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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
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**COMMISSIONERS**

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

IN THE MATTER OF THE APPLICATION OF SOUTH CENTRAL UTAH TELEPHONE ASSOCIATION, INC., A UTAH NON-PROFIT 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-01923A-13-0229

STAFF'S NOTICE OF FILING SUMMARY OF TESTIMONY OF PAMELA GENUNG

Staff of the Arizona Corporation Commission ("Staff") hereby files the Summary of Testimony of Pamela Genung in the above docket.

RESPECTFULLY SUBMITTED this 3<sup>rd</sup> day of October 2013.

Arizona Corporation Commission

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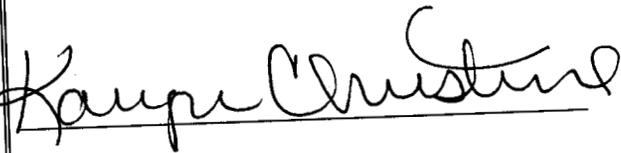
Maureen A. Scott  
 Senior Staff Counsel, Legal Division  
 Arizona Corporation Commission  
 1200 West Washington Street  
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 (602) 542-3402

Original and thirteen (13) copies of the foregoing filed this 3<sup>rd</sup> day of October 2013 with:

Docket Control  
 Arizona Corporation Commission  
 1200 West Washington Street  
 Phoenix, Arizona 85007

1 Copy of the foregoing mailed this  
3<sup>rd</sup> day of October 2013 to:

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**TESTIMONY SUMMARY OF PAMELA GENUNG  
SOUTH CENTRAL UTAH TELEPHONE ASSOCIATION INC.  
DBA SOUTH CENTRAL COMMUNICATIONS  
DOCKET NO. T-01923A-13-0229**

On July 1, 2013, South Central Utah Telephone Association, Inc., dba South Central Communications ("SCC" or "Applicant") filed an Application for a determination of its earnings and the fair value of its investment and requested that its residential rates be increased as necessary to compensate for the rate impacts of the Federal Communication Commission's ("FCC's") November 18, 2011, USF/ICC Transformation Order ("USF/ICC Order") pursuant to Arizona Revised Statute ("A.R.S.") § 40-250 and the Arizona Corporation Commission's ("Commission") rules, Arizona Administrative Code ("A.A.C.") R14-2-103.

Staff recommends that the SCC monthly residential local exchange rate increase from the residential local service rate, of \$11.00 to \$14.00 for customers in SCC's Colorado City base rate area, and from \$13.18 to \$14.00 for customers in SCC's Fredonia base rate area, beginning December 1, 2013, to address the impact of the FCC's USF/ICC Order. Staff believes the proposed increase is just, fair and reasonable for the following reasons:

- The increase is necessitated by the FCC's November 18, 2011 USF/ICC Order;
- The increase is necessary to preserve the entirety of the Federal Universal Service Fund ("FUSF") funds that may flow to SCC pursuant to the FCC's rules;
- The increase will minimize/reduce the amount of future rate increase; and
- The increase will allow the Applicant to receive matching funds from the FUSF.