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BEFORE THE ARIZONA CORPORATION COM

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COMMISSIONERS

2013 FEB 22 P 4: 33

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF VALLEY TELEPHONE COOPERATIVE, INC., AN ARIZONA CORPORATION, FOR A HEARING TO DETERMINE THE EARNINGS OF THE COMPANY, THE FAIR VALUE OF THE COMPANY FOR RATEMAKING PURPOSES, AND TO INCREASE RESIDENTIAL RATES AS NECESSARY TO COMPENSATE FOR THE RATE IMPACTS OF THE FCC'S USF/ICC TRANSFORMATION ORDER

DOCKET NO. T-01847A -12-0485

NOTICE OF FILING

1 Valley Telephone Cooperative, Inc. hereby files an Affidavit that notice was provided to
2 customers as required by the January 28, 2013, Procedural Order in the above captioned docket.

3 Respectfully submitted on February 22, 2013.

Craig A. Marks

Craig A. Marks
Craig A. Marks, PLC
10645 N. Tatum Blvd., Ste. 200-676
Phoenix, Arizona 85028
(480) 367-1956 (Direct)
(480) 367-1956 (Fax)
Craig.Marks@azbar.org
Attorney for Valley Telephone Cooperative, Inc.

Arizona Corporation Commission

DOCKETED

FEB 22 2013

DOCKETED BY *JM*

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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

IN THE MATTER OF THE APPLICATION OF
VALLEY TELEPHONE COOPERATIVE, INC.,
AN ARIZONA CORPORATION, FOR A
HEARING TO DETERMINE THE EARNINGS
OF THE COMPANY, THE FAIR VALUE OF
THE COMPANY FOR RATEMAKING
PURPOSES, AND TO INCREASE
RESIDENTIAL RATES AS NECESSARY TO
COMPENSATE FOR THE RATE IMPACTS OF
THE FCC'S USF/ICC TRANSFORMATION
ORDER

DOCKET NO. T-01847A -12-0485

AFFIDAVIT OF MAILING

- 1 1. My name is Virgil Barnard.
- 2 2. I am employed by Valley Telephone Cooperative, Inc. ("Valley Telephone") as
- 3 Contracts and Compliance Manager.
- 4 3. My business address is 752 E Maley, Willcox, AZ. 85643 and my business phone
- 5 is 520-384-8932.
- 6 4. The January 28, 2013, Procedural Order in the above-captioned case provided a
- 7 form notice and required Valley Telephone to "mail to each of its customers a copy of the above
- 8 notice no later than February 15, 2013."
- 9 5. The purpose of this affidavit is to document compliance with this requirement of
- 10 the Procedural Order.
- 11 6. I caused to be prepared the customer notice required by the Procedural Order.
- 12 Exhibit A is a copy of the customer notice.

1 7. I prepared a current electronic customer mailing list and provided a copy of the
2 notice and mailing list to Arizona Jet Mail. On February 15, 2013, Arizona Jet Mail caused to be
3 mailed a copy of the customer notice to each customer on the mailing list. Exhibit B is a copy of
4 the Postage Statement provided by the United States Postal Service.

5 8. This completes my affidavit.

6
7 Virgil Barnard
8 Virgil Barnard
9

10
11 STATE OF Arizona)
12) ss.
13 COUNTY of Cochise)

14
15
16 Subscribed and sworn before me on February 20, 2013.

17
18 Name: Nancy Nevins
19
20
21

My Commission expires: _____



Exhibit A

PUBLIC NOTICE OF THE HEARING ON THE
APPLICATION OF VALLEY TELEPHONE
COOPERATIVE FOR A DETERMINATION OF THE
CURRENT FAIR VALUE OF ITS UTILITY PROPERTY
AND FOR AN INCREASE IN ITS RATES AND
CHARGES
(Docket No. T-01847A-12-0485)

On December 4, 2012, Valley Telephone Cooperative ("Cooperative") filed with the Arizona Corporation Commission ("Commission") an application requesting authority to increase residential basic local access line rates from \$13.75 to \$14.00 per month.

On November 18, 2011, the Federal Communications Commission ("FCC") issued a comprehensive new Order. Among other things, the FCC's Order establishes that in order for the Cooperative to continue receiving federal support funds, the Cooperative's local residential monthly service rates must be increased to floor rates of at least \$14.00 as of June 1, 2013. Thereafter, the FCC will determine the floor rate annually. If the Cooperative's rates are not increased to the floor rate, the amount of federal support funds the Cooperative receives will be reduced dollar-for-dollar for each customer by the difference between the existing local rate and the new FCC floor rate.

The Commission's Utilities Division ("Staff") is in the process of analyzing the application, and has not yet made any recommendations regarding the Cooperative's proposed rates. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. The Commission is not bound by the proposals made by the Cooperative, Staff, or any intervenors. Therefore, the final rates approved by the Commission may be higher or lower than the rates requested by the Cooperative.

How You Can View or Obtain a Copy of the Rate Application

Copies of the application and proposed rates are available by contacting Steve Metts, 752 E. Maley Street, Willcox, AZ 85643, at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, 85007, for public inspection during regular business hours, and on the Internet via the Commission's website (www.azcc.gov) using the eDocket function and Docket No. T-01847A-12-0485.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter beginning March 26, 2013, at 1:00 p.m., at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. T-01847A-12-0485 to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007. If you require assistance, you may contact the Consumer Services Section at 602.542.4251 or 1.800.222.7000.

Interested parties may participate in this matter through (1) filing for intervention and becoming a formal party to the proceeding; or (2) through written or oral public comment. Any interested person may file written public comments regarding the Cooperative's application in Docket No. T-01847A-12-0485 at any time.

If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket. However, all documents filed in this docket are available online (usually within 24 hours after docketing) at the Commission's website www.azcc.gov using the e-Docket function, located at the bottom of the website homepage. RSS feeds are also available through e-Docket.

About Intervention

You do not need to intervene if you want to appear at the hearing and provide public comment on the application, or if you want to file written comments in the record of the case.

Any person or entity entitled by law to intervene and having a direct substantial interest in the matter will be permitted to intervene. The granting of intervention entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. **If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center no later than March 8, 2013, and send a copy of the motion to the Cooperative or its counsel and to all parties of record.**

Contact information for the Cooperative and parties of record may be obtained using the Commission's e-Docket Function and Docket No. T-01847A-12-0485. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of the Cooperative, a shareholder of the Cooperative, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to the Cooperative or its counsel and to all parties of record in the case.

The granting of motions to intervene is governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before March 8, 2013. For a sample intervention request form, go to <http://www.azcc.gov/divisions/utilities/FORMS/interven.pdf>. All parties must comply with Arizona Supreme Court Rules 31 and 38 and A.R.S. §40-243 with respect to the practice of law.

If you do intervene, and wish to present direct testimony and associated exhibits at the hearing, you must, on or before March 20, 2013: (1) reduce your direct testimony and associated exhibits to writing, (2) file the original and 13 copies with the Commission's Docket Control Center by 4:00 p.m., and (3) mail a copy to each party.

Americans with Disabilities Act ("ADA")/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request reasonable accommodations such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail sabernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodations.



Digital Television Internet Telephone Bundled Services



Dear Valley Telephone Customer,

We are writing to inform you of upcoming changes to your telephone bill that are being proposed to take effect on June 1, 2013. As we have reported many times in the past, the Federal Universal Service Fund is a program that has been in place for many years that is designed to ensure rural subscribers have access to telecommunications services at rates that are comparable to those provided in urban areas. The fund provides support to rural telecommunications carriers by helping offset the high-cost of providing telecommunications service in rural areas.

As part of a recent reform and modernization of this plan, the Federal Communications Commission has established a minimum residential local service rate that must be charged in order for a telephone company to continue to receive the full amount of federal support funds. This is being done to provide comparability between urban and rural rates. Effective June 1, 2013, the FCC has set this minimum rate at \$14.00 per month. To comply with this decision and to maintain the full level of funding, we must raise the rate for residential local phone service from \$13.75 to \$14.00 by June 1, 2013.

The Arizona Corporation Commission will be holding a public hearing on this request for change in rates on March 26, 2013 at 1:00 p.m. The formal notice is attached and is being mailed to all Valley Telephone customers. This notice provides additional information about the application including the location for this hearing.

We value your business and if you have questions about this, you may contact us at (800) 421-5711.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve D. Metts".

Steve D. Metts
CEO/General Manager

Exhibit B

Company Detail	
Company Name	AJM
Address	3710 E 43RD PL STE 101 TUCSON, AZ 85713-6809
Contact Name	RICK HECOX
Phone Number	(520)571-1329
Profit Indicator	P
PS Form 3607R - Mailing Transaction Receipt	
Account Holder Account Number	1183085
Account Holder Permit Number	541
Account Holder Permit Type	PI
Account Holder CRID	4650090
Post Office of Permit	TUCSON, AZ 85726-9653
Post Office of Mailing	TUCSON, AZ 85726-9653
Post Office of Permit Cost Center	038880-0990
Post Office of Mailing Cost Center	038880-0990
Mailing Agent Name	
Mailing Agent CRID	
Mail Owner Name	
Mail Owner CRID	
JOB ID	MANUAL
Customer Reference ID	
CAPS Transaction Number	N/A
Class of Mail	Standard Mail
Processing Category	Letters
Postage Statement ID	155737487
Mailing Group ID	117590129
Mailer's Mailing Date	02/15/2013
Total Pieces	1,740 pcs.
Weight of a single-piece	0.0320 lbs.
Total Weight	55.6800 lbs.
Total Number of Containers	9
Total Postage (Without Incentive/Fee)	\$ 381.50
Total Incentive/Discount	\$ 0.00
Fee	\$ 0.00
Total Adjusted Postage	\$ 381.50
Payment Date and Time	02/15/2013 15:57
Payment Transaction Number	201304616573503M1
Mailer Figures Adjusted?	No
Person authorizing adjustment	
Name	
Phone Number	
Acceptance Site Mailer ID	
Clerk Initials	AAG
Mail Arrival Date and Time	02/15/2013 15:56

133 457

Valley Telecom-

VTC

United States Postal Service
Postage Statement
Standard Mail

List: 133457 Vally telecom VTC

Post Office: Note Mail Arrival
Date & Time (Do Not Round-Stamp)

Permit Holder Phone (520)-571-1329
Ext

Arizona Jet-Mail Services
3710 E. 43rd Pl., Ste. 101
Tucson AZ 85713

Mailing Agent Phone (520)-571-1329
Ext
Arizona Jet-Mail Services
3710 E. 43rd Pl., Ste. 101
Tucson AZ 85713

Prepared For
Valley Telecom
VTC Letter
PO Box 970
Willcox AZ 85644
WO #133457

CAPS Cust Ref No.

CRID

CRID

CRID

Post Office of Mailing Tucson AZ 85726	Processing Category <input type="checkbox"/> Letters <input type="checkbox"/> Flats <input type="checkbox"/> Marketing Parcels <input type="checkbox"/> Parcels - Machinable <input type="checkbox"/> Parcels - Irregular <input type="checkbox"/> CMM <input type="checkbox"/> Catalogs	Mailer's Mailing Date 02/15/13	Fed Agency Cost Code	Statement Sequence # 133457	Number of Containers 1' MM 3 2' MM 6 2' EMM
Type of Postage <input checked="" type="checkbox"/> Permit <input type="checkbox"/> Precanceled <input type="checkbox"/> Metered	For Mail Enclosed Within Another Class <input type="checkbox"/> Periodicals <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library <input type="checkbox"/> Media <input type="checkbox"/> Parcel Post	Wt of a Single Piece 0.0320 pounds	Combined Mailing <input type="checkbox"/> Mixed Class <input type="checkbox"/> Single Class	Total Pieces 1,740	Tot Trays 9 Flat Trays Sacks Pallets Other
Permit # 541			<input type="checkbox"/> Product Sample % samples	Total Weight 55.6800	
For Auto Price Pcs Enter Date of Address Matching and Coding 2/06/2013	For CR Price Pcs Enter Date of Address Matching and Coding 2/06/2013	For CR Price Pcs Enter Date of Carrier Route Sequencing 2/06/2013	For Pieces Bearing a Simplified Address Enter Date of Del Stat File or Alt. Method		

Move Update Method JASE XNCOALink JACS JAlternate JMultiple JOneCode ACS Jn/a Alt Addr Fmt

Parts Completed (Select all that apply) XJA XJB JC JD JE JF JG JH JL JM JS JNSA

<input type="checkbox"/> Letter-size or flat mailpiece contains DVD/CD or other disk	Subtotal Postage	381.50
Price Affixed: <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither	Postage Affixed	
	Incentive/Discount Flat Dollar Amount -	
	Fee Flat Dollar Amount +	
Permit #	Net Postage Due (Line 1 +/- Lines 2, 3, 4)	381.50

Additional Postage Payment (State reason)

Postmaster: Report Total Postage in AIC 130 (Permit Imprint Only) Total Adjusted Postage Affixed
Postmaster: Report Total Postage in AIC 208 Total Adjusted Postage Permit Imprint
Total Adjusted Postage Simplified Addressing (EDDM)

Incentive/Discount Claimed: Type of Fee:

The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control. The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and that the mailing qualifies for the prices and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment. Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.

Signature of Mailer or Agent Printed Name of Mailer or Agent Signing Form Telephone
Arizona Jet-Mail Services (520)-571-1329
Robert Schrader Ext

Weight of a Single Piece _____ pound	Are postage figures at left adjusted from mailer's entries? If yes, reason: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Total Pieces	Total Weight	Total Postage
Presort Verification Performed? (If required) <input type="checkbox"/> Yes	Date Mlr Notified Contact	
I CERTIFY that this mailing has been inspected for each item below if required: <input type="checkbox"/> No		
(1) eligibility for postage prices claimed;	By (Initials)	Time AM PM
(2) proper preparation (and presort where required);		
(3) proper completion of postage statement;	Print USPS Employee's Name	
(4) payment of annual fee; and		
(5) sufficient funds on deposit (if required)		
USPS Employee's Signature		

Round Stamp (Required)
Payment Date

List: 133457 Vally telecom VTC

Post Office: Note Mail Arrival
Date & Time (Do Not Round-Stamp)

2013 FEB 15 4:08:17

Permit Holder	Phone (520)-571-1329 Ext		
Arizona Jet-Mail Services 3710 E. 43rd Pl., Ste. 101 Tucson AZ 85713	Mailing Agent Phone (520)-571-1329 Ext Arizona Jet-Mail Services 3710 E. 43rd Pl., Ste. 101 Tucson AZ 85713	Prepared For Valley Telecom VTC Letter PO Box 970 Willcox AZ 85644 W0 #133457	
CAPS Cust Ref No.	CRID	CRID	CRID

Post Office of Mailing Tucson AZ 85726	Processing Category <input checked="" type="checkbox"/> Letters <input type="checkbox"/> Flats <input type="checkbox"/> Marketing Parcels <input type="checkbox"/> Parcels - Mailable <input type="checkbox"/> Parcels - Irregular <input type="checkbox"/> CMM <input type="checkbox"/> Catalogs	Mailer's Mailing Date 2/15/13 Wt of a Single Pc 0.0320 pounds	Fed Agency Cost Code	Statement Sequence # 133457	Number of Containers 1' MM 2' MM 9 2' EMM Tot Trays Flat Trays Sacks Pallets Other
Type of Postage <input checked="" type="checkbox"/> Permit <input type="checkbox"/> Precanceled <input type="checkbox"/> Metered	For Mail Enclosed Within Another Class <input type="checkbox"/> Periodicals <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library <input type="checkbox"/> Media <input type="checkbox"/> Parcel Post		Combined Mailing <input type="checkbox"/> Mixed Class <input type="checkbox"/> Single Class	Total Pieces 1,740	Tot Trays 9
Permit # 541	<input type="checkbox"/> Product Sample % samples		Total Weight 55.6800	Other	

For Auto Price Pcs Enter Date of Address Matching and Coding 2/06/2013	For CR Price Pcs Enter Date of Address Matching and Coding 2/06/2013	For CR Price Pcs Enter Date of Carrier Route Sequencing 2/06/2013	For Pieces Bearing a Simplified Address Enter Date of Del Stat File or Alt. Method
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Move Update Method JASE HCOALink JACS Alternate Multiple OneCode ACS n/a Alt Addr Fmt

Parts Completed (Select all that apply) A B C D E F G H J K L M N S A

<input type="checkbox"/> Letter-size or flat mailpiece contains DVD/CD or other disk		1} Subtotal Postage	381.50
Price Affixed: <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither	pcs x \$	= Postage Affixed	
		Incentive/Discount Flat Dollar Amount -	
		Fee Flat Dollar Amount +	
Permit #		Net Postage Due (Line 1 +/- Lines 2, 3, 4)	381.50

Additional Postage Payment (State reason)

Postmaster: Report Total Postage in AIC 130 (Permit Imprint Only) Total Adjusted Postage Permit Imprint

Postmaster: Report Total Postage in AIC 208 Total Adjusted Postage Simplified Addressing (EDDM)

Incentive/Discount Claimed: _____ Type of Fee: _____

The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control. The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and that the mailing qualifies for the prices and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment. Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.

Signature of Mailer or Agent	Printed Name of Mailer or Agent Signing Form Arizona Jet-Mail Services Robert Schrader	Telephone (520)-571-1329 Ext
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Weight of a Single Piece _____ pound	Are postage figures at left adjusted from mailer's entries? If yes, reason: <input type="checkbox"/> Yes <input type="checkbox"/> No
Total Pieces _____ Total Weight _____ Total Postage _____	
Presort Verification Performed? (If required) <input type="checkbox"/> Yes <input type="checkbox"/> No	
I CERTIFY that this mailing has been inspected for each item below if required: <input type="checkbox"/> No	
(1) eligibility for postage prices claimed;	Date Mlr Notified _____ Contact _____
(2) proper preparation (and presort where required);	By (Initials) _____ Time _____ AM _____ PM
(3) proper completion of postage statement;	
(4) payment of annual fee; and	
(5) sufficient funds on deposit (if required)	
USPS Employee's Signature _____	Print USPS Employee's Name _____

