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IN THE MATTER OF THE GENERIC
INVESTIGATION INTO NUMBER RESOURCE
OPTIMIZATION AND IMPLEMENTATION
OF NUMBER POOLING IN ARIZONA.

) DOCKET NO. T-00000A-01-0076
) COPPER VALLEY TELEPHONE'S
) WRITTEN COMMENTS ON
) ARIZONA RATE CENTER
) CONSOLIDATION

Copper Valley Telephone, Inc. ("CVT" or the "Company"), hereby submits its comments in response to the Arizona Corporation Commission's Decision No. 63982 (August 30, 2001). This decision requires incumbent local exchange carriers ("ILECs") to file a report with the Utilities Division's Compliance Section identifying rate centers for consolidation and the scheduled effective date of consolidation.

EXTENDED AREA SERVICE AREAS

The only CVT exchanges with common Extended Area Service ("EAS") calling areas are Clifton, Duncan and York Valley, Arizona, and Virden, New Mexico. In addition, the Company's Elfrida, Arizona, Exchange has an additional cost EAS calling area which includes several southern Cochise County exchanges owned by Qwest Corporation. CVT recommends against consolidating any of these EAS areas since the Company would likely experience adverse financial impacts and service-quality could suffer. In the event the Commission does require rate center consolidation in any of these areas, CVT requests that the Commission tailor the

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1 consolidation to fit the unique circumstances in these service areas (including addressing any loss
2 of revenues to CVT) or delay consolidation until potentially harmful consequences may be
3 considered in a rulemaking docket addressing EAS. CVT's specific concerns are set forth below.

4 **1. LOCAL NUMBER PORTABILITY.**

5 Pursuant to the 1996 Telecommunications Act, CVT is not required to deploy Local
6 Number Portability ("LNP") until the Company receives a *bona fide* request, which has not
7 occurred. In the event that CVT does receive such a request, then there are specified procedures
8 for determining whether LNP is in the public interest. CVT does not have LNP software, and has
9 no plans to implement LNP at this time.
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11 In addition, Decision 63982 appears to contemplate that, once rate center consolidation
12 has been accomplished, number pooling by thousand blocks will be implemented to further
13 conserve numbering resources. However, since CVT does not have LNP, no number pooling
14 could be implemented in its EAS areas, thus virtually eliminating the benefits of any rate center
15 consolidation.
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17 **2. MULTIPLE ILEC'S IN A SINGLE RATE CENTER.**

18 Customers of CVT in the Elfrida Exchange pay an additional charge of \$0.78 per month
19 for EAS to Qwest Corporation calling areas. CVT is concerned that the consolidation of rate
20 centers including the Elfrida Exchange would result in the elimination of this EAS charge, and
21 the associated loss of revenues from that charge. Thus, rate center consolidation that includes the
22 Elfrida Exchange would likely have a negative financial impact on CVT. In addition, CVT and
23 Qwest Corporation are governed by radically different rules under the 1996 Telecommunications
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1 Act. The differing obligations of the respective companies under the Act could make rate center
2 consolidation problematic.

3 **3. CROSSING STATE LINES.**

4 CVT's Clifton, Duncan and York Valley Exchanges currently have EAS calling to the
5 Company's Virden, New Mexico, Exchange, and vice versa. Any rate center consolidation that
6 crosses state lines would significantly impact access revenue by recharacterizing intrastate as
7 interstate and interstate as intrastate. For example, a call from the Virden Exchange to Willcox is
8 an interstate call today, and a call from the Virden Exchange to Albuquerque is an intrastate call
9 today. If rate center consolidation occurs, the call from the Virden Exchange to Willcox would
10 be an intrastate call, and the call from the Virden Exchange to Albuquerque would be an interstate
11 call. CVT has not looked at calling patterns or done any analysis to determine the extent of the
12 financial impact that would result from such a recharacterization of intrastate and interstate
13 revenues.
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16 **4. COMPETITIVE IMPACTS.**

17 In addition to the negative financial impacts previously discussed, rate center
18 consolidations could produce financial losses for CVT in its Clifton, Duncan and York Valley
19 exchanges by allowing a competitive local exchange carrier ("CLEC") to establish a presence in
20 one exchange and then terminate calls in adjoining EAS exchanges without incurring exchange
21 access charges for interoffice transport and local switching. In addition, such a situation would
22 impose the CLEC's associated costs of exchange access on the ILEC. This is inequitable, and
23 should not be permitted.
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RECOMMENDATIONS

In light of the potential negative financial impacts upon ILECs associated with rate center consolidation as set forth herein, CVT submits the following recommendations:

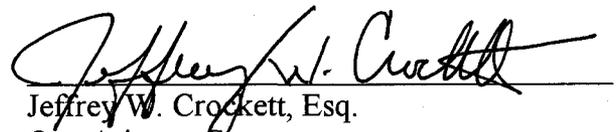
- Rate center consolidations should not include EAS areas which extend across state boundaries, such as the EAS area comprised of the Clifton, Duncan and York Valley, Arizona, Exchanges and the Virden, New Mexico Exchange.

- Rate center consolidations should not include EAS arrangements which involve multiple ILECs in a single EAS area, such as the Elfrida Exchange.

- To preclude unfairly impacting ILECs in the competitive telecommunications market, rate center consolidations should be implemented in a way which requires that CLECs and other interconnectors pay their fair share of exchange access costs for traffic transported between exchanges within EAS areas.

RESPECTFULLY submitted this 21st day of December, 2001.

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