#### BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska	)	Application No. C-4459/PI-185
Public Service Commission, on	)	Progression Order No. 1
its own motion, to investigate	)	
and monitor compliance with	)	ORDER
federally mandated	)	
intercarrier compensation	)	
reform.	)	Entered: May 30, 2012

#### BY THE HEARING OFFICER:

#### OPINION AND FINDINGS

On November 18, 2011, the Federal Communications Commission (FCC) released a Report and Order and Further Notice of Proposed Rulemaking<sup>1</sup> ("Report and Order") and therein adopted intercarrier compensation framework for both intrastate and interstate telecommunications traffic which will transition to a bill and keep regime. As a part of the transition to bill and keep the FCC's Report and Order requires carriers to reduce their terminating intrastate access rates to the level of their interstate switched access rates in two steps. In the first step, carriers with certain intrastate access rates interstate access rates are required to reduce their intrastate rates thereby reducing the intrastate revenue produced by these rates by 50 percent effective July 1, 2012. Certain carriers have advised the Commission that the FCC extended the effective date for changes to interstate rates to be July 3, 2012, as July 1, 2012, falls on a Sunday.  $^3$ 

In its Report and Order, the FCC assigned state commissions with the responsibility to facilitate the implementation of changes to intrastate access rates and to ensure carrier

 $<sup>^1</sup>$  See In the Matter of Establishing Just and Reasonable Rates for Local Exchange Carriers et al., WC Docket No. 07-135 et al. Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011)(Report and Order).

<sup>&</sup>lt;sup>2</sup> See 47 C.F.R. §§ 51.907(b), 51.909(b) and 51.911(b).

<sup>&</sup>lt;sup>3</sup> See July 3, 2012, Annual Access Charge Tariff Filings, WCB/Pricing File No. 12-07 Order, DA 12-482 (Wireline Comp. Bur., rel. March 28, 2012). The Commission has been further advised that some carriers have agreed to the July 3, 2012, effective date for incumbent local exchange carriers. Since many competitive carriers mirror incumbent carrier access rates and for administrative tracking purposes, the Commission will use the July 3, 2012, date as the deadline by which all access tariff changes should be considered effective.

compliance with the Report and Order. To that end, the Commission opened this proceeding to establish an efficient process by which the Commission could review the large number of simultaneous access filings and at the same time assist carriers in complying with the FCC's new rules.

The Commission sought comment on a number of issues including:

- 1) The manner in which the Commission should review tariff filings made pursuant to the new FCC rules;
- 2) The timeframe for the Commission's review of the tariff changes.
- Whether supporting documentation should accompany the tariff changes, and if so, what should be filed;
- 4) The process to be used by the Commission to ensure compliance with new FCC rules; and
- 5) The enforcement tools for any telecommunications company failing to file the required access rate reductions.

Comments were filed by AT&T, CenturyLink, Cox Nebraska Telcom, LLC (Cox), the Rural Independent Companies, Sprint/Nextel, and Windstream Nebraska, Inc. (Windstream), and Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications of Nebraska (Frontier).

A workshop was held on May 17, 2012, in Lincoln and via teleconference. A number of carriers were represented including AT&T, CenturyLink, Cox, the Rural Independent Companies, Windstream, Hooper Telephone, Hershey, Frontier and Hartington.

Based on the information gathered during the Workshop and through written comments, as Hearing Officer, I enter this Progression Order to describe the procedures to be used by carriers and the Commission to ensure compliance with the FCC's Report and Order.

Attached to this Progression Order is an Index of all local exchange carriers which hold a Certificate of Public Convenience and Necessity from the Commission to provide telecommunications

services in Nebraska. Each local exchange carrier is given a docket number which will be used to track and identify filings and documentation received by the Commission. The Commission will expect a revised tariff or notice with an explanation of why the carrier is not required to file a revised tariff at this time from each company listed in the Index.

Revised tariffs must be filed in time to be considered effective July 3, 2012. Utilizing the Commission's normal tariff filing procedure with respect to changes in rate lists for rates other than basic local exchange rates carriers must file revised tariffs no later than ten days prior to the proposed effective date. Accordingly, if a carrier needs to revise its access rates to conform with the FCC's Report and Order, revised tariffs must be filed on or before June 22, 2012, to be considered timely. Any carrier may voluntarily file its proposed access tariff prior to the June 22, 2012, deadline. The Commission will accept revised tariffs any day after June 3, 2012. Revised tariff filings must include:

- 1. One paper copy of the revised tariff pages filed with the Commission;
- 2. One electronic copy of the revised tariff in PDF format sent to Deena.Ackerman@nebraska.gov; and
- 3. One completed electronic copy of the FCC-approved (Tariff Review Plan or "TRP") reporting worksheet, as applicable, in Excel format sent to <a href="Deena.Ackerman@nebraska.gov">Deena.Ackerman@nebraska.gov</a>. The template worksheet can be obtained via the Commission's website at <a href="www.psc.nebraska.gov">www.psc.nebraska.gov</a>. Paper copies or PDF scans of the worksheet will not be accepted.

Carriers that have no need to revise their access tariffs due to the fact that their access rates are already compliant with the FCC's rules must file written notice including an explanation of why their current rates are compliant. Carriers should reference the applicable indexed docket number(s) in their notice. This notice may be sent via electronic mail to

<sup>&</sup>lt;sup>4</sup> Parent companies filing on behalf of more than one certificated entity should cross-reference any filings so that the Commission can properly record all filings made.

<sup>&</sup>lt;sup>5</sup> Confidential materials must be clearly marked.

<sup>&</sup>lt;sup>6</sup> Carriers are requested not to make any structural or formatting changes to the form template. Carriers should put "0" in any fields that do not apply.

both: <u>Deena.Ackerman@nebraska.gov</u> and <u>Gene.Hand@nebraska.gov</u>. This notice must be received on or before June 22, 2012.

Carriers that do not charge other carriers for intrastate access must also provide written notice to the Commission by June 22, 2012. This notice may be sent via electronic mail to both: Deena.Ackerman@nebraska.gov and to Gene.Hand@nebraska.gov.

Because of the limited time frame provided for the Commission's review of the revised access rates, said rates will be considered interim for a period of ninety (90) days following the July 3, 2012, effective date and subject to true-up to the extent that the Commission determines that the submitted rates require modification. For carriers making a structural change to their access rates, said rates will be considered interim for a period of one hundred and twenty (120) days following the July 3, 2012, effective date and subject to true-up. The Commission staff will notify each carrier to advise them of any questions, concerns and when the Commission's review has been completed.

Any other interested carrier seeking to challenge or expressing a concern with a filed access rate must notify the Commission and the local exchange carrier in writing no later than sixty (60) days following the July 3, 2012, effective date with an explanation of the reasons underlying the concern. The Commission will utilize the remaining thirty (30) day time frame to resolve any issues between carriers.

The Commission or the Hearing Officer will issue additional Progression Orders where necessary and appropriate to clarify or modify the procedures set forth herein and to complete its review of the tariffs filed hereunder.

### ORDER

IT IS THEREFORE ORDERED by the Hearing Officer in the above-captioned matter that the findings made herein shall be and they are hereby adopted.

MADE AND ENTERED at Lincoln, Nebraska, this  $30^{\rm th}$  day of May, 2012.

BY: \_\_\_\_\_ Frank E. Landis

Hearing Officer

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BY:

Frank E. Landis Hearing Officer

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