



0000179801

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

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

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

MAY 19 2017

Arizona Corporation Commission

DOCKETED

MAY 19 2017

DOCKETED BY

GB

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

T-02724A-13-0916

MOTION TO WITHDRAW APPLICATION

1 For the reasons set forth below, Table Top Telephone Company, Inc. ("Table Top")
2 hereby moves to withdraw its application in the above-captioned docket, to vacate the hearing
3 scheduled for May 24, 2017, and to close this docket.

4 As discussed in its application, Table Top requested authority to raise its residential rates
5 from \$18 to \$20 per month, the nationwide rural rate floor set by Federal Communication
6 Commission ("FCC") to be effective as of June 1, 2017. If Table Top failed to satisfy the FCC's
7 rate floor, it would have lost federal high-cost-loop support of \$2.00 per month per customer, the
8 difference between the authorized \$18 residential rate and the new \$20 rate floor.

9 However, on May 18, 2017, the FCC acted to freeze the nationwide rural rate floor at the
10 current \$18 rate. A copy of the FCC press-release is attached as Exhibit A. The FCC stated:
11 "The Federal Communications Commission today stopped a federally mandated rate increase for
12 certain rural phone customers, pending review of an FCC policy known as the 'rate floor.'" The
13 FCC also opened a rulemaking procedure where it "will seek comment on whether the rate floor
14 has met its intended purposes, whether changes should be made to the current rate floor
15 methodology, or whether it should be eliminated entirely."

1 Given the FCC's action, there is no basis or need for the relief sought by Table Top in its
2 application in this docket. Therefore, Table Top moves to withdraw its application in the above-
3 captioned docket, to vacate the hearing scheduled for May 24, 2017, and to close this docket.

4 If the Commission grants this requested relief, Table Top will include a billing message
5 in its bills for the next billing cycle as follows:

6 In May 2017, we sent a letter notifying you that the Corporation Commission was
7 holding a hearing on May 24, 2017, to consider whether to raise your residential
8 local service rates, on June 1, 2017, to \$20.00 in order to comply with an FCC
9 order regarding the residential floor rate in rural areas. On May 18, 2017, the FCC
10 decided to reevaluate its previous order and froze the residential floor rate for the
11 time being. As a result, we have withdrawn our application, and your local
12 residential service rate will not be increasing and will remain at \$18.00 until
13 further notice. We appreciate your business and apologize for any confusion.

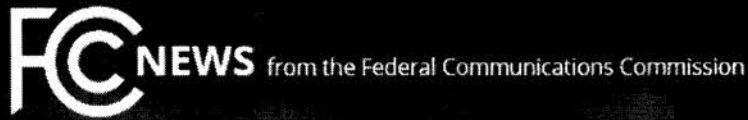
14 **Respectfully submitted** on May 19, 2017, by:

15
16
17
18

 Craig A. Marks
19 Craig A. Marks, PLC
20 10645 N. Tatum Blvd., Suite 200-676
21 Phoenix, AZ 85028
22 (480) 367-1956
23 Craig.Marks@azbar.org
24 Attorney for Table Top Telephone Company, Inc.
25

26 **Original** and 13 copies **filed**
on May 19, 2017, with:

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



Media Contact:

Mark Wigfield, (202) 418-0509
mark.wigfield@fcc.gov

For Immediate Release

FCC HALTS RURAL PHONE RATE HIKE
Freezes 'Rate Floor' Pending Further Review

WASHINGTON, May 18, 2017 – The Federal Communications Commission today stopped a federally mandated rate increase for certain rural phone customers, pending review of an FCC policy known as the “rate floor.”

The FCC froze the current minimum rate for local voice services at \$18 per month for customers of companies that receive support from the FCC’s universal service program. That minimum rate, or rate floor, was scheduled to rise to \$20 on July 1, and to \$22 on July 1, 2018.

The freeze will stay in effect until the FCC reviews its rate floor policy, or no more than two years. The review was launched by the Commission today in a Notice of Proposed Rulemaking seeking comment on the policy.

In rural areas where the cost of providing service is high, phone company revenues come from three primary sources: customer rates, subsidies from the Universal Service Fund to keep those rates affordable, and intercarrier payments from long-distance providers. In 2011 the FCC set a rate floor for local voice services based on a national average; carriers that do not charge their customers at least the rate floor amount are penalized with a loss of universal service funding.

However, stakeholders ranging from the AARP to the National Tribal Telecommunications Association to small, rural telephone companies have argued that the rate floor has made basic voice service less affordable in some rural areas, resulted in rural rates that are higher than in some urban areas, limited consumer choice, and slowed broadband deployment.

In response, the FCC will seek comment on whether the rate floor has met its intended purposes, whether changes should be made to the current rate floor methodology, or whether it should be eliminated entirely. More generally, the FCC will seek comment on the costs and benefits of the rate floor.

Action by the Commission May 18, 2017 by Notice of Proposed Rulemaking (FCC 17-61). Chairman Pai and Commissioner O’Rielly approving. Commissioner Clyburn dissenting. Chairman Pai, Commissioners Clyburn and O’Rielly issuing separate statements.

WC Docket No. 10-90

###

Office of Media Relations: (202) 418-0500
ASL Videophone: 1-844-432-2275
TTY: (888) 835-5322
Twitter: @FCC
www.fcc.gov/office-media-relations

*This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).*