

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 04R-510T

RULES RELATING TO THE REGULATION OF OPERATOR SERVICES FOR
TELECOMMUNICATIONS SERVICE PROVIDERS AND TELEPHONE UTILITIES.

NOTICE OF PROPOSED RULEMAKING

Mailed Date: October 14, 2004

Adopted Date: October 14, 2004

I. BY THE COMMISSION

A. Statement

1. The Colorado Public Utilities Commission (Commission) gives notice of proposed rulemaking regarding an amendment to the Rules Regulating Operator Services for Telecommunications Service Providers and Telephone Utilities, 4 *Code of Colorado Regulations* (CCR) 723-18, Appendix A (Benchmark Maximum Operator Services Rates). We take this action to implement directives of the Federal Communications Commission (FCC) in WC Docket No. 03-225, *In the Matter of Request to Update Default Compensation Rate for Dial-Around Calls from Payphones*, Report and Order, FCC 04-182 (released August 12, 2004) (Report and Order). In that order, the FCC modified the default rate of payphone compensation for "dial-around" calls set forth in its rules. We previously adopted emergency rules to implement the FCC's directives; we now issue this Notice to adopt permanent rules.

2. Generally, the purpose of the amendment proposed by this order is to modify the default rate of payphone compensation for "dial-around" calls consistent with the FCC's Report and Order. In that order, the FCC modified the default rate of payphone compensation for "dial-

around" calls (from \$.24 to \$.494) set forth in 47 Code of Federal Regulations § 64.1300(c), determining that the industry has changed from a growing industry to a shrinking industry, leading to a substantial increase in the local coin rate. The FCC initiated the proceeding to reexamine the "dial-around" compensation rate to ensure that the rate continues to provide "fair compensation" for each and every payphone call. Dial-around calls are those calls in which a caller makes a coinless call using a carrier other than the payphone's presubscribed long distance carrier. Generally, there are two types of dial-around calls. The first type is where a caller uses a code to access his or her preferred long distance carrier to complete the call (*e.g.*, "1-800-XXX-XXXX" or "10-10-XXX"). The second type is known as "toll-free" calls, where a company will pay a long distance carrier for a toll-free number that its customers can use to contact the company without incurring toll charges.

3. In Decision No. C04-1116, effective September 24, 2004, we adopted an amendment to the rule as an emergency rule because we found immediate adoption necessary to implement the FCC's new rate. We now issue this Notice of Proposed Rulemaking in order to make the emergency amendment to the rule permanent.

4. A copy of the amendment to the Rules, Appendix A (Benchmark Maximum Operator Services Rates) is attached to this notice of proposed rulemaking. The statutory authority for the proposed Rules is found within §§ 40-2-108, 40-3-102, and 40-15-302(5) C.R.S.

5. The Commission will conduct a hearing on the proposed amendment to the rules and related issues at the below stated time and place. Interested persons may submit written comments on the rules and present these orally at hearing, unless the Commission deems oral presentations unnecessary. The Commission also encourages interested persons to submit written comments before the hearing scheduled in this matter. In the event interested persons

wish to file comments before the hearing, the Commission requests that such comments be filed ten days prior to the hearing date. The Commission will consider all submissions.

II. ORDER

A. The Commission Orders That:

1. This Notice of Proposed Rulemaking shall be filed with the Colorado Secretary of State for publication in the November, 2004 edition of *The Colorado Register*.

2. Hearing on the proposed rules and related matters shall be held before an Administrative Law Judge as follows:

DATE: December 10, 2004
TIME: 9:00 a.m.
PLACE: Commission Hearing Room
Office Level 2 (OL2)
Logan Tower
1580 Logan Street
Denver, Colorado

3. At the time set for hearing, interested persons may submit written comments and may present these orally unless the Commission deems oral comments unnecessary.

4. Interested persons are encouraged to submit their written comments ten days before the hearing. However, all written comments received on or before the hearing will be considered.

5. This Order is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
October 14, 2004.**

(SEAL)



ATTEST: A TRUE COPY

Bruce N. Smith
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

POLLY PAGE

CARL MILLER

Commissioners

**4 CCR 723-18-APPENDIX A
 BENCHMARK MAXIMUM OPERATOR SERVICES RATES**

<u>No.</u>	<u>Operator Service</u>	<u>Rate</u>
	Usage Rates	
1.	Flat (Message) Rate per call	.11
	Flat (Measured) Rate per minute	
2.	Day	.20
3.	Evening/Night/Weekend	.11
	Calling Card Station Rates	
	Customer Dialed	
4.	Automated (Mechanized)	.30
5.	Operator Assisted	.58
6.	Operator Dialed	1.13
7.	Operator Assistance	.75
	Operator (Assisted)	
8.	Station-to-Station	1.25
9.	Collect	1.85
10.	Billed to Third Party	1.51
11.	Person-to-Person	3.00
	Busy Line	
12.	Verification	1.25
13.	Interrupt	2.00
14.	Prison Inmate Operator Station Collect	1.85
15.	Pay Telephone Charge (Facilities based providers only)	<u>50.26</u>