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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - Chairman
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

Arizona Corporation Commission
DOCKETED

OCT 27 2015

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IN THE MATTER OF THE APPLICATION OF
MIDVALE TELEPHONE COMPANY, INC. FOR
APPROVAL OF AN EXTENSION OF ITS
CERTIFICATE OF CONVENIENCE AND
NECESSITY TO SERVE AN ADDITIONAL AREA
IN YAVAPAI COUNTY.

DOCKET NO. T-20741A-15-0136

DECISION NO. 75311

OPINION AND ORDER

DATE OF HEARING:	September 1, 2015
PLACE OF HEARING:	Phoenix, Arizona
ADMINISTRATIVE LAW JUDGE:	Sasha Paternoster
APPEARANCES:	Mr. Timothy J. Sabo, SNELL & WILMER, L.L.P., on behalf of the Applicant; and Ms. Maureen Scott, Staff Attorney, Legal Division, on behalf of the Utilities Division of the Arizona Corporation Commission.

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. On April 24, 2015, Midvale Telephone Company, Inc. ("Midvale") filed with the Commission, an application requesting that the Commission approve an extension of its Certificate of Convenience and Necessity ("CC&N") to provide telecommunications services in Yavapai County.

2. On May 26, 2015, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter stating that Midvale's amended application for an extension of its CC&N had met the sufficiency requirements as outlined in the Arizona Administrative Code ("A.A.C.").

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1 3. On June 4, 2015, Staff filed a Corrected Sufficiency Letter removing the word
2 “amended” application from the Sufficiency Letter.

3 4. On June 8, 2015, by Procedural Order, Midvale was directed to docket a filing to
4 clarify the types of services Midvale intends to provide if the Commission grants its application for
5 an extension of its CC&N.

6 5. On June 9, 2015, Midvale docketed a Response to Procedural Order, stating Midvale
7 proposes to provide facilities-based local exchange service and toll access service in the extension
8 area.

9 6. On June 15, 2015, by Procedural Order, the hearing in this matter was set for
10 September 1, 2015, and other procedural deadlines were established.

11 7. On July 22, 2015, Midvale filed its Responses to Staff’s First Set of Data Requests.

12 8. On July 28, 2015, Midvale docketed a Notice of Filing Affidavit of Publication,
13 showing publication of the application and hearing date had been published in *The Daily Courier*, a
14 daily newspaper published in Yavapai County, Arizona on July 8, 2015.

15 9. On August 4, 2015, Staff filed a Staff Report recommending approval of Midvale’s
16 application, subject to certain conditions.

17 10. No intervention requests were filed.

18 11. On August 21, 2015, a Notice to the Parties was filed by the Administrative Law
19 Judge (“ALJ”) assigned to this matter.

20 12. On September 1, 2015, a full public hearing was convened before a duly authorized
21 ALJ of the Commission at its offices in Phoenix, Arizona. Midvale and Staff appeared through
22 counsel and presented evidence and testimony.

23 13. Midvale is an Idaho corporation engaged in the provision of telecommunications
24 services and authorized to conduct business in Arizona. (Ex. A-1 at 1.)

25 14. Pursuant to a CC&N initially granted by the Commission in Decision No. 58048
26 (October 29, 1992), and subsequently amended, Midvale is an incumbent local exchange carrier
27 providing local exchange and toll access services in a service area that includes five exchanges:
28 Cascabel, Young, Silver Bell, Granite Mountain, and Mill Site. Midvale currently serves

1 approximately 1,175 rural residential customers and 99 rural business customers. (Ex. S-1 at 1.)

2 15. The legal description of the proposed extension area is Sections 8 and 17, Township
3 13 North, Range 3 East, Gila & Salt River and Meridian, Yavapai County, Arizona.

4 16. Midvale has received a request for service from Waste Management of Arizona
5 (“Waste Management”), which occupies the only private land within the proposed extension area.
6 The remaining extension area is Forest Service land which Midvale included so that the extension
7 request is comprised of full sections. (Ex. A-1 at 3.)

8 17. Midvale will provide services to the proposed extension area by extending a fiber
9 optic cable approximately 7.2 miles from Midvale’s existing Mill Site exchange. (Tr. at 8, 12.)

10 18. Waste Management is soliciting bids from contractors and will incur the cost of the
11 joint trench that will be laid with a power cable from Arizona Public Service along with Midvale’s
12 fiber optic cable. (Tr. at 8.) The contractor will construct the duct and pull boxes for fiber optic
13 cable per Midvale’s specifications. Waste Management has obtained all required clearances from
14 Arizona Department of Transportation and the Prescott National Forest. Waste Management
15 anticipates awarding the contractor bid by October 7, 2015, with construction to begin by November
16 1, 2015, and completion in 2016. (Ex. S-1 at 1-2.)

17 19. Midvale will incur the cost of the fiber optic cable installed in the joint trench. Once
18 the project is completed, Midvale will install the fiber optic cable in the duct and perform any other
19 work required to provide service, which it believes will take less than a month to finish. (Ex. S-1 at
20 2.)

21 20. According to Midvale, its current Mill Site exchange switch and central office has
22 adequate switching capacity and the fiber electronics to extend to the proposed extension area, and
23 therefore no additional facilities will be required. Additionally, Midvale believes its plant
24 maintenance and customer service will not be impacted by the extension project. (Ex. S-1 at 2.)

25 21. Midvale states it has no current customers in the proposed extension area and that
26 Waste Management is the only prospective customer for the area. As a result, the projected number
27 of customers in the extension area for each of the first five years is one. (Ex. A-1 at 4.)

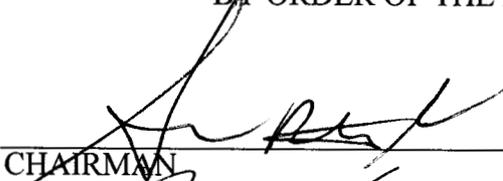
28 ...

1 Control, as a compliance item in this docket, an updated service map showing the extension area
2 approved herein.

3 IT IS FURTHER ORDERED that Midvale Telephone Company, Inc. shall charge in the
4 extension area those rates and charges set forth in Midvale Telephone Company, Inc.'s existing
5 tariffs on file with the Commission for the Mill Site exchange.

6 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

7 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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CHAIRMAN



COMMISSIONER

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COMMISSIONER



COMMISSIONER



COMMISSIONER

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14 IN WITNESS WHEREOF, I, JODI JERICH, Executive
15 Director of the Arizona Corporation Commission, have
16 hereunto set my hand and caused the official seal of the
17 Commission to be affixed at the Capitol, in the City of Phoenix,
18 this 27th day of October 2015.



JODI JERICH
EXECUTIVE DIRECTOR

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20 DISSENT _____

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22 DISSENT _____
23 SP:ru(tv)

1 SERVICE LIST FOR: MIDVALE TELEPHONE COMPANY, INC.

2 DOCKET NO.: T-20741A-15-0136

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YAVAPAI COUNTY

DOCKET NO. T-20741A-15-0136

EXHIBIT A
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Midvale Telephone Exchange, Inc.
Docket No. T-20741A-15-0136
(Application for CC&N Extension)

05	04	03	02	01
06 Midvale (15-0136)	09	10	11	12
17 Midvale (15-0136)	16	15	14	13
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32	33	34	35	36



Prepared by:
Arizona Corporation Commission
Utilities Division
Engineering Section/GIS Mapping
602-542-4251

DECISION NO. 75311

EXHIBIT A
(Page 2 of 2)

Midvale Telephone Company, Inc.
Application to Extend CC&N

LEGAL DESCRIPTION

Sections 8 and 17, Township 13 North, Range 3 East, Gila & Salt River Base and Meridian,
Yavapai County, Arizona.