

ORIGINAL



0000179422

BEFORE THE ARIZONA CORPORATION COMMISSION ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

2017 MAY -2 P 2:17

TOM FORESE – Chairman  
BOB BURNS  
DOUG LITTLE  
ANDY TOBIN  
BOYD W. DUNN

MAY 2 2017

DOCKETED BY  
*CB*

IN THE MATTER OF THE APPLICATION OF  
TABLE TOP TELEPHONE COMPANY, INC., A  
NEVADA 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-02724A-13-0416

IN THE MATTER OF THE APPLICATION OF  
TABLE TOP TELEPHONE COMPANY, INC., A  
NEVADA 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-02724A-17-0034

**PROCEDURAL ORDER**  
**(Grants Consolidation and Schedules a  
Hearing)**

**BY THE COMMISSION:**

On February 3, 2017, Table Top Telephone Company, Inc. ("Table Top") filed an application 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"). Table Top 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"). Table Top states that it depends on federal high-cost loop support mechanisms, and that to retain federal support it must increase local area rates to the annual floor as determined by the FCC. Table Top's application also requests an increase in its basic residential rate from \$18.00 per month to \$20.00 per month, effective June 1, 2017. Table Top did not file all of the schedules required for a typical rate case under A.A.C.

1 R14-2-103, and requested a waiver of any provisions of this rule not required by the Arizona  
2 Constitution and applicable laws. Table Top also requests that the processing of its application receive  
3 expedited treatment.

4 On February 10, 2017, a Procedural Order was issued regarding consent to email service.

5 On February 14, 2017, a Procedural Order was issued scheduling a procedural conference for  
6 February 28, 2017.

7 On February 15, 2017, Table Top filed a Consent to Email Service.

8 On that same date, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter  
9 classifying Table Top as a Class C utility.

10 On February 24, 2017, a Procedural Order approving Table Top's consent to email service was  
11 issued.

12 On February 28, 2017, a procedural conference was held as scheduled. Discussion was held  
13 regarding a compliance item issued in Decision No. 74830, which required the Company to file a full  
14 rate case. Staff and the Company agreed that the Company would file a request with the Commission  
15 pursuant to A.R.S. §40-252 to amend Decision No. 74830.<sup>1</sup> Further, the timeclock in this matter was  
16 suspended pending further action by the Commission.

17 On April 13, 2017, Table Top filed a Motion to Consolidate ("Motion"). The Motion requests  
18 consolidation of Docket Nos. T-02724A-17-0034 and T-02724A-13-0416, to accommodate the  
19 Company's request to amend Decision No. 74830 to remove the requirement for the Company to file  
20 a full rate case to justify an increase in rates from \$18 to \$20.

21 On the same date, the Company filed a Form of Notice to be provided to customers setting a  
22 hearing in this matter.

23 No objections have been filed regarding the Company's Motion to Consolidate the above-  
24 captioned dockets. It is reasonable to consolidate the dockets and to set this matter for hearing.

25  
26  
27 <sup>1</sup> Decision No. 74830 (November 13, 2014) was issued in Docket No. T-02724A-13-0416. On March 1, 2017, in Docket  
28 No. T-02724A-13-0416 Table Top filed a Motion to Amend Decision No. 74830 *Nunc Pro Tunc*. Subsequently, on March  
28, 2017, Table Top filed a Petition to Amend Decision No. 74830 pursuant to A.R.S. §40-252. No action was taken by  
the Commission on the Company's Petition to Amend Decision No. 74830 pursuant to A.R.S. §40-252.

1 IT IS THEREFORE ORDERED that **Docket Nos. T-02724A-13-0416 and T-02724A-17-0034**  
 2 **are hereby consolidated.**

3 IT IS FURTHER ORDERED that the **hearing** in this matter shall commence on **May 24, 2017,**  
 4 **at 10:00 a.m.**, or as soon thereafter as is practicable, at the Commission's offices, 1200 West  
 5 Washington, Phoenix, Arizona 85007.

6 IT IS FURTHER ORDERED that **Table Top shall publish by May 10, 2017, notice of the**  
 7 **application and hearing date** in a newspaper of general circulation in the affected service area, in the  
 8 following form and style, and with a heading in no less than 10-point bold type and the body in no less  
 9 than 8-point regular type:

10 **PUBLIC NOTICE OF HEARING IN THE MATTER OF THE APPLICATION**  
 11 **OF TABLE TOP TELEPHONE COMPANY, INC., FOR APPROVAL OF A**  
 12 **RATE INCREASE FOR RESIDENTIAL TELEPHONE SERVICE.**  
**DOCKET NOS. T-02724A-13-0416 AND T-02724A-17-0034**

13 **Summary**

14 On November 13, 2014, the Arizona Corporation Commission ("Commission") issued  
 15 Decision No. 74830 (in Docket No. T-02724A-13-0416), authorizing Table Top  
 16 Telephone Company, Inc. ("Table Top" or "Company") to increase its rate for  
 residential local exchange service to \$18, effective June 1, 2016. Decision No. 74830  
 also required Table Top to file a full rate case.

17 On February 3, 2017, Table Top filed an application with the Commission in Docket  
 18 No. T-02724A-17-0034 for an expedited rate increase in its residential rates from its  
 19 current \$18 per month to \$20 per month, effective June 1, 2017. Table Top's application  
 20 requests that its residential rates be increased to compensate for the rate impacts of the  
 21 Federal Communication Commission's ("FCC") November 18, 2011, USF/ICC  
 Transformation Order. Table Top's application states that the Company depends on  
 22 federal high-cost loop support mechanisms, and that to retain federal support it must  
 increase local area rates to the annual floor as determined by the FCC. The Company  
 alleges that reductions in federal support have caused Table Top's 2017 projected net  
 23 income to be negative even without the increase to \$20, and to 0.30 percent with the  
 increase.

24 On May 2, 2017, the Commission granted Table Top's motion to consolidate Docket  
 Nos. T-02724A-13-0416 and T-02724A-17-0034.

25 The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing  
 26 Table Top's application and has not yet made any recommendations regarding Table  
 27 Top's proposed rate increase. **The Commission is not bound by the proposals made**  
**by Table Top, Staff, or any intervenors; therefore, the final rates approved may be**  
 28 **higher or lower than the rates requested by Table Top or recommended by other**

1 **parties.** The Commission will issue a Decision regarding the application following  
 2 consideration of testimony and evidence presented at an evidentiary hearing.

3 **How You Can View or Obtain a Copy of the Application**

4 Copies of the application and proposed rates are available by contacting Lisa Rossi at  
 5 Table Top's offices at **600 N. Second Ave., Ajo, AZ 85321**; by **calling the Company**  
 6 **toll free at 800-560-8101**; at the Commission's Docket Control Center at 1200 West  
 7 Washington, Phoenix, Arizona, for public inspection during regular business hours; and  
 8 on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

9 **Arizona Corporation Commission Public Hearing Information**

10 The Commission will hold a hearing on the application on **May 24, 2017, at 10:00 a.m.**,  
 11 at the Commission's offices, in Hearing Room No. 1, 1200 West Washington, Phoenix,  
 12 Arizona. Public comments will be taken **on the first day** of the hearing.

13 Written public comments may be submitted by mailing a letter referencing Docket Nos.  
 14 **T-02724A-13-0416 and T-02724A-17-0034** to the Arizona Corporation Commission,  
 15 Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by  
 16 submitting comments on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Submit  
 17 a Public Comment for a Utility" function. If you require assistance, you may contact  
 18 the Consumer Services Section at 602-542-4251 or 1-800-222-7000 (outside the metro  
 19 Phoenix area).

20 **About Intervention**

21 The law provides for an open public hearing at which, under appropriate circumstances,  
 22 interested parties may intervene. Any interested person may be granted intervention if  
 23 the outcome of the case will directly and substantially impact the person, and the  
 24 person's intervention will not unduly broaden the issues in the case. Intervention,  
 25 among other things, entitles a party to present sworn evidence at hearing and to cross-  
 26 examine other parties' witnesses. However, failure to intervene will not preclude any  
 27 interested person or entity from appearing at the hearing and providing public comment  
 28 on the application or from filing written comments in the record of the case.

To request intervention, you must file an **original and 13 hard copies** of a written  
 request to intervene with Docket Control, 1200 West Washington, Phoenix, AZ 85007,  
**no later than May 17, 2017.** You also **must** serve a copy of the request to intervene  
 on each party of record, on the same day that you file the request to intervene with the  
 Commission. Information about intervention and sample intervention requests are  
 available on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Intervention in  
 Utility Cases" link.

Your request to intervene must contain the following:

1. Your name, address, and telephone number and the name, address,  
and telephone number of any party upon whom service of documents  
is to be made, if not yourself;
2. A reference to **Docket Nos. T-02724-13-0416 and T-02724A-17-  
0034**;

- 1 3. A short statement explaining:
  - 2 a. Your interest in the proceeding (e.g., a customer of the Company,  
3 etc.)
  - 4 b. How you will be directly and substantially affected by the  
5 outcome of the case; and
  - 6 c. Why your intervention will not unduly broaden the issues in the  
7 case;
- 8 4. A statement certifying that you have served a copy of the request to  
9 intervene on the utility or its attorney and all other parties of record  
10 in the case; and
- 11 5. If you are not represented by an attorney who is an active member of  
12 the Arizona State Bar, and you are not representing yourself as an  
13 individual, sufficient information and any appropriate  
14 documentation to demonstrate compliance with Arizona Supreme  
15 Court Rules 31, 38, 39, and 42, as applicable.

16 The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except  
17 that all motions to intervene must be filed on or before **May 17, 2017**. If representation  
18 by counsel is required by Arizona Supreme Court Rule 31, intervention will be  
19 conditioned upon the intervenor obtaining counsel to represent the intervenor.

20 **ADA/Equal Access Information**

21 The Commission does not discriminate on the basis of disability in admission to its  
22 public meetings. Persons with a disability may request a reasonable accommodation  
23 such as a sign language interpreter, as well as request this document in an alternative  
24 format, by contacting the ADA Coordinator Shaylin Bernal, E-mail [Sbernal@azcc.gov](mailto:Sbernal@azcc.gov),  
25 voice phone number 602-542-3931. Requests should be made as early as possible to  
26 allow time to arrange the accommodation.

27 IT IS FURTHER ORDERED that **Table Top shall send by May 10, 2017, via First Class**  
28 **U.S. Mail, a copy of the above notice to each of its customers** in the affected area.

IT IS FURTHER ORDERED that **Table Top shall file certification of publication/ mailing** as  
soon as practicable after publication/ mailing has been completed, but not later than **4:00 p.m. on May**  
**22, 2017**.

IT IS FURTHER ORDERED that the **Staff Report** in this matter shall be filed on or before  
**May 15, 2017**,

IT IS FURTHER ORDERED that any specific disagreements/comments to the Staff Report or  
Table Top's application shall be reduced to writing and filed on or before **4:00 p.m. on May 22, 2017**.

IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
except that all motions to intervene must be filed on or before **May 17, 2017**.

IT IS FURTHER ORDERED that **objections to any Motions to Intervene** shall be filed on or  
before **May 22, 2017**.

1 IT IS FURTHER ORDERED that the timeclock in this matter remains suspended.

2 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
3 Communications) applies to this proceeding as the matter is now set for public hearing, and shall remain  
4 in effect until the Commission's Decision in this matter is final and non-appealable.

5 IT IS FURTHER ORDERED that each party or prospective party shall **refer to the Procedural**  
6 **Order Regarding Consent to Email Service** issued in this matter on **February 10, 2017**, for  
7 additional information regarding the process to consent to service by email. Information regarding  
8 Consent to Email Service is also available on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) by clicking  
9 on "Email Service Consent."

10 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules  
11 31, 38, 39, and 42 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

12 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized  
13 Communications) applies to this proceeding and shall remain in effect until the Commission's Decision  
14 in this matter is final and non-appealable.

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

18 DATED this 2<sup>nd</sup> day of May, 2017.

19  
20   
21 YVETTE B. KINSEY  
22 ADMINISTRATIVE LAW JUDGE

23  
24  
25  
26  
27  
28


1 On this 2<sup>nd</sup> day of May, 2017, the foregoing document was filed with Docket Control as a Procedural  
2 Order Schedules Hearing, and copies of the foregoing were mailed on behalf of the Hearing Division  
3 to the following who have not consented to email service. On this date or as soon as possible thereafter,  
4 the Commission's eDocket program will automatically email a link to the foregoing to the following  
5 who have consented to email service.

4 Craig A. Marks  
5 CRAIG A MARKS, PLC  
6 10645 N. Tatum Blvd, Ste. 200-676  
7 Phoenix, AZ 85028  
8 Attorney for Table Top Telephone Company, Inc.  
9 [Craig.Marks@azbar.org](mailto:Craig.Marks@azbar.org)  
10 [mjboos@ponderosatel.com](mailto:mjboos@ponderosatel.com)  
11 [dand@ponderosatel.com](mailto:dand@ponderosatel.com)  
12 **Consented to Service by Email**

9 Linda Sharp  
10 P.O. Box 865  
11 Ajo, AZ 85321

11 Andy Kvesic, Director  
12 Legal Division  
13 ARIZONA CORPORATION COMMISSION  
14 1200 West Washington Street  
15 Phoenix, AZ 85007  
16 [LegalDiv@azcc.gov](mailto:LegalDiv@azcc.gov)  
17 [utildivservicebyemail@azcc.gov](mailto:utildivservicebyemail@azcc.gov)  
18 **Consented to Service by Email**

16 COASH & COASH, INC.  
17 Court Reporting, Video and  
18 Videoconferencing  
19 1802 North 7<sup>th</sup> Street  
20 Phoenix, AZ 85006  
21 **Not a party, mailed as a courtesy**

20 By:   
21 Rebecca Tallman  
22 Assistant to Yvette B. Kinsey  
23  
24  
25  
26  
27  
28