IN THE MATTER OF THE INVESTIGATION OF
THE COST OF TELECOMMUNICATIONS
ACCESS.

DOCKET NO. T-00000D-00-0672

PROCEDURAL ORDER

BY THE COMMISSION:

On September 5, 2000, the Commission’s Utilities Division (“Staff”) filed a Request for an
Investigatory Docket Regarding the Cost of Access to determine if access charges currently in effect
reflect cost of access.

On November 21, 2001, Staff filed a Request for a Procedural Order (“Request”) which set
out a list of questions to be responded to by interested parties, and further proposed additional
procedural steps.

By Procedural Order issued December 3, 2001, interested parties were directed to provide
written comment on specified issues/questions no later than January 4, 2002.

On December 11, 2001, Citizens Communications Company requested an extension of time
to respond due to the holiday season and scheduling problems. By Procedural Order issued
December 20, 2001, Citizens’ request was granted.

On December 28, 2001, Qwest Corporation (“Qwest”) and AT&T Communications of the
Mountain States, Inc. (“AT&T”) filed a Joint Motion for Extension of Time (“Joint Motion”). On
January 11, 2002, Citizens Communications Company and Electric Lightwave, Inc., and the Arizona
Local Exchange Carriers Association, including Accipiter Communications, Inc. CenturyTel, Copper
Valley Telephone, Gila River Telecommunications, Inc., Midvale Telephone Exchange, Inc., TDS
Telecom (Arizona and Southwestern Telephone Companies), Tohono O’Odham Utility Authority and
Valley Telephone Cooperative, Inc., filed a “Joinder in Joint Motion For Extension of Time.”

On January 16, 2002, by Procedural Order, the joint motion was granted and parties were
given until March 8, 2002 to file comments. The January 16, 2002 Procedural Order also scheduled a
procedural conference for April 12, 2002.

On January 16, 2002, Time Warner Telecom of Arizona, LLC filed an Application to Intervene. There have been no objections to the request to intervene.

On March 28, 2002, Staff filed its list of procedural recommendations for this proceeding. Those recommendations are:

a. The proceeding should be a generic proceeding.
b. The parties should have the opportunity to file direct, rebuttal and surrebuttal testimony before the Hearing.
c. The Commission should address access charges for both rate of return companies (rural companies) and price cap companies in the proceeding.
d. The parties should be required to provide testimony on the following issues, at a minimum:

   1. Whether IXCs may be at a competitive disadvantage if access charges are not reformed.
   2. Whether transferring cost recovery responsibility from IXCs through CCL charges to end users (through end flat rate end user charges) results in end users subsidies of ILEC-provided toll services.
   3. Whether transferring cost recovery responsibility from IXCs (through CCL charges) to end users (through end flat rate end user chargers) results in end user benefits.
   4. What considerations make access charge reform in the public interest and, in addition, what considerations make the interested party’s proposed access charge reform plan in the public interest.

e. While the proceeding should address both switched access and special access issues, the primary focus should be on switched access issues.
f. Interested parties should submit estimates of the impact of their proposal on end user rates. For example, if the party’s recommendation is elimination of CCL charges with AUSF support, the party should provide the following:

   1. What is the dollar amount of revenues that CCL charges currently generate,
   2. What the AUSF amount will be, and
   3. What local service rate was used to estimate the AUSF funding amount.

g. The parties should describe the mechanism that would be used to implement the access charge rate changes that are proposed.
h. The parties should address any other issues that they believe are relevant.

Staff also recommended the following dates:

   June 28, 2002
   July 31, 2002
August 30, 2002
September 13, 2002
September 23, 2002

IT IS THEREFORE ORDERED that responses to Staff’s recommendations should be submitted by April 19, 2002.

IT IS FURTHER ORDERED that the procedural conference currently scheduled for April 12, 2002, is hereby continued indefinitely pending receipt of responses to Staff’s recommended procedural schedule.

IT IS FURTHER ORDERED that Time Warner Telecom of Arizona, LLC is hereby granted intervention.

DATED this 8th day of April, 2002.

DWIGHT D. NODES
ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered this 8th day of April, 2002 to:

MARY B. TRIBBY
RICHARD S. WOLTERS
1875 LAWRENCE STREET, STE. 1575
DENVER, CO 80202
ATTORNEYS FOR AT&T COMMUNICATIONS

SCOTT WAKEFIELD, CHIEF COUNSEL
RUCO
2828 NORTH CENTRAL AVENUE, STE. 1200
PHOENIX, AZ 85004-1022

TIMOTHY BERG
THERESA DWYER
FENNEMORE CRAIG
3003 NORTH CENTRAL AVENUE, STE. 2600
PHOENIX, AZ 85012

RICHARD S. WOLTERS
1875 LAWRENCE STREET, SUITE 1503
DENVER, CO 80202

ACCIPITER COMMUNICATIONS INCORPORATED
2238 WEST LONE CACTUS DR., SUITE 100
PHOENIX, AZ 85027

ARIZONA TELEPHONE COMPANY
PO BOX 5158
MADISON, WI 53705-0158

CENTURYTEL OF THE OUTHWEST, INC.
CENTURYTEL
P O BOX 4065
MONROE LA 71211-4065

CITIZENS UTILITIES RURAL COMPANY, INC.
CITIZENS COMMUNICATIONS COMPANY OF ARIZONA
4 TRIAD CENTER, SUITE 200
SALT LAKE CITY, UT 84180

COPPER VALLEY TELEPHONE, INC.
PO BOX 970
WILLCOX AZ 85644-0000

MIDVALE TELEPHONE EXCHANGE
PO BOX 7
MIDVALE ID 83645-0000

NAVAJO COMMUNICATIONS COMPANY, INC.
4 TRIAD CENTER, SUITE 200
SALT LAKE CITY, UT 84180
<table>
<thead>
<tr>
<th><strong>QWEST CORPORATION</strong></th>
<th><strong>ESPIRE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>3033 N 3RD STREET ROOM 1010</td>
<td>131 NATIONAL BUSINESS PARKWAY, STE. 100</td>
</tr>
<tr>
<td>PHOENIX AZ 85012</td>
<td>ANNAPOlis JUNCTiON MD 20701-0000</td>
</tr>
<tr>
<td><strong>MANAGEMENT CONTACT:</strong></td>
<td><strong>ELECTRIC LIGHTWAVE, INC.</strong></td>
</tr>
<tr>
<td>RIO VIRGIN TELEPHONE COMPANY</td>
<td>4 TRIAD CENTER, STE. 200</td>
</tr>
<tr>
<td><strong>RIO VIRGIN TELEPHONE &amp; CABLEVISION</strong></td>
<td>SALT LAKE CITY UT 84180-</td>
</tr>
<tr>
<td>PO BOX 189</td>
<td><strong>ESCHelON TELECOM OF ARIZONA, INC.</strong></td>
</tr>
<tr>
<td>ESTACADA, OR 97023-0000</td>
<td>730 SECOND AVENUE SOUTH SUITE 1200</td>
</tr>
<tr>
<td><strong>SAN CARLOS Apache TELECOMMUNICATION UTILITY, INC.</strong></td>
<td>MINNEAPOLIS MN 55402-0000</td>
</tr>
<tr>
<td>PO BOX 701, 245 S. HILL</td>
<td><strong>GLOBAL CROSSING TELEMANAGEMENT, INC.</strong></td>
</tr>
<tr>
<td>GLOBE AZ 85502-0000</td>
<td>180 SOUTH CLINTON</td>
</tr>
<tr>
<td><strong>SOUTH CENTRAL UTAH TELEPHONE ASSOCIATION, INC.</strong></td>
<td>ROCHESTER NY 14646-0000</td>
</tr>
<tr>
<td>PO BOX 226</td>
<td><strong>INTERMEDIA COMMUNICATIONS INC</strong></td>
</tr>
<tr>
<td>ESCALANTE UT 84726-0000</td>
<td>ONE INTERMEDIA WAY</td>
</tr>
<tr>
<td><strong>SOUTHWESTERN TELEPHONE CO, INC.</strong></td>
<td>TAMPA FL 33647-1752</td>
</tr>
<tr>
<td>PO BOX 5158</td>
<td><strong>JATO OPERATING CORP.</strong></td>
</tr>
<tr>
<td>MADISON, WI 53705-0158</td>
<td>6200 SYRACUSE WAY, STE. 200</td>
</tr>
<tr>
<td><strong>TABLE TOP TELEPHONE COMPANY, INC.</strong></td>
<td><strong>ENGLEWOOD CO 80111</strong></td>
</tr>
<tr>
<td>600 N SECOND AVENUE</td>
<td><strong>LEVEL 3 COMMUNICATIONS, LLC</strong></td>
</tr>
<tr>
<td>AJO, AZ 85321-0000</td>
<td>1025 ELDORADO BLVD.</td>
</tr>
<tr>
<td>VALLEY TELEPHONE COOPERATIVE INC.</td>
<td>BROOMFIELD CO 80021-</td>
</tr>
<tr>
<td>752 E MALLEY STREET PO BOX 970</td>
<td><strong>MAX-TEL COMMUNICATIONS, INC.</strong></td>
</tr>
<tr>
<td>WILLCOX AZ 85644</td>
<td>105 N. WICKHAM, P. O. BOX 280</td>
</tr>
<tr>
<td><strong>VERIZON CALIFORNIA INC.</strong></td>
<td>ALVORD TX 76225-0000</td>
</tr>
<tr>
<td>ONE VERIZON WAY - CAS000GF</td>
<td><strong>MCIMETRO</strong></td>
</tr>
<tr>
<td>THOUSAND OAKS CA 91362-3811</td>
<td>201 SPEAR STREET 9TH FLOOR</td>
</tr>
<tr>
<td><strong>GREGORY HOFFMAN</strong></td>
<td><strong>SAN FRANCISCO CA 94105</strong></td>
</tr>
<tr>
<td>AT&amp;T COMMUNICATIONS OF THE MOUNTAIN STATES, INC.</td>
<td><strong>METROPOLITAN FIBER SYSTEMS OF ARIZONA, INC.</strong></td>
</tr>
<tr>
<td>795 FOLSOM STREET, ROOM 2159</td>
<td>201 SPEAR STREET 9TH FLOOR</td>
</tr>
<tr>
<td><strong>BROOKS FIBER COMMUNICATIONS OF TUCSON, INC.</strong></td>
<td><strong>SAN FRANCISCO CA 94105</strong></td>
</tr>
<tr>
<td>201 SPEAR STREET 9TH FLOOR</td>
<td><strong>MOUNTAIN TELECOMMUNICATIONS, INC.</strong></td>
</tr>
<tr>
<td>SAN FRANCISCO CA 94105-</td>
<td>2540 E 6TH STREET</td>
</tr>
<tr>
<td><strong>CITIZENS LONG DISTANCE COMPANY</strong></td>
<td>TUCSON AZ 85716-0000</td>
</tr>
<tr>
<td>5600 HEADQUARTERS DRIVE</td>
<td><strong>NORTH COUNTY COMMUNICATIONS CORPORATION</strong></td>
</tr>
<tr>
<td>PLANO TX 75024-</td>
<td>3802 ROSENDRAINS, SUITE 485</td>
</tr>
<tr>
<td><strong>CITIZENS TELECOMMUNICATIONS COMPANY OF ARIZONA L.L.C.</strong></td>
<td><strong>SAN DIEGO CA 92110-0000</strong></td>
</tr>
<tr>
<td>4 TRIAD CENTER, STE. 200</td>
<td><strong>ONEPOINT COMMUNICATIONS</strong></td>
</tr>
<tr>
<td><strong>SALT LAKE CITY UT 84180-</strong></td>
<td>TWO CONWAY PARK, 150 FIELD DR., STE. 300</td>
</tr>
<tr>
<td><strong>CITIZENS TELECOMMUNICATIONS COMPANY OF THE WHITE MOUNTAINS INC</strong></td>
<td><strong>LAKE FOREST IL 60045-0000</strong></td>
</tr>
<tr>
<td>4 TRIAD CENTER, STE. 200</td>
<td><strong>RCN TELECOM SERVICES, INC.</strong></td>
</tr>
<tr>
<td><strong>SALT LAKE CITY UT 84180</strong></td>
<td>105 CARNEGIE CENTER</td>
</tr>
<tr>
<td><strong>COMM SOUTH COMPANIES INC.</strong></td>
<td><strong>PRINCETON NJ 08540-0000</strong></td>
</tr>
<tr>
<td>2909 N. BUCKNER BLVD., STE. 800</td>
<td><strong>REFLEX COMMUNICATIONS, INC.</strong></td>
</tr>
<tr>
<td>DALLAS TX 75228-0000</td>
<td>83 SOUTH KING STREET, STE. 106</td>
</tr>
<tr>
<td><strong>COVAD COMMUNICATIONS COMPANY</strong></td>
<td><strong>SEATTLE WA 98104</strong></td>
</tr>
<tr>
<td>4250 BURTON DRIVE</td>
<td><strong>RHYTHM LINKS, INC.</strong></td>
</tr>
<tr>
<td>SANTA CLARA CA 95054-0000</td>
<td>9100 E MINERAL CIRCLE</td>
</tr>
<tr>
<td><strong>COX COMMUNICATIONS</strong></td>
<td><strong>ENGLEWOOD CO 80112-0000</strong></td>
</tr>
<tr>
<td>20401 NORTH 29TH AVENUE</td>
<td><strong>SPRINT COMMUNICATIONS COMPANY L.P.</strong></td>
</tr>
<tr>
<td>PHOENIX AZ 85027-0000</td>
<td>6860 W. 115TH, MS/KSOPK0105</td>
</tr>
<tr>
<td><strong>DIGITAL SERVICES CORPORATION</strong></td>
<td>OVErLAND PARK KS 66211-</td>
</tr>
<tr>
<td>211 N. UNION ST, STE. 300</td>
<td><strong>TCG PHOENIX</strong></td>
</tr>
<tr>
<td>ALEXANDRIA VA 22314</td>
<td>111 WEST MONROE STREET STE. 1201</td>
</tr>
<tr>
<td><strong>DOCKET NO. T-00000D-00-0672</strong></td>
<td><strong>PHOENIX AZ 85004-</strong></td>
</tr>
</tbody>
</table>
DARREN WEINGARD
SPRINT COMMUNICATIONS
1850 GATEWAY DR, 7TH FLOOR
SAN MATEO CALIFORNIA 94404

BRADLEY CARROLL
COX ARIZONA TELECOM LLC
20401 N 27TH AVENUE
PHOENIX AZ 85027

THOMAS H. CAMPBELL
LEWIS AND ROCA
40 N. CENTRAL AVENUE
PHOENIX, ARIZONA 85004
ATTORNEYS FOR TIME WARNER TELECOM OF ARIZONA,
LLC

BRIAN THOMAS
TIME WATER TELECOM, INC.
520 S W 6TH AVENUE, SUITE 300
PORTLAND, OREGON 97204

ERNEST G. JOHNSON, DIRECTOR
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION
1200 WEST WASHINGTON STREET
PHOENIX, AZ 85007

CHRISTOPHER KEMPLEY, CHIEF COUNSEL
ARIZONA CORPORATION COMMISSION
LEGAL DIVISION
1200 WEST WASHINGTON
PHOENIX, AZ 85007

ARIZONA REPORTING SERVICE, INC.
2627 N. THIRD STREET, SUITE THREE
PHOENIX, ARIZONA 85004-1103

By: Molly Johnson
Secretary to Dwight D. Nodes