TX-2000-160

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 240—Public Service Commission
Chapter 32—Telecommunications Service

PROPOSED RULE

4 CSR 240-32.120 Snap-Back Requirements for Basic Local Telecommunications Companies

PURPOSE: This rule establishes provisions for ensuring that basic local telecommunications service customers receive uninterrupted service from the carrier-of-last-resort should the customer's basic local telecommunications service company cease operations.

(1) To ensure uninterrupted service to basic local telecommunication service customers, a basic local exchange telecommunications company shall provide an immediate and orderly transition of its customers to the basic local service carrier(s)-of-last-resort in the event the company ceases operation or otherwise terminates service to the end-user customer for any reason other than cause as provided for in its tariffs and approved by the commission.

(2) If a basic local telecommunications service company serving a customer through unbundled network elements or resale of the carrier-of-last-resort's services ceases service, it shall immediately provide the carrier-of-last-resort all relevant information to ensure that the end-user customer will not experience a service outage except where the carrier-of-last-resort's tariff would not require service to that customer. The customer's intraLATA and/or interLATA carrier of choice will be continued if available. If it is not available, the carrier-of-last-resort will provide access to any carrier it selects until the customer notifies the carrier-of-last-resort in writing of a new carrier selection.

(3) The carrier-of-last-resort will immediately accept the customers of a basic local telecommunications service company providing service through resale or unbundled network elements of said carrier and provide the end-user identical or equivalent service as that service is offered to its own customers in that exchange. The service supplied will be provided according to the carrier-of-last-resort's approved tariff.

(4) The customer will be notified by the carrier of last resort of the change of service provider, the applicable rates that will be charged the customer, and that the customer has thirty days to make a choice of a preferred service provider. Such notice will be no later than the carrier-of-last-resort's initial bill to the affected customer. Within thirty days after transfer of a customer, said customer must make an affirmative choice to stay with the new carrier or select another carrier. If no choice is made, the current carrier may terminate service consistent with its existing tariff.

(5) If a basic local telecommunications service company serving a customer exclusively through the use of its own facilities, ceases service, it shall immediately provide the carrier-of-last-resort all relevant information to insure that the end-user customer will not experience a service outage and provide sufficient access to its network and facilities to accomplish an orderly and speedy transfer of service with minimal inconvenience and service disruption to the end-user customer.

(6) A carrier-of-last-resort providing customer service under conditions of this section shall notify the commission within five (5) days of the local exchange company, number and class of customer access lines, length of any service outage and any charges that the end-user customer may have incurred.

AUTHORITY: sections 386.040, RSMo 1994 and 386.250 and 392.200, RSMo Supp. 1998. Original rule filed Aug 24, 1999.

PUBLIC ENTITY COST: This proposed rule will not cost state agencies or political subdivisions more than $500 in the aggregate.

PRIVATE ENTITY COST: This proposed rule is estimated to cost private entities $58,800 in the aggregate.

NOTICE TO SUBMIT COMMENTS AND NOTICE OF PUBLIC HEARING: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Public Service Commission, Dale Hardy Roberts, Secretary, P.O. Box 360, Jefferson City, MO 65102, (573) 751-3234. To be considered, comments shall be filed on or before November 1, 1999. Comments should refer to Case No. TX-2000-160, and be filed with an original and fourteen copies. A public hearing is scheduled for November 4, 1999, at 9:00 a.m. in room 530 of the Harry S Truman State Office Building, 301 West High Street, Jefferson City, Missouri, for interested persons to appear and respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten days prior to the hearing at one of the following numbers: Consumer Services Hotline 1-800-392-4211, or TDD Hotline 1-800-829-7541.

FISCAL NOTE
PRIVATE ENTITY COST

I. RULE NUMBER

Title: Missouri Department of Economic Development
Division: Missouri Public Service Commission
Chapter: Telecommunications Companies
Type of Rulemaking: New Rule (Snap-Back Requirement)
Rule Number and Name: 4 CSR 240-32.120

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification* by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
3	Class A Local Telephone Companies	$58,800
	Class B Local Telephone Companies	
	Class C Local Telephone Companies	
3	All entities	$58,800

* Class A Telephone Companies are incumbent local telephone companies with more than $100,000,000 annual revenues system wide; Class B Telephone Companies are incumbent local telephone companies with $100,000,000 annual revenues or less system wide; Class C Local Telephone Companies are all other companies certificated to provide basic local exchange telecommunications services.

III. WORKSHEET

1. A draft of the proposed rule was distributed to Class A Telephone Companies, Class B Telephone Companies, Class C Local Telephone Companies, Class Interexchange Companies, and Class Payphone Providers certificated by the Missouri Public Service Commission as of June 1998. These companies were requested to review the rule and provide any projected fiscal impact projections, should the rule be approved as drafted. The above figures reflects information provided by responding companies.

IV. ASSUMPTIONS

1. The life of the rule is estimated at five years.

2. Fiscal year 1998 dollars are used to estimate costs. No adjustment for inflation is applied.

3. Estimates assume no sudden change in technology that would influence costs.

4. Affected entities are assumed to be in compliance with all other Missouri Public Service Commission and Federal Communication Commission rules and regulations.

5. The universe of entities is based on December 15, 1998 data and is assumed to remain constant.

6. Incumbent telecommunications companies are assumed to be the carrier of last resort. Affected entities are assumed to be those incumbent telecommunications companies where other providers are currently authorized to offer basic local telecommunications service. As of December 1998 other providers are authorized to provide such services in the territories of only three incumbent telecommunications providers.

7. Assumed cost is based on figures supplied by Southwestern Bell, the only company submitting specific cost estimates, for a $5 conversion order.

8. The annual number of conversion orders is assumed to be 5% of the current number lines served by Class C Telephone Companies as of December 15, 1998. Current number of lines served by Class C Telephone Companies is 47,049 lines. Annual conversion orders is 47,049 * 5% = 2,352 orders.

9. Annual cost is assumed to be $5 * 2,352 orders = $11,760. Assumed cost over the life of the rule is assumed to be $11,760 * 5 years = $58,800.