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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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Arizona Corporation Commission

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MIKE GLEASON - Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

2008 FEB 14 P 3:36

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AZ CORP COMMISSION
DOCKET CONTROL

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IN THE MATTER OF THE REVIEW AND
POSSIBLE REVISION OF ARIZONA
UNIVERSAL SERVICE FUND RULES, ARTICLE
12 OF THE ARIZONA ADMINISTRATIVE CODE.

DOCKET NO. RT-00000H-97-0137

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

DOCKET NO. T-00000D-00-0672

PROCEDURAL ORDER

BY THE COMMISSION:

By Procedural Orders dated September 19, 2007, and November 28, 2007, the Arizona Corporation Commission ("Commission") issued a schedule for interested parties to file comments in this consolidated proceeding.

Pursuant to the November 28, 2007 Procedural Order, the Commission convened a Procedural Conference to determine the next step in the proceeding.

The comments filed by the interested parties did not result in a consensus concerning reform of the Arizona Universal Service Fund or intrastate access charges. AT&T and ALECA, however, proposed a procedure for moving forward with these dockets. Under the proposal, the parties, including Staff, would meet and confer over the course of the next 60 days to determine if there is any common ground and/or whether issues can be narrowed. Some of the parties believed that workshops, conducted by Staff, would be helpful to the process after the parties have an opportunity to discuss issues further. Other parties, significant among them, Staff, believed that workshops would not be beneficial at this stage in the proceeding. ALECA suggested that after the opportunity for discussions and potential workshops, the parties could identify issues where there is agreement as well as those where there is not. After conferring, the parties would file a list of issues and procedural recommendations for the next step in the proceeding. To the extent possible or practical,

1 the filing could be a joint filing. Any party would be permitted to make its own recommendations as
2 well. The parties proposed another Procedural Conference in approximately 90 to 100 days to advise
3 the Commission of the progress of the discussions. There appeared to be general consensus among
4 all parties who filed comments in the docket that the proposed procedure should be implemented,
5 although some expressed concern that the timeframe may be too aggressive given their participation
6 in similar dockets around the country.

7 The parties have expended significant effort in filing their comments with the Commission
8 and it is important that the Commission continue to move forward with its investigation of potential
9 reform of universal service funding and access charges. The proposed procedure is somewhat loose,
10 but may promote consensus building, and under the circumstances appears reasonable. No other
11 party proposed an alternative. Counsel for ALECA agreed to play a lead role in arranging
12 teleconferences and ushering the process forward.

13 Consequently, the Commission will schedule another Procedural Conference in
14 approximately 90 days during which time the parties are directed to confer in an attempt to determine
15 if consensus can be reached on any of the raised issues as well as more narrowly define issues and
16 devise a procedural process for resolving the issues. The discussion process may involve workshops
17 if Staff agrees that the process would benefit from such workshops, but we decline to order
18 workshops at this point.

19 IT IS THEREFORE ORDERED that a **telephonic Procedural Conference** for the purpose of
20 determining the procedures and schedule going forward shall commence on **May 8, 2008, at 1:30**
21 **p.m.**, or as soon thereafter as is practical, at the **Commission's Tucson offices, Room 222, 400 West**
22 **Congress, Tucson, 85701**. The telephone number for parties appearing telephonically is **(602) 542-**
23 **9001**.

24 IT IS FURTHER ORDERED that over the course of the next 60 to 90 days, the parties shall
25 use their best efforts to confer and determine if consensus can be reached on any of the substantive or
26 procedural issues identified in the previously filed comments, and may engage in workshops if Staff
27 agrees that such effort would be helpful to the process.
28

1 IT IS FURTHER ORDERED that the parties shall **file by May 1, 2008, a matrix or list of**
2 **issues and their procedural recommendations** for further proceedings in these matters. Such filing
3 may be a joint filing, or parties may file individual recommendations.

4 IT IS FURTHER ORDERED that the parties may request a continuance of the May 8, 2008
5 Procedural Conference if they believe the process would benefit from additional time for their
6 discussions.

7 IT IS FURTHER ORDERED that pursuant to the provisions of the September 19, 2007,
8 Procedural Order that interested parties make an affirmative request to remain on the service
9 list for this matter, the service list as attached to this Procedural Order has been revised to
10 reflect those requests as well as modifications to previous contact information made to date.¹

11 IT IS FRUTHER ORDERED that parties must comply with Rules 31 and 38 of the
12 Rules of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and
13 admission *pro hac vice*.

14 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive
15 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

16 DATED this 12th day of February, 2008.

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20

JANE L. RODDA
ADMINISTRATIVE LAW JUDGE

21 Copies of the foregoing mailed
22 this 12th day of February, 2008 to:

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28 ¹ Those parties designated with an * have indicated a willingness to accept service electronically.

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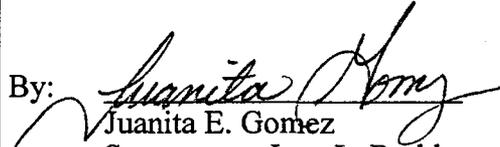
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12 By: 
13 Juanita E. Gomez
14 Secretary to Jane L. Rodda