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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

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

2014 JAN 15 P 3:14  
 AZ CORP COMMISSION  
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ORIGINAL

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 RESIDENTAL RATES AS NECESSARY TO COMPENSATE FOR THE RATE IMPACTS OF THE FCC'S USF/ICC TRANSFORMATION ORDER.

DOCKET NO. T-01923A-13-0428

Arizona Corporation Commission

DOCKETED

JAN 15 2014

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PROCEDURAL ORDER

BY THE COMMISSION:

On December 9, 2013, South Central Utah Telephone Association, Inc. ("SCC") filed with the Arizona Corporation Commission ("Commission") pursuant to A.R.S. §40-250 and Arizona Administrative Code ("A.A.C.") R14-2-103 for a determination of its earnings and the fair value of its investment ("Rate Application"). SCC requested that its residential rates be increased as necessary to compensate for the rate impacts of the Federal Communication Commission's ("FCC") November 18, 2011, USF/ICC Transformation Order ("USF/ICC Order"). SCC states that it depends on federal high-cost loop support mechanisms, and that to retain this federal support, it must increase local area rates to the annual floor as determined by the FCC. At the time of filing the Rate Application, SCC did not know what the 2014 floor would be, and expected the rate to be announced in early 2014, to be effective June 1, 2014. Because of the short period of time to adjust SCC's rates to avoid the loss of federal support, which SCC alleged would be detrimental to ratepayers, SCC requested that the Commission approve a local residential rate increase of up to \$19.00. SCC did not file all of the schedules required for a typical rate case under A.C.C. R14-2-103, and requested a waiver of any provisions of this rule not required by the Arizona Constitution and laws.

On December 16, 2013, SCC filed a Notice of Errata.

1 On December 17, 2013, SCC filed a Time Clock Waiver in order to allow for additional time  
2 to determine the best way to process the application.

3 In a Special Open Meeting on January 14, 2014, the Commission agreed to the Commission's  
4 Utilities Division ("Staff") proposal not to require all of the schedules normally required under  
5 A.A.C. R14-2-103 for rate applications in this matter because of the short time frame when new rates  
6 must be in effect. The Commission had utilized a similar procedure after the USF/ICC Order was first  
7 issued and required an increase in local area rates.

8 Given the short time frame for processing the Rate Application, it is necessary to establish an  
9 expedited process for this matter.

10 IT IS THEREFORE ORDERED that a **Telephonic Procedural Conference** for the purpose  
11 of setting the matter for hearing and establishing the procedures, including notice, that will govern  
12 this proceeding shall commence on **January 22, 2014, at 10:00 a.m.**, or as soon thereafter as  
13 practical at the Commission's Tucson offices, **Room 222, 400 W. Congress, Tucson, AZ 85750.**  
14 Parties may call-in on the following number: **1-888-450-5996, Code 457395.**

15 IT IS FURTHER ORDERED that in the interest of judicial efficiency and economy, the  
16 Procedural Conference in this matter will be held concurrently with Procedural Conferences being set  
17 for similar requests made by Arizona Telephone Company (Docket No. T-02063A-13-0411), Table  
18 Top Telephone Company (Docket No. T-02724A-13-0416), Southwestern Telephone Company  
19 (Docket No. T-01072A-13-0412), Copper Valley Telephone, Inc. (Docket No. T-02727A-13-0458)  
20 and Valley Telephone Cooperative, Inc. (Docket No. T-01847A-13-0457).

21 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,  
22 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
23 hearing.

24 DATED this 15<sup>th</sup> day of January, 2014.

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26   
27 JANE L. RODDA  
28 ADMINISTRATIVE LAW JUDGE

1 Copies of the foregoing mailed/delivered  
2 this 15<sup>th</sup> day of January, 2014, to:

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