BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS
KRISTIN K. MAYES, Chairman
GARY PIERCE
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP

IN THE MATTER OF THE REVIEW AND POSSIBLE REVISION OF ARIZONA UNIVERSAL SERVICE FUND RULES, ARTICLE 12 OF THE ARIZONA ADMINISTRATIVE CODE

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

DOCKET NO. RT-00000H-97-0137

DOCKET NO. T-00000D-00-0672

STAFF'S NOTICE OF FILING ERRATA

Staff of the Arizona Corporation Commission ("ACC Staff") filed the Direct Testimony of Wilfred Shand on January 8, 2010. Staff is filing this Errata to make the corrections to Mr. Shand's Direct Testimony that are identified on Exhibit A attached hereto.

RESPECTFULLY SUBMITTED this 15th day of January, 2010.

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Original and fifteen (15) copies of the foregoing filed this 15th day of January, 2010 with:

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EXHIBIT A

1-8-10 Wilfred Shand Direct Testimony Errata

I. Executive Summary

A. Pages 2 and 3, Question 3, Replace Alternative B paragraphs 2 and 3 with the following:

*AUSF surcharge in place until the company’s rates have been addressed by the Commission in a rate case. Within 3 months of the Commission’s Decision, the company may file for AUSF support on a revenue neutral basis. The amount of the surcharge would be equal to the amount of the carrier’s reduction in access charges. Such application would include financial information sufficient for the Commission to make a fair value finding and fair value rate or return determination.*

*Beginning twelve months after a Commission decision granting the temporary AUSF support, companies would be required to file a rate case or rate review filing pursuant to A.A.C. R14-2-103. The company may elect to reduce its access charges on its own without AUSF support in which case it would not be required to file a rate case, unless it wants authorization to change other rates and charges. Staff recommends filing on a staggered basis due to Staff resource constraints. Staff recommends the following schedule for the ALECA members’ filings:*

B. Pages 5, Question 11:

Replace:

"on intrastate long distance revenues, and on interconnection trunks."

With:

"on intrastate long distance revenues, access lines and on interconnection trunks."

II. Direct Testimony

A. Page 2, Line 18:
Delete “second” and insert “step”

B. Page 5, Line 23:
Delete unnecessary “.”

C. Page 5, Line 25:
Delete “(FCC)” and insert “FCC”
D. Page 7, Line 6:
Delete “T” and insert “t” and delete “1”

E. Page 7, Footnote 4:
Delete unnecessary “,”

F. Page 10, end of Line 21, Insert following footnote:
“Ibid, Paragraph 26.”

G. Page 10, end of Line 32, Insert following footnote:
“Ibid, Paragraph 27.”

H. Page 11, end of Line 10, Insert following footnote:
“Ibid, Paragraph 40.”

I. Page 14, Line 19:
Delete “and” and insert “an”

J. Page 14, Line 30:
Delete “that”

K. Page 15, Line 16:
Change “reduce” to “reduced”

L. Page 18, Line 22:
Reformat to eliminate Bold and Italic

M. Page 19, Line 15:
Delete the following:
“With the exception of Midvale Telephone Exchange, Qwest is the only incumbent local exchange company to have its rates examined in the last ten years.”

Replace with the following:
“Qwest is the only incumbent local exchange company to have its rates examined in almost ten years.”

N. Page 22, Line 17:
Delete “3-146” and insert “3-136”

O. Page 26, Line 9:
Delete duplicative “that”
P. Delete Page 27, Line 23 to Page 27, Line 41 and insert the following:

AUSF surcharge in place until the company’s rates have been addressed by the Commission in a rate case. Within 3 months of the Commission’s Decision, the company may file for AUSF support on a revenue neutral basis. The amount of the surcharge would be equal to the amount of the carrier’s reduction in access charges. Such application would include financial information sufficient for the Commission to make a fair value finding and fair value rate or return determination.

Beginning twelve months after a Commission decision granting the temporary AUSF support, companies would be required to file a rate case or rate review filing pursuant to A.A.C. R14-2-103. The company may elect to reduce its access charges on its own without AUSF support in which case it would not be required to file a rate case, unless it wants authorization to change other rates and charges. Staff recommends filing on a staggered basis due to Staff resource constraints. Staff recommends the following schedule for the ALECA members’ filings:

Q. Pages 30, Line 22:

Replace:
“on intrastate long distance revenues, and on interconnection trunks.”

With:
“on intrastate long distance revenues, access lines and on interconnection trunks.”