

Service Date: May 1, 1984

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Second Investi-)
gation of INTRASTATE ACCESS)
CHARGES For Telecommunications.)

UTILITY DIVISION
DOCKET NO. 84.4.15
ORDER NO. 5055

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ORDER INITIATING DOCKET

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This Commission conducted its first investigation of intrastate access charges in Docket No. 83.6.47. In that docket the Commission implemented an access charge system for 1984 only; anticipating that the issue would be addressed again some time during 1984 (Paragraph 84, Final Order No. 5018a). A major thrust of the 1984 access charge plan is the mirroring of significant portions of the FCC's interstate access charge plan. There have been many modifications to the FCC access charge plan since the issuance of Order No. 5018a. See the FCC's decision in CC Docket No. 78-72, Phase I, Memorandum Opinion and Order, released February 15, 1984. In order to determine the appropriateness of adopting these modifications in the intrastate access charge plan as well as to properly evaluate other changes in the rapidly evolving post-divestiture telecommunications environment, the Commission finds that it is necessary and prudent to conduct a further investigation into the access charge issue.

The Commission hereby creates this docket to conduct such an investigation. The Commission finds again that the access charge issue can best be addressed in a generic proceeding with an opportunity for all local exchange telephone companies and all other interested parties to participate in a single proceeding.

The Commission staff is directed to schedule and conduct a prehearing conference with all interested parties. The staff through consultation with interested parties is expected to identify specific issues that should be addressed in the proceeding as well as to develop a procedure that will facilitate informed consideration of those issues.

INTERIM MEASURES

The FCC in its Memorandum Opinion and Order released February 15, 1984 in CC Docket No. 78-72 modified both the carrier access charge and customer access line charge (CALC) or end user charge elements of the interstate access charge plan. By Memorandum Opinion and Order released March 27, 1984 in CC Docket No. 83-1145 the FCC deferred implementation of the interstate access charge plan from April 3, 1984 until June 13, 1984. These intervening FCC actions raise interpretation questions concerning two areas of this Commission's Order No. 5018a. These areas must be cleared up such that an understandable and unambiguous access charge plan can be in place for the interim period between the date when the FCC finally implements its interstate access charge plan and the date when a final order is issued in this second investigation of intrastate access charges.

The first area of concern involves implementation of state CALC's or end user charges. In Order No. 5018a (Paragraph No. 65), the Commission

provided that state CALC's established therein were to become effective at the same time the FCC made federal CALC's effective. Order No. 5018a identified CALC's for all end users, residential and business. At the time Order No. 5018a was issued the FCC's access charge plan also contemplated CALC's on all end users. However, the FCC has since modified its plan to impose CALC's only on multi-line business end users. Without clarification or modification to Order No. 5018a, the implementation of federal CALC's on multi-line business end users will raise legitimate questions as to whether that occurrence triggers implementation of state CALC's on all end users, state CALC's on only multi-line business end users or state CALC's on no end users.

The second area of concern focuses upon the level of state carrier access charges that should be in place following the contemplated implementation of the FCC's modified carrier access charges and prior to a final order in this docket. Order No. 5018a implemented state carrier access charges at a level which mirrored those carrier access charges first identified by the FCC in its access charge plan. Order No. 5018a (Paragraph No. 69) further stated that if the FCC ultimately modified federal carrier access charges (which they have done) then the Commission reserved the right to modify state carrier access charges. The question therefore arises as to which set of federal carrier access charges, if either, should be mirrored for the purposes of establishing state carrier access charges for the interim period between FCC implementation of modified carrier access charges and issuance of a final order in this docket.

The Commission finds that it would be appropriate to clarify both of these question areas by issuing an interim order in this docket. The Com-

mission further concludes that interested parties should be given an opportunity to comment on appropriate interim measures. The Commission staff is directed to provide for such a comment period.

Those parties advocating a continued mirroring of the original federal carrier access charge should address potential problems inherent in requiring maintenance of two separate carrier access tariffs for state and federal carrier access charges. Those parties advocating mirroring the new federal carrier access charges should address necessary adjustments to the bulk billing element identified in Order No. 5018a and authorized in Order No. 5046 in Docket No. 83.11.81.

The state CALC's and the level of the carrier access charges to be in effect for the interim period from the date of the FCC's implementation of a federal access charge plan and the date of issuance of a final order in this proceeding would be those established by Order No. 5018a as modified by an interim order in this docket.

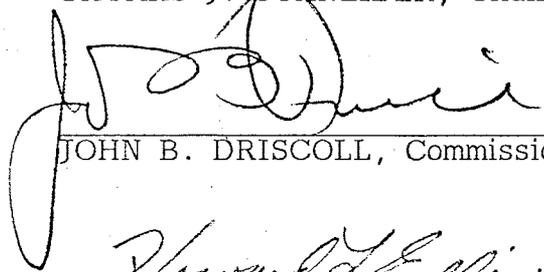
THE MONTANA PUBLIC SERVICE COMMISSION ORDERS THAT:

1. Docket No. 84.4.15 is hereby created to facilitate a second investigation of intrastate access charges for telecommunications.
2. The Commission staff is authorized and directed to conduct a pre-hearing conference with all interested parties and to identify pertinent issues and establish appropriate procedures for the investigation.
3. The Commission staff issue notice of opportunity for comment on appropriate interim measures concerning state CALC's and the level of state carrier access charges.

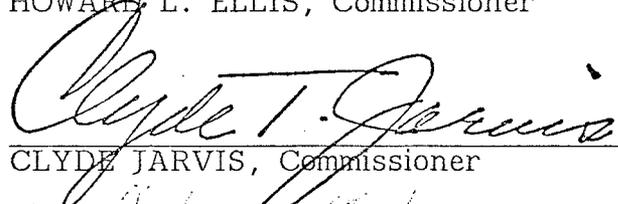
DONE AND DATED this 30th day of April, 1984 by a vote of 5 - 0.

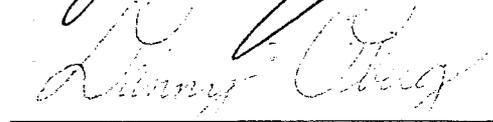
BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

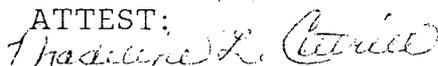

THOMAS J. SCHNEIDER, Chairman


JOHN B. DRISCOLL, Commissioner


HOWARD L. ELLIS, Commissioner


CLYDE JARVIS, Commissioner


DANNY OBERG, Commissioner

ATTEST:

Madeline L. Cottrill
Secretary

(SEAL)