

tion of intraLATA equal access within nine months of receiving the request. A person making such a bona fide request shall also provide a copy to the Arizona Corporation Commission.

2. The local exchange carrier may implement intraLATA equal access in any central office on its own initiative but, in any event, shall make intraLATA equal access available in all its central offices no later than July 1, 1996, unless otherwise ordered by the Commission
- C. A local exchange carrier may petition the Commission for a waiver of the requirement in subsection (B)(1) on the grounds that compliance is not technically or economically feasible. A local exchange carrier may also petition the Commission for an extension of the requirement in subsection (B)(2) on the grounds that intraLATA equal access cannot reasonably or economically be provided within any specific exchanges within the required time frame. The Commission may grant either of these waivers with or without a hearing. The local exchange carrier filing the waiver petition shall bear the burden of proof.

Historical Note

Adopted effective June 27, 1995, under a court-ordered exemption as determined by the Arizona Corporation Commission (Supp. 95-2).

Editor's Note: The Arizona Corporation Commission has determined that the following Section is exempt from the Attorney General certification provisions of the Arizona Administrative Procedure Act (A.R.S. § 41-1041) by a court order (State of Arizona v. Arizona Corporation Commission, 114 Ariz. Adv. Rep. 36 (Cl. App. 1992)).

R14-2-1112. Interconnection Requirements

All local exchange carriers must provide appropriate interconnection arrangements with other telecommunications companies at reasonable prices and under reasonable terms and conditions that do not discriminate against or in favor of any provider, including the local exchange carrier. Appropriate interconnection arrangements shall provide access on an unbundled, nondiscriminatory basis to physical, administrative, and data-base network components. Local exchange carriers shall provide appropriate interconnection arrangements within six months of receiving a bona fide request for interconnection. The interconnection arrangements must be in the form of a tariff and shall be filed with the Commission for its approval before becoming effective.

Historical Note

Adopted effective June 27, 1995, under a court-ordered exemption as determined by the Arizona Corporation Commission (Supp. 95-2).

Editor's Note: The Arizona Corporation Commission has determined that the following Section is exempt from the Attorney General certification provisions of the Arizona Administrative Procedure Act (A.R.S. § 41-1041) by a court order (State of Arizona v. Arizona Corporation Commission, 114 Ariz. Adv. Rep. 36 (Cl. App. 1992)).

R14-2-1113. Establishment of Universal Service Fund

The Commission shall establish an intrastate universal service fund which shall assure the continued availability of basic telephone service at reasonable rates. The universal service fund shall be structured and administered as required by the Commission.

Historical Note

Adopted effective June 27, 1995, under a court-ordered exemption as determined by the Arizona Corporation Commission (Supp. 95-2).

Editor's Note: The Arizona Corporation Commission has determined that the following Section is exempt from the Attorney General certification provisions of the Arizona Administrative Procedure Act (A.R.S. § 41-1041) by a court order (State of Arizona v. Arizona Corporation Commission, 114 Ariz. Adv. Rep. 36 (Cl. App. 1992)).

R14-2-1114. Service Quality Requirements for the Provision of Competitive Services

- A. General Requirement. Telecommunications companies governed by this Article shall provide quality service in accordance with this rule and with any other service quality requirements established by the Commission.
- B. Telecommunications Company Responsibility. Each telecommunications company governed by this Article:
 1. Shall be responsible for maintaining in safe operating condition all equipment and fixtures owned by and under the exclusive control of the telecommunications company that are used in providing telecommunications services to the customer.
 2. Shall make known to applicants for its service and to its subscribers any information necessary to assist the subscriber or customer in obtaining adequate, efficient, and reasonably priced service.
- C. Continuity of Service. Each telecommunications company providing competitive telecommunications services pursuant to this Article shall make reasonable efforts to supply a satisfactory and continuous level of service.
- D. Billing and Collection.
 1. Each telecommunications company governed by this Article shall bill monthly for any competitive services rendered. The following minimum information must be provided on all customer bills:
 - a. A description of the service provided;
 - b. The monthly charge for each service provided;
 - c. The company's toll-free number for billing inquiries;
 - d. The amount or percentage rate of any privilege, sales, use or other taxes that are passed on to the customer as part of the charge for the service provided;
 - e. Any access or other charges that are imposed by order of or at the direction of the Federal Communications Commission; and
 - f. The date on which the bill becomes delinquent.
 2. If the telecommunications company does not provide direct billing to its customers, it shall make arrangements for monthly bills to be rendered to all its customers. However, a local exchange carrier shall not provide billing and collection services for intrastate telecommunications services to any telecommunications company that does not have a Certificate of Convenience and Necessity from the Commission, and that does not have a certification application pending before the Commission.
- E. Insufficient Funds (NSF) Checks. A telecommunications company governed by this Article may include in its tariffs a fee for each instance where a customer tenders payment for the competitive telecommunications service with an insufficient funds check. When a customer tenders an insufficient check, the telecommunications company may require the customer to make payment in cash, by money order, certified check, or other means which guarantees the customer's payment to the telecommunications company.
- F. Deferred Payment Plan.
 1. Each telecommunications company may, in lieu of terminating service, offer any customer a deferred payment plan to retire unpaid bills for telecommunications company service. If a deferred payment arrangement is made, current service shall not be discontinued if the customer agrees to pay a reasonable portion of the outstanding balance in

installments over a period not to exceed six months and agrees to pay all future bills in accordance with the billing and collection tariffs of the telecommunications company.

2. If a customer does not fulfill the terms of a deferred payment agreement, the telecommunications company shall have the right to disconnect service pursuant to the Commission's termination of service rule, R14-2-509.

G. **Late Payment Penalty.** A telecommunications company governed by this Article may include in its tariffs a late payment penalty which may be applied to delinquent bills. The amount of the late payment penalty shall be stated on a customer's bill when rendered by the telecommunications company or its agent.

H. **Service Interruptions.**

1. Each telecommunications company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur. The telecommunications company shall issue instructions to its employees covering procedures to be followed in the event of any emergency, including national emergencies or local disasters, in order to prevent or mitigate interruption or impairment of service. The Commission shall be notified of major interruptions in service affecting the entire system or any major division.
2. When a telecommunications company plans to interrupt service to perform necessary repairs or maintenance, the telecommunications company shall attempt to inform affected customers at least 24 hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers of the telecommunications company.

I. **Nonpermissible Termination of Service.** A telecommunications company governed by this Article may not disconnect service for:

1. The failure of a customer to pay for services or equipment which are not regulated by the Commission, or
2. For disputed bills where the customer has complied with the Commission's rules on complaints.

J. **Permissible Termination of Service.** Termination of service without notice may occur in accordance with the provisions of subsection R14-2-509(B). Termination of service with notice shall occur in accordance with provisions of R14-2-509(C) through (E). All local exchange carriers are prohibited from discontinuing local service for alleged delinquency of non-local bills.

K. **Notice of Responsible Officer or Agent.** Each telecommunications company governed by this Article shall file a written statement with the Commission which provides the name, address (business, residence, and post office) and telephone numbers (business and residence) of at least one officer, agent, or one employee responsible for the general management of its operations as a telecommunications company in Arizona. Each telecommunications company shall give notice of any change in this information by filing a written statement with the Commission within five days from the date of any such change.

L. **Competitive Local Exchange Service.** Any telecommunications company providing competitive local exchange service shall comply with the Commission's rules for establishment of service set forth in R14-2-503.

M. **Denial of Service/Noncertificated Utilities.** A local exchange carrier shall deny service to a noncertificated telecommunications company that intends to use the service requested to provide telecommunications service for hire, sale, or resale to the general public within the state of Arizona. Service shall not be denied if the telecommunications company has an

Application for a Certificate of Convenience and Necessity pending before the Commission.

Historical Note

Adopted effective June 27, 1995, under a court-ordered exemption as determined by the Arizona Corporation Commission (Supp. 95-2).

Editor's Note: The Arizona Corporation Commission has determined that the following Section is exempt from the Attorney General certification provisions of the Arizona Administrative Procedure Act (A.R.S. § 41-1041) by a court order (State of Arizona v. Arizona Corporation Commission, 114 Ariz. Adv. Rep. 36 (Cl. App. 1992)).

R14-2-1115. Administrative Requirements

- A. **Customer Service Complaints.** All customer service complaints concerning competitive telecommunications services shall be governed by the provisions of subsection R14-2-510(A).
- B. **Customer Bill Disputes.** All customer bill disputes concerning competitive telecommunications services shall be governed by the provisions of R14-2-510(B) and (C).
- C. **Filing of Tariffs, Price Levels, and Contracts.** Each telecommunications company governed by this Article shall file with the Commission current tariffs, price levels, and contracts that comply with the provisions of this Article and with all Commission rules, orders, and all other requirements imposed by the laws of the state of Arizona.
 1. Current tariffs for competitive services shall be maintained on file with the Commission pursuant to the requirements of A.R.S. § 40-365.
 2. Current price levels for competitive services shall be filed with the Commission pursuant to the requirements of R14-2-1109(B).
 3. Contracts of telecommunications companies governed by this Article shall be filed with the Commission not later than five business days after execution. If the contract includes both competitive and noncompetitive services, it must be filed at least five business days prior to the effective date of the contract and must separately state the tariffed rate for the noncompetitive services and the price for the competitive services.
 4. Contracts filed pursuant to this Article shall not be open to public inspection or made public except on order of the Commission, or by the Commission or a Commissioner in the course of a hearing or proceeding.
- D. **Accounts and Records.**
 1. Each telecommunications company shall keep general and subsidiary accounting books and records reflecting the cost of its intrastate properties, assets and liabilities, operating income and expenses, and all other accounting and statistical data which reflect complete, authentic, and accurate information regarding to its properties and operations. These accounting records shall be organized and maintained in such a way as to provide an audit trail through all segments of the telecommunications company's accounting system.
 2. With the exception of local exchange companies, each telecommunications company providing competitive telecommunications services shall maintain its books and records in accordance with Generally Accepted Accounting Principles as promulgated by the Financial Accounting Standards Board and its successors, as amended by any subsequent modification or official pronouncement thereto, which directly relates to regulated industries.
- E. **Production of Accounts, Records, and Documents.**

1. All telecommunications companies governed by this Article shall immediately make available, at the time and place the Commission may designate, any accounting records that the Commission may request. Accounting records shall include all or any portion of a telecommunications company's formal and informal accounting books and records along with any underlying and/or supporting documents regardless of the physical location of such books, records, and documents. Accounting records shall also include all books, records or documents which specifically identify, support, analyze, or otherwise explain the reasonableness and accuracy of affiliated interest transactions.
 2. The Commission, at its sole discretion, may inspect any telecommunications company's formal and/or informal accounting books, records, and documents at the company's business premises or at its authorized representative's business premises which may be outside the state of Arizona. If inspection of the telecommunications company's accounting records does take place outside the state of Arizona, the telecommunications company will, to the extent legally permissible, assume all reasonable costs of travel, lodging, per diem, and all other miscellaneous costs incurred by participating personnel employed by the Commission or personnel contracted to represent the Commission in any manner.
- F. Annual Reports to the Commission. All telecommunications companies providing competitive telecommunications services pursuant to this Article shall submit an annual report to the Commission which shall be filed on or before the 15th day of April for the preceding calendar year.
1. The annual report shall be in a form prescribed by the Commission and, at a minimum, shall contain the following information:
 - a. A statement of income for the reporting year similar in format to R14-2-103, Schedule C)(1) or (E)(2). The income statement shall be Arizona-specific and reflect operating results in Arizona.
 - b. A balance sheet as of the end of the reporting year similar in format to R14-2-103, Schedule (E)(1). The balance sheet shall be Arizona-specific.
 2. Annual reports filed pursuant to this Article shall not be open to public inspection or made public except on order of the Commission, or by the Commission or a Commissioner in the course of a hearing or proceeding.
- G. Reports to the Securities and Exchange Commission. All telecommunications companies shall file with the Commission a copy of all reports required by the Securities and Exchange Commission.
- H. Other Reports. All telecommunications companies shall file with the Commission a copy of all annual reports required by the Federal Communications Commission and, where applicable, annual reports required by the Rural Electrification Administration or any other agency of the United States.
- I. Variations, Exemptions of Commission Rules. The Commission may consider variations or exemptions from the terms or requirements of any of the rules included herein (14 A.A.C. 2, Article 11) upon the verified application of an affected party. The application must set forth the reasons why the public interest will be served by the variation or exemption from the Commission rules and regulations. Any variation or exemption granted shall require an order of the Commission. Where a conflict exists between these rules and an approved tariff or order of the Commission, the provisions of the approved tariff or order of the Commission shall apply.

Historical Note

Adopted effective June 27, 1995, under a court-ordered exemption as determined by the Arizona Corporation Commission (Supp. 95-2).

RESELLERS

Exhibit II

COMPANY NAME	APPLICATION DOCKETED	COMPANY NAME	APPLICATION DOCKETED
A.B.T.S. International Corp U-3099-96-416	2-29-96	Call America Business Comm., Inc. U-2746-94-053	3-7-96
Access Long Distance of Az. Inc. U-2748-94-073	3-6-96	Call America U-3083-96-090	2-20-96
ActiveTel L.D. U-3124-96-156	3-14-96	Capital Network System dba Capital Long Distance U-3147-96-202	4-1-96
ACOMM, Inc. U-3109-96-130	3-4-96	Century Telecommunications, Inc. U- 3130-96-167	3-18-96
Addtel Communications, Inc. U-3137-96- 186	3-26-96	CFW Communication Services, Inc. U- 3136-96-185	3-26-96
Advanced Telecommunications Network U-3107-96-128	3-4-96	Comdata Telecommunications Services, Inc. U-3118-96-146	3-8-96
Advanced Management Services, Inc. dba Truckers Communications Cooperative U- 3080-96-084	2-14-96	Commonwealth Long Distance Co U- 3092-96-108	2-27-96
American Business Alliance, Inc. U-3105- 96-126	3-1-96	Computer Telephone Corp. U-3160-96- 236	4-17-96
American Express Telecom, Inc. U-3008- 95-348	3-7-96	Cherry Comm. U-2677-92-181	12-1-95
American Tel Group, Inc. U-3094-96-111	2-29-96	Coast International, Inc. U-2598-91-59	11-14-95
American Telco., Inc. U-3087-96-101	2-26-96	Collective Communication Services, Inc. U- 3140-96-194	3-29-96
American Telecommunications Enterprises, Inc. U-2743-94-035	4-10-96	Colorado River Communications Corp U- 2508-88-071	11-14-95
Apollo Telecom U-3074-96-070	2-12-96	Communication Telesystems International U-2685-92-224	1-2-96
ASC Telecom, Inc. U-3044-95-461	3-8-96	Conquest Operator Services, Corp U- 2710-93-069	4-10-96
Atlas Communications, Ltd. U-3030-95-423	3-7-96	Equal Net Communications, Inc. U-3139- 96-188	3-26-96
Athena International, LLC U-3112-96-138	3-7-96	Excel Telecomm., Inc. U-2584-91-016	12-1-95
Affinity Corp. U-2657-92-005	11-24-95	Executone Information Systems, Inc. U- 2675-92-174	12-1-95
Affinity Network Inc. U-2664-92-047	12-21-95	Extelcom, Inc. dba ExpressTel U-2543-90- 062	1-10-96
American Teletronics Long Distance, Inc. U-2681-92-210	12-15-95	Federal TransTel, Inc. U-3111-96-137	3-7-96
Basic Long Distance U-3153-96-217	4-4-96	Five Star Telecom, Inc.	
Business Discount Plan, Inc. U-3142-96- 201	4-1-96	Frontier Communications International Inc. U-2761-96-134	3-6-96
Business Options, Inc. U-3131-96-176	3-15-96	Frontier Communications of the West, Inc. U-3151-96-212	4-4-96
Cable & Wireless Comm., Inc. U-2545-90- 010	11-4-95	Free Plus Calling, Inc. U-3144-96-205	4-1-96

RESELLERS

COMPANY NAME	APPLICATION DOCKETED	COMPANY NAME	APPLICATION DOCKETED
GCC Telecommunications, Inc. U-3162-96-238	4-17-96	LDM Systems, Inc. U-3095-96-112	2-29-96
GE Capital Communication Services Corp U-2719-93-175	3-7-96	Least Cost Routing, Inc. U-3125-96-158	3-15-96
Genesis Comm. International, Inc U-3141-96-195	3-29-96	LiTel Telecommunications Corp dba LCI International U-2717-93-140	3-6-96
Gillette Global Network U-3081-96-085	2-15-96	Landmark Comm. Co., Inc. U-2698-92-331	11-28-95
GlobalOne, Inc. U-3086-96-096	2-22-96	Long Distance Wholesale Club U-3164-96-240	4-17-96
Global TeleMedia International, Inc. U-3052-95-490	1-25-96	MTC Telemanagement Corp U-3103-96-124	3-1-96
Great Lakes Telecommunications Corp U-2737-94-014	3-6-96	Midcom of Arizona, Inc. U-2709-93-067	2-16-96
GST Net (AZ) U-3155-96-220	4-5-96	Midwest Fibernet, Inc. U-2725-93-216	4-23-96
Hi-Rim Communications, Inc. U-3101-96-118	3-1-96	Mittel Corp. U-3108-96-129	3-4-96
Hospitality Communications Corp dba HCC U-3163-96-239	4-17-96	National Telephone Communications, Inc. U-2813-94-353	3-8-96
Host Network, Inc. U-3079-96-083	2-14-96	Nationwide Long Distance, Inc. U-3150-96-211	4-4-96
Home Owners Long Distance, Inc. U-2715-93-129	1-2-96	Network Long Distance, Inc. U-2720-93-180	2-12-96
IdealDial Corp. U-3117-96-144	3-8-96	Norstan Network Services, Inc. U-2662-92-037	12-1-95
Inacom Communications, Inc. U-3089-96-102	2-26-96	NOS Communications, Inc. U-2654-91-383	12-21-95
Independent Network Services U-3133-96-179	3-20-96	North American Intelcom, Inc. U-3017-96-203	4-1-96
Intelicom International Corp. (IIC) U-3093-96-110	2-29-96	One Call Communications, Inc. dba Opticom U-2565-90-217	1-2-96
International Telemanagement Group U-3156-96-224	4-9-96	Overlook Communications International U-3129-96-165	3-15-96
IXC Long Distance, Inc. U-3114-96-141	3-8-96	Phase 2 Telesystems, Inc. U-3126-96-159	3-15-96
Inter-Tel NetSolutions, Inc. U-2585-91-017	11-29-95	Phoenix Fiber Access, Inc. U-2827-94-400	3-6-96
Key Communication Management Inc. U-2890-95-140	3-7-96	Phone One, Inc. U-3148-96-209	4-4-96
L. D. Services, Inc. U-3152-96-213	4-4-96	PNG Telecommunications U-3121-96-149	3-11-96
LDC Telecommunications, Inc. U-3132-96-178	3-20-96	Polarnet Communications Corp U-2751-94-088	3-26-96
LDDS Communications, Inc. U-3158-96-226	4-9-96	Preferred Telecom U-3113-96-140	3-8-96

RESELLERS

COMPANY NAME	APPLICATION DOCKETED	COMPANY NAME	APPLICATION DOCKETED
Professional Communications Management Services U-2763-94-138	3-7-96	United Wats, Inc. U-2817-94-362	3-7-96
Phoenix Network, Inc. U-2643-91-319	1-3-96	United Telecom of America, Inc. U-3119-96-146	3-8-96
Popp Telcom, Inc U-2575-90-303	11-6-95	U S Advantage Long Distance U-3145-96-206	4-1-96
QCC, Inc. U-2595-91-137	4-23-96	U S Communications, Inc. dba NTS Communications/Western Division U-2702-92-359	1-2-96
Quintel Entertainment Inc. U-3127-96-163	3-15-96	USP Comm. U-2670-92-136	12-7-95
SNET America, Inc. U-3116-96-143	3-8-96	V.I.P. Telephone Network, Inc. U-3024-95-390	3-7-96
Southern Pacific Telecomm. Co. Db Qwest U-2811-96-219	4-5-96	Value Tel, Inc. U-2825-94-391	3-6-96
Starlink Comm, LLC U-3104-96-125	3-1-96	Warning Communications, Inc. U-2791-94-250	3-7-96
Switch Services Comm. LLC U-3115-96-142	3-8-96	Westinghouse Communications U-3106-96-127	3-4-96
SmarTel Communications, Inc. U-3004-95-336	2-20-95	Worldtel Services, Inc. U-2707-93-042	2-2-96
TLX Communications, Inc. U-3076-06-075	2-13-95	Working Assets Funding Serv., Inc. U-2673-92-149	1-4-96
Target Telecom, Inc. U-3138-96-187	3-26-95	Worldcom Network Services, Inc. dba Witel Network Services, Inc. U-2592-91-129	2-2-96
Technology Resource Group, Inc. U-3102-96-123	3-1-96	Xtracom, Inc. U-3161-96-237	4-17-96
Telcom Network, Inc. U-3157-96-225	4-9-96	Zenex Long Distance U-3165-96-241	4-17-96
Cable Plus Telecommunication Co. Db Telephone Plus U-3146-96-207	4-1-96		
The Furst Group, Inc. U-3091-96-107	2-27-96		
Total National Telecomm. Inc. U-3043-95-460	11-6-95		
Touch 1 Long Distance, Inc. U-3096-96-113	2-29-96		
Touch 1 Communications U-3088-96-098	2-29-96		
Touch Tone America, Inc. U-3027-95-397	3-7-95		
Teleconcepts of New Mexico, Inc. dba Telephone Express U-2704-93-020	1-22-96		
Teleconnect Long Distance Services & Systems Co U-2533-89-149	2-14-96		
Telegroup, Inc. U-2665-92-054	12-1-95		
Trans National Comm. Inc. dba Members Long Distance Advantage U-2660-92-015	12-1-95		
U.S. Digital Network LP U-3097-96-114	2-29-96		

TOTAL 131 RESELLERS

LEC APPLICATIONS

	COMPANY NAME	APPLICATION DOCKETED
1)	ACSI U-3021-95-387	9-1-95
2)	AT&T Communications of the Mountain States U-2428-96-119	2-29-96
3)	Brooks Fiber Communications of Tucson, Inc. U-3009-95-354	8-7-95
4)	Electric Lightwave, Inc. U-3054-95-503	12-18-95
5)	GST Net (AZ) Inc. U-3155-96-120	4-5-96
6)	MCIMetro Access Transmission Services, Inc. U-3175-96-272	5-6-96
7)	MFS Intelenet of Arizona, Inc. U-2752-95-363	8-14-95
8)	TCG Phoenix U-3016-95-372	3-1-96
9)	Winstar Wireless of Arizona, Inc. U-3023-96-267	5-3-96

TITLE 14: PUBLIC SERVICE CORPORATIONS, CORPORATIONS
AND ASSOCIATIONS, SECURITIES REGULATION
CHAPTER 2. CORPORATION COMMISSION-FIXED UTILITIES
ARTICLE 2. ARIZONA UNIVERSAL SERVICE FUND

Section

- R14-2-1201. Definitions.
- R14-2-1202. Calculation of AUSF Support.
- R14-2-1203. Request for AUSF Support.
- R14-2-1204. Funding of the AUSF.
- R14-2-1205. Calculation of Surcharges.
- R14-2-1206. Implementation.
- R14-2-1207. Calculation of Monthly Payments and the Associated Collections.
- R14-2-1208. Monthly AUSF Disbursements.
- R14-2-1209. Procedures for Handling AUSF Rate Changes.
- R14-2-1210. Statement of Participation of All Telecommunications Service Providers in the AUSF.
- R14-2-1211. Duties and Responsibilities of the AUSF Administrator.
- R14-2-1212. Interim Administrator.
- R14-2-1213. Guidelines for Auditing the AUSF.
- R14-2-1214. Enforcement of Collection of Delinquent AUSF Amounts.
- R14-2-1215. AUSF Annual Report.
- R14-2-1216. Review process.
- R14-2-1217. Supersession of Existing USF Mechanism.

ARTICLE 12. ARIZONA UNIVERSAL SERVICE FUND.

- R14-2-1201. Definitions.

In this Article, unless the context otherwise requires, the following definitions shall apply:

1. "Administrator" is the person designated pursuant to R14-2-1212 to administer the AUSF and perform the functions required by this Article.
2. "Arizona Corporation Commission" or "Commission." The regulatory agency of the State of Arizona having jurisdiction over public service corporations operating in Arizona.
3. "Arizona Universal Service Fund" or "AUSF" is the funding mechanism established by this Article through which surcharges are collected and support paid in accordance with this Article.
4. "AUSF Support" is the amount of money, calculated pursuant to this Article, which a provider of basic local telephone exchange service is eligible to receive from the AUSF pursuant to this Article.
5. "AUSF Support Area" is the geographic area for which a local exchange carrier's eligibility to receive AUSF support is calculated.
6. "Basic local exchange telephone service" is telephone service that provides the following features:
 - a. Access to one party residential service with a voice grade line;
 - b. Access to touchtone capabilities;
 - c. Access to an interexchange carrier;
 - d. Access to emergency services, including but not limited to emergency 911;
 - e. Access to directory assistance service;
 - f. Access to operator service;
 - g. Access to a white page or similar directory listing; and
 - h. Access to telephone relay systems for the hearing and speech impaired.
7. "Benchmark rates" for a telecommunications services provider are those rates approved by the Commission for that provider for basic local exchange telephone service, plus the Customer Access Line Charge approved by the Federal Communications Commission.
8. "Commercial Mobile Radio Service" is any radio communication service carried on between mobile stations or receivers and land stations, or by mobile stations communicating among themselves, that is provided for profit, and that makes available to the public service that is connected to the public switched network.
9. "Conversion Factor" is a multiplier that is used to convert a quantity of interconnecting trunks for both wireless and wireline customers into equivalent access lines, for the sole purpose of developing Category 1 surcharges. The value of the Conversion Factor shall be 10 (ten) until completion of the review provided for in R14-2-1216.
10. "Interconnecting Trunk" is a one-way or two-way voice grade or equivalent voice grade switched message transmission channel furnished by a local switched access provider to a provider of wireless services or to a wireline customer of such local switched access provider to interconnect the provider of wireless services or wireline customer to the public switched network.
11. "Intermediate Local Exchange Carriers" are incumbent providers of basic local exchange telephone service with more than 20,000 access lines but fewer than 200,000

access lines in Arizona.

12. "Large Local Exchange Carriers" are incumbent providers of basic local exchange telephone service serving 200,000 or more access lines in Arizona.
13. "Small Local Exchange Carriers" are incumbent providers of basic local exchange telephone service with 20,000 or fewer access lines in Arizona.
14. "Total Service Long Run Incremental Cost" is the total additional cost incurred by a telecommunications company to produce the entire quantity of a service, given that the telecommunications company already provides all of its other services. Total Service Long Run Incremental Cost is based on the least cost, most efficient technology that is capable of being implemented at the time the decision to provide the service is made.
15. "U.S. Census Blocks" are geographic areas defined by the U.S. Department of Commerce. The areas, which define the way in which census data is aggregated, generally contain between 250 and 550 housing units

R14-2-1202. Calculation of AUSF Support.

- A. The amount of AUSF support to which a provider of basic local exchange telephone service is eligible for a given AUSF support area shall be based upon the difference between the benchmark rates for basic local exchange telephone service provided by the carrier, and the appropriate cost to provide basic local exchange telephone service as determined by the Commission, net of any universal service support from federal sources.
- B. For a small local exchange carrier, the AUSF support area shall include all exchanges served by the local exchange carrier in Arizona. The appropriate cost of providing basic local exchange telephone service for purposes of determining AUSF support for a small local exchange carrier shall be the embedded cost of the incumbent provider. For any request for AUSF support by a small local exchange carrier filed more than three years after the effective date of this Article, the AUSF support area shall be the geographic areas as determined by the Commission.
- C. For an intermediate local exchange carrier, the AUSF support area shall be either all exchanges in Arizona served by that carrier, or such other support area as may be approved by the Commission. The appropriate cost of providing basic local exchange telephone service for purposes of determining AUSF support for an intermediate local exchange carrier shall be the embedded cost of the incumbent provider. For any request for AUSF support by an intermediate local exchange carrier filed more than three years after the effective date of this Article, the AUSF support area shall be geographic areas as determined by the Commission, and the appropriate cost of providing basic local exchange telephone service for purposes of determining AUSF support shall be the Total Service Long Run Incremental Cost of the incumbent provider. In the event that the FCC adopts a somewhat different forward-looking costing methodology and/or a different geographic study/support area for the Federal universal service fund program, a local exchange carrier may request a waiver from this rule in order to utilize the same cost study methodology and/or geographic study areas in both jurisdictions.
- D. For a large local exchange carrier, the AUSF support area shall be U.S. census block groups, and the appropriate cost of providing basic local exchange telephone service for

purposes of determining AUSF support shall be the Total Service Long Run Incremental Cost. In the event that the FCC adopts a somewhat different forward-looking costing methodology and/or a different geographic study/support area for the Federal universal service fund program, a local exchange carrier may request a waiver from this rule in order to utilize the same cost study methodology and/or geographic study areas in both jurisdictions. Any request for AUSF support by a large local exchange carrier shall include a Total Service Long Run Incremental Cost study, or cost study based on FCC adopted methodology, of basic local exchange service. The cost study shall be developed and presented in a manner that identifies the cost for the individual support areas for which AUSF funding is being requested.

R14-2-1203. Request for AUSF Support.

A provider of basic local exchange telephone service may request that the Commission authorize AUSF support with a filing under R14-2-103 or other method as the Commission may prescribe, and upon compliance with all applicable rules set forth in R14-2-1101 through R14-2-1115. A request for AUSF support shall include a statement describing the need for such funding. The Commission shall determine the appropriate cost of providing basic local exchange service for each AUSF support area for which AUSF support is requested and shall calculate in accordance with R14-2-1202 the amount of AUSF support, if any, to which the applicant is entitled.

R14-2-1204. Funding of the AUSF.

- A. The AUSF shall be funded in accordance with this Article by all telecommunications service providers that interconnect to the public switched network. Within thirty days of the effective date of this article, and thereafter on or before October 1 of each year, each telecommunications provider shall provide to the Administrator a list of all other telecommunications providers that interconnect to its facilities or network.
- B. The AUSF shall be funded equally by toll and local customers of the providers of telecommunications services, and shall be assessed in the following manner:
 1. Category 1 - Providers of basic local exchange service, as discussed in R14-2-1204.B.1.a., and other service providers as required under R14-2-1204.B.1.a.i. or permitted under R14-2-1204.B.3.b., shall be considered providers of Category 1 service.
 - a. One-half of the AUSF funding requirement will be collected through Category 1 service providers. Category 1 AUSF assessment will be based upon access lines and interconnecting trunks, and assessed by providers of local switched access as either an access line or interconnecting trunk surcharge. The "per access line" surcharge to be in place during a given year will be calculated by the Administrator using the total number of access lines and equivalent access lines deriving from interconnecting trunks that were in service for all Category 1 service providers on October 1 of the previous year. Access lines shall include business and residence lines, public access lines, and other identifiable access lines.
 - i. All wireless providers including but not limited to paging and other Commercial Mobile Radio Service providers, that interconnect to the public switched

- network will contribute to the AUSF under the requirements of Category 1. The number of interconnecting trunks obtained from the local access provider by the wireless provider shall be utilized in conjunction with a Conversion Factor to determine AUSF support from such wireless provider by means of a surcharge on such interconnecting trunks. A wireless provider that fails to contribute to the AUSF as required by this Article shall be subject to termination of its interconnection arrangements pursuant to R14-2-1214.C.
- b. On or before November 1 of each year, each Category 1 local switched access service provider shall provide to the Administrator the number of access lines and number of interconnecting trunks that were in service on October 1 of that year. The Administrator will use these numbers together with the Conversion Factor in calculating the per access line surcharge and per interconnecting trunk surcharge for the following year. The Administrator will multiply the total number of interconnecting trunks by the Conversion Factor to obtain an equivalent number of access lines for the purpose of calculating the surcharges.
2. Category 2 - Providers of intrastate toll service, or other service providers as permitted under R14-2-1204.B.3., shall be considered providers of Category 2 service and shall be assessed AUSF charges as follows:
 - a. One-half of the AUSF funding requirement will be collected through Category 2 service providers. The Category 2 AUSF assessment will be based on total Arizona intrastate toll revenue, and assessed as a percent of revenue. The percent of revenue assessment to be in place during a given year will be calculated by the Administrator using the annual Arizona intrastate revenue for all Category 2 service providers for the previous year.
 - b. On or before November 1 of each year, each Category 2 service provider shall report to the Administrator the total Arizona intrastate revenue collected between August 1 of the current year and August 1 of the previous year. The Administrator will use this revenue so reported to calculate the AUSF assessment rate for the following year.
 3. New telecommunications service providers.
 - a. Telecommunications providers that begin providing basic local exchange service after the effective date of this Article shall be assessed AUSF charges pursuant to R14-2-1204.B.1. Telecommunications providers that begin providing toll service after the effective date of this Article shall be assessed AUSF charges pursuant to R14-2-1204.B.2.
 - b. All other telecommunications service providers that interconnect to the public switched network and begin providing telecommunications service after the effective date of this article, shall choose to be considered either a Category 1, Category 2, or both Category 1 and Category 2 service provider. Such election shall be made in writing to the Administrator within thirty days of beginning to provide telecommunications service in Arizona, with a copy to the Director of Utilities. Written concurrence of the Director of Utilities must be received by the Administrator for such selection to be effective. Such selection will be irrevocable

for a period of at least three (3) years.

4. A telecommunications provider that provides both Category 1 and Category 2 services shall be assessed AUSF charges pursuant to both R14-2-1204.B.1. and R14-2-1204.B.2.

R14-2-1205. Calculation of Surcharges.

- A. The Administrator will calculate the total AUSF support due all local exchange carriers who have been granted AUSF support by the Commission. Administrative costs and audit fees will be added to this amount. The amount of any excess funds in the AUSF will then be subtracted to determine the total funding requirement. The funding requirements from Category 1 and Category 2 service providers will then be calculated. One half of the funding will be obtained from Category 1 providers through surcharges applied to access lines and interconnecting trunks in service. The other half will be obtained from Category 2 providers through surcharges on intrastate toll revenues.
- B. For the purpose of determining the surcharges, the Administrator will develop growth factors to apply to the total reported access lines and toll revenues. Such growth factors will be calculated at one-half of the estimated annual percentage growth in access lines and in toll revenues.
- C. Category 1 Surcharge. One-half of the total annual AUSF support approved by the Commission for all eligible recipients will be obtained from Category 1 service providers. A monthly per access line surcharge and a monthly per interconnecting trunk surcharge required to obtain this funding will be calculated as follows:
 1. adding together the number of access lines and equivalent access lines for all Category 1 service providers, adjusted by the growth factor;
 2. dividing the total annual AUSF support approved by the Commission for all eligible recipients by two to obtain the portion of AUSF support required from Category 1 service providers;
 3. dividing the amount of Category 1 AUSF support calculated in subsection 2 by the sum of access lines calculated in subsection 1 to yield the per access line surcharge;
 4. dividing the per access line surcharge calculated in subsection 3 by twelve to determine the monthly access line assessment;
 5. multiplying the surcharge obtained in subsection 4 by the Conversion Factor to determine the monthly interconnecting trunk surcharge.
- D. Category 2 Surcharge. One-half of the total annual AUSF support approved by the Commission for all eligible recipients will be obtained from Category 2 service providers. A percent of revenue surcharge required to obtain this funding will be calculated as follows:
 1. totaling the annual intrastate toll revenues of all Category 2 service providers, adjusted by the growth factor;
 2. dividing the total AUSF support approved by the Commission for all eligible recipients by two to obtain the portion of AUSF support required from Category 2 service providers;
 3. dividing the amount of Category 2 AUSF support requirement calculated in subsection 2 by the total annual intrastate toll revenues calculated in subsection 1 to arrive at a

percentage of revenue surcharge.

- E. Recipients of lifeline or other low-income support shall be exempt from paying a Category 1 surcharge.

R14-2-1206. Implementation.

- A. Any provider of telecommunications service may file either an AUSF tariff or price list, if appropriate, establishing a flow-through mechanism to collect the surcharge approved by the Commission and calculated by the Administrator.
- B. On or before the twentieth day of each month, each Category 1 service provider responsible for collecting AUSF surcharges shall remit to the Administrator the AUSF surcharge, including any surcharge on wireless providers, collected by that provider during the preceding month. The Category 1 provider shall submit such documentation of AUSF revenues from the AUSF surcharge as may be required by the Administrator.
- C. On or before the twentieth day of each month, each Category 2 service provider responsible for collecting AUSF surcharges shall remit to the Administrator the AUSF surcharge collected by that provider during the third preceding month. The Category 2 provider shall submit such documentation of AUSF revenues from the AUSF surcharge as may be required by the Administrator.
- D. Eligible recipients of AUSF support are:
 - 1. Providers of telecommunications service engaged in providing basic local exchange telephone service in Arizona which have obtained a Commission order authorizing payments from the AUSF; and
 - 2. Providers that become entitled to AUSF support based upon the provisions of R14-2-1206.E.
- E. If the Commission approves AUSF support to a provider of telecommunications service for a defined area, such AUSF support shall also be available to competitive providers of basic local exchange service in the same defined area that are contributing to the AUSF, and that are willing to provide service to all customers in the specific AUSF support area as defined by the Commission. The AUSF support to which the competitive provider is eligible shall be calculated on a per customer basis, at the same level at which the incumbent provider of telecommunications service receives AUSF support, and shall not result in an increase in the total AUSF support available for the specific census block groups or study area. If basic exchange service is provided through the resale of another carrier's local loop facilities, AUSF support will only be available to the retail service provider if AUSF support is not included in the wholesale price for the resold local service. This section shall not apply to small local exchange carriers nor to the universal service support being received by any telecommunications service provider as of the effective date of this Article.
- F. For small local exchange carriers and for any basic local exchange telephone service provider receiving universal service support as of the effective date of this Article, the AUSF support shall not be available to competitive providers of basic local exchange service prior to completion of the review provided for in R14-2-1216. Following completion of the review, AUSF support provided to small and intermediate local exchange carriers shall be available to all competitive providers of basic local exchange service in the same defined area that are contributing to AUSF, and that are willing to provide service to all customers

in the specific geographic study area as defined by the Commission, unless otherwise ordered by the Commission.

- G. Defined area, study area, geographic area, and support area mean the same area during the first three years of the effective date of this Article. After the first three years, they will still have the same meaning unless otherwise ordered by the Commission.

R14-2-1207. Calculation of Monthly Payments and the Associated Collections.

- A. For the monthly Category 1 AUSF payment, each provider of local switched access shall remit to the Administrator an amount equal to the number of access lines in service on the first day of the month, times the monthly surcharge per access line plus the number of interconnecting trunks in service on the first day of the month, times the monthly interconnecting trunk surcharge.
- B. The monthly AUSF payment that each Category 2 provider shall remit to the Administrator is an amount equal to its monthly intrastate toll revenue times the monthly surcharge percentage.
- C. Payments must be received by the Administrator by the twentieth day of each month. If the payment amount is greater than \$10,000, then it shall be wire transferred to the Administrator.
- D. The Administrator shall enter into an appropriate non-disclosure agreement with each telecommunications service provider to assure that information necessary to allocate AUSF funding obligations and to calculate surcharges is reported, maintained and used in a manner that will protect the confidentiality of company specific data. The Administrator shall not use confidential data for any purpose other than administering the AUSF.

R14-2-1208. Monthly AUSF Disbursements.

- A. AUSF disbursement shall be made thirty days following the date of AUSF collections.
- B. The Administrator shall not make AUSF support payments to a provider of telecommunications service until the Administrator has received a copy of a Commission decision authorizing the provider to receive such support.

R14-2-1209. Procedures for Handling AUSF Rate Changes.

- A. Category 1 and Category 2 AUSF surcharges shall be revised when the Commission authorizes new or revised AUSF payments to any provider of telecommunications service. The Administrator shall calculate the new AUSF flow-through surcharges in accordance with this Article, which surcharges shall become effective upon the Commission's approval of the new or revised AUSF payments.
- B. An annual calculation to revise AUSF flow-through surcharges shall be made by the Administrator on December 1 of each year with an effective date the following January 1. The flow-through surcharges shall be calculated so that the total AUSF funding will equal the AUSF revenue requirements, plus administrative costs as well as any corrections and true-ups. No later than December 1 of each year the Administrator shall provide notice to the Commission and all telecommunication service providers who pay into the AUSF of the flow-through surcharge rates for the following calendar year.

R14-2-1210. Statement of Participation of All Telecommunications Service Providers in the

AUSF.

- A. Within thirty days of the effective date of this Article, each telecommunications service provider shall provide a letter to the Administrator acknowledging that provider's obligation under this Article to pay AUSF surcharges. Failure to provide such a letter shall be grounds for termination after written notice from the Administrator of the provider's interconnection with the public switched network.
- B. Any telecommunications service provider which begins providing telecommunications service after the effective date of this Article shall, within thirty days of beginning to provide intrastate service in Arizona, provide a letter to the Administrator acknowledging that provider's obligation under this Article to make monthly payments for the local and/or toll portion, as appropriate, of the AUSF contribution in accordance with this Article. Failure to provide such a letter shall be grounds for denying to the provider interconnection with the public switched network.

R14-2-1211. Duties and Responsibilities of the AUSF Administrator.

The Administrator shall:

- A. Develop, obtain and, on or before December 15 of each year, file with the Commission such information and documentation as the Administrator deems necessary for the establishment and calculation of the Category 1 and Category 2 surcharges for the succeeding year. Such a filing shall also be made each time the Commission authorizes a change in the AUSF funding requirement.
- B. Monitor the AUSF payments of all telecommunications providers.
- C. Oversee the billing of AUSF surcharges.
- D. Prepare the necessary forms to be used in reporting the AUSF collections and disbursements and maintain monthly records.
- E. Coordinate the collection and disbursement of AUSF monies in accordance with this Article.
- F. Prepare an annual report that provides a detailed accounting of the AUSF collections and disbursements and that identifies the annual cost of administration. The report shall be filed with the Commission on or before April 15 of each year.
- G. Monitor procedures for auditing the AUSF collections and disbursements. The audit function shall be performed by an independent outside auditor.

R14-2-1212. Interim Administrator

US WEST Communications, Inc., will serve as interim Administrator of the AUSF and will perform the functions detailed herein that are required of the Administrator for a transition period until a private, neutral third party is appointed by the Commission to serve as Administrator of the AUSF. A neutral third party selected through the competitive bid process shall be appointed no later than July 1, 1997.

R14-2-1213. Guidelines for Auditing the AUSF.

- A. The AUSF records covering both collections and disbursements shall be audited at the end of the first year following the designation of a third party administrator. The AUSF records will then be audited at least once every other year in the subsequent years of operations.

- B. The records shall be examined for accuracy and the existence of effective internal controls to ensure that the AUSF is being administered appropriately and properly.
- C. An independent external auditor selected by the Commission shall be utilized to provide an unbiased audit opinion concerning the AUSF administration procedures and controls.
- D. Any costs for conducting audits will be deducted from the revenues of the AUSF prior to disbursement of funds.

R14-2-1214. Enforcement of Collection of Delinquent AUSF Amounts.

- A. The Administrator shall issue past due notices to each provider of telecommunications service that is fifteen days or more delinquent in submitting its AUSF payments to the Administrator. A copy of this notice shall be provided to the Commission.
- B. AUSF support payments shall be withheld from any provider of telecommunications service that is delinquent in submitting its AUSF payments to the Administrator. Each provider of telecommunications service will be fully liable for any accrued interest owing on its AUSF contributions that remain unpaid for thirty days. Such delinquent AUSF payments will begin accruing interest at the rate of one and one-half percent per month beginning with the thirty-first day until such amount is paid in full along with all accrued interest.
- C. The local switched access service provider shall promptly notify the Commission and the Administrator of the identity of any wireless provider which fails or refuses to pay its AUSF surcharge. Such notice shall also be directed to the wireless provider. If the wireless provider has not paid the amount due within thirty days of such notice, the interconnection provider shall terminate the wireless provider's interconnection until the full amount together with all accrued interest, is paid in full (unless the payment is in bonafide dispute and the wireless carrier has paid the undisputed amount).
- D. Failure by a telecommunications service provider to comply with the provisions of this Article may result in sanctions as determined by the Commission.

R14-2-1215. AUSF Annual Report.

- A. On or before April 1 of each year, the Administrator shall file with the Commission an annual report which shall summarize the preceding year activity and contain the following:
 - 1. A statement of AUSF collections and disbursements.
 - 2. A record of the total cost of administration of the AUSF.
 - 3. Audit reports from the audits conducted during the year.
- B. A copy of the annual report shall be provided to each provider of telecommunications service who contributes to the AUSF.

R14-2-1216. Review process.

- A. Not later than three years from the effective date of this Article, the Commission Staff shall initiate a comprehensive review of this Article and shall provide the Commission with recommendations regarding any necessary changes to the Article. Any interested party may also make such recommendations. The Commission shall consider these recommendations in such proceeding as the Commission deems appropriate.
- B. The costs used to calculate AUSF funding levels for a given provider or AUSF support area

shall be reviewed by the Commission at least every three years following the effective date for any authorized AUSF support for the provider or study area. The Commission may reduce the authorized funding level and require that the AUSF surcharge be recalculated on the basis of this review.

R14-2-1217. Supersession of Existing USF Mechanism.

The universal service funding mechanism initially approved by the Commission in Decision No. 56639 (September 22, 1989) is superseded by this Article, except that any calculation, contribution or collection of, or entitlement to, universal service fund support approved by the Commission prior to the adoption of this Article shall remain in effect until otherwise ordered by the Commission or until the application of this Article leads to a different result

TITLE 14: PUBLIC SERVICE CORPORATIONS, CORPORATIONS
AND ASSOCIATIONS, SECURITIES REGULATION
CHAPTER 2: CORPORATION COMMISSION-FIXED UTILITIES
ARTICLE 14: INTRALATA EQUAL ACCESS RULES

Section

- R14-2-1401. Application of Rules.
- R14-2-1402. Definitions.
- R14-2-1403. Commission Task Force
- R14-2-1404. Customer Education and Presubscription Procedures.
- R14-2-1405. Interexchange Company Participation.
- R14-2-1406. Customer Charges and Procedures.
- R14-2-1407. Scope of IntraLATA Equal Access.
- R14-2-1408. Equal Access Cost Recovery.
- R14-2-1409. Termination of IntraLATA Toll Compensation.

ARTICLE 14. INTRALATA EQUAL ACCESS RULES

R14-2-1401. Application of Rules.

These rules govern procedure for implementing intraLATA equal access as provided in R14-2-1111.

R14-2-1402. Definitions.

In this Article, unless the context otherwise requires, the following definitions shall apply:

1. "Abbreviated dialing arrangement" means calls that are made using special service codes (e.g., 411, 811, 911) which are routed to a specific destination without the need for dialing additional digits.

2. "Ballot" means the written notification that equal access is available and includes the names of all the telecommunication companies wishing to participate in the presubscription process.

3. "Balloting" means the process by which the local exchange carrier notifies customers of the availability of equal access in their particular area through the mailing of a ballot.

4. "Bona fide request" means a written request submitted by a telecommunications company to a local exchange carrier for intraLATA equal access service.

5. "Central office" means a facility within a telecommunications system where calls are switched and which contains all the necessary equipment, operating arrangements, and interface points for terminating and interconnecting facilities such as subscribers' line and interoffice trunks.

6. "Commission" means the Arizona Corporation Commission, the regulatory agency of the State of Arizona having jurisdiction over public service corporations operating in Arizona.

7. "Equal access" means an arrangement where a local exchange carrier provides all telecommunications companies operating in an equal access central office with dialing arrangements and other service characteristics that are equivalent in type and quality to what the local exchange carrier utilizes in the provision of its service.

8. "Exchange" means a geographical service area where calls made within the area are

toll-free calls.

9. "IntraLATA" means services, revenues, and functions that relate to telecommunications that originate and terminate within the same LATA.

10. "IntraLATA equal access" means an arrangement where a local exchange carrier provides all telecommunications companies operating in an equal access central office with dialing arrangements within the LATA and other service characteristics that are equivalent in type and quality to what the local exchange carrier utilizes in provision of its services. IntraLATA equal access is only available on one and two party lines.

11. "IntraLATA toll provider" means the telecommunications company that is authorized to carry toll traffic between the exchanges within the LATA.

12. "Interexchange carrier" means a telecommunications company that provides services to the public between local exchanges on an intraLATA or interLATA basis in compliance with local or federal regulatory requirements and that is not an end user of the services provided.

13. "InterLATA" means services, revenues, and functions that relate to telecommunications originating in one LATA and terminating in another LATA.

14. "InterLATA equal access" means an arrangement where a local exchange carrier provides all telecommunications companies operating in an equal access central office with dialing arrangements between LATAs and other service characteristics that are equivalent in type and quality to what the local exchange carrier utilizes in provision of its services.

15. "LATA"(Local Access Transport Area) means one of 161 telephone exchange areas established as a result of the AT&T divestiture.

16. "Local exchange carrier" means a telecommunications company that provides local exchange service as one of the telecommunications services it offers to the public.

17. "Local exchange service" means a telecommunications service that provides a local dial tone, access line, and a local usage within an exchange or local calling area.

18. "Primary IntraLATA toll carrier" means the telecommunications company with whom a customer may presubscribe or select to provide 1+/0+ intraLATA toll service, without the use of access codes.

19. "Primary InterLATA carrier" means a telecommunications company with whom a customer may presubscribe or select to provide 1+/0+ interLATA toll service, without the use of access codes.

20. "Presubscription" means the process by which a customer may select a primary intraLATA or interLATA carrier prior to a central office conversion to equal access.

21. "Zero-minus" or "0-" means calls that are made using operator assisted calling.

R14-2-1403. Commission Task Force

A. The Utility Division of the Commission shall convene a task force to review matters relating to implementation of equal access and to review the customer education materials.

B. The task force shall, at a minimum, consist of one representative from each of the following: the Utilities Division of the Commission, the certificated intraLATA carriers, the local exchange carriers, the long distance resellers, and any other interested party, as deemed appropriate.

R14-2-1404. Customer Education and Presubscription Procedures.

- A. In exchanges where interLATA equal access is in place prior to the implementation of intraLATA equal access:
1. Balloting will not be utilized to determine each customer's primary intraLATA carrier.
 2. At least forty-five (45) days prior to the scheduled implementation of intraLATA equal access, the local exchange carrier shall provide written information to customers describing intraLATA equal access.
 3. Any customer seeking to initiate local exchange service after the written information is provided to customers, but prior to the implementation of equal access, shall also be provided with the written information.
- B. In exchanges where interLATA equal access is not in place prior to receipt by the local exchange carrier of a bona fide request for intraLATA equal access:
1. Balloting for both interLATA and intraLATA equal access shall be conducted concurrently. The balloting shall be carried out in accordance with the requirements for interLATA equal access set forth in Appendix B, Federal Communications Commission CC Docket 83-1145, Phase I.
 2. The local exchange carrier shall furnish customers with written information that provides clear directions and ballots to allow customers to presubscribe to their selected primary intraLATA carrier as well as their primary interLATA carrier.
- C. Customers who commence service after the initial intraLATA equal access is

completed in their end office shall be informed by the local exchange carrier of their intraLATA and interLATA toll carrier options at the time that service is requested and shall be required to select both their primary interLATA carrier and their primary intraLATA carrier at that time.

- D. Informational material, and forms developed by a local exchange carrier for use in compliance with this section, along with scripts the local exchange carrier intends to use solely to comply with intraLATA equal access implementation procedures, shall be complete, clear and unbiased. The local exchange carrier shall provide a copy of the informational materials, forms and scripts to the Commission not more than sixty (60) days after receipt of a bona fide request for intraLATA equal access or December 31, 1995, whichever is later. Following a written request, the Utilities Division of the Commission may extend this time period if reasonable and necessary.
- E. The Commission's task force will review the informational materials, forms and scripts to ensure that they are clear and unbiased. Within 30 days of receipt of such informational materials, forms and scripts, the Utilities Division of the Commission shall consider comments from interested parties, make any revisions necessary to ensure completeness, clarity, and objectivity, and approve or disapprove the materials, forms and scripts.
- F. After the Utilities Division has approved the informational materials and forms, the local exchange carrier shall provide copies to each telecommunications company that has notified the local exchange carrier of its desire to be included in such materials.

R14-2-1405. Interexchange Company Participation.

- A. For bona fide requests to implement intraLATA equal access received prior to the effective date of these rules, the local exchange carrier shall provide notice of the equal access requests to all interexchange carriers offering service in the affected exchange(s) no later than January 31, 1996
- B. For bona fide requests to implement intraLATA equal access received following the effective date of these rules, a local exchange carrier shall provide notice of the equal access request to all interexchange carriers offering service in the affected exchange(s) not more than fifteen (15) days after receipt after the bona fide request.
- C. The notice required in subsections A and B of this rule shall include information related to the scheduled implementation dates, the ordering procedures for the interexchange carrier to notify the local exchange carrier of its desire to participate in the provision of intraLATA toll, and the procedures to notify the local exchange carrier of customers who wish to have the interexchange carrier as their primary intraLATA toll carrier, as well as the terms and conditions for an interexchange carrier to participate in the balloting process.
- D. Interexchange carriers seeking to be included in all informational materials and ballots furnished to customers in advance of initial implementation of intraLATA equal access in any exchange shall advise the local exchange carrier in writing at least ninety (90) days prior to the scheduled implementation date. After this notification, the local exchange carrier shall include the interexchange carrier in all informational materials and ballots listing providers.

R14-2-1406. Customer Charges and Procedures