



SOUTH CENTRAL





P.O. Box 555, ESCALANTE, UTAH 84726
(801) 826-4211

June 16, 1998

Arizona Corporation Commission
Maureen A. Scott
Attorney, Legal Division
122 W Washington
Phoenix, AZ 85007-2996

RECEIVED
OCT 20 1998
FCC MAIL ROOM

RECEIVED
JUN 23 1998
LEGAL DIV
ARIZ. CORPORATION COMMISSION

Dear Ms. Scott:

RE: South Central Utah Telephone Association - ACC Docket No. T-1923 A-97-638
(Unserved Areas)
FCC Docket No. 96-45; 97-160; DA 98-715

Dear Ms. Scott:

This is in response to your letter of May 29, 1998.

DS-1 Currently, are there any potential customers within the Company's exchange boundaries that do not have telephone Service? If yes, how many?

A. South Central Utah Telephone Assn., Inc serves two exchanges in Arizona, Colorado City and Fredonia AZ. Fredonia was acquired from U.S. West in September of 1996.

Colorado City - 5
Fredonia - 8 (all but 1 of these orders is less than 30 days old)

DS-2 Please indicate the basis for your estimate provided in response to Question 1.

A. Service requests - knowledge of the area.

- DS-3 Where are these potential customers located? List the estimated number of potential customers by wire center or exchange and by section, township and range.
- A. All are within the populated areas of the wire centers.
- DS-4 If your response to DS-1 is yes, why do these potential customers not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.
- A. Waiting for buried service wires, cable jobs and right-of-ways.
- DS-5 For the customer listed in your response to DS-3, indicate the distance from the potential customer's location to the nearest available facilities.
- A. All are within 1500 feet of existing service.
- DS-6 Are there any potential customers immediately out the Company's exchange boundaries that do not have telephone service? If yes, how many?
- A. We have no knowledge of any.
- DS-7 Please indicate the basis for your estimate provided in response to Question 6.
- A. Does not apply.
- DS-8 Where are these potential customers located? List the estimated number of potential customers by wire center or exchange, and if possible, by section, township and range
- A. Does not apply.
- DS-9 If your response to DS-6 is yes, why do these potential customers, if any, not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide
- A. Does not apply.
- DS-10 For the customers listed in your response to DS-8, please indicate the distance from the potential customer's location to the nearest available facilities.
- A. Does not apply.

- DS-11 Has your Company received any complaints from potential customers regarding their inability to obtain telephone service during the last five years? Please indicate the number of complaints received by year, the nature of each complaint, and where the customer is located.
- A. None received.
- DS-12 If your answer to DS-11 was yes, how were each of these complaints resolved? Please list all instances where the complaint is still unresolved and date the complaint was received.
- A. Does not apply.
- DS-13 Does your Company have an approved line extension tariff on file with the Commission? If yes, please attach a copy and briefly explain how it works.
- A. Yes, a copy of the tariff is attached.
- DS-14 How often in the past five years have you given estimates under your tariff to potential customers without service?
- A. Line extension charges or construction charges were quoted using Arizona tariffs. Our computer system does not allow us to track old quotes.
- DS-15 What have those estimates been? Please provide as many individual examples as possible for the prior 10 year period. Please also indicate what your average estimate is for line extension requests you receive.
- A. Does not apply.
- DS-16 Have all potential customers provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service?
- A. Does not apply.
- DS-17 If your answer to Question 16 is no, how many potential customers have been unable to pay the required amount to have facilities put in place? Please indicate per request the dollar amount which the potential customer was unable to pay, and when the request was made for the last 10 year period.
- A. Does not apply.

DS-18 Would any of these potential customers qualify for federal Lifeline assistance using the federal default eligibility criteria? If yes, please estimate how many would fall into this category?

A. Does not apply.

DS-19 How much does the Company currently receive in Federal High Cost Funds? How much does the Company receive in Long Term Support assistance from the Federal Jurisdiction? How much does the Company receive in Federal assistance from DEM Weighting?

A.	High Cost Fund	\$ 9,000/month
	Long Term Support	15,813/month
	DEM Weighting	\$119,949/month

This is the total figures for the company, Arizona figures are not available.

The Fredonia Exchange was purchased from U.S. West in September of 1996. We have no knowledge of statistics before that time.

Sincerely,



Daniel J. Spencer
General Manager

DJS/gp

enclosure



P.O. Box 555
Escalante, Utah 84726

June 11, 1998

[REDACTED]
Fredonia, AZ 86022

Dear [REDACTED]

Our Engineering Department has given me an amount of \$1,047.18 for the cost of construction for your telephone service, telephone number 643-6362 at 801 S HWY 89 A. This bid is good for 90 days. There will be a State road right-of-way involved and any costs will be in addition to this quote.

There will be no engineering, no right of way work, nor will materials be ordered, until this billing agreement has been executed and a portion of the money received. Depending on the complexity of the job required to provide service, it may take as many as 120 days, weather permitting, to provide service.

If this is to your satisfaction please return the appropriate amount with the payment plan of your choice marked below.

1. The amount of construction in full \$1,047.18 (all orders \$300.00 and under are required to be paid in full, before construction is started.)

2. ½ the amount up front in the amount of \$523.59 and the balance due of \$523.59 upon completion of the work (option for all construction costs above \$300.00.)

3. ½ the amount up front in the amount of \$523.59 then agree to pay balance in six monthly installment payments to be billed out on each telephone bill (option for all construction costs above \$500.00.)

4. ½ the amount up front in the amount of \$523.59 and then agree to pay balance in twelve monthly installment payments to be billed out on each telephone bill (option for all construction costs above \$1,000.00.)

If payment option is chosen, all payments will include an interest rate of 10.00% APR. The monthly payment amount, including interest, will be sent to you upon receiving signed agreement. Monthly payments will not begin until service is available.

In signing this form and checking the appropriate choice, I fully understand and agree that I will be held liable for paying the cost of construction in full.



Signature

Thank-you for your time and cooperation concerning your telephone service.

Sincerely,

Gloria Gracie

Gloria Gracie
Service Representative

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COPY

Phone # 801-826-4211 Fax # 801-826-4900 800-569-9846

Or call 711 toll free from any location in our service area!

Don't forget we provide Internet access with only a local call!

CONSTRUCTION CHARGES

. GENERAL

Charges under this tariff are for facility extensions to prevent the unreasonable burdening of the general body of existing customers.

All plant facilities will be owned and maintained by the Company. The applicant or subdivider/developer, however, by mutual agreement with the Company, may clear the right-of-way, furnish and install the underground supporting structure or open and close a trench for buried services, all in accordance with the Company's construction specifications. The Company in these cases may furnish and install the fixtures and wire or cable at its expense. Ownership of facilities, structures, etc. so provided by applicant shall be vested in the Company.

Nonrecurring charges under this tariff are payable in advance, are non-interest bearing and are not refundable except as specified.

Issued Date: 12/22/89

Effective Date: 1-1-90

CONSTRUCTION CHARGES (Cont'd)

. LINE EXTENSIONS

A. Facilities provided without Construction Charge

Under normal conditions, the Company, without charge will extend its lines to reach applicants provided the required line extension will not exceed 300 feet.

B. Construction Charges for Facilities in Excess of the above allowance.

1. If the line extension requirements of an applicant or group of applicants exceeds the above, a construction charge will be made for the facilities in excess of the allowances specified above. The construction charges for line extensions will be apportioned equally among all applicants of a group.
2. The construction charge assessed an applicant or applicants for facilities in excess of the allowance shall be paid in advance.
3. Payments for line construction are not refundable and no credit will be allowed for future installation or line extensions constructed under the above regulations.
4. Plant extensions to provide service on a basis other than as covered above require the payment of construction charges as determined from the conditions.

Issued Date: 12/22/89

Effective Date: 1-1-90

CONSTRUCTION CHARGES (Cont'd)

. LINE EXTENSIONS (Cont'd)

C. Actual cost determination

1. In those circumstances where extensions to facilities exceed the allowance, the customer, in addition to any material or labor to be furnished by him, will pay in advance the estimated total cost of the Company's construction as prescribed in a contract executed between the Company and the customer.
2. Should the amount advanced by the customer exceed the actual cost, a refund will be made after completion of the Company's construction.
3. In no instance will the Company charge more than the actual cost at the closing of the job order.
4. When the construction provided includes provisions for additional future customers (at Company option), the charges assessed to current applicants shall be based upon a proration of cost to their services, and not based upon the actual total of the job order.

CONSTRUCTION CHARGES (Cont'd)

1. LINE EXTENSIONS (Cont'd)

D. Exceptional circumstances

1. In those instances where construction involves unusual conditions such as unusual terrain, or where extraordinary charges applicable to government land crossings, forestry permits, etc., are involved, a departure from the rates and conditions specified in this schedule may be made by the Company.
2. In those instances where the customer requested type of construction differs from that normally provided by the Company, the customer will bear any additional cost or savings associated with the construction. Company concurrence with the customer request will only be provided in accordance with standard utility construction specifications.
3. When the application of this schedule appears impracticable or unjust, the Company or the customer may refer the matter to the Arizona Corporation Commission for a special ruling on or for approval of mutually agreed upon special conditions prior to commencing construction.

. COLLECTIVE APPLICATIONS AND GROUPING OF APPLICANTS

When construction is required to serve a new applicant, a survey shall be made of all prospects who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Allowances are made only for those prospective customers signing contracts for service at the time the project is initiated.

All applicants are grouped in a single project when there is not more than one-half mile of construction between successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds one-half mile.

An applicant at any premises receives only one single plant facility extension allowance regardless of the number of services ordered at that premises.

sued Date: 12/22/89

Effective Date: 1-1-90

CONSTRUCTION CHARGES (Cont'd)

. TEMPORARY OR SPECULATIVE PROJECTS

Plant facilities to provide service to an applicant engaged in temporary or speculative projects shall be provided in accordance with terms specified in a contract executed between the customer and the Company.

Charges for such a temporary or speculative project may include the construction and removal of telephone facilities.

. REAL ESTATE SUBDIVISIONS

A subdivision or real estate development is defined as improved or unimproved land under a definite plan of development wherein it can be shown that there are reasonable prospects within the next five years for four or more customers for nontemporary main telephone line services.

Line extensions and/or additions into real estate subdivisions will be made by the Company provided 100% of the estimated total cost for facilities to provide service is advanced to the Company by the subdivider.

After completion of construction the Company will review annually, over a period of five (5) years, the permanently established service connections within the development and refund a prorated portion of the advance based on 100% occupancy. Each succeeding years refund will only include additional connections exceeding the previous year.

Should the developer or subdivider fail to provide for the distribution facilities as provided for in this condition, customers residing in the subdivision or development will be treated as either individual or collectively grouped applicants, as applicable.

Issued Date: 12/22/89

Effective Date: 1-1-90

CONSTRUCTION CHARGES (Cont'd)

. CHARGES TO SUBSEQUENT APPLICANTS

When a subsequent applicant is secured who can be served from an existing project within five years of the initial date of same project, the new applicant will pay to the Company a prorated portion of the facility charge as paid by the original applicants to that project.

When a customer discontinues service and service is reestablished for a new applicant at the same location, the new applicant will not be required to pay additional charges where facilities are in place.

. DISCONNECTS

When one or more customers on a project disconnect within the five year term, no refund is made on the nonrecurring facility charge to the disconnected customers. Charges to remaining customers are not affected by disconnects.

. MOVE OR CHANGE OF FACILITIES AT CUSTOMER'S REQUEST

When a customer requests that facilities located on that customer's property be moved or changed, the Company will charge the customer the actual cost incurred by such a move or change. The Company reserves the right to approve or deny any such requests.

SMT

EX COPY

P.O. Box 5158
Madison, WI 53705-0158
301 S. Westfield Road
Madison, WI 53717-1799

Telephone: 608-845-4000
FAX: 608-845-4185



Government and Regulatory Affairs

June 11, 1998

Ms. Maureen A. Scott
Attorney, Legal Division
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007-2996

RECEIVED

JUN 15 1998

LEGAL DIV
ARIZ. CORPORATION COMMISSION

**RE: Arizona and Southwestern Telephone Company First set of data requests
ACC Docket No. T-2063A-97-622(Unserved Areas) and ACC Docket No. T-1072-97-
621(Unserved Areas), respectively.**

Dear Ms. Scott:

Enclosed please find the responses to the first set of data request, received on June 1, 1998, for the above Telephone Companies.

If you have any questions, please contact me at (608) 664-4186.

Sincerely,

Nicole A. Lawton
Administrator - Tariffs

Enclosures

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
SOUTHWESTERN TELEPHONE COMPANY
ACC DOCKET NO. T-1072-97-621 (Unserved Areas)
ARIZONA TELEPHONE COMPANY
ACC DOCKET NO. T-2063A-97-622(Unserved Areas)
FCC DOCKET NO. 96-45; 97-160; DA 98-715

- DS-1. Currently, are there any potential customers within the Company's exchange boundaries that do not have telephone service? If yes, how many?

Currently, Southwestern and Arizona Telephone Companies do not have accurate records concerning the number of potential customers within the exchange boundaries that do not have telephone service.

- DS-2. Please indicate the basis for your estimate provided in response to Question 1.

The basis for the answer to Question 1 is established by not having access to the information. If a potential customer does not contact the Telephone Companies for service, the potential customer would not have an account with the Telephone Companies, therefore the Companies would not track this information.

- DS-3. Where are these potential customers located? List the estimated number of potential customers by wire center or exchange and by section, township and range.

Where potential customers are located without service is not known.

The number of potential customers listed by wire center or exchange and by section, township and range is unknown. This information is not tracked.

- DS-4. If your response to DS-1 is yes, why do these potential customers not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

Potential customers may not have telephone service by their choice, for whatever reasons. Please see response to Question 1.

- DS-5. For the customers listed in your response to DS-3, indicate the distance from the potential customer's location to the nearest available facilities.

The distance from the potential customer's location to the nearest available facilities varies dependent on each customer. There are no areas that have multiple customer request.

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
SOUTHWESTERN TELEPHONE COMPANY
ARIZONA TELEPHONE COMPANY
Page 2

DS-6. Are there any potential customers immediately outside the Company's exchange boundaries that do not have telephone service? If yes, how many?

The number of potential customers immediately outside the Company's exchange boundaries that do not have telephone service is unknown. The Companies do not track this information.

DS-7. Please indicate the basis for your estimate provided in response to Question 6.

The basis for the response to Question 6, is this information is not tracked.

DS-8. Where are these potential customers located? List the estimated number of potential customers by wire center or exchange, and if possible, by section, township and range.

The Telephone Companies do not have knowledge as to where these potential customers may be located. Since this information is not tracked, the potential number of customers by wire center or exchange, by section, township, and range is unknown.

DS-9. If your response to DS-6 is yes, why do these potential customers, if any, not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

The Telephone Companies does not track this information and is unknown.

DS-10. For the customers listed in your response to DS-8, please indicate the distance from the potential customer's location to the nearest available facilities.

The distance from the potential customer's location to the nearest available facilities is unknown.

DS-11. Has your Company received any complaints from potential customers regarding their inability to obtain telephone service during the last five years? Please indicate the number of complaints received by year, the nature of each complaint, and where the customer is located.

The Telephone Companies has been serving customers that have requested service in the exchange areas.

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
SOUTHWESTERN TELEPHONE COMPANY
ARIZONA TELEPHONE COMPANY
Page 3

DS-12. If your answer to DS-11 is yes, how were each of these complaints resolved? Please list all instances where the complaint is still unresolved and date the complaint was received.

Please see response to DS-11.

DS-13. Does your Company have an approved line extension tariff on file with the Commission? If yes, please attach a copy and briefly explain how it works.

Both Telephone Companies have an approved line extension tariff. Please see attached tariff for approval date as well as an explanation of how line extensions work.

DS-14. How often in the past five years have you given estimates under your tariff to potential customers without service?

The potential customers for Southwestern Telephone Company that have been given estimates without service is approximately 20. Please note that TDS TELECOM has had Southwestern Telephone Company for approximately three years and Arizona Telephone Company for approximately five years. This information is not available for Arizona Telephone.

DS-15. What have those estimates been? Please provide as many individual examples as possible for the prior 10 year period. Please also indicate what your average estimate is for line extension requests you receive.

This information is not available as to what those estimates have been. As well as individual examples for the prior 10 year period. Please see response to Question 14.

DS-16. Have all potential customers provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service?

Not all potential customers that has been provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service.

DS-17. If your answer to Question 16 is no, how many potential customers have been unable to pay the required amount to have facilities put in place? Please indicate per request the dollar amount which the potential customer was unable to pay, and when the request was made for the last 10 year period.

This information is not available as to how many potential customers have been unable to pay the required amount to have facilities put in place. The potential customer may also decide they did not want to afford to put facilities in place.

ARIZONA CORPORATION COMMISSION
STAFF'S FIRST SET OF DATA REQUESTS TO
SOUTHWESTERN TELEPHONE COMPANY
ARIZONA TELEPHONE COMPANY
Page 4

DS-18. Would any of these potential customers qualify for federal Lifeline assistance using the federal default eligibility criteria? If yes, please estimate how many would fall into this category?

It is unknown whether any of these potential customers, inside or immediately outside company exchange boundaries, would qualify for federal Lifeline assistance. Since both Arizona Telephone Company and Southwestern Telephone Company are ETCs for their respective exchange serving areas, it is our understanding from FCC rules that Universal Service Support would not be provided to customers immediately outside our exchange boundaries without receiving an FCC study area waiver.

DS-19. How much does the Company currently receive in Federal High Cost Funds? How much does the Company receive in Long Term Support assistance from the Federal jurisdiction? How much does the Company receive in Federal assistance from DEM Weighting?

Based on information filed with the NECA, as Universal Service Administrator for USAC, Arizona Telephone Company is projected to receive \$550,000 for year 1998 in Federal High Cost Funds. Southwestern Telephone Company is projected to receive \$207,000 for year 1998 in Federal High Cost Funds.

Based on amounts received through first quarter 1998, Arizona Telephone Company has received Long Term Support in the amount of \$28,514 per month and Local Switching Support in the amount of \$46,832 per month. Southwestern Telephone Company has received, through first quarter 1998, Long Term Support in the amount of \$13,360 per month and Local Switching Support in the amount of \$19,671 per month.

SOUTHWESTERN TELEPHONE COMPANY
General Exchange Tariff - Arizona

ORIGINAL

CONSTRUCTION AGREEMENTS AND CONSTRUCTION
CHARGES AND ALLOWANCES (cont'd)

II. CONSTRUCTION AGREEMENTS - cont'd

3. Where the Company requires an applicant to advance funds for construction, the Company shall furnish the applicant with a copy of the agreement or tariff prior to the applicant's acceptance.
4. All construction agreements requiring payment by the applicant shall be signed by each party.
5. In the event the Company's actual cost of construction is less than the amount advanced by the customer under a construction agreement, the Company shall make a refund to the applicant within one hundred and twenty (120) days of service commencement.
6. The provisions of this Rule apply only to those applicants who in the Company's judgement will be permanent customers of the Company. Applications for temporary service shall be governed by the Commission's rules concerning temporary service applications.

B. Written Agreement Requirements

1. Each construction agreement shall, at a minimum, include the following information:

Name and address of applicant (s), proposed service address or location, description of requested service, description and sketch of the requested construction, a cost estimate to include materials, labor, and other costs as necessary, payment terms, a concise explanation of any refunding provisions, if applicable, Company's estimated start date and completion date for construction.

(D)

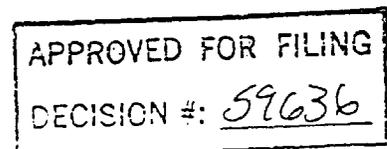
2. Each applicant shall be provided with a copy of the construction agreement.

III. LINE EXTENSION CHARGES AND ALLOWANCES

1. Line extension charges are defined above in Section I-3 and are applicable when facilities are constructed outside of the boundary noted in Section VII. (C) (C)

Issue Date April 10, 1996

Effective Date April 25, 1996



SOUTHWESTERN TELEPHONE COMPANY
General Exchange Tariff - Arizona

ORIGINAL

CONSTRUCTION AGREEMENTS AND CONSTRUCTION
CHARGES AND ALLOWANCES (cont'd)

III. LINE EXTENSION CHARGES AND ALLOWANCES - cont'd

CHARGES

- a. Extensions to plant for distances of 750' from the line extension boundary No Charge (D)
- b. Extensions to plant in excess 750' 100% of the Cost
- 2. In instances where a line extension charge reflects construction required to reach a subdivision, mobile home park, or RV park, the charge will be paid in full by the land developer prior to the construction of facilities. (C)
- 3. All line extension charges are payable in advance, are non-interest bearing and, are not refundable. (C)

IV. GROUPING OF CUSTOMERS (C)

- 1. Where new construction is subject to line extension charges, the charge per customer will be determined by dividing the total construction cost by the total capacity of the facilities.

Example: Construction: New 200 pair copper cable
Total Cost: \$50,000
Capacity: 200
Cost per customer: \$50,000/200=\$250
- 2. When facilities previously subject to line extension charges are exhausted (requiring new construction to increase capacity), a new cost will be calculated based on the required investment, and allocated to customers as in #1 above. The resulting cost per new subscriber may differ from amounts previously paid by existing subscribers.
- 3. Where new construction required to increase capacity on existing facilities also improves facilities serving existing customers, only the incremental cost associated with the increased capacity should be allocated to new customers. (C)

sue Date April 10, 1996
Effective Date April 25, 1996

APPROVED FOR FILING
DECISION #: 59636

ARIZONA TELEPHONE COMPANY

Exchange . ALL . . .
Section No. 15 . . .
Sheet No. . 3 . . .
Revision No. . 1 . . .
Supercedes . ORIG .

CONSTRUCTION AGREEMENTS AND CONSTRUCTION CHARGES AND ALLOWANCES

5. In the event the Company's actual cost of construction is less than the amount advanced by the customer under a construction agreement, the Company shall make a refund to the applicant within one hundred and twenty (120) days of service commencement.
6. The provisions of this Rule apply only to those applicants who in the Company's judgment will be permanent customers of the Company. Applications for temporary service shall be governed by the Commission's rules concerning temporary service applications.

B. Written Agreement Requirements

1. Each construction agreement shall, at a minimum, include the following information:
 - a. Name and address of applicant(s), proposed service address or location, description of requested service, description and sketch of the requested construction, a cost estimate to include materials, labor, and other costs as necessary, payment terms, a concise explanation of any refunding provisions, if applicable, Company's estimated start date and completion date for construction.
 - b. A summary of the results of the economic feasibility analysis performed by the Company to determine the amount of advance required from the applicant for the proposed construction.
2. Each applicant shall be provided with a copy of the construction agreement.

III. LINE EXTENSION CHARGES AND ALLOWANCES

1. Line extensions and additions in the existing zoned exchange areas:

CHARGES

- a. Additions to plant along existing exchange or toll telephone circuits of the Company, including poles and buried wire

No Charge

Approved for Filing
in Open Meeting

JUL 21 1982

Director of Utilities

Issued: June 30, 1982

Effective: JUL 21 1982

By R. G. Nehring, President

CONSTRUCTION AGREEMENTS AND CONSTRUCTION CHARGES AND ALLOWANCES

- b. Extension to plant beyond existing exchange or toll circuits of the Company along public roads or on private property:
- (1) Construction Allowance:
- a. The Company's construction allowance is controlled by and are in accordance with the provisions of the long-term financing loan agreements with the Rural Electrification Administration (REA), United States Department of Agriculture, as presently existing and heretofore amended. In the event such allowance requirements are terminated by REA in the future, replacement tariffs shall be submitted to the Commission for approval.
- b. The construction allowance shall apply to both line extensions from baseline plant and extensions from entrance facilities.
- (2) Plant extensions exceeding the construction allowance.
- a. A charge shall be made to customers for all actual costs incurred by the Company in excess of the construction allowances provided for under paragraph III, 1, b, (1) above. The charges may be in the form of refundable advances or contributions in aid of construction, depending upon the circumstances of the project. Construction for residential subdivisions and mobile home parks are covered specifically under paragraph VI, 3 herein.
- (3) All advances in aid of construction shall be non-interest bearing.
- (4) The location of line extensions are determined by the Company and the distances are measured along the route so selected by the Company.

Approved for Filing
in Open Meeting

JUL 21 1982

Director of Utilities

IV. GROUPING OF APPLICANTS

1. When construction is required to serve a new applicant, a survey is made of all prospects who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Allowances are made only for those prospective customers making bona fide applications for service and the Company reserves the right to establish the limits of the project area.
2. All applicants are grouped in a single project when there is no more than one-half mile of construction between

Issued: June 30, 1982

Effective: JUL 21 1982

By R. G. Nehring, President

ARIZONA TELEPHONE COMPANY

Revision No. . 1 . .

Exchange . . ALL
Section No. . 15 . .
Sheet No. . . 5 . .
Supercedes . ORIG

CONSTRUCTION AGREEMENTS AND CONSTRUCTION CHARGES AND ALLOWANCES

successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds one-half mile. Two or more projects are combined, however, whenever this results in lower charges (or no increase in charges) for all of the applicants involved.

3. An applicant at any premises receives only a single base line extension allowance regardless of the number of services ordered at that premises.
4. Where an applicant orders service at more than one premises, he is treated as being a separate applicant at each premises for purposes of this tariff.
5. If a new application for service from an extension, part of which has been paid for by other customers, is made within five years after completion of the extension, the cost of the extension will be computed on the basis of the additional applicant or applicants having been included with the original application and the new applicants will be charged accordingly. If the contribution required of such additional applicants is less than that of the original customers on the extensions, the difference will be refunded pro-rata to the original customers or to the current owners of the premises if a change in ownership has occurred. Any refunds shall be determined after the new applicant has become a permanent customer, which requires one (1) year of continuous service. An original customer may request an annual survey to determine if additional customers have been connected to that particular project.
6. No applicant shall be required to pay a higher charge than he would if the project were established for him alone. Any difference between this charge and the average charge for the group is absorbed by the Company.
7. In connection with entrance facilities, construction allowances are determined and construction charges assessed on an individual subscriber basis.
8. If after five (5) years from the Company's receipt of the advance it has not been totally refunded, it shall be considered a contribution in aid of construction and shall no longer be refundable.

Approved for Filing
Open Meeting

JUL 21 1982

Director of Utilities

Issued: June 30, 1982

Effective: JUL 21 1982

By R. G. Nehring, President
2236 West Sharril La Road. Phoenix. Arizona 85029

COPY

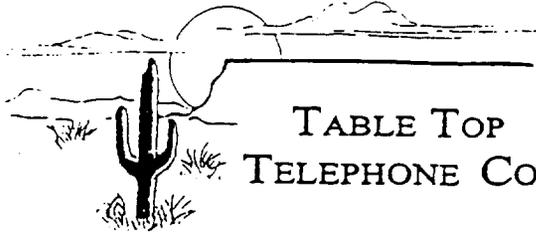


TABLE TOP
TELEPHONE COMPANY, INC.

June 30, 1998

Mauren A. Scott
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

RECEIVED

JUL 1 1998

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

Dear Ms. Scott:

Enclosed is Table Top Telephone's response to your May 29, 1998, letter requesting information concerning unserved areas. I know the data is late, but Mr. Del Smith is aware of this.

The following Table Top Telephone Co., Inc. employees helped prepare the response.

William J. Hayes, General Manager, #7 Guest House Dr., Ajo, AZ 85321

Steve Olea, Engineering Assistant, 1241 W. Nelson Rd., Ajo, AZ 85321

Lisa Rossi, Customer Service Mgr., 800 E. Briggs Rd., Ajo, AZ 85321

Albert Parenteau, Combination Tech, 820 W. Sherman Ave., Williams, AZ 86046-2264

Gary Hibbard, Combination Tech, PO Box 534, Springerville, AZ 85938

Aaron Jordan, Combination Tech, PO Box 1237, Bagdad, AZ 86321

Please telephone me at 520-387-5600 if you require further assistance.

Sincerely,

A handwritten signature in black ink that reads "W J Hayes". The signature is written in a cursive, slightly slanted style.

William J. Hayes
General Manager

WJH:lt

Enclosure

Table Top Telephone Co., Inc.

- DS-1 Yes, about 1,094 dwellings.
- DS-2 Inquiries, requests for telephone service, and house counts.
- DS-3 (See attached maps.)

Aguila Exchange

1. North Ranch
 - 414± lots w/no applicants (yet), but expect 90 customers.
 - Still under Dept. of Real Estate Review
 - R6W; T9N; Sect. 24±
2. A settlement
 - 10 lots w/2 applicants
 - 1 applicant 4.5 miles from Hwy. 60
 - 1 applicant 6.5 miles form Hwy. 60
 - Developing costs to extend service.
 - R10W; T8N; Sect. 35±
3. Gladden (a mobile home park)
 - request w/in park
 - Applicant could not meet us at the demarcation point
 - R10W; T7N; Sect. 34
4. Robson's Mining World
 - Applicant is on BLM land
 - About 3 lines forecasted
 - About 4.5 miles to nearest facility

Sanders Exchange

1. NHA Housing
 - 10 applicants
 - 34 homes
 - 17± additional planned
 - About 1.5 miles to nearest facility
2. Bahai Religious Settlement
 - About 16 lines forecasted
 - About 4.5 miles to nearest facility
3. Settlement west of Houck Chapter House
 - About 75 homes
 - 4 applicants
4. A cluster of about 45 homes
 - About 2 miles to available service.

5. NHA Housing
 - About 5 miles
 - About 30 homes
6. Rural Community II
 - 64 lots
 - 4 homes
 - no applicants
 - about 8 miles south
7. New Lands
 - Clusters of Housing Areas
 - Most have no homes
 - All have paved roads, water lines and wells.
8. Lupton Chapter
 - About 260 dwellings
9. Houck Chapter
 - About 210 dwellings

IN EXCHANGE

8. Blue Bird- 29 lots
9. Parker Draw- 50 lots
10. Little Silversmith- 46 lots
11. Navajo Springs- 86 lots
12. Hogan Well- 50 lots
13. Middle Well- 57 lots
14. Rottenhouse Well- 33 lots

IN CITIZENS' EXCHANGE

15. East Mill- 50 lots
16. Antelope Well- 53 lots
17. Hardscrabble- 30 lots
18. North Well- 28 lots
19. Kelsey- 28 lots
20. Barth Lake- 26 lots

Seligman Exchange

1. Antelope Valley Ranch
 - 1,500 parcels
 - 1,400 parcels sold
 - 147 residents; no applicants
 - no commercial electricity
 - checkerboard development
2. Bridge Canyon Estates
 - Sections 1, 2, 3, 4, and 5 have electricity
 - Sections 6 through 24 have no electricity
 - 5,474 parcels

- 4,400 parcels sold
 - 130 residents
 - Checkerboard
3. Sierra Verde
 - Somewhere between 400-500 lots
 - About 70 residents w/ 1 applicant
 - Commercial electricity in spots
 - Checkerboard development
 4. Westwood Ranch
 - As of this writing, 520-422-3783 hasn't answered the telephone.
 5. Cross Mountain Ranch
 - 2 applicants
 - 4-5 miles from end of 25-mile open wire lead.
 - forecast 6 prospects
 - no electricity

DS-4

Telephone service has not been extended due to cost, checkerboard developments, no electricity, and, in the case of Sanders, complex issues involving the multiplicity of steps to obtain BIA and Tribal approval, discussions surrounding Table Top Telephone "piggybacking" on Continental Divide Electric Cooperative's right-of-way, e.g., joint pole agreement, and if Continental Divide should retain the annual pole attachment fee paid by Table Top. At times, "consideration" or payment to the Tribe has also been mentioned (we refuse).

Seligman Exchange

- [REDACTED] July, 1995 (1 mile state land. No commercial electricity)
- [REDACTED] Oct., 1997 (being developed)
- [REDACTED] Oct., 1998
- [REDACTED]; Sept., 1997 (lives in Citizens Tel. Exchange)
- [REDACTED] Dec., 1997
- [REDACTED] Feb., 1998 (being developed)

Sanders Exchange

- [REDACTED] April 3, 1997 (awaiting Navajo Dept. of Justice interpretations of Rights-of-Way.)

Aguila Exchange

- [REDACTED] June, 1997
- [REDACTED] d; April, 1995
- [REDACTED]; May, 1997
- [REDACTED] Feb, 1998
- [REDACTED] Jan., 1998

DS-5

Aguila Exchange

- North Ranch is 22 miles by air.
- "Settlement" with 10 lots and 2 applicants are 4.5 and 6.6 miles to Hwy. 60, then 1.5 miles to CO. Ken Dooley and Jim Ross)
- Gladden is about 9 miles. (M. Auilia)
- Robson's Mining World is about 4.5 miles.

Sanders Exchange

- NHA east of Houck Chapter is 1.5 miles.
- Bahai Religious Settlement is 4.5 miles to nearest facility, but 10 miles to nearest available facility.
- West of Houck Chapter House is from 6 to 8.5 miles.
- The cluster NW of the Houck Chapter House is from 5 to 7 miles.
- NHA west is about 10 miles.
- Rural Community II is about 8 miles.
- Blue Bird- 54 miles
- Parker Draw- 15 miles
- Little Silversmith- 13 miles
- Navajo Springs- 20 miles
- Hogan Well- 26 miles
- Middle Well- 30 miles
- Rottenhouse Well- 30 miles
- East Mill- 36 miles
- Antelope Well- 44 miles
- Hardscrabble- 44 miles
- North Well- 59 miles
- Kelsey- 66 miles
- Barth Lake- 60 miles

Seligman Exchange

- Antelope Valley Ranch- 12 to 18 miles
- Bridge Canyon Estates- 1 to 25 miles
- Sierra Verde- 5 to 25 miles
- Westwood Ranch- 6 miles
- Cross Mountain Ranch- 28 miles

DS-6

Aguila

- None we know of.

Sanders

- About 20 prospects around Barth Lake, Kelsey, and North Well.
- About 10 prospects around Antelope Well.

Seligman

- Possibly 5 prospects along the Yavapai-Mohave County boundary.

- Possibly 1 prospect along the Coconino-prospect along the Coconino-Mohave County boundary.
- Sandra Johnson; in Citizens' Peach Springs Exchange. (She subscribes to TTTC's & Voice Mail.)

DS-7 - Inquiries for service and referred them to Citizens Telcom.
 - Driving around.
 - Field visits.

DS-8 Please review attached maps.

DS-9 Generally speaking, we don't know why, but the cost of construction and the consequent hurdles to secure permits are the chief issues. Another aspect could be if the construction is for a renter who may only be temporarily in the area. Still another aspect could be service to a "Snowbird" who may disconnect periodically or go on "vacation rate." Other reasons are distance, archaeological and environmental permits, no electricity, graded roads don't follow right-of-way, to name a few. Also, many of these people lack substantial financial resources.

Sandra Johnson lives in Citizens Telcom's Peach Springs Exchange. We referred her to Citizens since Citizens service appears to extend beyond her property. Her voice mail number through Table Top Telephone was 422-3418. Her initial request was Sept. 1997.

DS-10 Sanders Exchange
 East Mill is 36 miles.
 Antelope Well is 44 miles.
 Hardscrabble is 44 miles.
 North Well is 59 miles.
 Kelsey is 66 miles.
 Barth Lake is 60 miles.

Seligman Exchange
 [REDACTED] is 3 miles.

DS-11 Yes, one in the Aguila Exchange. Hilbeg Machinery was upset because we couldn't get them service. The problem lay with a railroad crossing, an APS extension, and a private right-of-way. This turned out to be an ACC complaint. (Prospect does not have telephone service.)

As of this writing, we have received neither informal nor formal complaints regarding line extension and/or aid to construction.

DS-12 N/A

DS-13 Yes. See attached copies.

We make a 5-year access line forecast of the area in question. We estimate the costs to design and construct the extension of telephone plant and equipment. We add extraordinary costs, if any, such as, field surveys, environmental and archaeology assessments, permits, electrical power (for powering field electronics), and the like. In addition, if the nearest point from the applicant's premise to the nearest available facility includes reinforcing an existing route, these costs are also added to the cost of providing facilities.

If, for example, the cost to extend facilities to a single applicant is \$100,000 and the 5-year access line forecast is 20, then the pro rata share of the cost is \$5,000. The extraordinary cost to the applicant is \$5,000 less \$3,000 (the amount TTTC would extend facilities for no additional charge) resulting in \$2,000 net to the applicant.

The \$2,000 would be paid in advance, unless TTTC agrees to accept a short-term, non-interest bearing payment schedule.

DS-14 Seven.

DS-15

Aguila Exchange

- [REDACTED] \$17,800
- [REDACTED] \$20,805
- [REDACTED] \$92,265 plus the cost to extend commercial electrical power about 4 miles.

Sanders Exchange

- Office of Relocation- \$79,190 with BIA obtaining environmental and archaeology assessments.

Seligman Exchange

- [REDACTED] \$124,590 plus the cost of extending 6 miles commercial electrical power.
- Sierra Verde Ranches XI- \$1,134,845 plus the cost to extend commercial electrical power 6.5 miles.
- [REDACTED] \$375,445.

The average request is \$118,350, excluding Sierra Verde Ranches XI.

DS-16 No.

DS-17 All. See DS-15

- DS-18 Yes. Of those we quoted line extension costs (5 because Sierra Verde Ranches is excluded), the average is \$31,690 (\$28,690 net).
- DS-19 Federal High Cost Fund is \$219,288.
Long-term Support is \$370,032.
DEM Weighting is \$409,224.

CONSTRUCTION CHARGES

1. GENERAL

Charges under this tariff are for facility extensions to prevent the unreasonable burdening of the general body of existing customers.

All plant facilities will be owned and maintained by the Company. The applicant or subdivider/developer, however, by mutual agreement with the Company, may clear the right-of-way, furnish and install the underground supporting structure or open and close a trench for buried services, all in accordance with the Company's construction specifications. The Company in these cases may furnish and install the fixtures and wire or cable at its expense. Ownership of facilities, structures, etc. so provided by applicant shall be vested in the Company.

Nonrecurring charges under this tariff are payable in advance, are non-interest bearing and are not refundable except as specified.

2. LINE EXTENSIONS

A. Facilities provided without Construction Charge

Under normal conditions, the Company, without charge will extend its lines to reach applicants provided the actual cost for the required line extension will not exceed \$3,000.00 per applicant.

B. Construction Charges for Facilities in Excess of the above allowance.

1. If the line extension requirements of an applicant or group of applicants exceeds the above, a construction charge will be made for the facilities in excess of the allowances specified above. The construction charges for line extensions will be apportioned based on each applicant's pro rata share.
2. The construction charge assessed an applicant or applicants for facilities in excess of the allowance shall be paid in advance. However, monthly payments may be allowed over a reasonable period, not to exceed one year.
3. Payments for line construction are not refundable and no credit will be allowed for future installation or line extensions constructed under the above regulations.
4. Plant extensions to provide service on a basis other than as covered above require the payment of construction charges as determined from the conditions.

Issued: September 30, 1994

Effective: 4/14/95

Docket No. U-2724-93-191

APPROVED FOR FILING
DECISION #: 58763

CONSTRUCTION CHARGES (Cont'd)

2. LINE EXTENSIONS (Cont'd)

C. Actual cost determination

1. In those circumstances where extensions to facilities exceed the allowance, the customer, in addition to any material or labor to be furnished by him, will pay in advance the estimated total cost of the Company's construction as prescribed in a contract executed between the Company and the customer.
2. Should the amount advanced by the customer exceed the actual cost, a refund will be made within 120 days after completion of the Company's construction.
3. In no instance will the Company charge more than the actual cost at the closing of the job order.
4. When the construction provided includes provisions for additional future customers (at Company option), the charges assessed to current applicants shall be based upon a proration of cost to their services, and not based upon the actual total of the job order.

D. Exceptional circumstances

1. In those instances where construction involves unforeseen conditions such as unusual terrain, or where extraordinary charges applicable to government land crossings, forestry permits, etc., are involved, a departure from the rates and conditions specified in this schedule may be made by the Company.
2. In those instances where the customer requested type of construction differs from that normally provided by the Company, the customer will bear any additional cost or savings associated with the construction. Company concurrence with the customer request will only be provided in accordance with standard utility construction specifications.
3. When the application of this schedule appears impracticable or unjust, the Company or the customer may refer the matter to the Arizona Corporation Commission for a special ruling on or for approval of mutually agreed upon special conditions prior to commencing construction.

3. COLLECTIVE APPLICATIONS AND GROUPING OF APPLICANTS

When construction is required to serve a new applicant, a survey shall be made of all prospects who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Allowances are made only for those prospective customers signing contracts for service at the time the project is initiated.

All applicants are grouped in a single project when there is not more than one-half mile of construction between successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds one-half mile.

4. TEMPORARY OR SPECULATIVE PROJECTS

Plant facilities to provide service to an applicant engaged in temporary or speculative projects shall be provided in accordance with terms specified in a contract executed between the customer and the Company.

Charges for such a temporary or speculative project may include the construction and removal of telephone facilities.

If a subscriber maintains for thirty-six consecutive months a service installation which was originally established on a temporary or speculative basis, and if his business or operation at the end of that time has proven its permanency to the satisfaction of the Company, there will be refunded to the subscriber an amount equal to the difference between the payment made and the normal line extension charge which would have been applicable at the time the subscriber's service was installed.

In no event shall service installation be classed as temporary or speculative for more than six years. Refund provisions apply at the end of not more than six years.

Issued: September 30, 1994

Effective: 4/14/95

Docket No. U-2724-93-191

APPROVED FOR FILING
DECISION #: 58763

CONSTRUCTION CHARGES (Cont'd)

5. REAL ESTATE SUBDIVISIONS

A subdivision or real estate development is defined as improved or unimproved land under a definite plan of development wherein it can be shown that there are reasonable prospects within the next five years for four or more customers for nontemporary main telephone line services.

Line extensions and/or additions into real estate subdivisions will be made by the Company provided 100% of the estimated total cost for facilities to provide service is advanced to the Company by the subdivider.

After completion of construction the Company will review annually, over a period of five (5) years, the permanently established service connections within the development and refund a prorated portion of the advance based on 100% occupancy. Each succeeding years refund will only include additional connections exceeding the previous year.

Should the developer or subdivider fail to provide for the distribution facilities as provided for in this condition, customers residing in the subdivision or development will be treated as either individual or collectively grouped applicants, as applicable.

6. CHARGES TO SUBSEQUENT APPLICANTS

When a subsequent applicant is secured who can be served from an existing project within five years of the initial date of same project, the new applicant will pay to the Company a prorated portion of the facility charge as paid by the original applicants to that project.

When a customer discontinues service and service is reestablished for a new applicant at the same location, the new applicant will not be required to pay additional charges, including zone connection charges, where facilities are in place.

Issued: September 30, 1994

Effective: 4/14/95

Docket No. U-2724-93-191

APPROVED FOR FILING
DECISION #: 58763

CONSTRUCTION CHARGES (Cont'd)

7. DISCONNECTS

When one or more customers on a project disconnect within the five year term, no refund is made on the nonrecurring facility charge to the disconnected customers. Charges to remaining customers are not affected by disconnects.

8. MOVE OR CHANGE OF FACILITIES AT CUSTOMER'S REQUEST

When a customer requests that facilities located on that customer's property be moved or changed, the Company will charge the customer the actual cost incurred by such a move or change. The Company reserves the right to approve or deny any such requests.

Issued: September 30, 1994

Effective: 4/14/95

Docket No. U-2724-93-191

APPROVED FOR FILING
DECISION #: 5876

U S WEST

U S WEST COMMUNICATIONS, INC.
3033 N. 3rd Street, Room 1004
Phoenix, Arizona 85012
602-630-8222
FAX 602-235-4890

USWEST

Maureen Arnold
Director - Regulatory Matters

RECEIVED

JUN 20 1998

FEDERAL

June 19, 1998

Ms. Maureen A. Scott
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

RECEIVED

JUN 19 1998

LEGAL DIV
ARIZ. CORPORATION COMMISSION

Dear Ms. Scott:

Re: Docket No. T-1051B-97-637 (Unserved Areas)
FCC Docket No. 96-45; 97-160; DA 98-715

Enclosed are U S WEST's responses to Staff's first set of data requests in the above referenced docket.

If you have questions, please call me.

Very truly yours,

Maureen Arnold
(2m)

Enclosures

cc: Timothy Berg

Arizona
T-1051B-97-637
STF 01-001

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 001

Currently, are there any potential customers within the Company's exchange boundaries that do not have telephone service? If yes, how many?

RESPONSE:

Yes. Although USW believes there are customers within its territory that do not have service, actual numbers are not known unless customers contact the Company. Attachment A provided in response to DS-15 provides a list of customers who have applied for service in areas outside the Base Rate Area.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-002

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 002

Please indicate the basis for your estimate provided in response to Question 1.

RESPONSE:

See response to DS-1.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-003

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 003

Where are these potential customers located? List the estimated number of potential customers by wire center or exchange and by section, township and range.

RESPONSE:

See response to DS-1. The information is not tracked by wire center.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-004

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 004

If your response to DS-1 is yes, why do these potential customers not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

RESPONSE:

Of the customers that have contacted USW, including but not limited to, the following are reasons why they may not have telephone service: (1) when facilities are not already in place, special charges may apply, such as Zone Connection Charges or Construction Charges. The customer is notified of the specific charges and given the option of accepting the charges to have the work done or canceling the order (see DS-13 below). Some customers may not wish to pay the one-time charge and cancel their order; (2) USW may not have access to facilities on private property, for example, when a customer requests service in a mobile home park or there are right-of-way disputes; (3) some customers may choose an alternative to traditional local service such as wireless, rather than wait for wireline service.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-005

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 005

For the customers listed in your response to DS-3, indicate the distance from the potential customer's location to the nearest available facilities.

RESPONSE:

This information is not readily available. It would require an extensive amount of manual tracking to determine the distance of facilities to an individual customer's location.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-006

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 006

Are there any potential customers immediately outside the Company's exchange boundaries that do not have telephone service? If yes, how many?

RESPONSE:

Yes, but the information is not tracked. However, through the USF workshops, the Arizona Corporation Commission is tracking potential customers. Based on the workshops, the ACC has identified 16 areas where potential customers are located outside the Company's exchange boundaries.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-007

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 007

Please indicate the basis for your estimate provided in response to Question 6.

RESPONSE:

See response to DS-6.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-008

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 008

Where are these potential customers located? List the estimated number of potential customers by wire center or exchange, and if possible, by section, township and range.

RESPONSE:

See response to DS6. In addition, USW has had two formal complaints, one is located outside the exchange boundary of Chino Valley and the other is located outside the Prescott exchange boundary. These two areas are included in the ACC's 16 identified areas of potential customers.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-009

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 009

If your response to DS-6 is yes, why do these potential customers, if any, not have telephone service at the present time? Have any of these potential customers requested service at any time? If yes, please provide the names of the customers and the dates service was requested.

RESPONSE:

USW has chosen not to expand its serving territory at this time due to several factors, primarily due to service quality and the new competitive environment. The Service Quality Tariff, established by the ACC, sets penalties for service not provided within specific targets. Therefore, USW must concentrate on customers within our serving territory first before venturing into areas outside its serving area.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-010

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 010

For the customers listed in your response to DS-8, please indicate the distance from the potential customer's location to the nearest available facilities.

RESPONSE:

Based on the two formal complaints, one potential customer is located approximately one mile from existing facilities and the other is located approximately 2 miles from existing facilities.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-011

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 011

Has your Company received any complaints from potential customers regarding their inability to obtain telephone service during the last five years? Please indicate the number of complaints received by year, the nature of each complaint, and where the customer is located.

RESPONSE:

Yes we have received complaints, however, in tracking complaints, USW does not differentiate between potential customers and USW customers in its tracking of complaints. The number of Commission and Executive held order complaints that have been received during the last five years is:

1994	470
1995	1838
1996	2207
1997	1164
1998 YTD	392

In addition, two potential customers filed formal complaints; Mr. Don Miller - Docket No. E1051-97-130 and Mr. Bruce Walker - Docket No. E-1051-96-543.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-012

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 012

If your answer to DS-11 was yes, how were each of these complaints resolved? Please list all instances where the complaint is still unresolved and date the complaint was received.

RESPONSE:

It would require a special study to compile this information and determine 1) if it is a USW customer and 2) to see how it was resolved. Generally the customer determines the outcome by accepting/denying construction charges if within our serving area. If outside the serving area, USW advises customers of other LEC's serving their area. In the case of the two formal complaints, Mr. Don Miller and Mr. Bruce Walker, the Commission ruled that USW was not obligated to serve outside of its serving area.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-013

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 013

Does your Company have an approved line extension tariff on file with the Commission? If yes, please attach a copy and briefly explain how it works.

RESPONSE:

Attachment A is a copy of U S WEST's Construction Charge Tariff. If a customer is located within the USWC exchange but outside the Base Rate Area (BRA), an Engineer reviews the area and determines whether additional construction costs are required to provide service. Costs are based on new and/or existing feeder, and new/or existing distribution; time and materials, trenching, etc., then the \$3000 rural credit is applied. Customers are then sent a contract with the amount of the construction cost.

Respondent: Laura Holmesley
Title: Manager-Public Policy
Address: 3033 N. 3rd Street, Rm 1010
Phoenix, AZ
85012-3090

Issued: 10-18-95

Effective: 11-20-95

4. CONSTRUCTION CHARGES AND OTHER SPECIAL CHARGES

4.1 GENERAL

- A. Reasonable rates and charges involve consideration of costs and the degree of risk associated with furnishing telephone service. Certain situations involve substantial extra cost or risk, e.g., the facilities required will be temporary; facilities are ordered in advance of actual customer demand for service; unusual costs are involved in furnishing the service or facilities; exchange service is ordered for areas where the telephone facilities are not available.
- B. The provision of telephone service may require the payment of a construction, zone connection, facility or temporary development charge by the customer ordering telephone service or requesting facilities. This charge is in addition to the regular rates, nonrecurring and installation charges applicable for the exchange service provided.
- C. Applicants requesting service at locations that have been served previously will not be assessed construction charges. Construction charges will be associated with the premises for which they were established rather than the customer. Credit for construction charges will not be transferred from one premises to another.
- D. The Company shall not be required to provide facilities, at the request of a developer, within new areas of land development which meet any of the conditions listed in 4.4.1, following, unless a contract is signed and a facility charge (refundable) is provided by the developer.
- E. Advance payments or deposits for exchange service, if required under the regulations contained in Section 2 of this Tariff, shall be paid at the time agreement is made between the applicant and the Company to provide such exchange service.
- F. With approval of the Company, arrangements may be made for the payment of construction, and/or zone connection charges in monthly installments spread over a reasonable period, generally not to exceed one year. All unpaid installments become due upon termination of service.
- G. With approval of the Company, a customer may furnish material, transportation, labor, board or lodging as all or part payment of the charge in lieu of cash.
- H. The ownership of any pole line, circuit or other facilities provided wholly or in part at the expense of an applicant under this Tariff shall at all times be vested exclusively in the Company or another company with which the Company has a joint agreement.

Issued: 10-18-95

Effective: 11-20-95

4. CONSTRUCTION CHARGES AND OTHER SPECIAL CHARGES

4.1 GENERAL (Cont'd)

- I. Except as otherwise provided herein, the terms and conditions in this Tariff contemplate that the type of construction required to provide the quantity and grade of telephone service involved will be determined by the Company. The customer will be required to pay the added costs involved when a different type of construction than that proposed by the Company is desired.
- J. Where applicants are so located that it is necessary or desirable to use private and/or government right-of-way to furnish service, such applicants may be required to provide or pay the cost of providing such right-of-way in addition to any applicable charges.
- K. All necessary construction will be undertaken at the discretion of the Company consistent with budgetary responsibilities and consideration for the impact on the general body of customers, but in no case more than six months after the request for service necessitating the construction. The Company bears all responsibility for informing customers on a timely basis of all conditions necessary to establish service.
- L. Service station customers who request local exchange service will be classed as new applicants for the application of construction and zone connection charges. New service station customers will be assessed the appropriate construction and/or zone connection charges applicable at the point of connection.
- M. When construction is required to serve a new applicant, the Company will take whatever steps necessary to determine all prospects who may desire to be served from the new construction or an extension. Only those prospects having signed a line extension contract will be included in the project. All applicants are grouped in a single project when there is no more than one mile of construction between successive applicants and the terrain makes it economically reasonable for the applicants. Separate projects are established whenever the construction between any two consecutive applicants exceeds one mile. Two or more projects are combined whenever this results in lower charges (or no increase in charges) for the applicants in the preceding project.

Issued: 10-18-95

Effective: 11-20-95

4. CONSTRUCTION CHARGES AND OTHER SPECIAL CHARGES

4.2 CONSTRUCTION ON PUBLIC HIGHWAYS OR OTHER EASEMENTS

4.2.1 ZONE CONNECTION CHARGES

- A. Zone Connection Charges will generally enable the Company to provide service to new customers outside base rate areas by helping to reduce the burden placed on the general body of customers. Additional rural construction charges may also apply as specified in 4.2.2.
- B. Zone Connection Charges will apply to each main station service or line (trunk, etc.) extended beyond the base rate area the first time service is established at a given location or for additional main station services or lines and are in addition to any appropriate nonrecurring charges.
- C. Applicants requesting service at locations that have been served previously will not be assessed a Zone Connection Charge.
- D. Zone Connection Charges will not be applied for regrades of existing service.
- E. Zone Connection Charges are as follows:

	CHARGE
• Zone Connection Charges for all grades of service	\$53.30

Issued: 10-18-95

Effective: 11-20-95

4. CONSTRUCTION CHARGES AND OTHER SPECIAL CHARGES

4.2 CONSTRUCTION ON PUBLIC HIGHWAYS OR OTHER EASEMENTS (Cont'd)

4.2.2 ADDITIONAL RURAL CONSTRUCTION CHARGES

- A. Additional rural construction charges may apply as specified herein.
 1. Costs for existing facilities will be determined in the following manner:
 - a. A Telephone Plant Index (TPI) translator, specific to the type and vintage year of plant involved, will be applied to the current construction costs for the existing circuit to calculate the original cost of the circuit.
 - b. A depreciation factor, specific to the type and vintage year of plant involved, will be applied to the original cost determined in a., to calculate at net book cost, or original construction cost less accrued depreciation.
 2. Additional construction charges will be determined as follows:
 - a. Any additional construction charges to the rural customer will not exceed the customer's pro rata share of original construction costs, less accrued depreciation, on existing facilities, as determined in 1., preceding, plus the customer's pro rata share of the construction costs of new facilities, less a credit of the lesser of \$3,000 or the sum of the aforementioned costs. The construction charges specified herein are in addition to the Zone Connection Charges in 4.2.1.

Arizona
T-1051B-97-637
STF 01-014

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 014

How often in the past five years have you given estimates under your tariff to potential customers without service?

RESPONSE:

Formal tracking of this began in 1996 as a result of the Service Quality Tariff. The number of requests from 1996 to 1998 YTD is 3367.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-015

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 015

What have those estimates been? Please provide as many individual examples as possible for the prior 10 year period. Please also indicate what your average estimate is for line extension requests you receive.

RESPONSE:

Although the data request states 10 years, on June 12, 1998, ACC Counsel advised that 5 years would be sufficient. However, only data from 1996 is available (see DS14). Attachment A is a disk which provides the requested information by wire center. Columns A & B contain customer specific information and were deliberately left blank.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-016

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 016

Have all potential customers provided with these estimates been able to pay the required amount to have facilities put in place to obtain telephone service?

RESPONSE:

No. Not all have paid the construction charge. Whether they were able to pay is not known.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-017

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 017

If your answer to Question 16 is no, how many potential customers have been unable to pay the required amount to have facilities put in place? Please indicate per request the dollar amount which the potential customer was unable to pay, and when the request was made for the last 10 year period.

RESPONSE:

Although the data requets states 10years, on June 12, 1998, ACC Counsel advised that 5 years would be sufficient. However, USW does not track the reasons why a customer has not taken the service. Potential customers may have been unable to pay, refused to pay, chose an alternative service (wireless), or some other reason.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-018

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 018

Would any of these potential customers qualify for federal lifeline assistance using the federal default eligibility criteria? If yes, please estimate how many would fall into this category?

RESPONSE:

The federal program has not yet been implemented and details of the program are still being worked out. However, it is anticipated that if customers indicate to a USW customer representative that they might qualify for low-income assistance, USW would refer the potential customer to the Department of Economic Security (DES) to determine eligibility.

Although it is likely that there may be potential customers that meet the eligibility criteria, USW has no data to determine the number that might fall into the federal Lifeline assistance category, since it does not query income status from any potential customer.

Respondent: Dawn Salaver
Manager
1801 California St. Rm. 4400
Denver, CO 80202

Arizona
T-1051B-97-637
STF 01-019

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 019

How much does the Company currently receive in Federal High Cost Funds? How much does the Company receive in Long Term Support assistance from the Federal jurisdiction? How much does the Company receive in Federal assistance from DEM Weighting?

RESPONSE:

The company received \$1,312,615 in Federal High Cost Fund payments for Arizona from January to May 1998. No Long Term Support assistance was received, and no payments were received for DEM Weighting for Arizona.

Respondent: Maggie Barrington
Title: Manager-Finance
Address: 4001 Discovery Drive
Boulder, CO
80303