

ORIGINAL



0000141169

MEMORANDUM

TO: Docket Control
FROM: Steven M. Olea
Director
Utilities Division

EA for SMD

DATE: December 21, 2012

RE: IN THE MATTER OF THE APPLICATION OF WIMACTEL, INC. FOR APPROVAL OF A CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD LONG DISTANCE AND ALTERNATIVE OPERATOR SERVICES TELECOMMUNICATIONS SERVICES (DOCKET NO. T-20766A-10-0433)

Attached is the Staff Report for the above referenced Application. The Applicant is applying for approval to provide the following services:

- Resold Long Distance Services
- Alternative Operator Services

Staff is recommending approval of the Application with conditions.

SMO:PJG:tdp

Originator: Pamela J. Genung

Arizona Corporation Commission

DOCKETED

DEC 21 2012

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AZ CORP COMMISSION
DOCKET CONTROL

2012 DEC 21 P 4: 30

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**SERVICE LIST FOR: WIMACTEL, INC.
DOCKET NO. T-20766A-10-0433**

**Mr. James MacKenzie
President, Chief Executive Officer and Secretary
WiMacTel, Inc.
2225 East Bayshore Road, Suite 200
Palo Alto, California 94303-3220**

**Mr. Thomas M. Forte
Consultant to WiMacTel, Inc.
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Maitland, Florida 32751**

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

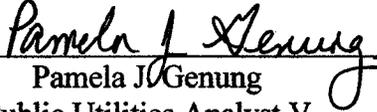
WIMACTEL, INC.
DOCKET NO. T-20766A-10-0433

**IN THE MATTER OF THE APPLICATION OF WIMACTEL, INC. FOR APPROVAL OF A
CERTIFICATE OF CONVENIENCE AND NECESSITY TO PROVIDE RESOLD LONG
DISTANCE AND ALTERNATIVE OPERATOR SERVICES TELECOMMUNICATIONS
SERVICES**

DECEMBER 21, 2012

STAFF ACKNOWLEDGMENT

The Staff Report for WiMacTel, Inc, Docket No. T-20766A-10-0433, was the responsibility of the Staff member listed below. Pamela J. Genung was responsible for the review and analysis of the WiMacTel, Inc Application for a Certificate of Convenience and Necessity to provide Resold Long Distance and Alternative Operator Services Telecommunications Services within the State of Arizona, in addition to the petition for a determination that its proposed services should be classified as competitive.



Pamela J. Genung
Public Utilities Analyst V

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1. INTRODUCTION

On October 22, 2010, WiMacTel, Inc. (“WiMacTel” or “Applicant”) filed an Application for a Certificate of Convenience and Necessity (“CC&N”) to provide Resold Long Distance and Alternative Operator Services (“AOS”) telecommunications services within the State of Arizona. The Applicant also petitioned the Arizona Corporation Commission (“Commission”) for a determination that its proposed services should be classified as competitive. On October 22, 2010, WiMacTel submitted proposed tariffs for the services it is requesting the authority to provide.

On February 7, 2011, Staff issued its First Set of Data Requests to WiMacTel. On June 16, 2011, WiMacTel provided Responses to Staff’s First Set of Data Requests. Seven replacement pages to WiMacTel’s proposed tariffs were also included in the Responses provided on June 16, 2011. Additional clarification emails were exchanged between Staff and WiMacTel’s Consultant, Mr. Thomas M. Forte of Technologies Management, Inc. On August 30, 2012, the Applicant filed an updated list of States where it is currently certificated to provide telecommunications services, and four additional replacement tariff pages. On September 5, 2012, the Applicant filed its 2011 financial statements.

The Applicant has published legal notice of the Application in all counties where service will be provided. On September 5, 2012, WiMacTel filed an Affidavit of Publication from the Arizona Republic that complies with the Commission’s notice requirements.

Staff’s review of this Application addresses the overall fitness of the Applicant to receive a CC&N. Staff’s analysis also considers whether the Applicant’s services should be classified as competitive and if the Applicant’s initial rates are just and reasonable.

2. TECHNICAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

WiMacTel indicated that it is currently certified to offer competitive telecommunications services similar to services it intends to offer in Arizona in forty-six (46)¹ States. WiMacTel also indicated that in the District of Columbia, and the States of Maine, Utah, and Virginia no certification is required to offer those same competitive services. The Applicant has one Application pending in Arizona. WiMacTel is currently providing interexchange and/or AOS in all certificated states. Staff contacted the Public Utility Commissions in ten (10) States/Jurisdictions to determine if WiMacTel is certificated or registered to provide interexchange and AOS telecommunications services

¹ Alabama, Alaska, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia, Wisconsin, Wyoming.

in the States listed by the Applicant. Staff also inquired whether there were any consumer complaints filed against the Applicant. The information Staff obtained indicates that WiMacTel is authorized to provide interexchange and AOS telecommunications services in all ten (10) States/Jurisdictions and there have been no consumer complaints filed against WiMacTel in any of those ten (10) States. WiMacTel's management team currently consists of three (3) officers/directors with a combination of over forty-three (43) years experience in the telecommunications industry.

Based on the above information, Staff believes WiMacTel possesses the technical capabilities to provide the services it is requesting the authority to provide in this Application.

3. FINANCIAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

On June 16, 2011, the Applicant provided unaudited financial statements of WiMacTel, Inc., for the twelve months ending December 31, 2010. On September 5, 2012, the Applicant provided unaudited financial statements of WiMacTel, Inc., for the twelve months ending December 31, 2011. The financial statements for the twelve months ending December 31, 2010 list total assets of \$413,804; total equity of (\$483); and net income of (\$484). The financial statements for the twelve months ending December 31, 2011 list total assets of \$1,225,789; total equity of (\$247,183); and net income of (\$246,698). The Applicant provided notes related to the financial statements.

The Applicant stated in its Tariffs (reference Sections 2.6 and 2.7 on Original Page No. 10 and 11, respectively, of WiMacTel's proposed AZ C.C. Interexchange Tariff and Sections 2.6 and 2.7 on Original Page No. 11 and 12, respectively, of WiMacTel's proposed Arizona Tariff No. 2, Operator Services Tariff) that it does not require deposits or advance payments from its customers.

The Applicant will not discontinue service to its customers without first complying with Arizona Administrative Code ("A.A.C.") R14-2-1107. If the Applicant desires to discontinue service, it must file an Application with the Commission pursuant to A.A.C. R14-2-1107. Additionally, the Applicant must notify each of its customers and the Commission 60 days prior to filing an Application to discontinue service.

4. ESTABLISHING RATES AND CHARGES

The Applicant would initially be providing service in areas where an incumbent local exchange carrier ("ILEC"), along with various competitive local exchange carriers ("CLECs") and interexchange carriers ("IXCs") are providing telephone service. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able

to exert market power. Thus, the competitive process should result in rates that are just and reasonable.

Both an initial rate (the actual rate to be charged) and a maximum rate may be listed for each competitive service offered, provided that the rate for the service is not less than the Company's total service long-run incremental cost of providing the service pursuant to A.A.C. R14-2-1109.

The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the company indicating that its fair value rate base is zero.² Accordingly, the company's fair value rate base is too small to be useful in a fair value analysis. Staff has reviewed these rates and believes they are comparable to the rates charged by competitive local carriers, local incumbent carriers and major long distance carriers operating in the State of Arizona. Therefore, while Staff considered the fair value rate base information submitted by the company, the fair value rate base information provided should not be given substantial weight in this analysis.

5. REVIEW OF COMPLAINT INFORMATION

The Applicant has neither had an Application for service denied, nor revoked in any State. There are, and have been, no formal complaint proceedings involving the Applicant. There have not been any civil or criminal proceedings against the Applicant.

The Consumer Services Section of the Utilities Division reports zero complaints, inquiries, or opinions filed against WiMacTel through August 27, 2012. Consumer Services also reports that WiMacTel is in good standing with the Corporations Section of the Commission. A search of the Federal Communications Commission website found that there have been no complaints filed against WiMacTel.

The Applicant indicated that none of its officers, directors or partners has been involved in any civil or criminal investigations, or any formal or informal complaints. The Applicant also indicated that none of its officers, directors or partners has been convicted of any criminal acts in the past ten (10) years.

6. COMPETITIVE SERVICES ANALYSIS

The Applicant has petitioned the Commission for a determination that the services it is seeking to provide should be classified as competitive.

² Response to Staff Data Request PJG 1-4.

6.1 COMPETITIVE SERVICES ANALYSIS FOR INTEREXCHANGE SERVICES

6.1.1 A description of the general economic conditions that exist, which makes the relevant market for the service one that is competitive.

The statewide interexchange market that the Applicant seeks to enter is one in which numerous facilities-based interexchange carriers and resellers of interexchange service have been authorized to provide service throughout the State. The market the Applicant seeks to enter is also served by wireless carriers and VoIP providers. The Applicant will be a new entrant in this market and, as such, will have to compete with those existing companies in order to obtain customers.

6.1.2 The number of alternative providers of the service.

There are a large number of facilities-based interexchange carriers and resellers providing interexchange service throughout the State. The market the Applicant seeks to enter is also served by wireless carriers and VoIP service providers.

6.1.3 The estimated market share held by each alternative provider of the service.

Facilities-based interexchange carriers, interexchange service resellers, independent ILECs, CLECs, wireless carriers and VoIP providers all hold a portion of the interexchange market.

6.1.4 The names and addresses of any alternative providers of the service that are also affiliates of the telecommunications Applicant, as defined in A.A.C. R14-2-801.

WiMacTel does not have any affiliates that are alternative providers of interexchange service in Arizona.

6.1.5 The ability of alternative providers to make functionally equivalent or substitute services readily available at competitive rates, terms and conditions.

Both facilities-based interexchange carriers and interexchange service resellers have the ability to offer the same services that the Applicant has requested in their respective service territories. Similarly, many of the ILECs and CLECs offer similar interexchange services. The market the Applicant seeks to enter is also served by wireless carriers and VoIP service providers.

6.1.6 Other indicators of market power, which may include growth and shifts in market share, ease of entry and exit, and any affiliation between and among alternative providers of the service(s).

The interexchange service market is:

- a. One with numerous competitors and limited barriers to entry.
- b. One in which established interexchange carriers have had an existing relationship with their customers that the new entrants will have to overcome if they want to compete in the market.
- c. One in which the Applicant will not have the capability to adversely affect prices or restrict output to the detriment of telephone service subscribers.
- d. One in which the share of the market held by wireless carriers has increased over time, while that held by wireline carriers has declined.

7. ALTERNATIVE OPERATOR SERVICES

AOS is a service industry that provides resold telecommunications and operator services to large distinct customers, such as hotels, motels, health care and correctional facilities. The AOS provider will contract with the hotel or correctional facility to provide services. The hotel or correctional facility is referred to as an "aggregator" as in the ordinary course of its operations it allows for intrastate telephone services to be available to its patrons. The patrons of the "aggregator" are referred to as "end-users." AOS services are provided by routing all calls originating from the aggregator premise to the AOS provider, which then handles the call to meet the needs of the end-user.

"End-users" have no control over the aggregator's subscription for long distance service, and as such are essentially captive customers for telecommunications services. The Commission has previously determined that it is in the public interest to ensure that an end user using the telecommunications services of an AOS provider be charged rates consistent with the corresponding rates and service charges of certified facilities-based toll carriers available to the calling public.

In Decision No. 61274, the Commission adopted the maximum rates for AOS Services contained in the attached Schedules 1 and 2. As the basis of its recommendation to the Commission, Staff reviewed the authorized rates and service charges applicable to AOS providers: AT&T Communications of the Mountain States, Inc. ("AT&T"), MCI Telecommunications Corporation, ("MCI"), Sprint Communications Company, (Sprint), Allnet Communications Services, Inc., ("Allnet"), and QWEST Corporation (f/k/a USWC, now d/b/a "CenturyLink"). Staff then developed Schedules 1 and 2.

7.1 RATE REVIEW PROCESS

As stated above, Staff reviewed the rates of five major toll carriers to establish the maximum AOS rates, service charges and operator-dialed surcharges set forth on Schedule 1 and 2. If any of the carriers forming the rate group obtain higher rates, the Applicant should be authorized to allow its rates to float in accordance with the carriers revised higher rates so long as the AOS provider complies with the following tariff filing requirements the Applicant is required to file: 1) an estimate of the value of its plant to serve Arizona customers in order to determine fair value; 2) a tariff setting forth the new maximum rates, which do not exceed the maximum rates of the five major carriers set; and 3) all information required by A.A.C. R14-2-1110.

For example, AT&T currently has maximum rates in the night/weekend rate period in mileage bands 0 through 292 for the first minute and additional minutes in Schedule 1. In the event AT&T was to increase its rates in these mileage bands, the rates changed would establish new maximum rates in Schedule 1. Pursuant to Staff's recommendation, the Applicant would be allowed to seek authorization to increase its maximum rates and/or service charges accordingly by complying with the filing requirements described above.

Staff obtained information from WiMacTel and has determined that its fair value rate base is zero³. Accordingly, the Company's fair value rate base is too small to be useful in a fair value analysis. In addition, the rate to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, it did not accord that information substantial weight in its analysis.

7.2 DISCOUNTING AUTHORITY

Staff recommends that the Applicant be allowed to discount its rates and service charges to the marginal cost of providing the services. Discount authority will provide the company with pricing flexibility to compete with other providers, as well as allow the potential benefits of price competition to accrue to end-users.

7.3 INTERLATA TOLL CHARGES

Staff recommends interLATA rates and service charges to be based on the maximum rates and service charges authorized for certain IXCs certificated in Arizona as described above.

³ Response to Staff Data Request PJG 1-4.

Staff recommends that the Commission authorize the Applicant to charge the maximum rate in each mileage band, respective of the day of the week and time of the day, currently authorized for any of the facilities-based IXCs as set forth in Schedule 1. In addition, Staff recommends that the Commission limit the Company's service charges to the highest authorized maximum service charge of any of the facilities-based IXCs as set forth in Schedule 1.

7.4 INTRALATA TOLL CHARGES

Staff recommends IntraLATA rates and service charges to be based on the maximum rates and service charges of the various facilities-based carriers certified to carry intraLATA toll calls in Arizona as described above.

Staff recommends that the Commission authorize the Applicant to charge the maximum rate in each mileage band, respective of the day of the week and time of the day, currently authorized for any of the various facilities-based intraLATA carriers set forth in Schedule 2. Furthermore, Staff recommends that the Commission limit the Company's service charges to the highest authorized maximum service charge of any of the facilities-based intraLATA carriers set forth in Schedule 2.

The attached Schedule 1 and 2 set forth Staff's recommended surcharges for interLATA and intraLATA toll calls respectively.

7.5 OPERATOR-DIALED SURCHARGE AND PROPERTY SURCHARGE

An operator-dialed surcharge is imposed when an end user has the capability to dial the call, but requests the operator to dial and make the call. A property surcharge is a per call bonus paid to the aggregator by the AOS Company. In prior decisions, the Commission has approved both an operator-dialed surcharge and a property (location-specific or subscriber) surcharge.

Staff recommends that the property surcharge be limited to \$1.00 per call. The Commission has approved a property surcharge of \$1.00 for the majority of AOS carriers certified in Arizona. Limiting the property surcharge provides a level playing field for the competitors. Staff recommends consistency in the property surcharge to stress the importance of providing service to the end-users, rather than higher payments to aggregators for the opportunity to serve end-users.

Staff recommends approval of the operator-dialed surcharge and the property surcharge as described in Schedule 1 and 2.

7.6 ZERO MINUS CALLS

The term “zero-minus” refers to calls by individuals who dial “0.” The Commission adopted A.A.C. R14-2-1006(A), which requires the AOS provider to route all zero-minus calls to the originating LEC. The Commission also provided a waiver from the requirement upon a showing that the AOS provider could provide the caller with equally quick and reliable service. WiMacTel has not requested such a waiver.

7.7 PROPOSED TARIFF

WiMacTel’s proposed tariff filing of October 22, 2010 and replacement pages filed on June 16, 2011, and August 30, 2012 are consistent with the recommendations in the above sections. The Applicant’s proposed rates and service charges for either interLATA or intraLATA telephone services are identical to or less than the rates and service charges contained in Staff’s attached rate Schedules 1 and 2. Therefore, Staff believes that the Applicant’s proposed tariffs are reasonable and should be approved at this time.

8. RECOMMENDATIONS

The following sections contain the Staff recommendations on the Application for a CC&N and the Applicant’s petition for a Commission determination that its proposed services should be classified as competitive.

8.1 RECOMMENDATIONS ON THE APPLICATION FOR A CC&N

Staff recommends that Applicant’s Application for a CC&N to provide intrastate telecommunications services, as listed in this Report, be granted. In addition, Staff further recommends:

1. That the Applicant complies with all Commission Rules, Orders and other requirements relevant to the provision of intrastate telecommunications services;
2. That the Applicant maintains its accounts and records as required by the Commission;
3. That the Applicant file with the Commission all financial and other reports that the Commission may require, and in a form and at such times as the Commission may designate;
4. That the Applicant maintain on file with the Commission all current tariffs and rates, and any service standards that the Commission may require;

5. That the Applicant comply with the Commission's Rules and modify its tariffs to conform to these rules if it is determined that there is a conflict between the Applicant's tariffs and the Commission's Rules;
6. That the Applicant cooperate with Commission investigations including, but not limited to customer complaints;
7. That the Applicant participate in and contribute to the Arizona Universal Service Fund, as required by the Commission;
8. That the Applicant be required to notify the Commission immediately upon changes to the Applicant's name, address or telephone number;
9. The Applicant's intrastate interexchange service offerings should be classified as competitive pursuant to A.A.C. R14-2-1108;
10. The maximum rates for these services should be the maximum rates proposed by the Applicant in its proposed tariffs. The minimum rates for the Applicant's competitive services should be the Applicant's total service long run incremental costs of providing those services as set forth in A.A.C. R14-2-1109;
11. In the event that the Applicant states only one rate in its proposed tariff for a competitive service, the rate stated should be the effective (actual) price to be charged for the service as well as the service's maximum rate;
12. Staff further recommends that the Commission authorize the Applicant to discount its rates and service charges to the marginal cost of providing the services;
13. The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the Applicant and has determined that its fair value rate base is zero. Accordingly, the Company's fair value rate base is too small to be useful in a fair value analysis. Staff has reviewed the rates to be charged by the Applicant and believes they are just and reasonable as they are comparable to several long distance carriers offering service in Arizona. The rates to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, Staff recommends that the fair value information provided not be given substantial weight in this analysis;

14. If at some future date, the Applicant wants to collect advances, deposits and/or prepayments from its resold interexchange service customers, Staff recommends that the Applicant be required to file an Application with the Commission for Commission approval. Such Application must reference the decision in this docket and must explain the applicant's plans for procuring its performance bond or irrevocable sight draft Letter of Credit;
15. The Applicant's interLATA rates and service charges for AOS services should be based on the maximum rates and service charges as set forth in Schedule 1;
16. The Applicant's intraLATA rates and service charges for AOS services should be based on the maximum rates and service charges as set forth in Schedule 2;
17. The Applicant's property surcharge for AOS services should be limited to \$1.00 per call;
18. In the event the Applicant requests to discontinue and/or abandon its service area it must provide notice to both the Commission and its customers. Such notice(s) shall be in accordance with A.A.C. R14-2-1107.

Staff further recommends that the Applicant be ordered to comply with the following. If it does not do so, the Applicant's CC&N shall be null and void without further order of the Commission and no time extensions shall be granted.

1. The Applicant shall file conforming tariffs in Docket Control for each service within its CC&N within 365 days from the date of an Order in this matter or 30 days prior to providing service, whichever comes first. The tariffs submitted shall coincide with the Application and state that the Applicant does not collect advances, deposits and/or prepayments from its customers.

8.2 RECOMMENDATION ON THE APPLICANT'S PETITION TO HAVE ITS PROPOSED SERVICES CLASSIFIED AS COMPETITIVE

Staff believes that the Applicant's proposed services should be classified as competitive. There are alternatives to the Applicant's services. The Applicant will have to convince customers to purchase its services, and the Applicant has no ability to adversely affect the interexchange or alternative operator services markets. Therefore, the Applicant currently has no market power in the interexchange or alternative operator services markets where alternative providers of telecommunications services exist. Staff therefore recommends that the Applicant's proposed services be classified as competitive.

This Application may be approved without a hearing pursuant to A.R.S. § 40-282.

Schedule 1

**Alternative Operator Services
Maximum InterLata Usage Charges**

Mileage Band	Day Time (a)		Evening/Holiday (b)		Night/Weekend (c)	
	First Minute	Addl. Minute	First Minute	Addl. Minute	First Minute	Addl. Minute
0-10	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
11-16	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
17-22	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
23-30	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
31-40	0.5065	0.3000	0.3135	0.3000	0.3000	0.3000
41-55	0.5307	0.3332	0.3135	0.3000	0.3000	0.3000
56-70	0.5560	0.3732	0.3590	0.3000	0.3000	0.3000
71-124	0.5560	0.3865	0.3590	0.3000	0.3000	0.3000
125-196	0.5560	0.4265	0.3590	0.3000	0.3000	0.3000
197-292	0.5560	0.4799	0.3590	0.3000	0.3000	0.3000
293 & Over	0.5800	0.4820	0.3908	0.3000	0.3000	0.3000

Rate Periods

- (a) Day time is Monday through Friday 8:00 a.m. to 5 p.m.
- (b) Evening/Holiday is Sunday through Friday 5:00 p.m. to 11:00 p.m.
Officially recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day. Evening rates are applicable during all holiday hours, except for hours when a lower rate (i.e. Night/Weekend) is applicable.
- (c) Night/Weekend is Sunday through Thursday 11:00 p.m. to 8:00 a.m., 11:00 p.m. Friday through 5:00 p.m. Sunday.

**Alternative Operator Services
Maximum InterLata Services Charges**

Service (1) (2)	Maximum Charge
Customer Dialed Calling or Credit Card	\$1.50
Operator Dialed Calling or Credit Card	\$2.50
Station - to - Station Collect	\$2.33
Person - to - Person Collect	\$4.66
Third Party Person - to - Person	\$4.66
Third Party Station - to Station	\$2.33
Person - to - Person	\$4.50
Station - to - Station	\$3.50
Directory Assistance	\$2.00

- (1) An Operator Dialed Surcharge of \$2.00 will be applied to an end user who has the capability to call, but requests the operator to do so instead. In accordance with A.A.C. R14-2-1005, end users shall be informed of this charge before call completion. This surcharge will not be imposed in cases of equipment failure or where the end user is experiencing a disability.
- (2) A Property Surcharge, Subscriber Surcharge or Location Specific Charge may be added to all operator assisted calls completed from Company subscriber locations. This surcharge will appear on the customer's bill and will be capped at \$1.00 per call; all of this surcharge will be remitted to the aggregator; however, this surcharge will not be collected by the Company if the aggregator is also collecting a surcharge.

Company _____
Docket No. _____
Decision No. _____

Schedule 2

**Alternative Operator Services
Maximum IntraLata Usage Charges**

Mileage Band	Day Time (a)		Evening/Holiday (b)		Night/Weekend (c)	
	First Minute	Addtl. Minute	First Minute	Addtl. Minute	First Minute	Addtl. Minute
0-10	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
11-16	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
17-22	0.4000	0.3000	0.3000	0.3000	0.3000	0.3000
23-30	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
31-40	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
41-55	0.4500	0.3000	0.3135	0.3000	0.3000	0.3000
56-70	0.5200	0.3300	0.3590	0.3000	0.3000	0.3000
71-124	0.5200	0.3300	0.3590	0.3000	0.3000	0.3000
125-196	0.5300	0.3600	0.3590	0.3000	0.3000	0.3000
197-292	0.5800	0.3600	0.3590	0.3000	0.3000	0.3000
293 & Over	0.5800	0.3800	0.3980	0.3000	0.3300	0.3000

Rate Periods

- (a) Day time is Monday through Friday 8:00 a.m. to 5 p.m.
- (b) Evening/Holiday is Sunday through Friday 5:00 p.m. to 11:00 p.m.
Officially recognized holidays are: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day. Evening rates are applicable during all holiday hours, except for hours when a lower rate (i.e. Night/Weekend) is applicable.
- (c) Night/Weekend is Sunday through Thursday 11:00 p.m. to 8:00 a.m., 11:00 p.m. Friday through 5:00 p.m. Sunday.

**Alternative Operator Services
Maximum IntraLata Services Charges**

Service (1) (2)	Maximum Charge
Customer Dialed Calling or Credit Card	\$1.50
Operator Dialed Calling or Credit Card	\$2.50
Station - to - Station Collect	\$2.30
Person - to - Person Collect	\$4.50
Third Party Person - to - Person	\$4.50
Third Party Station - to Station	\$2.30
Person - to - Person	\$4.50
Station - to - Station	\$3.50
Directory Assistance	\$2.00

- (1) An Operator Dialed Surcharge of \$2.00 will be applied to the capability to call, but requests the operator to do so instead. In accordance with A.A.C. R14-2-1005, end users shall be informed of this charge before call completion. This surcharge will not be imposed in cases of equipment failure or where the end user is experiencing a disability.
- (2) A Property Surcharge, Subscriber Surcharge or Location Specific Charge may be added to all operator assisted calls completed from Company subscriber locations. This surcharge will appear on the customer's bill and will be capped at \$1.00 per call; all of this surcharge will be remitted to the aggregator; however, this surcharge will not be collected by the Company if the aggregator is also collecting a surcharge.

Company _____
Docket No. _____
Decision No. _____