BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS
JEFF HATCH-MILLER, CHAIRMAN
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

IN THE MATTER OF QWEST CORPORATION'S FILING OF RENEWED PRICE REGULATION PLAN

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

NOTICE OF FILING DIRECT TESTIMONY OF MARK A. DINUNZIO ON BEHALF OF COX ARIZONA TELCOM, LLC

Cox Arizona Telcom, LLC ("Cox Telcom"), through undersigned counsel, hereby files the Direct Testimony of Mark A. DiNunzio on behalf of Cox Arizona Telcom, LLC in support of the Settlement Agreement filed in this docket on August 23, 2005.

RESPECTFULLY SUBMITTED this 6th day of September 2005.

COX ARIZONA TELCOM, LLC

By

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foregoing filed this 6th day of September, 2005
with:

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IN THE MATTER OF QWEST CORPORATION'S FILING OF RENEWED PRICE REGULATION PLAN

Docket No. T-01051B-03-0454

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

Docket No. T-00000D-00-0672

DIRECT TESTIMONY

OF

MARK DINUNZIO

ON BEHALF OF

COX ARIZONA TELCOM, LLC

September 6, 2005
Q. Please state your name and business address for the record.
A. My name is Mark DiNunzio. My business address is 1550 West Deer Valley Road, Phoenix, Arizona 85027.

Q. By whom are you employed and in what capacity?
A. I am employed by Cox Communication, Inc. (“Cox”) as the Manager of Regulatory Affairs for Cox Arizona Telcom, LLC.

Q. What is the purpose of your testimony?
A. My testimony is offered in support of the Settlement Agreement arrived at by virtually all of the parties to this docket. While the Residential Utility Consumers Office participated initially in the settlement proceedings, they ultimately withdrew from the settlement discussions and were not a signatory to the settlement agreement.

Q. Was the settlement process open to all parties?
A. Yes, all parties to the docket were invited to participate in the settlement meetings, including Cox.

Q. What was Cox’s involvement in the Settlement proceedings?
A. Cox participated in the settlement discussion to ensure that its concerns with the revised Price Cap Plan being proposed by Qwest were addressed to its satisfaction. As such, Cox participated fully throughout the process.
Q. What were Cox’s concerns regarding the Qwest Price Cap Plan?
A. Cox’s interest in the Price Cap Plan was limited to a few discrete issues. First, Cox took issue with Qwest’s proposal to establish competitive zones in which Qwest would have complete pricing flexibility. Second, Cox sought to ensure that the Price Cap Plan would include appropriate price floors to prevent predatory pricing, price squeezes or other anti-competitive behavior. Third, Cox did not support Qwest’s request for $64 million from the Arizona Universal Service Fund (“AUSF”), particularly in light of the impact on: (i) the size of the fund, (ii) the entire overall structure of the funding mechanism of the AUSF and (iii) Arizona consumers.

Q. Does the settlement agreement address Cox’s concerns regarding the Price Cap Plan?
A. Yes. All of the concerns Cox raised, as set forth in its previously filed direct testimony and rebuttal testimony, have been addressed and resolved to Cox’s satisfaction.

Q. Did Cox take a position on Qwest’s revenue requirement, rate base or depreciation rates?
A. No. Cox did not take a position on Qwest’s revenue requirement, rate base or depreciation rates.

Q. Does Cox accept the provisions of the settlement related to Qwest’s revenue requirement, rate base or depreciation rates?
A. While Cox did not perform its own analysis on Qwest’s revenue requirement, rate base or depreciation rates, other parties to this docket have examined those issues.
and have agreed to certain provisions in the Settlement Agreement accordingly. For purposes of settlement in this docket, Cox accepts those provisions.

Q. Does Cox believe that the settlement agreement is in the public interest and should be approved by the Commission?
A. Yes. Cox believes that the settlement agreement is in the public interest and should be approved. It resolves important issues in a manner that benefits Arizona consumers without protracted litigation.

Q. Does this conclude your testimony?
A. Yes.