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BEFORE THE ARIZONA CORPORATION

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COMMISSIONERS

BOB STUMP - CHAIRMAN  
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2014 MAR 24 P 2:42  
ARIZONA CORP COMMISSION  
DOCKET CONTROL

ORIGINAL

IN THE MATTER OF THE APPLICATION OF  
COPPER VALLEY TELEPHONE, 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-02727A-13-0458

STAFF'S NOTICE OF FILING  
TESTIMONY SUMMARY OF PAMELA  
GENUNG

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

RESPECTFULLY SUBMITTED this 24<sup>th</sup> day of March, 2014.

Charles H. Hains, Attorney  
Maureen Scott, Senior Staff Counsel  
Attorneys, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Original and thirteen (13) copies of  
the foregoing filed this 24<sup>th</sup> day of  
March, 2014, with:

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

Arizona Corporation Commission

DOCKETED

MAR 24 2014

DOCKETED BY

1 Copy of the foregoing emailed/mailed  
2 this 24<sup>th</sup> day of March, 2014, to:

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7 [Craig.Marks@azbar.org](mailto:Craig.Marks@azbar.org)  
8 Attorney for Copper Valley Telephone, Inc.

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**EXECUTIVE SUMMARY OF PAMELA GENUNG  
COPPER VALLEY TELEPHONE, INC.  
DOCKET NO. T-02727A-13-0458**

On December 19, 2013, Copper Valley Telephone, Inc. ("Copper Valley Telephone" 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.

Staff recommends that the Copper Valley Telephone monthly residential local exchange rate increase from \$14.00 to the lesser of \$19.00 or the 2014 local service rate floor established by the FCC. Staff further recommends that the rate increase become effective on the rate floor compliance date, as determined by the FCC. 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 Copper Valley Telephone pursuant to the FCC's rules;
- The increase will minimize/reduce the amount of future rate increases; and
- The increase will allow the Applicant to receive matching funds from the FUSF.

Staff further recommends that any future rate increase applications filed by Copper Valley Telephone be processed per full A.A.C. R14-2-103 requirements, not streamlined.