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**BEFORE THE ARIZONA CORPORATION COMMISSION**

KRISTIN K. MAYES  
Chairman

2009 AUG 20 P 4:44

GARY PIERCE  
Commissioner

AZ CORP COMMISSION  
DOCKET CONTROL

PAUL NEWMAN  
Commissioner

Arizona Corporation Commission  
**DOCKETED**

SANDRA D. KENNEDY  
Commissioner

AUG 20 2009

BOB STUMP  
Commissioner

DOCKETED BY

STAFF of the Utilities Division, )  
Complainant, )

Docket No. T-04172A-03-0153

vs. )

TelLogic d/b/a QUALITY TELEPHONE, )  
Respondent. )

**RESPONSE TO RECOMMENDED  
OPINION AND ORDER**

Tellogic, Inc dba Quality Telephone ("Quality") makes this filing in response to the Recommended Opinion and Order dated August 11, 2009. Quality has reviewed the Recommended Opinion and Order in detail and very much regrets the events that led to the findings in the Recommended Opinion and Order. Quality does not make this filing to state any exceptions, but rather to consent to the conditions in the Recommended Opinion and Order and to request respectfully that the Commission approve the Recommended Opinion and Order as written.

This matter came before the Commission as a result of Quality's failure to procure a performance bond in accordance with the terms of Decision No. 66611. In response to this failure, Staff filed a Complaint against Quality seeking an Order to Show Cause. See Decision No. 70566. Following the issuance of the Order to Show Cause and prior to the hearing date, Quality procured the performance bond and submitted it to

1 Commission Staff. *See* Supplemental Staff dated May 27, 2009, at 3. As a result of the  
2 procurement of the bond, Staff moved to dismiss the Complaint believing that a hearing  
3 was no longer necessary. *See* Staff Motion to Dismiss Complaint, dated April 10, 2009  
4 (“Staff respectfully requests that the Commission accept the bond and dismiss the order to  
5 show cause in this matter.”); *see also* Hearing Transcript (April 16, 2009) at 5 (stating  
6 Staff’s position that the hearing not go forward, that no fines be assessed, and that the  
7 matter be dismissed).

8 As noted by Staff, the Commission has not received any consumer  
9 complaints in relation to Quality’s services in Arizona. *See* Supplemental Staff Report at  
10 3. Quality takes its customer relationships very seriously, and the lack of complaints  
11 evidences the fact that Quality’s customers are satisfied with its services. Quality provides  
12 local exchange service to a segment of Arizona consumers that is often underserved, *i.e.*,  
13 customers with poor credit. Quality desires to continue to serve these customers and  
14 hopes to expand its service within Arizona, which will foster competition in the local  
15 exchange market. To ensure that the types of issues that led to this Complaint action do  
16 not occur again, Quality will put a docketing system in place to address all required  
17 Commission filings.<sup>1</sup>

18 As noted above, Quality very much regrets its prior conduct as outlined in  
19 the Recommended Opinion and Order. Quality consents to the imposition of the \$1000  
20 fine and is prepared to submit a check in that amount to the Commission as soon as the  
21 Recommended Opinion and Order is effective.

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25 <sup>1</sup> Although these issues are not the subject of the Complaint and Order to Show Cause, Quality notes that  
26 its 2008 Annual Report was filed in May 2008. As a result, despite the statement in Finding of Fact No.  
31, Quality is now in compliance with that requirement. In addition, Quality has resolved the payment  
issues with the Arizona Universal Service Fund Administrator and is not aware of any further issues in  
relationship to its obligations under the AUSF.

1  
2 DATED this 20th day of August, 2009.

3  
4 LEWIS and ROCA, LLP

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7 

8 Michael T. Hallam  
9 40 N. Central Avenue  
10 Phoenix, AZ 85004  
11 (602) 262-5723  
12 Attorneys for TelLogic

13 ORIGINAL and thirteen (13) copies  
14 of the foregoing filed  
15 this 20th day of August, 2009, with:

16 The Arizona Corporation Commission  
17 Utilities Division – Docket Control  
18 1200 W. Washington Street  
19 Phoenix, Arizona 85007

20 Copy of the foregoing hand-delivered  
21 This 20th day of August, 2009, to:

22 Yvette Kinsey  
23 Administrative Law Judge  
24 Arizona Corporation Commission  
25 1200 West Washington Street  
26 Phoenix, AZ 85007

Kevin Torrey  
Legal Division  
Arizona Corporation Commission  
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Steve Olea, Director  
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