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COMMISSIONERS

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

RECEIVED

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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-13-0457

PROOF OF MAILING

Valley Telephone Cooperative, Inc. hereby files proof that it provided the customer notice required by Decision No. 74773 in the above-captioned docket.

Respectfully submitted on November 26, 2014.

Arizona Corporation Commission  
DOCKETED

NOV 26 2014

DOCKETED BY  
*nr*

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

Original and 13 copies filed on November 26, 2014, with:

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

Copies e-mailed on November 26, 2014 to:

Maureen Scott/Charles Hains  
Legal Division  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, AZ 85007  
[MScott@azcc.gov](mailto:MScott@azcc.gov)  
[Chains@azcc.gov](mailto:Chains@azcc.gov)

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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

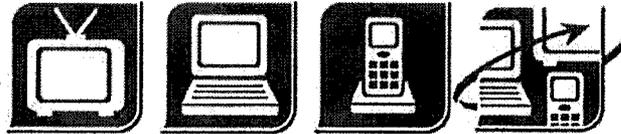
DOCKET NO. T-01847A-13-0457

**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 October 24, 2014, Decision in the above-captioned case required Valley
- 7 Telephone to "notify its affected customers of the rates approved herein and their
- 8 implementation dates in a form approved by Staff either as an insert in its next regular bill, or as
- 9 a separate mailing to be completed within thirty (30) days of the effective date of this Decision."
- 10          5.     The purpose of this affidavit is to document compliance with this requirement of
- 11 the Decision.
- 12          6.     I caused to be prepared the customer notice required by the Decision. Exhibit A
- 13 is a copy of the customer notice.



## **Exhibit A**



Dear Valley Telephone Cooperative Residential Customer,

In February we sent you a letter explaining that local rates would have to rise this year to comply with Federal Communication Commission's (FCC's) USF Order. The Order requires that local exchange carriers charge a minimum amount for basic telephone service in order to remain eligible to receive the full amount of Universal Service Funds (USF). At that time, we advised that the rate could go up to as much as \$19.00 depending on the ultimate decision by the FCC.

The FCC decided that this rate needed to be \$16.00 by December 1. As a result, we included a bill insert in your November bill to notify you of the intended rate changes. On October 24, 2014, the Arizona Corporation Commission issued Decision No. 74773, which authorized the rate increase to \$16.00 and also required us to send you the following additional notice:

**Customers of Valley Telephone Cooperative, Inc**  
**Notice of Rate Increase**  
**Docket No. T-01847A-13-0457**

On October 24, 2014, the Commission issued Decision No. 74773. This Decision authorized Valley Telephone Cooperative, Inc. ("Cooperative") to increase the Cooperative's rates for residential local exchange service from the current tariffed rate of \$14.00 to \$16.00 effective December 1, 2014. The new \$16.00 rate is the first of three step increases authorized by the Commission pursuant to a June 10 2014 Federal Communications Commission ("FCC") Order. The FCC Order established a residential local service rate floor of \$20.00 but provides for a phase-in of the rate floor in three steps. There will be another step increase to \$18.00 (or the new rate floor established by the FCC if lower) effective June 1, 2016. The final step increase will become effective June 1, 2017, and will be set at the lower of \$20.00 or the FCC's new residential local service rate floor. The FCC requires the Cooperative to implement these residential local service rate increases or the Cooperative will lose Federal Universal Service Funding on a dollar for dollar basis to the extent that its rates are below the FCC's rate floors. The purpose of Federal Universal Service Funding is to keep local service rates affordable.

If you have any questions, please contact the Cooperative at 800-421-5711.

Thank you for being a loyal customer, and please let us know if you have any questions.

Sincerely,

Steven D. Metts  
CEO/General Manager  
Valley TeleCom Group

## **Exhibit B**

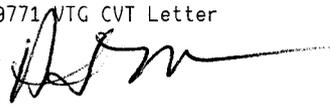
139771  
Valley  
Tele Com  
CVT

<b>Company Detail</b>	
Company Name	ARIZONA JET-MAIL F - TUCSON
Address	3710 E 43RD PL STE 101 TUCSON, 85713-6809
Contact Name	RICK HECOX
Phone Number	(520)571-1329
Profit Indicator	P
<b>PS Form 3607R - Mailing Transaction Receipt</b>	
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	ARIZONA JET-MAIL F - TUCSON
Mailing Agent CRID	4650090
Mail Owner Name	
Mail Owner CRID	
JOB ID	
Customer Reference ID	
CAPS Transaction Number	N/A
Class of Mail	Standard Mail
Processing Category	Letters
Postage Statement ID	200238172
Mailing Group ID	142178611
Mailer's Mailing Date	11/18/2014
Total Pieces	2,064 pcs.
Weight of a single-piece	0.0250 lbs.
Total Weight	51.6000 lbs.
Total Number of Containers	11
Total Adjusted Postage	\$ 531.06
Payment Date and Time	11/18/2014 16:34
Payment Transaction Number	201432217340371M1
Mailer Figures Adjusted?	No
Person authorizing adjustment	
Name	
Phone Number	
Acceptance Site Mailer ID	
Clerk Initials	VAF
Mail Arrival Date and Time	11/18/2014 16:32

List: 139771 VTG CVT Letter

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

Permit Holder Phone (520)-571-1329  
Ext



M Arizona Jet Mail  
A 3710 E 43rd Pl Ste 101  
I Tucson AZ 85713  
L  
R

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

Mail Owner  
Valley Telecom  
CVT LETTER  
PO Box 970  
Willcox AZ 85644  
WO #139771

CAPS Cust Ref No.  
CRID 4650090

CRID 4650090

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 - Machinable <input type="checkbox"/> Parcels - Irregular <input type="checkbox"/> CMM <input type="checkbox"/> Catalogs	Mailing Date	FACC	Statement Sequence # 139771	Number of Containers 1' MM 7 2' MM 4 2' EMM Tot Trays 11 Flat Trays Sacks Pallets Other
Type of Postage <input checked="" type="checkbox"/> Permit <input type="checkbox"/> Precanceled <input type="checkbox"/> Metered	Wt of a Single Pc 0.0250 pounds	Combined Mailing <input type="checkbox"/> Mixed Class <input type="checkbox"/> Single Class	SSF Trans #	Total Pieces 2,064	
Permit # 541	For Mail Enclosed Within Another Class <input type="checkbox"/> Periodicals <input type="checkbox"/> Bound Printed Matter <input type="checkbox"/> Library Mail <input type="checkbox"/> Media Mail	<input type="checkbox"/> Product Sample % samples		Total Weight 51.6000	

For Auto Price Pcs Enter Date of Address Matching and Coding 11/17/2014	For CR Price Pcs Enter Date of Address Matching and Coding 11/17/2014	For CR Price Pcs Enter Date of Carrier Route Sequencing 11/17/2014	For Pieces Bearing a Simplified Address Enter Date of Del Stat File or Alt. Method
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Move Update Method  JASE  XINCOALink  JACS  JAlternative  JMultiple  JOneCode ACS  Jn/a Alt Addr Fmt

Political Mailing Yes  No  Official Election Mail Yes  No   Letter or flat contains DVD/CD or other disk

P Parts Completed (Select all that apply)  A  B  C  D  E  F  G  H  I  J  K  L  M  N  O  P  Q  R  S  T  U  V  W  X  Y  Z

Subtotal Postage	531.06
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 +	
Net Postage Due (Line 1 +/- Lines 2, 3, 4)	531.06

Additional Postage Payment (State reason)	Total Adjusted Postage Affixed
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 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](http://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	Round Stamp (Required) Payment Date  Date Mlr Notified Contact  By (Initials) Time AM PM  Print USPS Employee's Name
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 <input type="checkbox"/> Yes <input type="checkbox"/> No for each item below if required:	
(1) eligibility for postage prices claimed;	
(2) proper preparation (and presort where required);	
(3) proper completion of postage statement;	
(4) payment of annual fee; and	
(5) sufficient funds on deposit (if required)	
USPS Employee's Signature	