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BEFORE THE ARIZONA CORPORATION COMMUSSION RECEIVED 1 AZ CORP COMMISSION 2 COMMISSIONERS Arizona Corporation Commission DOCKET CONTROL DOCKETED 3 TOM FORESE – Chairman 2011 MAY 31 P 2: 23 **BOB BURNS** 4 MAY 3 1 2017 DOUG LITTLE ANDY TOBIN 5 DOCKETED BY BOYD W. DUNN 6 IN THE MATTER OF THE APPLICATION OF DOCKET NO. T-02724A-13-0416 7 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 10 NECESSARY TO COMPENSATE FOR THE RATE IMPACTS OF THE FCC'S USF/ICC 11 TRANSFORMATION ORDER. DOCKET NO. T-02724A-17-0034 12 IN THE MATTER OF THE APPLICATION OF TABLE TOP TELEPHONE COMPANY, INC., A 13 NEVADA CORPORATION, FOR A HEARING TO DETERMINE THE EARNINGS OF THE 14 COMPANY, THE FAIR VALUE OF THE COMPANY FOR RATEMAKING PURPOSES AND 15 TO INCREASE RESIDENTIAL RATES AS

PROCEDURAL ORDER
(Grants Motion and Administratively

Closes Docket)

BY THE COMMISSION:

IMPACTS OF THE FCC'S USF/ICC TRANSFORMATION ORDER.

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NECESSARY TO COMPENSATE FOR THE RATE

On February 3, 2017, Table Top Telephone Company, Inc. ("Table Top" or "Company") 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. Table Top's application 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 stated 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 requested 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.

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

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

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

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

On that same date, the Commission's Utilities Division ("Staff") filed a Sufficiency Letter and determined Table Top is a Class C utility.

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

On February 28, 2017, a procedural conference was held as scheduled. Discussion was held regarding a compliance item ordered in Decision No. 74830 (November 13, 2014), which required the Company to file a full rate case. Staff and the Company agreed that the Company would file a request with the Commission pursuant to A.R.S. §40-252 to amend Decision No. 74830. Further, the timeclock in this matter was suspended pending further action by the Commission.

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

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

On May 2, 2017, a Procedural Order was issued consolidating Docket Nos. T-02724A-13-0416 and T-02724A-17-0034 and this matter was set for hearing and other procedural deadlines were established.

¹ Decision No. 74830 was issued in Docket No. T-02724A-13-0416. On March 1, 2017, in Docket 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. On May 9, 2017, the Commission voted to approve the Company's Petition to Amend Decision No. 74830 pursuant to A.R.S. §40-252, eliminating the requirement for the Company to file a full rate case in this matter.

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On May 4, 2017, Staff filed a Request for Extension of Time to File Staff Report from May 15, 2017, to May 19, 2017. Staff's request stated that the FCC had issued a Notice of Proposed Rulemaking and Order on April 27, 2017, which could, among other things, freeze the rate floor at \$18.00. Further, Staff stated that the issue was scheduled to be voted on by the FCC on May 18, 2017, and that Staff's recommendation in this matter would depend on the outcome of the FCC vote.

On May 10, 2017, a Procedural Order was issued granting Staff's Request for an Extension of time to file the Staff Report until May 19, 2017.

On May 18, 2017, Table Top filed a Proof of Notice certifying that Table Top had published notice in accordance with the Procedural Order dated May 2, 2017.

On May 19, 2017, Table Top Filed a Motion to Withdraw Application ("Motion").

On May 24, 2017, a full public hearing was held as scheduled before a duly authorized Administrative Law Judge of the Commission. Table Top appeared telephonically through counsel. Staff appeared through counsel. No members of the public appeared to give comments on the application. Discussion was held regarding the Company's Motion to withdraw its application in this matter. The Company's motion stated that the FCC had voted to freeze the nationwide rural rate floor at the current \$18 rate. The Company's Motion also stated that based on the FCC decision to freeze the rate at \$18 there is no basis or need for the relief sought in this this docket and that the Company would provide notice to its customers regarding the FCC's recent ruling in its next billing cycle. Further, the Motion requested that the Company be allowed to withdraw its application and that this docket be administratively closed. Staff stated at the hearing that it had no objection to the Company's requests and that Staff had reviewed the Company's proposed notice to its customers regarding the FCC's latest decision.

The Company's requests are reasonable and should be approved.

IT IS THEREFORE ORDERED that Table Top Telephone Company, Inc.'s Motion to Withdraw its rate application filed in this docket is hereby granted.

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DOCKET NO. T-02724A-13-0416 ET AL.

1	On this 3154 day of May, 2017, the foregoing document was filed with Docket Control as a Procedural Order Directing the Administrative Closure of the Docket, and copies of the foregoing were mailed on
2	behalf of the Hearing Division to the following who have not consented to email service. On this date
3	or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.
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