

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. 5
its own motion, to investigate)
and monitor compliance with) ORDER
federally mandated)
intercarrier compensation)
reform.) Entered: April 9, 2013

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 their terminating intrastate access rates to the level of their interstate switched access rates in two 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, 2013, all price cap carriers and competitive local exchange carriers that benchmark access rates to price cap carriers must reduce intrastate terminating switched end office and transport rates and reciprocal compensation, if above the carrier's interstate access rate, to parity with the interstate access rates. Likewise, all rate-of-return carriers and competitive local exchange carriers that benchmark access rates to rate-of-return carriers must reduce intrastate terminating

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).

switched end office and transport rates and reciprocal compensation, if above the carrier's interstate access rate, to parity with interstate access rates. On March 27, 2013, the FCC issued a further order clarifying and correcting its access rate transition rules in response to questions raised by the National Exchange Carrier Association Inc. ("NECA") and USTelecom.²

Revised tariffs must be filed in time to be considered effective July 1, 2013. 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 21, 2013, to be considered timely. However, we encourage carriers to voluntarily file access tariffs prior to the June 21, 2013, deadline so that the Commission can review the tariff changes earlier. The Commission asks carriers to file their tariffs on or before May 9, 2013, with an effective date of July 1, 2013. 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. 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 Gene.Hand@nebraska.gov; and
3. 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 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

² See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Order, 2013 WL 1282282 *7(FCC)(rel. March 27, 2013)(clarifying the requirements for NECA pooling carriers and finding some carriers may be required to raise their intrastate switched access rates to match interstate switched access rate levels on July 1, 2013, or be required to impute the higher rates in projecting its switched access revenues for the 2013-14 tariff period when calculating its Eligible Recovery).

their notice. This notice may be sent via electronic mail to both: Deena.Ackerman@nebraska.gov and Gene.Hand@nebraska.gov. This notice must be received on or before June 1, 2013.

Carriers that do not charge other carriers for intrastate access must also provide written notice to the Commission by June 1, 2013. This notice may be sent via electronic mail to both: Deena.Ackerman@nebraska.gov and to Gene.Hand@nebraska.gov.

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.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of April 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Tim Schram
Bob Johnson
Gene Hand

//s//Anne C. Boyle
//s//Frank E. Landis

Anne Boyle

Chair

ATTEST:

Steve Meredith

Executive Director