



0000093734

BEFORE THE ARIZONA CORPORATION COMMISSION

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

KRISTIN K. MAYES  
Chairman  
GARY PIERCE  
Commissioner  
PAUL NEWMAN  
Commissioner  
SANDRA D. KENNEDY  
Commissioner  
BOB STUMP  
Commissioner

Arizona Corporation Commission

DOCKETED

FEB 12 2009

DOCKETED BY  
KLC MM

IN THE MATTER OF THE APPLICATION  
OF ELECTRIC LIGHTWAVE, LLC DBA  
INTEGRA TELECOM TARIFF FILING FOR  
APPROVAL OF A NEW MAXIMUM RATE  
AND TO INCREASE CURRENT RATE FOR  
DIRECTORY ASSISTANCE WITH CALL  
COMPLETION

DOCKET NO. T-03054A-08-0392

DECISION NO. 70746

ORDER

Open Meeting  
February 3 and 4, 2009  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Electric Lightwave, LLC d/b/a Integra Telecom ("Integra" or "Company") is certificated to provide telecommunications service as a public service corporation in the State of Arizona.

2. On August 8, 2008, Integra filed tariff revisions to increase the maximum rate and current rate for its Directory Assistance with Call Completion service:

Electric Lightwave, LLC dba Integra Telecom

Arizona C.C. Tariff No. 2; Sheet No. 1, Fifth Revised,  
Arizona C.C. Tariff No. 2; Sheet No. 2, Third Revised  
Arizona C.C. Tariff No. 2; Sheet No. 146, First Revised

1           3.       This filing seeks to increase Integra's Directory Assistance with Call Completion  
2 maximum rate from \$1.75 to \$2.50 and the current rate from \$1.75 to \$1.95.

3           4.       According to Integra, the Company is proposing the rate increase in order to  
4 recover declining revenues associated with its Directory Assistance feature as well as to maintain a  
5 market appropriate rate. Integra also indicates that although there is not a direct cost based reason  
6 for the proposed rate increase, the Company is continuing to pay a usage-based rate to its vendor  
7 for the duration of the customer's call when the customer chooses the call completion option. In  
8 addition, the Company also states that its parent company, Integra Telecom Holdings, Inc. is  
9 attempting to standardize the Directory Assistance rates among its subsidiaries.

10          5.       Integra provided evidence that it had provided notice to its customers in accordance  
11 with Commission rules. In responses to Staff's Data Request, Integra provided an affidavit that  
12 the customer notice was sent during the August billing cycle. The Company also stated that the  
13 notice was set to run during the September billing cycle as well. Staff has reviewed the customer  
14 notification, a copy of which was included in the filing and has concluded that it is consistent with  
15 Commission rules.

16          6.       Since this filing increases the maximum rate for a component of a service that has  
17 been classified as competitive under the Commission's Competitive Telecommunications Service  
18 Rules, Arizona Administrative Code ("A.A.C.") Rule R14-2-1110 applies to Integra's proposal.  
19 Integra provided the information required by A.A.C. R14-2-1110 to allow Staff to determine the  
20 potential affects of approval of the filing.

21          7.       The rate increase contained in this filing is for a service that has been classified as  
22 competitive by the Commission and is now subject to the Commission's Competitive  
23 Telecommunications Services Rules. Under those rules, rates for competitive services are not set  
24 according to rate of return regulation standards. Staff requested information from Integra to allow  
25 it to determine the potential effects of approval of this filing. Integra provided information that  
26 indicates the additional Arizona revenues that could be derived from the proposed increase to the  
27 current maximum rate is less than \$2,000. In addition, Integra stated that the average call volume  
28 for its Directory Assistance feature is 2,400 calls a month



ORDER

IT IS THEREFORE ORDERED that the proposed tariff revisions be and hereby are approved.

IT IS FURTHER ORDERED that this decision shall become effective immediately.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**



CHAIRMAN



COMMISSIONER



COMMISSIONER

COMMISSIONER

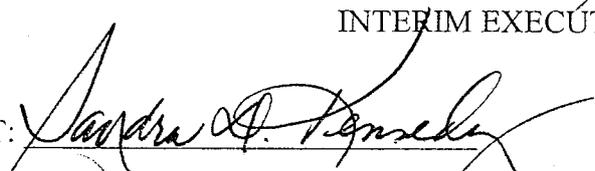
COMMISSIONER

IN WITNESS WHEREOF, I, MICHAEL P. KEARNS, Interim Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 6TH day of FEBRUARY, 2009.

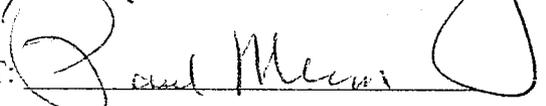


MICHAEL P. KEARNS  
INTERIM EXECUTIVE DIRECTOR

DISSENT:



DISSENT:



EGJ:CLA:lhm\MAS

1 SERVICE LIST FOR: Electric Lightwave, LLC d/b/a Integra Telecom  
2 DOCKET NO. T-03054A-08-0392

3 Ms. Cathy Murray  
4 Manager, Regulatory Affairs  
5 Integra Telecom  
6 730 Second Avenue South, Suite 900  
7 Minneapolis, Minnesota 55402

8 Mr. Ernest G. Johnson  
9 Director, Utilities Division  
10 Arizona Corporation Commission  
11 1200 West Washington  
12 Phoenix, Arizona 85007

13 Ms. Janice M. Alward  
14 Chief Counsel, Legal Division  
15 Arizona Corporation Commission  
16 1200 West Washington  
17 Phoenix, Arizona 85007

18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28