

Betty Camargo

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From: Chuck Orton [ceorton@kahalacorp.com]
Sent: Friday, September 12, 2008 6:49 PM
To: Utilities Div - Mailbox
Cc: Mayes-WebEmail; Mundell-Web; Gleason-WebEmail; Hatch-WebEmail
Subject: An Arizona telecommunications lack of competition problem

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To the Arizona Corporation Commission, Commissioners and other interested parties,

I am in the process of relocating to Arizona and am in the process of purchasing a home in the North Phoenix area. The home that I am planning on purchasing is located at 3022 E Shady Spring Trail, Phoenix, AZ 85024. This home is a brand new home in a subdivision that is being built by DR Horton, Inc. Home Builders. The home is located 3 miles north of the 101 Freeway along Cave Creek Road.

I recently contacted Qwest Corp to schedule the installation of telephone service at the new home for early October, 2008 and was advised that because of an exclusive contract between the subdivision developer (DR Horton, Inc.) and Cox Communications, Inc., I would not be able to obtain telephone service from Qwest Corp at the address of my new home. I was further advised that my only choice was to obtain telephone service from Cox Communications, Inc. I researched the location of my new home in reference to areas where Qwest Corp is the Incumbent CLEC, and my new home is located well within the boundaries of the Qwest Corp service area.

I find the existence of an exclusive contract between developers of a subdivision and a single telecommunications provider to be highly irregular and contrary to rules and regulations currently in place at the local, state, and federal level to encourage competition in the telecommunications arena.

For example, I located this recent ruling by the FCC that addressed this exact issue (but for a slightly different set of circumstances than what I have described in this letter). Just click on this link to receive the full text of the FCC ruling:

http://fjallfoss.fcc.gov/edocs_public/attachmatch/FCC-08-87A1.doc

Essentially what the FCC said in their ruling was that:

"We conclude today that in residential settings, carriers may not enter into contracts for the provision of telecommunications services with premises owners that restrict consumers' access to other telecommunications providers,"

I would hope that in light of existing Arizona Corporation Commission rulings and other rules, regulation, and statutes that may be in place at the state and federal level, the Arizona Corporation Commission would take immediate action to quickly eliminate this obviously anti-competitive behavior and continue your good work to encourage fair competition in the area of Telecommunications.

Thank you,

Chuck Orton
Director of Information Technology

Kahala Corp
9311 E. Via de Ventura
Scottsdale, AZ 85258
480.362.4800 - main
480.362.4408 - direct
541-912-3511 - mobile
www.kahalacorp.com

Arizona Corporation Commission

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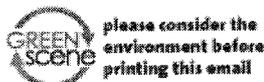
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