

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. 13
its own motion, to investigate)
and monitor compliance with) ORDER
federally mandated)
intercarrier compensation)
reform.) Entered: May 16, 2017

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

On November 18, 2011, the Federal Communications Commission (FCC) released a Report and Order and Further Notice of Proposed Rulemaking¹ ("Report and Order") and therein adopted an 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 access rates in several steps.

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 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.

According to Paragraph 801 of the Report and Order, effective July 1, 2017, for price cap carriers, and competitive local exchange carriers terminating switched end office and reciprocal compensation rates are reduced to bill-and-keep. Terminating switched end office transport are reduced to \$0.0007 for all terminating traffic within the tandem serving area when the terminating carrier owns the serving tandem switch. All rate-of-return carriers and competitive local exchange carriers that benchmark access rates to rate-of-return carriers must reduce intrastate terminating end office and reciprocal

¹ See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 F.C.C.R. 17663, 26 FCC Rcd 17663 (rel. Nov. 18, 2011)(Report and Order) pets. for review pending, *Direct Commc'ns Cedar Valley, LLC v FCC*, No. 11-9581 (10th Cir. filed Dec. 18, 2011) (and consolidated cases).

compensation rates by an additional one-third of the differential between its end office rates (\$0.005) and \$0.0007.²

Revised tariffs must be filed in time to be considered effective July 1, 2017.³ 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 to the July 1, 2017, deadline from the FCC's Report and Order, revised tariffs must be filed on or before June 21, 2017, to be considered timely. However, we encourage carriers to voluntarily file access tariffs prior to the June 21, 2017, deadline so that the Commission can review the tariff changes earlier. The Commission asks carriers to file their tariffs on or before June 9, 2017, with an effective date of July 1, 2017. Carriers should reference the applicable indexed docket number(s) in their filing. This docket number can be found attached to Progression Order No. 1 entered on May 30, 2012.

As with previous years, competitive local exchange carriers benchmarking rate amendments off the underlying incumbent local exchange carriers' rates may file after the July 1, 2017, consistent with their FCC tariff filings.

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. If a carrier's intrastate access rates mirror the interstate rates, one electronic copy of the carrier's interstate access tariff or a link to the carrier's interstate access tariff.

Carriers that have no need to revise their access tariffs due to the fact that their access rates are already compliant

² Transport rates remain unchanged from the previous step.

³ To the extent the annual access tariff filings may have an effective date of July 3, 2017 per FCC order, the Commission will permit such tariff filings to be submitted on or before June 23, 2017.

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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 both: Deena.Ackerman@nebraska.gov. This notice must be received on or before June 9, 2017.

Carriers that do not charge other carriers for intrastate access must also provide written notice to the Commission by June 9, 2017. This notice may be sent via electronic mail to both: Deena.Ackerman@nebraska.gov.

In addition, carriers seeking revenue recovery pursuant to 47 C.F.R. § 51.915 or § 51.917 must certify that the carrier is not seeking duplicative recovery in Nebraska for any eligible recovery provided by the FCC in its recovery mechanism. Carriers seeking CAF ICC support shall also file data with the Commission establishing the amount of the carrier's eligible CAF ICC funding during the upcoming funding period pursuant to 47 C.F.R. § 54.304. The information required pursuant to these rules must be filed on or before July 1, 2017, or the date filed with the FCC, whichever is later. All confidential information must be clearly marked.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the findings made herein shall be and they are hereby adopted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 16th day of May 2017.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Mary Riddis

//s//Frank E. Landis

//s//Tim Schram

//s//Crystal Rhoades

Tim Schram

Chairman

ATTEST:

Jeffrey L. Pule

Executive Director