

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

<b>IN THE MATTER OF THE FCC ORDER ESTABLISHING NEW DEADLINES FOR IMPLEMENTATION OF INTRALATA DIALING PARITY BY LOCAL EXCHANGE CARRIERS</b>	) ) ) ) ) )	<b>STAFF COMMENTS ON INTRALATA TOLL DIALING PARITY PLANS</b>  <b>TC99-030; TC99-041; TC99- 042; TC99-043; TC99-046; TC99-047</b>
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On March 23, 1999, the Federal Communications Commission (FCC) issued an order establishing new deadlines for implementation of intraLATA dialing parity by local exchange carriers (LECs). In the Matters of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Petition of Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell for Expedited Declaratory Ruling on Interstate IntraLATA Toll Dialing Parity or, in the Alternative, Various Other Relief, CC Docket No. 96-98, FCC 99-54 (released March 23, 1999). The order states that "[n]o later than April 22, 1999, all LECs must file intraLATA toll dialing parity plans with the state regulatory commission for each state in which the LEC provides telephone exchange service if a plan has not yet been filed with such state commission. Once a state commission has approved a plan, the LEC must implement its plan no later than 30 days after the date on which the plan is approved." Id. at ¶ 7. If the state commission has not acted on the plan by June 22, 1999, the LEC must file the plan with the Common Carrier Bureau of the FCC. Id.

At its March 30, 1999, meeting, the Public Utilities Commission (Commission) opened a docket in order to review intraLATA toll dialing plans and established a procedural schedule that would allow other parties to file written comment on the LECs' intraLATA toll dialing plans. No parties objected to this proposal. At its April 1, 1999, meeting, the Commission issued guidelines for LECs to follow when developing their intraLATA toll dialing plans. On the issue of cost recovery, the Commission decided that if a LEC believes that it needs cost recovery, the LEC should file for cost recovery in a separate proceeding before the Commission in accordance with FCC rules.

On April 23, 1999, the Commission faxed notice that the following companies had filed intraLATA toll dialing parity plans: Heartland Telecommunications Company of Iowa on April 20, 1999; Accent Communications, Inc. on April 20, 1999; Splitrock Properties, Inc. on April 21, 1999; Jefferson Telephone Company on April 21, 1999; Venture Communications, Inc. on April 21, 1999; Hanson County Telephone Company on April 21, 1999; Hanson Communications, Inc. d/b/a McCook Telecom on April 21, 1999; Vivian Telephone Company d/b/a Golden West Communications, Inc. on April 21, 1999; Stockholm Strandburg Telephone Co. on April 22, 1999; AT&T Communications of the Midwest, Inc. on April 22, 1999; Midco Communications on April 22, 1999; Heartland Communications, Inc. on April 22, 1999; Mobridge Telecommunications on April 22, 1999; West River Telecommunications Cooperative on April 22, 1999; Dakota Telecommunications Group, Inc., DTG Community Telephone, Inc. and Dakota Telecom, Inc. on April 22, 1999; Stateline Telecommunications, Inc. on April 22, 1999; and U S WEST Communications, Inc. on April 22, 1999.

The following local exchange carriers notified the Commission that they have completed

conversion to intraLATA dialing parity: Fort Randall Telephone Company on April 21, 1999; Mt. Rushmore Telephone Company on April 21, 1999; CommChoice, LLC on April 22, 1999; and Kadoka on April 26, 1999.

Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc. Consolidated Telephone Cooperative and Consolidated Telcom, Inc. formerly known as CTC Communications, Inc. petitioned the Commission for a suspension and modification of the requirement for implementation of intraLATA dialing parity in its service areas until June 30, 2000.

Kennebec Telephone Company filed its intraLATA toll dialing parity implementation plan and, pursuant to ARSD 20:10:32:39 and 47 U.S.C. 251(f)(2), a petitioned for suspension and modification of the requirement for implementing intraLATA dialing parity until September 19, 1999.

Western Telephone Company filed its intraLATA toll dialing parity implementation plan and, pursuant to ARSD 20:10:32:39 and 47 U.S.C. 251(f)(2), a petition for suspension and modification of the requirement for implementing intraLATA dialing parity until September 15, 1999.

Beresford Municipal Telephone Company filed its intraLATA toll dialing parity implementation plan and, pursuant to ARSD 20:10:32:39 and 47 U.S.C. 251(f)(2), a petition for suspension and modification of the requirement for implementing intraLATA dialing parity until September 15, 1999.

### **COMMISSION STAFF'S RECOMMENDATION**

Commission Staff has reviewed the toll dialing parity plans filed by the aforementioned companies utilizing the guidelines as established by the Commission in its April 1, 1999, order. Staff then categorized the companies and will make its recommendations using these categories.

#### SDN COMPANIES

Heartland Communications Inc., Accent Communications, Inc., Splitrock Properties, Inc., Venture Communications, Inc., Hanson County Telephone Company, Hanson Communications, Inc. d/b/a McCook Telecom, Stockholm Strandburg Telephone Co., Mobridge Telecommunications, Stateline Telecommunications, Inc., Vivian Telephone Company d/b/a Golden West Communications, Inc. all requested Commission approval to send out its carrier notification letters in advance of final Commission action on the proposed plan with the carrier notifications completed by June 1, 1999. **Staff would recommend that the Commission grant the companies approval to send out its carrier notification letter (Appendix A and B) in advance of final Commission action on the proposed plan. Staff would further recommend that the language in the customer notification letter (Appendix C) be amended to state that the customer, if they choose to change their intraLATA long distance carrier, directly contact the long distance company that they have chosen in order to initiate that change with the LEC.** This will not only allow the customer to pick a plan that best suits their needs but it will ensure that a LOA is processed or that third-party verification will occur.

Staff would also recommend that Accent Communications, Inc.'s letter to its customers (Appendix C) include a statement that after the 60 day grace period has expired, that there will be a charge to change carriers and the letter should state the amount of the charge.

Heartland Communications, Inc. did not file a customer letter (Appendix C) that was company specific. Staff would recommend that the company file such a letter before final approval of the plan.

Jefferson Telephone Company has filed an amendment to its plan asking that its carrier notification letter be approved no later than May 14, 1999. **Staff would recommend approval of this amendment.**

Staff would note that none of the aforementioned companies addressed the issue of pay phones in their plans and **Staff would recommend that they amend their filing to address this issue.**

#### END OFFICE

Dakota Telecommunications Group, Inc., DTG Community Telephone, Inc. and Dakota Telecom, Inc. and West River Telecommunications Cooperative requested Commission approval to send out its carrier notification letters in advance of final Commission action on the proposed plan. **Staff would recommend that the Commission grant the companies approval to send out its carrier notification letter (Appendix A for both companies and also Appendix B for West River) in advance of final Commission action on the proposed plan. Staff would further recommend that the language in the customer notification letter be amended to state that the customer, if they choose to change their intraLATA long distance carrier, directly contact the long distance company that they have chosen in order to initiate that change with the LEC.** This will not only allow the customer to pick a plan that best suits their needs but it will ensure that a LOA is processed or that third-party verification will occur.

Staff would note that neither of the aforementioned companies addressed the issue of pay phones in their plans and **Staff would recommend that they amend their filing to address this issue.**

#### U S WEST

U S WEST Communications, Inc. requested Commission approval to send out its carrier notification letters in advance of final Commission action on the proposed plan. **Staff would recommend that the Commission grant the company approval to send out its carrier notification letter in advance of final Commission action on the proposed plan.**

U S WEST has stated in its filing that it will file a waiver with the FCC requesting an extension of time to implement toll dialing parity in the McIntosh, Timber Lake and Morrystown exchanges. According to the Commission's order setting forth the guidelines to be followed, U S WEST is to describe how it will offer dialing parity *for each exchange* and its proposed time schedule. U S WEST has not listed its exchanges nor has it asked this Commission for a waiver to extend the time to implement toll dialing parity in the McIntosh, Timber Lake, and Morrystown exchanges. **Staff recommends that U S WEST list the exchanges individually**

**with the NXX provided so that carriers know which exchanges are included and that U S WEST's toll dialing parity plan be applied to all its exchanges within the state.**

In U S WEST's customer notification letter (Exhibit A), U S WEST requires the customer to contact U S WEST to remove the "pic freeze" prior to selecting an intraLATA carrier if it is a carrier other than U S WEST. Since this is the first time a customer can select an intraLATA carrier there should be no "freeze" associated with intraLATA long distance. **Staff would recommend that U S WEST be required to remove this paragraph from the customer letter.**

When taking orders from new or existing customers U S WEST proposes to respond to a customer's request for further information as to U S WEST's toll products and services at that time. **Staff would recommend that should a customer request further information as to U S WEST's toll products and services that the customer be transferred to U S WEST's marketing/sales representatives.**

U S WEST's plan allows customers to change their intraLATA carrier one time free of charge during the first 30 days following implementation. **Staff would recommend that the grace period be a minimum of 60 days.** This would allow the customer to receive at least one bill from the intraLATA carrier.

U S WEST is requesting that MTS be classified as fully competitive effective July 22, 1999. **Staff would recommend denial of this request.** Such a request should be considered in a separate docket.

#### AT&T

**Staff would recommend that AT&T make a full disclosure to new and existing customers that if they do not indicate a preference for an alternate carrier, that the customer's traffic will by default go to AT&T. Staff would also recommend that AT&T remove from the customer letter (Exhibit 1) the requirement that the customer who wishes to change carriers, that they contact AT&T's business office first.**

**Staff would recommend that the language in the customer notification letter (Exhibit 1) be amended to state that the customer, if they choose to change their intraLATA long distance carrier, directly contact the long distance company that they have chosen in order to initiate that change with the LEC. The letter should include a list of long distance providers to choose from and their toll free numbers so that the customer can contact the long distance companies.** This will not only allow the customer to pick a plan that best suits their needs but it will ensure that a LOA is processed or that third-party verification will occur.

Staff would note that AT&T did not address the issue of pay phones in its plan and **Staff would recommend that it amend its filing to address this issue.**

#### MIDCO

**Staff would recommend that the customer notification letter (Exhibit A) be re-written to be "more customer friendly" and less technical. The letter should have the customer directly contact the long distance company and should include a list of long distance**

**providers to choose from and their toll free numbers so that the customer can contact the long distance companies and decide which rate plan best suits their needs.** This will ensure that a LOA is processed or that third-party verification will occur. **Also Midco should be definitive as to whether or not there will be a PIC charge.**

Staff would note that Midco did not address the issue of pay phones in its plan and **Staff would recommend that it amend its filing to address this issue.**

#### FOREIGN

Heartland Telecommunications Company of Iowa filed its plan without including its exchanges and NXX numbers, carrier notification letter, and customer notification letter. **Staff would recommend that these documents be filed before final approval of the plan.**

Staff would note that Heartland did not address the issue of pay phones in its plan and **Staff would recommend that it amend its filing to address this issue.**

#### SUSPENSION AND MODIFICATION

Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc., Consolidated Telephone Cooperative and Consolidated Telcom, Inc. formerly known as CTC Communications, Inc., Kennebec Telephone Company, Western Telephone Company, and Beresford Municipal Telephone Company all filed their toll dialing parity plans requesting suspension and modification of its plan.

Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc., Consolidated Telephone Cooperative and Consolidated Telcom, Inc. formerly known as CTC Communications, Inc. state that suspension and modification are necessary to avoid imposing requirements that are unduly economically burdensome and infeasible, and that suspension and modification are consistent with the public interest, convenience and necessity. **Staff would recommend denial of suspension and modification as Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc., Consolidated Telephone Cooperative and Consolidated Telcom, Inc. formerly known as CTC Communications, Inc. did not prove in its filing that providing intraLATA toll dialing parity requires suspension and modification and require the companies to file intraLATA toll dialing parity plans consistent with the Commission's prior orders.**

Kennebec Telephone Company began implementing intraLATA dialing parity in conjunction with its implementation of interLATA dialing parity the day before the FCC issued its order ordering LEC's to implement intraLATA toll dialing parity. Kennebec states in its petition that to alter the plan already in process would be unduly economically burdensome, technically infeasible, and inconsistent with public interest. **Staff would recommend that granting approval of Kennebec's petition for suspension and modification until September 19, 1999.**

Western Telephone Company and Beresford Municipal Telephone Company filed their intraLATA toll dialing parity plans requesting suspension and modification due to ongoing negotiations and no decisions being reached regarding whether or not intraLATA dialing parity will be provided by SDN as centralized equal access or if it will be provided from its end offices. **Staff would recommend granting approval of Western's petition for suspension**

**and modification until September 15, 1999. Staff would further recommend that the language in the customer notification letter (Appendix C) be amended to state that the customer, if they choose to change their intraLATA long distance carrier, directly contact the long distance company that they have chosen in order to initiate that change with the LEC.** This will not only allow the customer to pick a plan that best suits their needs but it will ensure that a LOA is processed or that third-party verification will occur.

Staff would note that none of the aforementioned companies, with the exception of Kennebec, addressed the issue of pay phones in their plans and **Staff would recommend that they amend their filing to address this issue.**

### MISCELLANEOUS

Valley Cable & Satellite Communications, Inc. sent a copy of a customer letter to the Commission on March 26, 1999. Sancom, Inc. sent the Commission a copy of its carrier letter on April 1, 1999. **Staff would recommend that the companies file a letter with the Commission confirming that they offer intraLATA toll dialing parity and the date of such offering.**

### NON-RESPONDENTS

Staff would note that the following LECs did not file any plans with the Commission:

1. Farmers Mutual Telephone Cooperative, Ellendale, ND
2. GTE of Minnesota, Minneapolis, MN
3. Great Plains Communications, Blair, NE
4. RT Communications, Inc., Worland WY
5. Red River Telecom, Inc., Abercrombie, ND
6. Three River Teleco, Lynch, NE
7. U S WEST Communications of Iowa
8. U S WEST Communications of Nebraska
9. U S WEST Communications of Minnesota
10. Valley Telephone Company, Browns Valley, MN
11. NebCom, Inc. Jackson, NE
12. Baltic Telecom Cooperative, Baltic, SD
13. Brookings Municipal Utilities, Brookings, SD
14. Interstate Telephone Cooperative, Clear Lake, SD
15. James Valley Cooperative Telephone, Groton, SD
16. McCook Cooperative Telephone Company, Salem, SD
17. Midstate Telephone Company, Kimball, SD
18. Sanborn Telephone Cooperative, Woonsocket, SD
19. Sioux Valley Telephone Company, Dell Rapids, SD
20. Splitrock Telecom Cooperative, Inc., Garretson, SD
21. Sully Buttes Telephone Cooperative, Highmore, SD
22. Tri-County Mutual Telephone Company, Emery, SD
23. Valley Telecommunications Cooperative, Herreid, SD
24. Golden West Telecommunications Cooperative, Inc., Wall, SD
25. West River Cooperative Telephone Company, Bison, SD
26. Cheyenne River Sioux Tribe Telephone Authority, Eagle Butte, SD
27. Atlas Communications, Ltd., Denver, CO

28. Black Hills FiberCom, LLC, Rapid City, SD
29. Crystal Communications, Inc., Mankato, MN
30. Dakota Telecommunications, Inc., Irene, SD
31. Easton Telecom Services, Inc., Richfield, OH
32. Eclipse Communications Corporation, Issaquah, WA
33. Excel Telecommunications, Inc., Dallas, TX
34. F.D.S.D. Rapid City, Inc., Rapid City, SD
35. FiberComm, L.C., LeMars, IA
36. FirsTel, Inc., Sioux Falls, SD
37. GLD, Group Long Distance, Inc., Fort Lauderdale, FL
38. LCI International Telecom Corporation, McLean, VA
39. LDM Systems, Inc., New City, NY
40. MCImetro Access Transmission Services, Inc., Vienna, VA
41. McLeodUSA Telecommunications Services, Inc., Cedar Rapids, IA
42. Northern Valley Communications, L.L.C., Bath, SD
43. PAM Oil Inc. d/b/a PAM Communications, Sioux Falls, SD
44. Quintelco, Inc., Pearl River, NY
45. Sioux Falls Cable Television, Sioux Falls, SD
46. Sprint Communications Company L.P., Kansas City, MO
47. Sterling International Funding, Inc. d/b/a Reconex, Hubbard, OR
48. Telco Holdings, Inc. d/b/a Dial & Save, Chantilly, VA
49. Tel-Save, Inc. d/b/a The Phone Company, Inc., New Hope, PA
50. WorldCom Technologies, Jackson, MS
51. Bridgewater-Canistota Independent Telephone Company, Hartford, SD
52. RC Communications, Inc., New Effington, SD
53. East Plains Telecom, Inc., Baltic, SD
54. Roberts County Telephone Cooperative Association, New Effington, SD
55. Union Telephone Company, Hartford, SD
56. Armour Independent Telephone Company, Armour, SD
57. Faith Municipal Telephone, Faith, SD

**Staff would recommend that these companies file a letter with the Commission stating the date that it began offering intraLATA toll dialing parity in South Dakota.**

Dated this 7th day of May, 1999.

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