



0000125999

# OPEN MEETING ITEM

428 Q.M

## BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED  
AZ CORP COMMISSION

1  
2 CARL J. KUNASEK  
CHAIRMAN  
3 JIM IRVIN  
COMMISSIONER  
4 RENZ D. JENNINGS  
COMMISSIONER

DOCKETED

MAR 14 4 25 PM '97

MAR 14 1997

DOCKETED

DOCKETED BY

5  
6 IN THE MATTER OF THE NOTICE OF  
7 PROPOSED AMENDMENTS TO THE  
8 ARIZONA UNIVERSAL SERVICE FUND

DOCKET NO. R-0000-97-137

DECISION NO. \_\_\_\_\_

ORDER

9 Open Meeting  
10 March 19, 1997  
Phoenix, Arizona

### PROPOSED ORDER

BY

11  
12 BY THE COMMISSION:

13 The Arizona Universal Service Fund Rules, A.A.C. R14-2-1201 through R14-2-1216,  
14 are intended to ensure that all Arizona residents, including those in rural areas, have access to quality  
15 telecommunication services. The State of Arizona is moving towards full competition in the  
16 telecommunications market. However, there are new issues that must be addressed as the process  
17 evolves.

18 The Commission should examine the role of all telecommunications providers  
19 providing universal service within a competitive marketplace. The Commission realizes that fair and  
20 balanced universal service fund rules are required to provide the citizens of Arizona with affordable  
21 telecommunication services.

### FINDINGS OF FACT

22  
23 1. The public interest requires all Arizonans have access to telecommunications  
24 services. The Commission should examine the role of all telecommunications providers providing  
25 universal services within a competitive market place.

26 2. Telecommunications providers and consumers are stakeholders who should  
27 have a role in the process.  
28

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

3. The Commission should review written comments from interested parties and working groups regarding this issue before promulgating amendments to the Arizona Universal Service Funds Rules, A.A.C. R14-2-1201 through R14-2-1216.

**CONCLUSION OF LAW**

1. The Commission has the authority to open a proposed rulemaking pursuant to A.R.S. §§ 40-202, -203, -204, -250, -321, -322, -328, -329, -331, -332, -361, -365, and -367, and under the Arizona Constitution, Art. 15, sections 1, 2, 3, 4, 6, 7 and 9.

**ORDER**

THEREFORE, IT IS ORDERED that Commission Staff shall open a docket for the proposed amendments to the Arizona Universal Fund Rules;

IT IS FURTHER ORDERED that a Notice of Opening Docket shall be forwarded to the Office of the Secretary of State;

IT IS FURTHER ORDERED that Commission Staff shall establish a working group comprised of corporation commission staff, consumers and industry to address the obligation to serve issues, review comments from interested parties, and prepare a report and draft rules for this Commission's review and approval;

...  
...  
...  
...  
...  
...  
...  
...  
...



1 SERVICE LIST FOR: ARIZONA UNIVERSAL SERVICE FUND

2 DOCKET NO.: R-0000-97-137

3 ROD L. JORDAN  
4 CITIZENS UTILITIES COMPANY  
5 1035 PLACER STREET  
6 REDDING, CALIFORNIA 96049-6020

7 BETH ANN BURNS  
8 CITIZENS UTILITIES COMPANY  
9 2901 N. CENTRAL AVENUE, SUITE 1660  
10 PHOENIX, ARIZONA 85012

11 TIMOTHY J. BERG  
12 FENNEMORE CRAIG  
13 TWO N. CENTRAL AVENUE, #2200  
14 PHOENIX, ARIZONA 85018

15 RUSSELL P. ROWE  
16 U S WEST COMMUNICATIONS, INC.  
17 1801 CALIFORNIA STREET, STE. 5100  
18 DENVER, COLORADO 80802

19 SUSANNE MASON  
20 U S WEST COMMUNICATIONS, INC.  
21 3030 N. 3RD STREET, ROOM 1010  
22 PHOENIX, ARIZONA 85012

23 LINDY FUNKHOUSER, CHIEF COUNSEL  
24 LEGAL DIVISION  
25 ARIZONA CORPORATION COMMISSION  
26 1200 WEST WASHINGTON STREET  
27 PHOENIX, ARIZONA 85007

28 CARL LABELSTEIN, DIRECTOR  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION  
1200 WEST WASHINGTON  
PHOENIX, ARIZONA 85007

With copies to:

MR JOHN KELLY  
EXECUTIVE ASSISTANT TO THE GOVERNOR  
OFFICE OF THE GOVERNOR  
1700 WEST WASHINGTON STREET  
PHOENIX AZ 85007

MR PATRICK QUINN  
U S WEST COMMUNICATIONS INC  
3033 NORTH 3RD STREET - ROOM 1004  
PHOENIX AZ 85018

MR RICHARD SILVERMAN  
GENERAL MANAGER  
SALT RIVER PROJECT  
P O BOX 52025  
PHOENIX AZ 85072-2025

MR W LES JOHNSON  
AT&T COMMUNICATIONS OF  
THE MOUNTAIN STATES  
2800 NORTH CENTRAL AVENUE  
PHOENIX AZ 85004

1 MR RAYMOND HEYMAN  
 2 ROSHKA HEYMAN & DEWULF  
 3 400 NORTH 5TH STREET SUITE 1000  
 4 PHOENIX AZ 85004

5 MR BRUCE MEYERSON  
 6 STEPTOE & JOHNSON  
 7 40 NORTH CENTRAL AVENUE, 24TH FLOOR  
 8 PHOENIX AZ 85004

9 MR TOM MUMAW  
 10 SNELL & WILMER  
 11 ONE ARIZONA CENTER  
 12 400 WEST VAN BUREN  
 13 PHOENIX AZ 85004

14 MR T LARRY BARNEZ  
 15 LEGAL COUNSEL  
 16 AT&T COMMUNICATIONS INC  
 17 1875 LAWRENCE STREET - SUITE 1575  
 18 DENVER CO 80202

19 MS SUSAN MCADAMS  
 20 ELECTRIC LIGHTWAVE  
 21 P O BOX 4678  
 22 VANCOUVER WA 98662

23 MR MICHAEL A MORRIS  
 24 REGIONAL DIRECTOR  
 25 REGULATORY & EXTERNAL AFFAIRS  
 26 TCG TELEPORT COMMUNICATIONS GROUP  
 27 ONE BUSH STREET - SUITE 510  
 28 SAN FRANCISCO CA 94104-4406

MR MICHAEL BOYD  
 VICE PRESIDENT EXTERNAL AFFAIRS  
 TELEPORT DENVER LTD  
 EXECUTIVE OFFICES  
 1050 SEVENTEENTH STREET SUITE 1610  
 DENVER CO 80265

MR FRANK CROAN  
 MANAGER - NEW BUSINESS DEVELOPMENT  
 TIMES MIRROR CABLE TELEVISION INC  
 115 NORTH 15ST AVENUE  
 PHOENIX AZ 85043

MR MICHAEL GRANT  
 WINSTON & STRAWN  
 2300 GREAT AMERICAN TOWER  
 3200 NORTH CENTRAL AVENUE  
 PHOENIX AZ 85012

MS JUDITH A D HOLCOMB  
 U S WEST NEWVECTOR  
 U S HWY 60 EAST OF MAGDALENA  
 P O BOX 144  
 MAGDALENA NM 87825

MS JOAN C HINSON  
 TCA ARIZONA CHAPTER PRESIDENT  
 TELECOMMUNICATIONS ASSOCIATION  
 JOHN C LINCOLN HOSPITAL  
 250 EAST DUNLAP  
 PHOENIX AZ 85020

MR DON INNES  
 DIRECTOR OF ACCESS  
 SERVICES AND REVENUE  
 CITIZENS UTILITIES COMPANY  
 1035 PLACER STREET  
 P O BOX 496020  
 REDDING CA 96049-6020

MR ROLLIE NEHRING  
 ARIZONA TELEPHONE COMPANY  
 5253 NORTH DROMEDARY ROAD  
 PHOENIX AZ 85018

MS ELLEN CORKHILL  
 COORDINATOR  
 AARP  
 5606 NORTH 17TH STREET  
 PHOENIX AZ 85016

MR JOHN D FRANCIS - GENERAL MANAGER  
 VALLEY TELEPHONE COOPERATIVE INC  
 P O BOX 699  
 752 EAST MALEY  
 WILLCOX AZ 85643-1304

MR KENNETH F MELLEY JR  
 U S LONG DISTANCE INC  
 9311 SAN PEDRO - SUITE 300  
 SAN ANTONIO TX 78216

MS JEAN L KIDDOO ESQ  
 SWIDLER & BERLIN CHARTERED  
 3000 K STREET NW - SUITE 300  
 WASHINGTON DC 20007-3841

MR BOB WHIPPLE  
 STENOCALL  
 1515 AVENUE J  
 P O BOX 10127  
 LUBBOCK TX 79408

1 MR PATRICK A MALLOY  
 2 CITIZENS UTILITIES COMPANY  
 3 P O BOX 496020  
 4 REDDING CA 96049-6020

5 MR DAVID L FOLSOM  
 6 MANAGER STATE REGULATORY AFFAIRS  
 7 ARIZONA TELEPHONE COMPANY  
 8 1255 SACRAMENTO STREET  
 9 REDDING CA 96001

10 MR MIKE SCHULTIES  
 11 STAFF MANAGER - REGULATORY  
 12 ALL TEL SERVICE CORP  
 13 1 ALLIED DRIVE  
 14 LITTLE ROCK AR 72232

15 MR RICK MCALLISTER  
 16 MANAGER REGULATORY  
 17 ALLTEL NAVAJO COMMUNICATION  
 18 COMPANY  
 19 2121 N CALIFORNIA - #400  
 20 WALNUT CREEK CA 94596

21 MR STEVE WHEELER - ATTORNEY  
 22 SNELL & WILMER  
 23 ONE ARIZONA CENTER  
 24 400 EAST VAN BUREN STREET  
 25 PHOENIX AZ 85004-0001

26 MS JANINE D BURKE  
 27 SPRINT COMMUNICATIONS COMPANY  
 28 8140 WARD PARKWAY - #5E  
 KANSAS CITY MO 64114

MR MARK BROWN  
 REGULATORY ATTORNEY  
 MCI TELECOMMUNICATIONS CORP  
 201 SPEAR STREET - 9TH FLOOR  
 SAN FRANCISCO CA 94105

MR TOM CAMPBELL - ATTORNEY  
 MCI TELECOMMUNICATIONS CORP  
 LEWIS AND ROCA  
 40 NORTH CENTRAL AVENUE  
 PHOENIX AZ 85004-4429

MS JENNIFER S POMEROY - DIRECTOR  
 BUSINESS/GOVERNMENT RELATIONS  
 U S WEST CELLULAR  
 3350 161ST AVENUE SE  
 P O BOX 96087  
 BELLEVUE WA 98009

MR FRANK HATZENBUEHLER  
 U S WEST COMMUNICATIONS INC  
 1801 CALIFORNIA STREET #5200  
 DENVER CO 80202

MR LEX SMITH ATTORNEY  
 BROWN & BAIN PA  
 2901 NORTH CENTRAL AVENUE  
 PHOENIX AZ 85012

MR JIM ROOF  
 U S WEST COMMUNICATIONS  
 3033 N 3RD STREET ROOM 1010  
 PHOENIX AZ 85012

MR FELIX WILLIAMSON  
 U S WEST COMMUNICATIONS INC  
 3033 NORTH 3RD STREET ROOM #1010  
 PHOENIX AZ 85012

MR JOE HANLEY MANAGER  
 ARIZONA TELEPHONE COMPANY  
 2236 WEST SHANGRI-LA ROAD  
 PHOENIX AZ 85029

DON LOW  
 SPRINT COMMUNICATIONS COMPANY LP  
 8140 WARD PARKWAY 5E  
 KANSAS CITY MO 64114

MR SCOTT RAFFERTY  
 C/O AREIE GROUP  
 4730 MASSACHUSETTS AVENUE  
 WASHINGTON DC 20016

MR JAMAL ALLEN ATTORNEY  
 O'CONNOR CAVANAUGH ANDERSON  
 WESTOVER & BESHEARS  
 ONE EAST CAMELBACK - SUITE 1100  
 PHOENIX AZ 85012

MR TONY DITIRRO  
 MCI COMMUNICATIONS CORPORATION  
 201 SPEAR STREET 9TH FLOOR  
 SAN FRANCISCO CA 94105

MR JOHN COLEMAN  
 ELECTRIC LIGHTWAVE  
 2600 NORTH CENTRAL AVENUE #300  
 PHOENIX AZ 85004

1 MS JODIE CARO  
MFS COMMUNICATIONS COMPANY INC  
2 999 OAKMONT PLAZA DR - APT 400  
WESTMONT IL 60559-5516

3 MR JOHN O LAUE  
4 COMMUNICATIONS ENGINEERING  
SUPERVISOR  
5 CITY OF TEMPE  
MANAGEMENT SERVICES DEPARTMENT  
6 132 EAST 6TH STREET SUITE B109  
TEMPE AZ 85280

7 MR C K CHIP CASTEEL JR  
8 DIRECTOR OF STATE REGULATORY  
AND GOVERNMENTAL AFFAIRS  
9 MCI TELECOMMUNICATIONS CORPORATION  
1801 PENNSYLVANIA AVENUE NW  
10 WASHINGTON DC 20006

11 MR AL CRAWFORD  
CHAIRMAN GOVERNOR'S  
12 TELECOMMUNICATIONS  
STUDY COMMITTEE  
13 8736 NORTH 68TH STREET  
PARADISE VALLEY AZ 85253

14 MR JOE HOMMEL  
15 ELECTRIC LIGHTWAVE  
8100 N E PARKWAY DRIVE SUITE 200  
16 VANCOUVER WA 98662

17 MR FRED M SHEPHERD NCE  
TELEPHONE DIVISION MANAGER  
18 TOHONO OODHAM UTILITY AUTHORITY  
P O BOX 816  
19 SELLS AZ 85634

20 MR DAREL ESCHBACH  
EXECUTIVE DIRECTOR  
21 TELECOMMUNICATIONS SERVICES  
ARIZONA STATE UNIVERSITY  
22 BOX 870201  
TEMPE AZ 85287-0201

23 MR JERRY JAMES  
24 VICE PRESIDENT GOVERNMENT AFFAIRS  
LDDS METROMEDIA  
25 8303 MOPAC SUITE 146-C  
AUSTIN TX 78759

26 MR JIM BROSHAR  
EXECUTIVE VICE PRESIDENT  
ROCKY MOUNTAIN TELECOM ASSOCIATION  
10105 EAST VIA LINDA SUITE 103-340  
SCOTTSDALE AZ 85258

MR TIM DELANEY  
BROWN & BAIN PA  
2901 NORTH CENTRAL  
P O BOX 400  
PHOENIX AZ 85001-0400

MR PAUL SCHNEIDER  
ARIZONA BUSINESS GAZETTE  
P O BOX 1950  
PHOENIX AZ 85001

MR ROBERT EYRES  
AMERICAN EXPRESS  
19640 NORTH 31ST AVENUE  
PHOENIX AZ 85027

MR JEFFREY WEIR  
EXECUTIVE DIRECTOR  
SOUTHERN GILA COUNTY  
ECONOMIC DEVELOPMENT CORPORATION  
P O BOX 1351  
GLOBE AZ 85502

MS SUE WILLIAMS  
DIRECTOR REGULATORY AFFAIRS  
TELTRUST COMMUNICATIONS SERVICES INC  
221 NORTH CHARLES LINDBERGH DRIVE  
SALT LAKE CITY UT 84116

MR MIKE LAUGHLIN  
DIRECTOR OF OPERATIONS  
NORSTAN COMMUNICATIONS  
6900 WEDGEWOOD ROAD  
MAPLE GROVE MN 55311

MS VICTORIA CHAMPA  
NATIONAL SALES MANAGER  
INTER-TEL NETSOLUTIONS  
202 EAST MCDOWELL SUITE 267  
PHOENIX AZ 85004

MR IVAN JOHNSON  
VICE PRESIDENT OF PUBLIC AFFAIRS  
TIMES MIRROR CABLE TELEVISION  
17602 NORTH BLACK CANYON HIGHWAY  
PHOENIX AZ 85023

- 1 MR RANDY YOUNG  
GOVERNMENT ACCOUNTS MANAGER  
2 10300 NORTH 6TH AVENUE N  
PLYMOUTH MN 55441
- 3  
4 MS JANIS A STAHLHUT  
VICE PRESIDENT REGULATORY AFFAIRS  
TIMEWARNER COMMUNICATIONS  
5 300 FIRST STAMFORD PLACE  
STAMFORD CT 06902-6732
- 6  
7 MS CINDY Z SCHONHAUT  
VICE PRESIDENT GOVERNMENT AFFAIRS  
MFS COMMUNICATIONS COMPANY INC  
8 GOVERNMENT AFFAIRS OFFICE  
3000 K STREET NW SUITE 300  
9 WASHINGTON DC 20007
- 10 JIM WORTHAM  
ADMINISTRATOR  
11 FIRE DEPARTMENT COMPUTER SERVICES  
CITY OF PHOENIX  
12 620 WEST WASHINGTON STREET  
PHOENIX AZ 85003
- 13  
14 CATHERINE A NICHOLS  
TEP - LEGAL DEPARTMENT  
220 WEST SIXTH STREET  
15 P O BOX 711  
TUCSON AZ 85702
- 16  
17 TERRY TRAPP, PRESIDENT  
U S COMMUNICATIONS UNLIMITED, INC  
274 SNYDER MOUNTAIN ROAD  
18 EVERGREEN CO 80439
- 19 JESSE W SEAKS  
ASSISTANT CHIEF COUNSEL  
20 CITY ATTORNEY'S OFFICE  
CITY OF PHOENIX  
21 200 WEST WASHINGTON, 13TH FLOOR  
PHOENIX AZ 85003-1611
- 22  
23 JOANNA HOLLAND  
PUBLIC AFFAIRS DIRECTOR  
PHOENIX CHAMBER OF COMMERCE  
24 201 NORTH CENTRAL AVE., 27TH FLOOR  
PHOENIX AZ 85073
- 25  
26 JOANNE WALLIN  
PACIFIC BELL  
140 NEW MONTGOMERY STREET SUITE 1505  
27 SAN FRANCISCO CA 94105
- 28