phone at the same time. The customer may activate or deactivate this feature for their home or wireless telephone number by day and time only.

**Single Party Residence Service**: A class of exchange service furnished to an individual at a single party residence or place of dwelling where the actual or obvious use of the service is for domestic purposes.

**Special Request**: Any modification that is performed by the Company at the customers request that is above and beyond normal service and or access use.

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**SECTION 1 - DEFINITIONS, (Continued)**

**Terminal Equipment:** Telecommunications devices, apparatus, and their associated wiring, such as teleprinters, telephone and data sets.

**Touch Calling Network Access Line Service:** Touch Calling Service will only be furnished in those exchanges where special central office equipment and other serving arrangements have been provided and are compatible with such service. Where operating conditions permit, touch call and rotary dial instruments may be mixed on lines equipped for touch calling service.

**Unlimited Extended Area Service:** An exchange service available to customers in a particular exchange area for communication throughout that exchange area and other designated areas in accordance with the provisions of the exchange tariffs.

**Visit Charge:** A charge applied when a visit to the customer's premises is required to determine if customer-owned equipment is causing impairment or harm to the Company's facilities.

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**SECTION 2 - RULES AND REGULATIONS**

**2.1 General**

The rules and regulations specified herein are in addition to the most current version of the State of Arizona Administrative Rules and Regulations, Article 5, Telephone Utilities adopted by the Arizona Corporation Commission and those contained in the Local Exchange Tariffs, the Intrastate Access Service Tariffs, and the Message Toll Telephone Service Tariffs. These rules and regulations apply to the intrastate services and facilities furnished by Frontier Communications of America, Inc., (hereinafter jointly the "Company"). Failure on the part of the customers to observe the rules and regulations, after due notice (where necessary) of such failure, automatically gives the Company the right to discontinue the furnishing of service.

In the event of a conflict between any rate, rule, regulation or provision contained in these rules and regulations and any rate, rule, regulation or provision contained in the Local Exchange Service Tariffs, the Intrastate Access Service Tariffs or the Message Toll Telephone Service Tariffs, the rate, rule, regulation or provision contained in the specific tariffs shall prevail.

These rules and regulations cancel and supersede all other rules and regulations of the Company issued and effective prior to the effective dates of these Tariffs.

**2.2 Undertaking of the Company**

The Company is a resale common carrier providing operator services and a facilities based carrier providing wire line services to Customers within the State of Arizona. The Company's services and facilities are furnished for communications originating at specified points within the State of Arizona under terms of this Tariff.

The Company provides for the installation, operation, and maintenance of the communications services provided herein in accordance with the terms and conditions set forth under this Tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Company's services. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week.

**2.3 Applicability of Tariff**

This Tariff is applicable to telecommunications services provided by the Company within the state of Arizona.

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**SECTION 2 - RULES AND REGULATIONS**

**2.4 Payment and Credit Regulations**

**2.4.1 Payment Arrangements**

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. The Customer agrees to pay to the Company or its authorized agent any cost(s) incurred as a result of any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company. The Customer agrees to pay the Company or its authorized agent any and all cost(s) incurred as a result of the use of the service arrangement, including calls, which the Customer did not individually authorize.

All charges due by the Customer are payable to the Company or any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the Arizona Corporation Commission. Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist, which reasonably indicate that such changes are appropriate.

Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this Tariff.

**2.4.2 Deposits**

The Company does not collect deposits from its Customers.

**2.4.3 Advance Payments**

The Company does not require advance payments from its Customers.

**2.4.4 Payment Due Date and Late Payment Charges**

All bills are due upon receipt. Any bill outstanding and unpaid more than thirty (30) days after the date the bill is postmarked, shall be considered past due. A late payment fee of 1.5% per month will be applied to any past due balance.

**2.4.5 Non-Sufficient Fund Check Service Charge**

The Company may render a service charge to the customer for processing non-sufficient funds checks as shown below. Such charges will be in addition to other late charges and penalties, which may be applicable under other sections of these tariffs.

Each non-sufficient funds check - \$12.50

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

**2.5 Taxes and Fees**

- 2.5.1 For all calls, state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff.
- 2.5.2 To the extent that a municipality, other political subdivision or local agency of government, or Commission imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee, or regulatory fee, such taxes and fees shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government.
- 2.5.3 The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Such adjustments shall be listed in this tariff.

**2.6 Refunds or Credits for Service Outages or Deficiencies**

**2.6.1 Interruption of Service**

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.7 herein. No credit is issued for outages less than ½ hour in duration. Credit for outages greater than ½ hour in duration is issued for fixed recurring monthly charges only. Outage credits are calculated in thirty-minute intervals. The amount of the credit is determined by pro-rating the monthly recurring charge for the time of the outage (in thirty-minute intervals). It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined herein.

Credit allowances for interruptions of service billed on a usage basis shall be limited to the rate applicable to the initial period of the call to compensate for re-establishment of the connection.

**2.6.2 Inspection, Testing and Adjustment**

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for such tests and adjustments as may be deemed necessary for maintenance in a condition satisfactory to the Company. No interruption allowance will be granted for the time during which such tests and adjustments are made.

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**SECTION 2 - RULES AND REGULATIONS (Continued)**

**2.7 Liabilities of the Company**

- 2.7.1 The liability of the Company for any claim or loss, expense or damage (including indirect, special, or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this Tariff shall not exceed an amount equivalent to the proportionate charges to the Customer for the period of service or the facility provided during which such interruption, delay, error, omission, or defect occurs.
- 2.7.2 The Company shall not be liable for any claim or loss, expense, or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or other defect in any service facility, or transmission provided under this Tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by any act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.7.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer or other users of its service against any claim or loss, expense, or damage, (i) for defamation, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising from the material data, information, or content revealed to, transmitted, processed, handled, or used by Company under this Tariff, or (ii) for connecting, combining, or adapting Company's facilities with Customer's apparatus or systems, or (iii) for any act or omission of the Customer, or (iv) for any personal injury or death of any person, or for any loss of or damage to Customer's premises or any other property, whether owned by Customer or others, caused directly or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company if not directly caused by negligence of the Company.
- 2.7.4 The Company will provide credit on charges disputed by Customer in writing that are verified as incorrect by the Company. If objection in writing is not received by Company within a reasonable period of time after bill is rendered (as determined by current law and regulatory policy), the account shall be deemed correct and binding upon the Customer.

**2.8 Refusal or Discontinuance by Company**

- 2.8.1 Service may be suspended by the Company, without notice to the Customer, by blocking traffic to certain cities or NXX exchanges when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore services as soon as it can be provided without undue risk, and will upon request by the Customer.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

**2.8 Refusal or Discontinuance by Company** (Continued)

**2.8.2** The Company may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given notice to comply with any rule or remedy any deficiency:

- A.** For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- B.** For use of telephone service for any purpose other than that described in the application.
- C.** For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- D.** For noncompliance with or violation of Commission regulation or rules and regulations on file with the Commission.
- E.** For nonpayment of bills, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer, except in extreme cases. Such notice will be provided in a mailing separate from the Customer's regular monthly bill for service.
- F.** Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
- G.** Without notice in the event of tampering with the equipment or services owned by the Company or its agents.
- H.** Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- I.** Without notice by reason of any order or decision of a court or other government authority having jurisdiction, which prohibits Company from furnishing such services.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

**2.9** Limitations of Service

- 2.9.1** Service will be furnished subject to the continuing economic availability of the necessary facilities and/or equipment and subject to the provisions of this Tariff.
- 2.9.2** The Company reserves the right to discontinue furnishing service, upon written notice, when necessitated by conditions beyond its control, or when the Customer is using the service in violation of the provisions of this Tariff, or in violation of law.
- 2.9.3** The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.9.4** The Company reserves the right to discontinue the offering of any service with proper notice or deny an application for service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

**2.10** Use of Service

Service may be used for any lawful purpose for which it is technically suited. Customers reselling or rebilling the Company' Arizona intrastate service must have authority to provide interexchange services from the Arizona Corporation Commission.

**2.11** Terminal Equipment

Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or systems, such as PBXs, key systems, multiplexers, repeaters, signaling sets, teleprinters, handsets, or data sets. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of Company's service.

**2.12** Cost of Collection and Repair

Customer is responsible for any and all costs incurred in the collection of monies due the Company including legal and accounting expenses. The Customer is also responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

**2.13 Restoration of Service**

Restoration of service shall be accomplished in accordance with Arizona Corporation Commission and FCC rules and regulations.

**2.14 Other Rules**

**2.14.1** The Company may temporarily suspend service without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Personal Account codes when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as service can be provided without undue risk of fraud.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES**

**3.1 General**

- a. Service Connection, Move and Change Charges provided for in this section are payable at the time application for the particular service or facility is made, and are in addition to the regular schedule of rates as set forth elsewhere in this tariff.
- b. A Service Connection, Move and Change Charge may consist of one or more non-recurring charges for work performed due to a customer request. The charges are separately established in order to provide a reasonable basis for recovery of costs incurred in the required operations.
- c. Charges shown in this section are based on work being performed during regularly scheduled work hours of the Company's employees. When overtime work is performed for customer convenience, at his request, the customer will be billed premium costs.
- d. A temporary disconnection or rearrangement of a customer's telephone facilities to permit remodeling or redecorating of the customer's premises will be considered as a move or rearrangement and the applicable multi-element service charges will apply.
- e. The Multi-Element Service Charges for service ordering, line connection and in some cases premises visit, shall be applicable for reconnection of a temporarily disconnected service.

**3.2 Multi-Element Service Charges**

**3.2.1 Service Ordering**

- a. The Service Ordering Charge is applicable to each customer request for work performed by the Company in connection with the receiving, recording and processing of a customer request to be completed for the same account, at the same premises, at the same time.
- b. One Service Ordering Charge applies for all items included on a service order. Only one service ordering charge is applicable even though the Company may elect to issue more than one service order to comply with the customer's request for service.
- c. A records only service ordering charge applies to customers requesting changes in service not requiring application of other service connection elements.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES** (Continued)

**3.2 Multi-Element Service Charges** (Continued)

**3.2.2 Line Connection**

- a. The Line Connection Charge is applicable for work performed in the Central Office and work performed in providing or rearranging the drop wire or outdoor circuit to the customer's premises. The charge is applied to work including but not limited to:
- Connection or reconnection of each local exchange line, trunk, and off premises extension line.
  - Customer Requested Number Changes on each local exchange line or trunk.

**3.2.3 Premises Visit**

- a. A Premises Visit Charge is applicable for each visit to the customer's premises to perform work other than to perform repair or disconnect work at the customer's request.
- b. When the Company requires more than one visit to complete the customer's request, individual premises visit charges will be applied unless the additional visits are caused by the Telephone Company.

**3.2.4 Order Cancellation**

When an order is cancelled prior to its completion, the customer will be responsible for payment of the proportionate completed part of all elements involved in the order prior to cancellation.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES (Continued)****3.2 Multi-Element Service Charges (Continued)****3.2.5 Element Charges**

	<b>Current Non-recurring Charge <u>Residence Only</u></b>	<b>Maximum <u>Rate</u></b>
a. Elements for new and additional service, move and changes and in place connections		
1. Service Ordering Charge Per customer request		
i) Other than records only work	\$30.00	\$40.00
ii) Records only work not requiring application of other element charges	10.00	20.00
2. Line Connection Charge, per Central Office line	30.00	40.00
3. Premises Visit Charge, per required visit	10.00	20.00

**3.2.6 Element Charge Exemptions**

- a. Moves, rearrangements or changes initiated by the Company.
- b. Change in billings and/or directory listing initiated by the Company.
- c. Customer-provided telephone sets or other terminal equipment connected by the customer when no central office line connection, premises visit or premises work is required by the Company.
- d. To the re-establishment of service at the same premises after the destruction or partial destruction of the customer's premises by means beyond the control of the customer.
- e. When the service is assumed by a receiver or trustee, executor, or administrator of an estate.
- f. Changes to a customer's billing address.
- g. Disconnection of a customer's access line or other services.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES** (Continued)

**3.2 Multi-Element Service Charges** (Continued)

**3.2.7 Element Charge Exemptions**

- a. Moves, rearrangements or changes initiated by the Company.
- b. Change in billings and/or directory listing initiated by the Company.
- c. Customer-provided telephone sets or other terminal equipment connected by the customer when no central office line connection, premises visit or premises work is required by the Company.
- d. To the re-establishment of service at the same premises after the destruction or partial destruction of the customer's premises by means beyond the control of the customer.
- e. When the service is assumed by a receiver or trustee, executor, or administrator of an estate.
- f. Changes to a customer's billing address.
- g. Disconnection of a customer's access line or other services.

**3.3 Installment Billing**

**3.3.1 General**

- a. This is an optional method of payment for element (one-time) charges for residential services. This optional method of payment will be provided at no extra charge to residential customers over three equal monthly payments.
- b. Installment billing provides for billing charges in monthly installments where a customer desires the optional payments. The monthly installments normally begin with the first bill rendered after completion of the work involved.
- c. The optional payment plan will not be applicable to subsequent additions or changes of equipment or services at customer's premises already receiving local exchange service from the Company.
- d. In the event service is discontinued prior to payment of all amounts due under the provisions of the installment payment plan, the outstanding balance will become due and payable in full upon demand of the Company.

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**SECTION 4 - LOCAL EXCHANGE SERVICES**

**4.1 FRONTIER DIGITAL PHONE SERVICE**

**4.1.1 Residential Bundled Service**

**4.1.2 Applicability**

Applicable to single-party residential service.

**4.1.3 General**

Frontier Digital Phone Service is a bundled offering available to Residential customers that subscribe to flat rate residential service. The bundle includes a basic residential access line, touch Calling service and a combination of enhanced calling features. Customer's subscribing to this plan may select any or all of the following features for a flat monthly charge.

Frontier Digital Phone Service includes the following:

- One Residential Access Line
- Touch Calling Service
- Caller ID
- Caller ID with Name
- Call Waiting

**4.1.4 Rates and Charges**

- a. Unless otherwise stated elsewhere in this section, Service Connection Charges as specified in tariff Section 3 apply to the installation of individual components of the bundle.
- b. The customer may add or delete the services or features of the Residential Bundle without incurring a Service Connection Charge.

c. Monthly Rate	<u>Current Monthly Rate</u>	<u>Maximum Rate</u>
Residential Bundle	\$39.99	\$59.99
Cottonwood, Flagstaff, Joseph City, Payson, Prescott, Sedona, Williams, and Winslow		

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**SECTION 4 - LOCAL EXCHANGE SERVICES** (Continued)

**4.1 FRONTIER DIGITAL PHONE SERVICE** (Continued)

**4.1.5 Special Conditions**

- a. The bundle is available only to residential customers who are served from a central office in which services in the bundle are offered and can be provided by the Company to the customer.
- b. The bundled rate will appear as a single line item on the customer's bill.
- c. All Interstate End User Subscriber Line Charges and other applicable surcharges and taxes will be billed separately from and in addition to the bundle rate.
- d. The Residential Bundle includes basic local service and non-basic local services. Nonpayment or partial payment of the basic local service charges within the bundle may result in disconnection of your basic local service. Refer to the Company's Rules and Regulations pertaining to non-payment or partial payment.
- e. The enhanced calling features included in the bundle are provided subject to their individual service regulations as specified in the applicable sections of the Company's tariff.
- f. In addition to the rates and conditions specified herein, all rules, regulations, charges and rates in conjunction with the services furnished elsewhere in the tariffs are also applicable to the service provided under this schedule.

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**SECTION 5 – PROMOTIONAL OFFERINGS**

**5.1 Promotions - General**

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some of all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration, not to exceed 90 days, or by offering premiums or refunds of equivalent value. Such promotions shall be made available to all similarly situated Customers in the target market area. All promotions will be filed with and approved by the Commission prior to offering them to Customers.

**5.2 Promotional Offerings:**

**5.2.1**

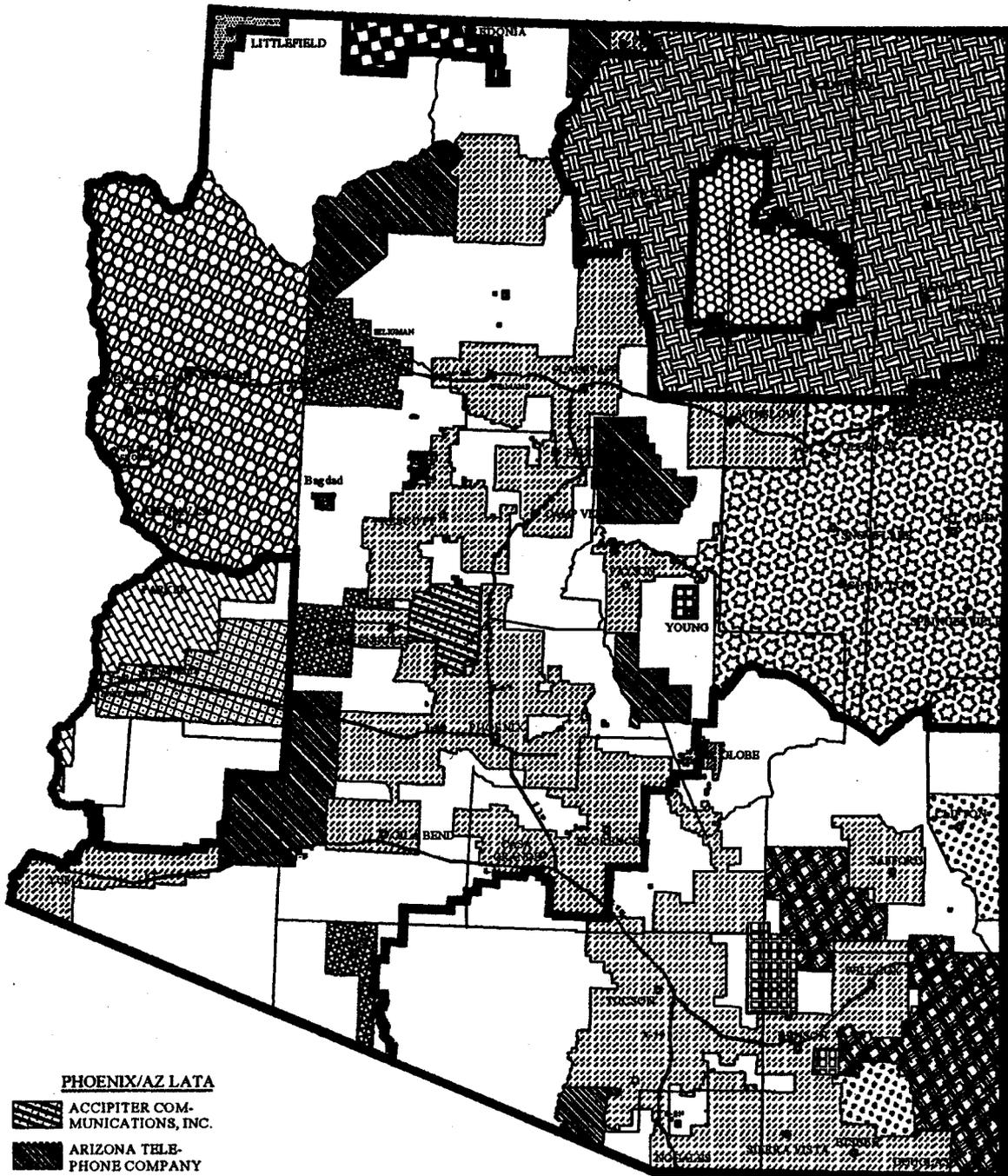
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**Attachment B-1**



**PHOENIX/AZ LATA**

-  ACCIPITER COMMUNICATIONS, INC.
-  ARIZONA TELEPHONE COMPANY
-  CENTURY TELEPHONE OF SOUTHWEST, INC.
-  FRONTIER CITIZENS UTILITIES RURAL
-  FRONTIER COMMUNICATIONS OF THE WHITE MOUNTAINS
-  MIDVALE TELEPHONE EXCHANGE, INC.
-  TABLE TOP TELEPHONE COMPANY, INC.
-  QWEST COMMUNICATIONS, INC.

**TUCSON/AZ LATA**

-  ARIZONA TELEPHONE COMPANY
-  COPPER VALLEY TELEPHONE, INC.
-  MIDVALE TELEPHONE EXCHANGE, INC.
-  QWEST COMMUNICATIONS, INC.
-  VALLEY TELEPHONE COOPERATIVE, INC.

**INDEPENDENT MARKET AREA**

-  NAVAJO COMMUNICATIONS COMPANY, INC.
- LOS ANGELES/CA LATA**
-  VERIZON CALIFORNIA, INC.
-  SOUTHWESTERN TELEPHONE CO.

*Revised September 8, 2005*

**UTAH/UT LATA**

-  RIO VIRGIN TELEPHONE COMPANY
-  SOUTH CENTRAL UTAH TELEPHONE ASSOC., INC.

**STATE OF ARIZONA TELEPHONE WITH LATA**

## **Attachment B-2**

### **Description of Geographic Market Frontier Communications of America**

Frontier Communications of America seeks local exchange operating authority in Qwest exchanges throughout the entire state of Arizona but, as reflected in its draft tariff, will initially confine its operations to the following Qwest exchanges: Cottonwood, Flagstaff, Joseph City, Payson, Prescott, Sedona, Williams and Winslow.

## **Attachment C**

### **Key Arizona Personnel: Frontier Communications of America**

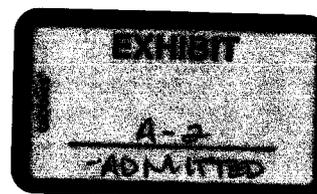
- 1. Lynne Petersen, Vice President, Field Operations, Kingman**
- 2. Steven Pebley, Director, Operations, Kingman**
- 3. Dwayne Atwell, Manager, Operations, Show Low**
- 4. Danny Misner, Director, Engineering, Show Low**
- 5. Lorraine Leeming, Manager, Regional Sales, Kingman**

**Each of the above persons has 15 years or more experience in the telecommunications industry.**

**FRONTIER COMMUNICATIONS OF AMERICA, INC.**

**ARIZONA TELECOMMUNICATIONS TARIFF**

This tariff contains the descriptions, regulations, and rates applicable to telecommunications services provided by Frontier Communications of America, Inc. This tariff applies for services furnished within the State of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.



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CHECK SHEET

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\* Included in this filing

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**CONCURRING CARRIERS**

None

**CONNECTING CARRIERS**

None

**OTHER PARTICIPATING CARRIERS**

None

**EXPLANATION OF SYMBOLS**

The following are the only symbols used for the purposes indicated below:

- (C) - To Signify Changed Regulation
- (D) - Delete or Discontinue
- (I) - Change Resulting in an Increase to a Customer's Bill
- (M) - Moved From Another Tariff Location
- (N) - Indicates new rate or regulation
- (R) - Change Resulting in a Reduction to a Customer's Bill
- (T) - Change in Text or Regulation But No Change in Rate or Charge

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**TARIFF FORMAT**

**Sheet Numbering** - Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.

**Sheet Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the AZ C.C. For example, the 4th revised Sheet 14 cancels the 3rd revised Sheet 14.

**Paragraph Numbering Sequence** - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1).

**Check Sheets** - When a tariff filing is made with the AZ C.C., an updated check sheet accompanies the tariff filing. The check sheet lists the sheet contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some pages).

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**SECTION 1 - DEFINITIONS**

**Access Line:** An arrangement, which connects the Customer's telephone to a designated switching center or point of presence.

**Authorized User:** A person, firm, corporation, or any other entity authorized by the Customer to utilize the Carrier's service.

**AZ C.C.:** Arizona Corporation Commission.

**Basic Exchange Service:** Basic telephone service furnished within an exchange area or local service area.

**Call Waiting/Cancel Call Waiting:** Call Waiting permits the customer engaged in a call to receive a tone signal indicating a second call is waiting, and by operation of the switch hook, to place the first call on hold and answer the waiting call. The customer may alternate between the two calls by operation of the switch hook but a three-way conference cannot be established. In addition, the Cancel Call Waiting feature provides the customer who has Call Waiting with the ability to disable the Call Waiting feature for the duration of a call. The feature is automatically deactivated when the customer terminates the call in progress. Call Waiting is not offered as a compatible service to customers who also subscribe to Call Forwarding Busy and/or Call Forwarding Don't Answer.

**Caller ID:** Is an arrangement, which permits a customer with local Exchange Service other than foreign central office service to receive the calling telephone number for calls placed to the customer. The calling telephone number will be forwarded from the terminating central office to compatible customer provided display equipment associated with a customer's Local Exchange Service. The calling telephone number will be delivered during the first silent interval of ringing. For calls originating from a line within a multi-line hunt group, only the main telephone number will be delivered. If the calling telephone number is not available for forwarding to the called party, the customer's display device will record the time of day and date, and show "OUT OF AREA" and in some cases, dashes (--- ---), for the non- available numbers. The calling telephone number is unavailable from calls made via some large PABX systems within the Customized Local Area Signaling Service calling area, from most cellular radio calls, and currently from interexchange carrier calls. Compatible customer provided display equipment is required for this service.

- 1) Any customer subscribing to Caller ID will be responsible for the provision of a display device, which will be located on the customer's premises. The installation, repair, and technical capability of that equipment to function in conjunction with the feature specified herein will be the responsibility of the customer. The Company assumes no liability and will be held harmless for any incompatibility of this equipment to perform satisfactorily with the network features described herein.
- 2) Telephone numbers are not available on operator-handled calls.
- 3) Telephone numbers transmitted via Caller ID are intended solely for the use of the Caller ID subscriber. Resale of this information is prohibited by this Tariff.

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**SECTION 1 - DEFINITIONS**, (Continued)

**Caller ID with Name:** is an arrangement, which permits a customer who subscribes to Caller ID service to receive the phone number and name of the calling party, pursuant to Caller ID limitations, on a customer provided display device. When calls are marketed private by the calling party, number and name cannot be received.

**Company or Carrier:** Frontier Communications of America, Inc. unless otherwise clearly indicated by the context.

**Customer:** The person, firm, corporation or other entity which orders, cancels, amends or uses service and is responsible for payment of charges and compliance with the Company's tariff.

**Equal Access:** Where the local exchange company central office provides interconnection to interexchange carriers with Feature Group D circuits. In such end offices, customers presubscribe their telephone line(s) to their preferred interLATA carrier.

**Exchange Area:** An area within which the Company holds itself out to furnish telephone service from one or more central offices serving that area in accordance with the provision of the tariffs.

**Intrastate Communications:** Any communications that originates and terminates within the same state and is subject to the oversight by a state regulatory commission as provided by the laws of that state.

**LEC:** Local Exchange Company.

**Move and Change Charges:** Non-recurring charges made to cover in part the cost of changes in location or type of facilities on a customer's premises at the request of the customer, where there is no interruption to service, other than that incident to the work involved, and where such changes are not required for the proper maintenance of the equipment or service.

**Non Published Telephone Number Service:** Customer may request that the telephone number of his service not be published in the Company's directories. The Company may require such a request to be in writing. If the customer makes such a request, the Company will take the following reasonable precautions.

- a. Not to publish the number in any of its publicly distributed directories.
- b. Except when required by law, not to disclose the number to any person other than representatives of law enforcement agencies, 911, its own employees for use in compiling service records and billing information, or other telephone companies, or other telephone customers who are billed for calls placed from the nonpublished number.

The customer releases, indemnifies and holds harmless the Company from any and all loss, claims, demands, suits or other action or any liability whatsoever whether suffered, made, instituted or asserted by the customer or by any other person caused or claimed to have caused directly or indirectly by the publication of such number or the disclosure of said number to any person.

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**SECTION 1 - DEFINITIONS, (Continued)**

**Non-recurring Charge:** A one-time charge associated with certain installations, change or transfer of services either in lieu of or in addition to recurring monthly rates.

**Point of Demarcation:** The point of interconnection between the Company communications facilities and Customer provided facilities as defined in Part 68 of the Federal Communications Commissions Rules and Regulations.

**Point of Origination:** The Company's switch location accessed by the customer for the purpose of making a call using Company's service.

**Point of Termination:** The point of demarcation within a Customer premises at which the Company's responsibility for the provision of service ends.

**Residential Customer:** A customer whose use of service is primarily personal and domestic nature.

**Service Charge:** The charge as specified in the Company's tariffs which covers the cost of establishing, moving, changing or reconnecting service or equipment.

**Service Connection Charge:** A non-recurring charge made to cover in part certain operating expenses incident to the establishment of telephone service and the connection of the service with the telephone system.

**Service or Services:** The services covered by this tariff shall include only the State of Arizona.

**Service Date:** The date that billing starts for service or any service component.

**Service Component:** Service components include access arranged by the Company, Authorization Codes, ports, traffic management services, and voice or data transmission facilities or capabilities.

**Serving Wire Center:** A specified geographic point from which the vertical and horizontal coordinate is used in calculation of airline mileage.

**Simultaneous Ring feature:** Rings the customer's home and wireless phone at the same time. The customer may activate or deactivate this feature for their home or wireless telephone number by day and time only.

**Single Party Residence Service:** A class of exchange service furnished to an individual at a single party residence or place of dwelling where the actual or obvious use of the service is for domestic purposes.

**Special Request:** Any modification that is performed by the Company at the customers request that is above and beyond normal service and or access use.

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**SECTION 1 - DEFINITIONS, (Continued)**

**Terminal Equipment:** Telecommunications devices, apparatus, and their associated wiring, such as teleprinters, telephone and data sets.

**Touch Calling Network Access Line Service:** Touch Calling Service will only be furnished in those exchanges where special central office equipment and other serving arrangements have been provided and are compatible with such service. Where operating conditions permit, touch call and rotary dial instruments may be mixed on lines equipped for touch calling service.

**Unlimited Extended Area Service:** An exchange service available to customers in a particular exchange area for communication throughout that exchange area and other designated areas in accordance with the provisions of the exchange tariffs.

**Visit Charge:** A charge applied when a visit to the customer's premises is required to determine if customer-owned equipment is causing impairment or harm to the Company's facilities.

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**SECTION 2 - RULES AND REGULATIONS**

2.1 General

The rules and regulations specified herein are in addition to the most current version of the State of Arizona Administrative Rules and Regulations, Article 5, Telephone Utilities adopted by the Arizona Corporation Commission and those contained in the Local Exchange Tariffs, the Intrastate Access Service Tariffs, and the Message Toll Telephone Service Tariffs. These rules and regulations apply to the intrastate services and facilities furnished by Frontier Communications of America, Inc., (hereinafter jointly the "Company"). Failure on the part of the customers to observe the rules and regulations, after due notice (where necessary) of such failure, automatically gives the Company the right to discontinue the furnishing of service.

In the event of a conflict between any rate, rule, regulation or provision contained in these rules and regulations and any rate, rule, regulation or provision contained in the Local Exchange Service Tariffs, the Intrastate Access Service Tariffs or the Message Toll Telephone Service Tariffs, the rate, rule, regulation or provision contained in the specific tariffs shall prevail.

These rules and regulations cancel and supersede all other rules and regulations of the Company issued and effective prior to the effective dates of these Tariffs.

2.2 Undertaking of the Company

The Company is a resale common carrier providing operator services and a facilities based carrier providing wire line services to Customers within the State of Arizona. The Company's services and facilities are furnished for communications originating at specified points within the State of Arizona under terms of this Tariff.

The Company provides for the installation, operation, and maintenance of the communications services provided herein in accordance with the terms and conditions set forth under this Tariff. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the Company's services. The Customer shall be responsible for all charges due for such service arrangement.

The Company's services are provided on a monthly basis unless otherwise provided, and are available twenty-four (24) hours per day, seven (7) days per week.

2.3 Applicability of Tariff

This Tariff is applicable to telecommunications services provided by the Company within the state of Arizona.

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**SECTION 2 - RULES AND REGULATIONS**

2.4 Payment and Credit Regulations

2.4.1 Payment Arrangements

The Customer is responsible for payment of all charges for services and equipment furnished to the Customer for transmission of calls via the Company. The Customer agrees to pay to the Company or its authorized agent any cost(s) incurred as a result of any delegation of authority resulting in the use of his or her communications equipment and/or network services which result in the placement of calls via the Company. The Customer agrees to pay the Company or its authorized agent any and all cost(s) incurred as a result of the use of the service arrangement, including calls, which the Customer did not individually authorize.

All charges due by the Customer are payable to the Company or any agency duly authorized to receive such payments. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the Arizona Corporation Commission. Any objections to billed charges must be promptly reported to the Company or its billing agent. Adjustments to Customers' bills shall be made to the extent that circumstances exist, which reasonably indicate that such changes are appropriate.

Charges for installations, service connections, moves, and rearrangements, where applicable, are payable upon demand by the Company or its authorized agent. The billing thereafter will include recurring charges and actual usage as defined in this Tariff.

2.4.2 Deposits

The Company does not collect deposits from its Customers.

2.4.3 Advance Payments

The Company does not require advance payments from its Customers.

2.4.4 Payment Due Date and Late Payment Charges

All bills are due upon receipt. Any bill outstanding and unpaid more than thirty (30) days after the date the bill is postmarked, shall be considered past due. A late payment fee of 1.5% per month will be applied to any past due balance.

2.4.5 Non-Sufficient Fund Check Service Charge

The Company may render a service charge to the customer for processing non-sufficient funds checks as shown below. Such charges will be in addition to other late charges and penalties, which may be applicable under other sections of these tariffs.

Each non-sufficient funds check - \$12.50

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**SECTION 2 - RULES AND REGULATIONS** (Continued)**2.5 Taxes and Fees**

- 2.5.1 For all calls, state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items on the Customer's bill and are not included in the quoted rates and charges set forth in this tariff.
- 2.5.2 To the extent that a municipality, other political subdivision or local agency of government, or Commission imposes upon and collects from the Company a gross receipts tax, occupation tax, license tax, permit fee, franchise fee, or regulatory fee, such taxes and fees shall, insofar as practicable and allowed by law, be billed pro rata to Customers receiving service from the Company within the territorial limits of such municipality, other political subdivision or local agency of government.
- 2.5.3 The Company may adjust its rates and charges or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs. Such adjustments shall be listed in this tariff.

**2.6 Refunds or Credits for Service Outages or Deficiencies****2.6.1 Interruption of Service**

Credit allowances for interruptions of service which are not due to the Company's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.7 herein. No credit is issued for outages less than ½ hour in duration. Credit for outages greater than ½ hour in duration is issued for fixed recurring monthly charges only. Outage credits are calculated in thirty-minute intervals. The amount of the credit is determined by pro-rating the monthly recurring charge for the time of the outage (in thirty-minute intervals). It shall be the obligation of the Customer to notify the Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by the Customer and connected to the Company's terminal. Interruptions caused by Customer-provided or Company-provided automatic dialing equipment are not deemed an interruption of service as defined herein.

Credit allowances for interruptions of service billed on a usage basis shall be limited to the rate applicable to the initial period of the call to compensate for re-establishment of the connection.

**2.6.2 Inspection, Testing and Adjustment**

Upon reasonable notice, the facilities provided by the Company shall be made available to the Company for such tests and adjustments as may be deemed necessary for maintenance in a condition satisfactory to the Company. No interruption allowance will be granted for the time during which such tests and adjustments are made.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

**2.7** Liabilities of the Company

- 2.7.1 The liability of the Company for any claim or loss, expense or damage (including indirect, special, or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this Tariff shall not exceed an amount equivalent to the proportionate charges to the Customer for the period of service or the facility provided during which such interruption, delay, error, omission, or defect occurs.
- 2.7.2 The Company shall not be liable for any claim or loss, expense, or damage (including indirect, special, or consequential damage), for any interruption, delay, error, omission, or other defect in any service facility, or transmission provided under this Tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by any act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.7.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer or other users of its service against any claim or loss, expense, or damage, (i) for defamation, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property, or entity arising from the material data, information, or content revealed to, transmitted, processed, handled, or used by Company under this Tariff, or (ii) for connecting, combining, or adapting Company's facilities with Customer's apparatus or systems, or (iii) for any act or omission of the Customer, or (iv) for any personal injury or death of any person, or for any loss of or damage to Customer's premises or any other property, whether owned by Customer or others, caused directly or indirectly by the installation, maintenance, location, condition, operation, failure or removal of equipment or wiring provided by the Company if not directly caused by negligence of the Company.
- 2.7.4 The Company will provide credit on charges disputed by Customer in writing that are verified as incorrect by the Company. If objection in writing is not received by Company within a reasonable period of time after bill is rendered (as determined by current law and regulatory policy), the account shall be deemed correct and binding upon the Customer.

**2.8** Refusal or Discontinuance by Company

- 2.8.1 Service may be suspended by the Company, without notice to the Customer, by blocking traffic to certain cities or NXX exchanges when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore services as soon as it can be provided without undue risk, and will upon request by the Customer.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

2.8 Refusal or Discontinuance by Company (Continued)

2.8.2 The Company may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given notice to comply with any rule or remedy any deficiency:

- A. For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- B. For use of telephone service for any purpose other than that described in the application.
- C. For neglect or refusal to provide reasonable access to the Company or its agents for the purpose of inspection and maintenance of equipment owned by the Company or its agents.
- D. For noncompliance with or violation of Commission regulation or rules and regulations on file with the Commission.
- E. For nonpayment of bills, provided that suspension or termination of service shall not be made without five (5) days written notice to the Customer, except in extreme cases. Such notice will be provided in a mailing separate from the Customer's regular monthly bill for service.
- F. Without notice in the event of Customer or Authorized User use of equipment in such a manner as to adversely affect the Company's equipment or service to others.
- G. Without notice in the event of tampering with the equipment or services owned by the Company or its agents.
- H. Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, the Company may, before restoring service, require the Customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- I. Without notice by reason of any order or decision of a court or other government authority having jurisdiction, which prohibits Company from furnishing such services.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

2.9 Limitations of Service

- 2.9.1 Service will be furnished subject to the continuing economic availability of the necessary facilities and/or equipment and subject to the provisions of this Tariff.
- 2.9.2 The Company reserves the right to discontinue furnishing service, upon written notice, when necessitated by conditions beyond its control, or when the Customer is using the service in violation of the provisions of this Tariff, or in violation of law.
- 2.9.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.
- 2.9.4 The Company reserves the right to discontinue the offering of any service with proper notice or deny an application for service if a change in regulation materially and negatively impacts the financial viability of the service in the best business judgment of the Company.

2.10 Use of Service

Service may be used for any lawful purpose for which it is technically suited. Customers reselling or rebilling the Company' Arizona intrastate service must have authority to provide interexchange services from the Arizona Corporation Commission.

2.11 Terminal Equipment

Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or systems, such as PBXs, key systems, multiplexers, repeaters, signaling sets, teleprinters, handsets, or data sets. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of Company's service.

2.12 Cost of Collection and Repair

Customer is responsible for any and all costs incurred in the collection of monies due the Company including legal and accounting expenses. The Customer is also responsible for recovery costs of Company-provided equipment and any expenses required for repair or replacement of damaged equipment.

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**SECTION 2 - RULES AND REGULATIONS** (Continued)

2.13 Restoration of Service

Restoration of service shall be accomplished in accordance with Arizona Corporation Commission and FCC rules and regulations.

2.14 Other Rules

2.14.1 The Company may temporarily suspend service without notice to the Customer, by blocking traffic to certain cities or NXX exchanges, or by blocking calls using certain Personal Account codes when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as service can be provided without undue risk of fraud.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES**

3.1 **General**

- a. Service Connection, Move and Change Charges provided for in this section are payable at the time application for the particular service or facility is made, and are in addition to the regular schedule of rates as set forth elsewhere in this tariff.
- b. A Service Connection, Move and Change Charge may consist of one or more non-recurring charges for work performed due to a customer request. The charges are separately established in order to provide a reasonable basis for recovery of costs incurred in the required operations.
- c. Charges shown in this section are based on work being performed during regularly scheduled work hours of the Company's employees. When overtime work is performed for customer convenience, at his request, the customer will be billed premium costs.
- d. A temporary disconnection or rearrangement of a customer's telephone facilities to permit remodeling or redecorating of the customer's premises will be considered as a move or rearrangement and the applicable multi-element service charges will apply.
- e. The Multi-Element Service Charges for service ordering, line connection and in some cases premises visit, shall be applicable for reconnection of a temporarily disconnected service.

3.2 **Multi-Element Service Charges**

3.2.1 **Service Ordering**

- a. The Service Ordering Charge is applicable to each customer request for work performed by the Company in connection with the receiving, recording and processing of a customer request to be completed for the same account, at the same premises, at the same time.
- b. One Service Ordering Charge applies for all items included on a service order. Only one service ordering charge is applicable even though the Company may elect to issue more than one service order to comply with the customer's request for service.
- c. A records only service ordering charge applies to customers requesting changes in service not requiring application of other service connection elements.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES** (Continued)

3.2 **Multi-Element Service Charges** (Continued)

3.2.2 **Line Connection**

a. The Line Connection Charge is applicable for work performed in the Central Office and work performed in providing or rearranging the drop wire or outdoor circuit to the customer's premises. The charge is applied to work including but not limited to:

- Connection or reconnection of each local exchange line, trunk, and off premises extension line.
- Customer Requested Number Changes on each local exchange line or trunk.

3.2.3 **Premises Visit**

a. A Premises Visit Charge is applicable for each visit to the customer's premises to perform work other than to perform repair or disconnect work at the customer's request.

b. When the Company requires more than one visit to complete the customer's request, individual premises visit charges will be applied unless the additional visits are caused by the Telephone Company.

3.2.4 **Order Cancellation**

When an order is cancelled prior to its completion, the customer will be responsible for payment of the proportionate completed part of all elements involved in the order prior to cancellation.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES** (Continued)3.2 **Multi-Element Service Charges** (Continued)3.2.5 **Element Charges**

	<u>Current Non-recurring Charge Residence Only</u>	<u>Maximum Rate</u>
a. Elements for new and additional service, move and changes and in place connections		
1. Service Ordering Charge Per customer request		
i) Other than records only work	\$30.00	\$40.00
ii) Records only work not requiring application of other element charges	10.00	20.00
2. Line Connection Charge, per Central Office line	30.00	40.00
3. Premises Visit Charge, per required visit	10.00	20.00
b. Long Distance Carrier Subscription Change Charge for equal access, access line	5.00	10.00

3.2.6 **Element Charge Exemptions**

- a. Moves, rearrangements or changes initiated by the Company.
- b. Change in billings and/or directory listing initiated by the Company.
- c. Customer-provided telephone sets or other terminal equipment connected by the customer when no central office line connection, premises visit or premises work is required by the Company.
- d. To the re-establishment of service at the same premises after the destruction or partial destruction of the customer's premises by means beyond the control of the customer.
- e. When the service is assumed by a receiver or trustee, executor, or administrator of an estate.
- f. Changes to a customer's billing address.
- g. Disconnection of a customer's access line or other services.

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**SECTION 3 - SERVICE CONNECTION, MOVE AND CHANGE CHARGES** (Continued)

3.2 **Multi-Element Service Charges** (Continued)

3.2.6 Element Charge Exemptions

- a. Moves, rearrangements or changes initiated by the Company.
- b. Change in billings and/or directory listing initiated by the Company.
- c. Customer-provided telephone sets or other terminal equipment connected by the customer when no central office line connection, premises visit or premises work is required by the Company.
- d. To the re-establishment of service at the same premises after the destruction or partial destruction of the customer's premises by means beyond the control of the customer.
- e. When the service is assumed by a receiver or trustee, executor, or administrator of an estate.
- f. Changes to a customer's billing address.
- g. Disconnection of a customer's access line or other services.

3.2.7 Long Distance Carrier Subscription Change Charge

The subscription charge for Interexchange Carrier (IC) changes is billed to the requesting customer. In the event the customer is incorrectly subscribed due to misassignment on the part of the IC and the IC is unable to document such assignment, the Company will apply the charge to the IC responsible for the misassignment of the customer, assign the customer to an IC of the customer's choice, and credit the original subscription charge. Other multi-element charges are not applicable.

3.3 **Installment Billing**

3.3.1 General

- a. This is an optional method of payment for element (one-time) charges for residential services. This optional method of payment will be provided at no extra charge to residential customers over three equal monthly payments.
- b. Installment billing provides for billing charges in monthly installments where a customer desires the optional payments. The monthly installments normally begin with the first bill rendered after completion of the work involved.
- c. The optional payment plan will not be applicable to subsequent additions or changes of equipment or services at customer's premises already receiving local exchange service from the Company.
- d. In the event service is discontinued prior to payment of all amounts due under the provisions of the installment payment plan, the outstanding balance will become due and payable in full upon demand of the Company.

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**SECTION 4 - LOCAL EXCHANGE SERVICES**

4.1 FRONTIER DIGITAL PHONE SERVICE

4.1.1 Residential Bundled Service

4.1.2 Applicability

Applicable to single-party residential service.

4.1.3 General

Frontier Digital Phone Service is a bundled offering available to Residential customers that subscribe to flat rate residential service. The bundle includes a basic residential access line, touch Calling service and a combination of enhanced calling features. Customer's subscribing to this plan may select any or all of the following features for a flat monthly charge.

Frontier Digital Phone Service includes the following:

One Residential Access Line  
Touch Calling Service  
Caller ID  
Caller ID with Name  
Call Waiting

4.1.4 Rates and Charges

- a. Unless otherwise stated elsewhere in this section, Service Connection Charges as specified in tariff Section 3 apply to the installation of individual components of the bundle.
- b. The customer may add or delete the services or features of the Residential Bundle without incurring a Service Connection Charge.
- c. Monthly Rate

	<u>Current Monthly Rate</u>	<u>Maximum Rate</u>
Residential Bundle	\$25.99	\$45.99
Cottonwood, Flagstaff, Joseph City, Payson, Prescott, Sedona, Williams, and Winslow		

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**SECTION 4 - LOCAL EXCHANGE SERVICES** (Continued)

4.1 FRONTIER DIGITAL PHONE SERVICE (Continued)

4.1.5 Special Conditions

- a. The bundle is available only to residential customers who are served from a central office in which services in the bundle are offered and can be provided by the Company to the customer.
- b. The bundled rate will appear as a single line item on the customer's bill.
- c. All Interstate End User Subscriber Line Charges and other applicable surcharges and taxes will be billed separately from and in addition to the bundle rate.
- d. The Residential Bundle includes basic local service and non-basic local services. Nonpayment or partial payment of the basic local service charges within the bundle may result in disconnection of your basic local service. Refer to the Company's Rules and Regulations pertaining to non-payment or partial payment.
- e. The enhanced calling features included in the bundle are provided subject to their individual service regulations as specified in the applicable sections of the Company's tariff.
- f. In addition to the rates and conditions specified herein, all rules, regulations, charges and rates in conjunction with the services furnished elsewhere in the tariffs are also applicable to the service provided under this schedule.

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**SECTION 5 – PROMOTIONAL OFFERINGS**

5.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some of all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration, not to exceed 90 days, or by offering premiums or refunds of equivalent value. Such promotions shall be made available to all similarly situated Customers in the target market area. All promotions will be filed with and approved by the Commission prior to offering them to Customers.

5.2 Promotional Offerings:

5.2.1

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**SECTION 6 – DIRECTORY SERVICES**

6.1 General

- 6.1.1 Listings in the alphabetical section of the telephone directory are intended solely for the purpose of identifying the customers' telephone numbers as an aid to the use of telephone service.
- 6.1.2 Residence listings consist of a name, an abbreviation indicating "residence", the address of the premises at which service is furnished, and the telephone number.
- 6.1.3 Residence listings may be those of the customer or members of the customer's domestic establishment residing in the premises in which the customer's service is provided.
- 6.1.4 Residence listings of professional customers may indicate the same designation or title or profession as their business service listings. When professional customers are not customers to business service, the listing may include designation of title. Residence listings of clergymen, professors, military or naval officers may, for purpose of identification, include designation of title.
- 6.1.5 The charges for additional listings begin with the day they are entered in the information records, and when such listings are included in the directory, they may not be discontinued until the end of the directory period unless the listed party or concern vacates the customer's premises or subscribes for service of the same class as furnished the customer or unless the customer's service is discontinued, or in the case of guest listing, the listed party becomes a customer to residence service in his own name in the same exchange.
- 6.1.6 All applications for reference listings to the service of another customer shall be signed by both customers who are parties to the arrangement or by their authorized agents. The charges for listings referring to the service of another customer begin with the day they are entered in the information records and when such listings are included in the directory, they may not be discontinued until the end of the directory period upon the written order of either the customers concerned or his authorized agent.
- 6.1.7 All applications for additional listings and lines of information shall be made by the customer or authorized agent.
- 6.1.8 Telephone numbers of public telephones will not be listed in the telephone directory.
- 6.1.9 Residence listings, at the rate shown, will allow for a choice of one possible form, in accordance with Company Commercial Practice, for spouses with the same last name and address.

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**SECTION 6 – DIRECTORY SERVICES** (Continued)

6.2 RATES

	<u>Current Monthly Rates</u>
6.2.1 Primary Service Listings	
a) Each Frontier Digital Phone service	No Charge
6.2.2 Additional listings and lines of information	
a) Each residence listing	\$1.00
b) Each listing of guests or residents at hotel or motel	1.00
c) Each reference to another service of the same customer	1.00
d) Each reference to service of different customer	1.00
e) Each line of information in addition to a listing	1.00
6.2.3 Foreign Listing	
a) Each residence listing	1.00

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**SECTION 6 – DIRECTORY SERVICES** (Continued)

**6.3 NON PUBLISHED TELEPHONE NUMBER SERVICE**

6.3.1 A Customer may request that the telephone number of his service not be published in the Company's directories. The Company may require such a request to be in writing. If the customer makes such a request, the Company will take the following reasonable precautions.

- a) Not to publish the number in any of its publicly distributed directories.
- b) Except when required by law, not to disclose the number to any person other than representatives of law enforcement agencies, 911, its own employees for use in compiling service records and billing information, or other telephone companies, or other telephone customers who are billed for calls placed from the nonpublished number.

6.3.2 The customer releases, indemnifies and holds harmless the Company from any and all loss, claims, demands, suits or other action or any liability whatsoever whether suffered, made, instituted or asserted by the customer or by any other person caused or claimed to have caused directly or indirectly by the publication of such number or the disclosure of said number to any person.

6.3.3 Non Published Service rates and charges are not applicable to telephone numbers associated with a primary telephone number in an Access Line Hunting group.

6.3.4 Rates

	<u>Current Monthly Rate</u>	<u>Service Charge</u>
a) Each non published telephone number	\$1.50	Service Ordering Charge, Section 3

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**SECTION 6 – DIRECTORY SERVICES** (Continued)

6.4 DIRECTORY ASSISTANCE SERVICE

6.4.1 Description of Service

A. Local Directory Assistance

- a) Directory Assistance (DA) Service provides customers assistance in determining telephone numbers located within the caller's same area code and LATA.
- b) The charges set forth below apply when customers of the Company request assistance in determining telephone numbers of customers (1) who are located in the same local service area, or (2) who are not located in the same local service area but who are located within the same area code and LATA for which the Company furnishes centralized Directory Assistance Service.
- c) Use of directory assistance is intended only as an aid in the use of telephone service by a customer who may occasionally have need for a directory listing. Any use for other purposes or of a commercial nature shall be subject to charges between the Company and the customer.

B. Directory Assistance Call Completion

- a) This service will allow incoming directory assistance callers to be automatically connected to the requested number. The caller will be notified that if they elect to accept this service by depressing the number "1" on their touchtone keypad they will be automatically connected. The caller will also be notified there is an additional charge for this service.
- b) This service is available to customers on a per use basis and where technically feasible.

C. National Directory Assistance

- a) National Directory Assistance Service is provided to customers of the Company for the purpose of requesting telephone numbers of individuals or businesses who are located outside the customer's local area code or LATA.
- b) Call allowances or exemptions do not apply to National Directory Assistance calls.
- c) Customers who dial directory assistance for the purpose of obtaining a Local Directory Assistance listing and a National Directory listing will be charged for a National Directory Assistance call.
- d) A maximum of two requested telephone numbers are allowed per call.

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**SECTION 6 – DIRECTORY SERVICES** (Continued)

6.4 DIRECTORY ASSISTANCE SERVICE (Continued)

6.4.2 Regulations

- a) The service is furnished subject to the condition that there will be no abuse or fraudulent use of the service. Abuse or fraudulent use of the service includes the obtaining, or attempting to obtain, or assisting another to obtain or attempt to obtain Directory Assistance Service, by the Company, or by any trick, scheme, false representation, or false credit device, or by or through any other fraudulent means or device whatsoever, with attempt to avoid payment, in whole or in part, of the regular charge for such service. In addition to any other action authorized by this Tariff, the Company may, in such cases of abuse or fraudulent use, assess appropriate Directory Assistance charges on the customer's regular telephone account.
- b) Except as in (c) following, a customer is allowed three (3) direct dialed Local Directory Assistance Service calls per main billed account per month at no charge.
- c) Call allowances are not transferable between separate accounts of the same customer.
- d) Charges for Directory Assistance Service are not applicable to customers who are unable to use a directory because of a visual or physical handicap.
- e) Call Allowances do not apply to National Directory Assistance or Directory Assistance Call Completion calls.

6.4.3 Charges

- a) There is a maximum of two requested telephone numbers per local or national directory assistance call.
- b)
 

	<u>Current Charge</u>
Local Directory Assistance	
Customer direct dials, per call	\$.25
Customer places call through Operator per call (1)	.40
Public Access Line, each call (1)	.30
c) National Directory Assistance, per call	.85
d) Directory Assistance Call Completion (1)	.45

(1) No Call Allowance

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**SECTION 6 – DIRECTORY SERVICES** (Continued)

## 6.5 NONLISTED SERVICE

## 6.5.1 Description

At the request of the customer, any one or all of the customer's Primary Listings, Additional Listings or other listings associated with the same or different CO line or trunk normally published in the alphabetical directory will be omitted from the directory but listed in the information records available to the general public.

## 6.5.2 Regulations

- a) The customer indemnifies and saves the Company harmless against any and all claims for damages caused or claimed to have been caused directly or indirectly by the publication of a listing which the customer has requested be omitted from the Company's telephone directory or the disclosing of such a listing to any person or entity. Where such a listing is published in the Company's telephone directory, the Company's liability shall be limited to a refund of any monthly charges assessed by the Company for the particular Non-listed Service.
- b) Non Listed Service rates and charges are not applicable to telephone numbers associated with a primary telephone number in an Access Line Hunting group.

## 6.5.3 Rates

	<u>Current Monthly Rate</u>	<u>Service Charge</u>
Each Non Listed Telephone Number	\$1.00	Service Ordering (Records Only) if requested separately from other service activity

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MEMORANDUM

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ARIZ. CORPORATION COMMISSION

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2007 SEP -7 P 3:19

AZ CORP COMMISSION  
DOCKET CONTROL

TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

*EA for EGJ*

DATE: September 07, 2007

RE: IN THE MATTER OF THE APPLICATION OF FRONTIER COMMUNICATIONS OF AMERICA, INC. FOR APPROVAL OF A CERTIFICATE OF CONVENIENCE AND NECESSITY TO OPERATE AS A FACILITIES-BASED COMPETITIVE LOCAL EXCHANGE (CARRIER DOCKET NO. T-04036A-07-0108)

Attached is the Staff Report for the above referenced application. The Applicant is applying for approval to provide the following services:

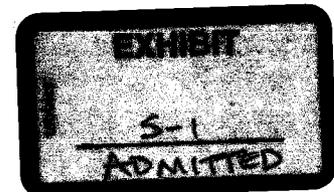
- Facilities Based Local Exchange Services

*Charles*

Staff is recommending approval of the application.

AFF:kdh

Originator: Armando Fimbres



FILE COPY

SERVICE LIST FOR: FRONTIER COMMUNICATIONS OF AMERICA, INC.  
DOCKET NO. T-04036A-07-0108

Mr. Curt Huttsell, Ph.D.  
Frontier Communications of America  
Post Office Box 708970  
Sandy, UT 84070-8970

Mr. Ernest G. Johnson  
Arizona Corporation Commission  
Utilities Division  
1200 West Washington  
Phoenix, Arizona 85007

Mr. Christopher C. Kempley  
Arizona Corporation Commission  
Legal Division  
1200 West Washington  
Phoenix, Arizona 85007

Ms. Lyn Farmer  
Chief Administrative Law Judge  
Arizona Corporation Commission  
Hearing Division  
1200 West Washington  
Phoenix, Arizona 85007

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

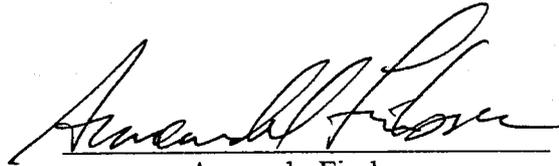
FRONTIER COMMUNICATIONS OF AMERICA, INC.  
DOCKET NO. T-04036A-07-0108

IN THE MATTER OF THE APPLICATION OF FRONTIER COMMUNICATIONS OF  
AMERICA, INC. FOR APPROVAL OF A CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO OPERATE AS A FACILITIES-BASED COMPETITIVE LOCAL  
EXCHANGE

September 07, 2007

## STAFF ACKNOWLEDGMENT

The Staff Report for Frontier Communications Of America, Inc., Docket No. T-04036A-07-0108, was the responsibility of the Staff member listed below. Armando Fimbres was responsible for the review and analysis of the application for a Certificate of Convenience and Necessity to provide facilities-based local exchange services and petition for a determination that its proposed services should be classified as competitive.

A handwritten signature in cursive script, appearing to read "Armando Fimbres", written over a horizontal line.

Armando Fimbres  
Public Utility Analyst V

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## 1. INTRODUCTION

On February 20, 2007, Frontier Communications of America, Inc. ("FCA" or "Applicant") filed an application for a Certificate of Convenience and Necessity ("CC&N") to provide facilities-based local exchange telecommunications services within the State of Arizona. The Applicant petitioned the Arizona Corporation Commission ("Commission") for a determination that its proposed services should be classified as competitive.

On April 11, 2007, FCA responded to Staff's Data Request No. 1 and submitted an amended tariff as Supplemental Attachment B.

Staff's review of this application addresses the overall fitness of the Applicant to receive a CC&N. Staff's analysis also considers whether the Applicant's services should be classified as competitive and if the Applicant's initial rates are just and reasonable.

## 2. TECHNICAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

On August 22, 2002, Decision No. 65105 granted FCA a CC&N to operate as a long-distance reseller in Arizona. FCA subsequently received approval in Decision No. 65644, dated February 18, 2003, to be merged into Citizens Telecommunications Company ("Citizens").

FCA does not currently offer services similar to those proposed in Arizona in other States. However, FCA has obtained facilities-based authority to provide local exchange services in California, Idaho, Montana, Nevada and Oregon.

FCA seeks local exchange operating authority within all Qwest exchanges in Arizona, however, will initially confine its operations to the Qwest exchanges in Cottonwood, Flagstaff, Joseph City, Payson, Prescott, Sedona, Williams and Winslow.

FCA plans to provide local exchange services to residence customers. No plans exist to serve local exchange business customers.

FCA will rely on the resources of its parent, Citizens.

FCA has four affiliates operating in Arizona - three rural incumbent local exchange carriers (ILECs) and one Commercial Mobile Radio Service (CMRS) provider. The three rural ILECs are (1) Citizens Utilities Rural Company, d/b/a Frontier Citizens Utilities Rural, (2) Citizens Telecommunications Company of the White Mountains, dba Frontier Communications of the White Mountains, and (3) Navajo Communications Company, Inc. The CMRS affiliate is Mohave Cellular. FCA and the four affiliates are subsidiaries of Citizens.

Based on the information submitted by the Applicant, Staff believes that FCA possesses the technical capabilities to provide the services it is requesting the authority to provide.

### 3. FINANCIAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

FCA will rely on the financial capability of its parent, Citizens, however, Balance Sheets and Income Statements for FCA have been provided to Staff with Annual Reports in compliance with Decision No. 65644. For year ending December 31, 2006, FCA lists Total Assets of \$4,414,365, Total Shareowners' Equity of (\$8,810,833) and Net Income of \$375,424. For year ending December 31, 2006, Citizens, lists Total Assets of \$6.8 Billion, Total Shareowners' Equity of \$1.1 Billion and Net Income of \$345 Million, in its publicly available Form 10-K.

The Applicant's proposed tariff – AZ C.C. Tariff No. 2 – specifies in Section 2.4.2 that deposits will not be collected and in Section 2.4.3 that payments in advance will not be required.

Staff believes that local exchange customers should be protected by the procurement of either a performance bond or an irrevocable sight draft Letter of Credit. The Applicant should be granted the discretion to procure either the performance bond or the irrevocable sight draft Letter of Credit. The amount of the performance bond or the irrevocable sight draft Letter of Credit coverage needed for facilities-based local exchange is \$100,000. If, at a later date, the Applicant receives approval to collect advances, deposits or prepayments, the performance bond or the irrevocable sight draft Letter of Credit coverage needs to increase in increments equal to 50 percent of the total minimum performance bond or the irrevocable sight draft Letter of Credit amount when the total amount of the advances, deposits, and prepayments is within 10 percent of the total minimum performance bond or the irrevocable sight draft Letter of Credit amount. Further, measures should be taken to ensure that the Applicant will not discontinue service to its customers without first complying with Arizona Administrative Code ("A.A.C.") R14-2-1107.

To that end, Staff recommends that the Applicant procure a performance bond or the irrevocable sight draft Letter of Credit equal to \$100,000. The minimum performance bond or the irrevocable sight draft Letter of Credit amount of \$100,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or prepayments collected from the Applicant's customers. The performance bond or the irrevocable sight draft Letter of Credit amount should be increased in increments of \$50,000. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$10,000 of the performance bond or the irrevocable sight draft Letter of Credit amount. If the Applicant desires to discontinue service, it must file an application with the Commission pursuant to A.A.C. R14-2-1107. Additionally, the Applicant must notify each of its customers and the Commission 60 days prior to filing an application to discontinue service. Failure to meet this requirement should result in forfeiture of the Applicant's performance bond or the irrevocable sight draft Letter of Credit. Staff further recommends that the original performance bond or the irrevocable sight draft Letter of Credit be sent directly to the Commission Business Office and that 14 copies be provided to Docket Control, simultaneously, within 365 days of the effective date of an Order in this matter or 30 days prior to the provision of service, whichever comes first, and must remain in effect until further order of the Commission.

#### 4. ESTABLISHING RATES AND CHARGES

The Applicant would initially be providing service in areas where an incumbent local exchange carrier ("ILEC") is providing local exchange service and where various competitive local exchange carriers ("CLECs") are approved to provide telephone service. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able to exert market power. Thus, the competitive process should result in rates that are just and reasonable.

Both an actual rate and a maximum rate may be listed for each competitive service offered. The rate charged for a service may not be less than the Company's total service long-run incremental cost of providing the service pursuant to A.A.C. R14-2-1109.

The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained confidential information from the company indicating that its fair value rate base is less than \$1.5 Million. Accordingly, the company's fair value rate base is too small to be useful in a fair value analysis.

FCA submitted AZ C.C. Tariff No. 2 with its application. A revised AZ C.C. Tariff No. 2 was submitted on April 11, 2007. Staff has reviewed these rates and believes they are comparable to the rates charged by competitive local carriers, local incumbent carriers and major long distance carriers operating in the State of Arizona. Therefore, while Staff considered the fair value rate base information submitted by the company, the fair value rate base information provided should not be given substantial weight in this analysis.

#### 5. LOCAL EXCHANGE CARRIER SPECIFIC ISSUES

Issues related to the provision of that Local Exchange service are discussed below.

##### 5.1 NUMBER PORTABILITY

The Commission has adopted rules to address number portability in a competitive telecommunications services market. Local exchange competition may not be vigorous if customers, especially business customers, must change their telephone numbers to take advantage of a competitive local exchange carrier's service offerings. Consistent with federal laws, federal rules and A.A.C. R14-2-1308(A), the Applicant shall make number portability available to facilitate the ability of a customer to switch between authorized local carriers within a given wire center without changing their telephone number and without impairment to quality, functionality, reliability or convenience of use.

## 5.2 *PROVISION OF BASIC TELEPHONE SERVICE AND UNIVERSAL SERVICE*

The Commission has adopted rules to address universal telephone service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Service Fund ("AUSF"). The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204(B).

## 5.3 *QUALITY OF SERVICE*

Staff believes that the Applicant should be ordered to abide by the quality of service standards that were approved by the Commission for Qwest (f/k/a USWC) in Docket No. T-01051B-93-0183 (Decision No. 59421). Because the penalties developed in that docket were initiated because Qwest's level of service was not satisfactory and the Applicant does not have a similar history of service quality problems, Staff does not recommend that those penalties apply to the Applicant. In the competitive market that the Applicant wishes to enter, the Applicant generally will have no market power and will be forced to provide a satisfactory level of service or risk losing its customers. Therefore, Staff believes that it is unnecessary to subject the Applicant to those penalties at this time.

## 5.4 *ACCESS TO ALTERNATIVE LOCAL EXCHANGE SERVICE PROVIDERS*

Staff expects that there will be new entrant providers of local exchange service who will install the plant necessary to provide telephone service to, for example, a residential subdivision or an industrial park much like existing local exchange companies do today. There may be areas where the Applicant installs the only local exchange service facilities. In the interest of providing competitive alternatives to the Applicant's local exchange service customers, Staff recommends that the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve such areas. This way, an alternative local exchange service provider may serve a customer if the customer so desires. Access to other providers should be provided pursuant to the provisions of the 1996 Telecommunications Act, the rules promulgated there under and Commission rules on interconnection and unbundling.

## 5.5 *911 SERVICE*

The Commission has adopted rules to address 911 and E911 services in a competitive telecommunications services market. The Applicant has certified that in accordance with A.A.C. R14-2-1201(6)(d) and Federal Communications Commission 47 CFR Sections 64.3001 and 64.3002, it will provide all customers with 911 and E911 service, where available, or will coordinate with ILECs and emergency service providers to provide 911 and E911 service.

## 5.6 *CUSTOM LOCAL AREA SIGNALING SERVICES*

Consistent with past Commission decisions, the Applicant may offer Caller ID provided that per call and line blocking, with the capability to toggle between blocking and unblocking the transmission of the telephone number, are provided as options to which customers could subscribe with no charge. Also, Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated, indicating that the number has been blocked, must be offered.

## 6. **REVIEW OF COMPLAINT INFORMATION**

The Applicant has neither had an application for service denied, nor revoked in any state. There are, and have been, no formal complaint proceedings involving the Applicant. There have not been any civil or criminal proceedings against the Applicant. Consumer Services reports no complaint history within Arizona.

The Applicant indicated that none of its officers, directors or partners have been involved in any civil or criminal investigations, or any formal or informal complaints. The Applicant also indicated that none of its officers, directors or partners have been convicted of any criminal acts in the past ten (10) years.

## 7. **COMPETITIVE SERVICES ANALYSIS**

The Applicant has petitioned the Commission for a determination that the services it is seeking to provide should be classified as competitive.

### 7.1 *COMPETITIVE SERVICES ANALYSIS FOR LOCAL EXCHANGE SERVICES*

#### **7.1.1 A description of the general economic conditions that exist, which makes the relevant market for the service one that, is competitive.**

Some of the local exchange markets that the Applicant seeks to enter may have one or more CLECs that have been authorized to provide local exchange service. Nevertheless, ILECs hold a virtual monopoly in the local exchange service market. At locations where ILECs provide local exchange service, excluding locations where Frontier's affiliates are the ILECs that provides local exchange service, the Applicant will be entering the market as an alternative provider of local exchange service and, as such, the Applicant will have to compete with those companies in order to obtain customers. In areas where ILECs do not serve customers, the Applicant may have to convince developers to allow it to provide service to their developments.

**7.1.2 The number of alternative providers of the service.**

Qwest and various independent LECs are the primary providers of local exchange service in the State. Several CLECs and local exchange resellers are also providing local exchange service.

**7.1.3 The estimated market share held by each alternative provider of the service.**

Since Qwest and the independent LECs are the primary providers of local exchange service in the State, they have a large share of the market. Since the CLECs and local exchange resellers have only recently been authorized to offer service they have limited market share.

**7.1.4 The names and addresses of any alternative providers of the service that are also affiliates of the telecommunications Applicant, as defined in A.A.C. R14-2-801.**

1. Citizens Utilities Rural Company, d/b/a Frontier Citizens Utilities Rural
2. Citizens Telecommunications Company of the White Mountains, d/b/a Frontier Communications of the White Mountains
3. Navajo Communications Company, Inc.
4. Mohave Cellular

**7.1.5 The ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms and conditions.**

ILECs have the ability to offer the same services that the Applicant has requested in their respective service territories. Similarly many of the CLECs and local exchange resellers also offer substantially similar services.

**7.1.6 Other indicators of market power, which may include growth and shifts in market share, ease of entry and exit, and any affiliation between and among alternative providers of the service(s).**

The local exchange service market is:

- a. One in which ILECs own networks that reach nearly every residence and business in their service territories and which provide them with a virtual monopoly over local exchange service. New entrants are also beginning to enter this market.
- b. One in which new entrants will be dependent upon ILECs:

1. To terminate traffic to customers.
  2. To provide essential local exchange service elements until the entrant's own network has been built.
  3. For interconnection.
- c. One in which ILECs have had an existing relationship with their customers that the new entrants will have to overcome if they want to compete in the market and one in which new entrants do not have a long history with any customers.
- d. One in which most customers have few, if any choices since there is generally only one provider of local exchange service in each service territory.
- e. One in which the Applicant will not have the capability to adversely affect prices or restrict output to the detriment of telephone service subscribers.

## 8. RECOMMENDATIONS

The following sections contain the Staff recommendations on the application for a CC&N and the Applicant's petition for a Commission determination that its proposed services should be classified as competitive.

### 8.1 RECOMMENDATIONS ON THE APPLICATION FOR A CC&N

Staff recommends that Applicant's application for a CC&N to provide intrastate telecommunications services, as listed in this Report, be granted. In addition, Staff further recommends:

1. That the Applicant complies with all Commission Rules, Orders and other requirements relevant to the provision of intrastate telecommunications services;
2. That the Applicant abides by the quality of service standards that were approved by the Commission for Qwest in Docket No. T-01051B-93-0183;
3. That the Applicant be prohibited from barring access to alternative local exchange service providers who wish to serve areas where the Applicant is the only provider of local exchange service facilities;
4. That the Applicant be required to notify the Commission immediately upon changes to the Applicant's name, address or telephone number;
5. That the Applicant cooperate with Commission investigations including, but not limited to customer complaints;

6. The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the company and has determined that its fair value rate base is less than \$1.5 Million. Staff has reviewed the rates to be charged by the Applicant and believes they are just and reasonable as they are comparable to other competitive local carriers, local incumbent carriers and major long distance companies offering service in Arizona and comparable to the rates the Applicant charges in other jurisdictions. The rate to be ultimately charged by the company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the company, the fair value information provided was not given substantial weight in this analysis;
7. That the Applicant offer Caller ID with the capability to toggle between blocking and unblocking the transmission of the telephone number at no charge;
8. That the Applicant offer Last Call Return service that will not return calls to telephone numbers that have the privacy indicator activated;
9. That Frontier be authorized to provide local exchange service to customers only in service areas outside of those served by its ILEC affiliates in Arizona. (Note: the reason that QCC was authorized to provide service to business customers in the ILEC service territory is that there were competitive alternatives available to business customers within its service territory. Until Citizens can show that there are competitive alternatives available to its business customers, the authority for local exchange service should be limited to areas outside its ILEC affiliate service territories.);
10. Staff further recommends that the Commission authorize the Applicant to discount its rates and service charges to the marginal cost of providing the services;

Staff further recommends that the Applicant be ordered to comply with the following. If it does not do so, the Applicant's CC&N shall become null and void after due process.

1. The Applicant shall docket conforming tariffs for each service within its CC&N within 365 days from the date of an Order in this matter or 30 days prior to providing service, whichever comes first. The tariffs submitted shall coincide with the application and state that the Applicant does not collect advances, deposits and/or prepayments from its customers.
2. The Applicant shall:
  - a. Procure a performance bond or the irrevocable sight draft Letter of Credit equal to \$100,000. The minimum performance bond or the irrevocable sight draft Letter of Credit amount of \$100,000 should be increased if at any time it would be insufficient to cover advances, deposits, and/or prepayments collected from the Applicant's customers. The performance bond or the irrevocable sight draft Letter of Credit

amount should be increased in increments of \$50,000. This increase should occur when the total amount of the advances, deposits, and prepayments is within \$10,000 of the performance bond or the irrevocable sight draft Letter of Credit amount.

- b. Docket proof of the performance bond or the irrevocable sight draft Letter of Credit within 365 days of the effective date of an Order in this matter or 30 days prior to the provision of service, whichever comes first. The performance bond or the irrevocable sight draft Letter of Credit must remain in effect until further order of the Commission.

*8.2 RECOMMENDATION ON THE APPLICANT'S PETITION TO HAVE ITS PROPOSED SERVICES CLASSIFIED AS COMPETITIVE*

Staff believes that the Applicant's proposed services should be classified as competitive. There are alternatives to the Applicant's services. The Applicant will have to convince customers to purchase its services, and the Applicant has no ability to adversely affect the local exchange service markets outside of areas served by ILEC affiliates in Arizona therefore, the Applicant currently has no market power in the local exchange service market where alternative providers of telecommunications services exist. Staff therefore recommends that the Applicant's proposed services be classified as competitive.

- b. Staff recommends that Frontier file the original performance bond or irrevocable sight draft Letter of Credit with the Commission's Business Office and copies of the performance bond or irrevocable sight draft Letter of Credit with Docket Control, as a compliance item in this docket, within 30 days of the effective date of a decision in this matter. The performance bond or irrevocable sight draft Letter of Credit must remain in effect until further order of the Commission. The Commission may draw on the performance bond or irrevocable sight draft Letter of Credit, on behalf of, and for the sole benefit of the Company's customers, if the Commission finds, in its discretion, that the Company is in default of its obligations arising from its Certificate. The Commission may use the performance bond or irrevocable sight draft Letter of Credit funds, as appropriate, to protect the Company's customers and the public interest and take any and all actions the Commission deems necessary, in its discretion, including, but not limited to returning prepayments or deposits collected from the Company's customers.

