

(Decision No. C93-1495)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

IN THE MATTER OF PROPOSED RULES)
PROVIDING FOR RELAXED REGULATORY)
TREATMENT OF OPERATOR SERVICE)
PROVIDERS, AMENDMENTS TO)
4 CCR 723-18.)

DOCKET NO. 93R-687T

NOTICE OF PROPOSED
RULEMAKING

Mailed Date: November 30, 1993
Adopted Date: November 24, 1993

STATEMENT

BY THE COMMISSION:

The Colorado Public Utilities Commission hereby gives notice of proposed rulemaking regarding the Rules Regulating Operator Services For Telecommunications Service Providers And Telephone Utilities, 4 CCR 723-18. The intent of the proposed rules is to provide for relaxed regulatory treatment of operator service providers. In part, the proposed rules would eliminate existing requirements that operator service providers obtain certificates of public convenience and necessity. Instead, operator service providers would be required to register with the Commission in accordance with the Commission's statutes, rules, and regulations. The proposed rules would also grant specific relaxed regulatory treatment to operator service providers. For example, operator service providers would not be required to give notice of rate changes; books of account could be maintained in accordance with Generally Accepted Accounting Principles instead of the Uniform System of Accounts; cost allocation rules would be waived for operator service providers; etc. A copy of the proposed rules is attached to this notice of proposed rulemaking. The statutory authority for the proposed rules is found at §§ 40-2-108, 40-3-110, 40-4-111 and 40-15-302, C.R.S.

Docket # 3102

The Commission will conduct a hearing before an administrative law judge on the proposed rules and related issues beginning at 9:00 am on February 9, 1994. The hearing will be conducted in a Commission Hearing Room, Office Level 2 (OL2), Logan Tower, 1580 Logan Street, Denver, Colorado. Interested persons may submit written comments on the rules and present these orally at hearing, unless the Commission deems oral presentations unnecessary. Interested persons may file written comments before the hearing. The Commission requests that prefiled comments be submitted one week prior to hearing. All submissions will be considered by the Commission.

THEREFORE, THE COMMISSION ORDERS THAT:

1. This Notice of Proposed Rulemaking shall be filed with the Colorado Secretary of State for publication in the December 10, 1993, edition of The Colorado Register. At the time of filing with the Secretary of State, this notice shall also be filed with the Office of Regulatory Reform.

2. Hearing on the proposed rules and related matters shall be held beginning:

DATE: February 9, 1994

TIME: 9:00 am

PLACE: Commission Hearing Room
Office Level 2 (OL2)
Logan Tower
1580 Logan Street
Denver, Colorado

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

3. Interested persons may file written comments in this docket before hearing. The Commission requests that prefiled comments be submitted one week prior to hearing. All submissions, whether oral or written, will be considered.

This Order is effective on its Mailed Date.

ADOPTED IN OPEN MEETING November 24, 1993.

(SEAL)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Robert E. Temmer

Christine E. M. Alvarez

Vincent Majkowski

Commissioners

ATTEST: A TRUE COPY

Bruce N. Smith

Bruce N. Smith
Director

RULES REGULATING OPERATOR SERVICES FOR TELECOMMUNICATIONS
SERVICE PROVIDERS AND TELEPHONE UTILITIES

BASIS, PURPOSE, AND STATUTORY AUTHORITY

The basis for these rules is to identify nonoptional operator services which are subject to the Commission's jurisdiction. Under § 40-15-401(1)(j), C.R.S., operator services are declared to be exempt from Commission jurisdiction. However, the definition of operator services found at § 40-15-102(20), C.R.S., states that only certain operator services are exempt from Commission jurisdiction and provides as follows:

- "(20) "Operator services" means optional services provided by operators to customers which offer individualized and select call processing." (Emphasis supplied.)

Only optional operator services are deregulated. Nonoptional operator services which do not offer individualized and select call processing remain regulated. Thus, the purpose of these rules is to establish regulatory treatment for nonoptional operator services and operator service providers that provide nonoptional operator services. The statutory authority for the Commission's rulemaking authority is found at § 40-2-108, C.R.S.

THE BASIS FOR THIS AMENDMENT TO THESE RULES IS A NEED FOR A MORE FLEXIBLE REGULATORY TREATMENT FOR PROVIDERS OF NONOPTIONAL OPERATOR SERVICES. THE PURPOSE OF THIS AMENDMENT IS TO PROVIDE A FORM OF RELAXED REGULATORY TREATMENT TO ALL PROVIDERS OF NONOPTIONAL OPERATOR SERVICES. THE STATUTORY AUTHORITY FOR THIS AMENDMENT IS FOUND AT § 40-15-302, C.R.S.

RULE 1 - APPLICABILITY

These rules apply to all public utilities and providers of telecommunications service which are regulated under Title 40, Article 15, Parts 2 and 3, C.R.S. Any provider of local exchange services that also furnishes nonoptional operator services by contracting with a regulated interexchange carrier and that concurs in the tariffed rates, terms, and conditions of that regulated interexchange carrier shall be exempt from these rules.

RULE 5 - MANNER OF REGULATION

- 5.1 Nonoptional operator services, the associated rates, and the provider of nonoptional operator services are regulated by the Commission.
- 5.2 Persons who provide nonoptional operator services shall ~~obtain a certificate~~ PROVIDE INFORMATION TO THE COMMISSION in accordance with § 40-15-302(2), C.R.S., and RULE 3.1 OF the Rules Regulating Emerging Competitive Telecommunications Service found at 4 CCR 723-24. AFTER A DETERMINATION OF COMPLETENESS, THE COMMISSION SHALL ISSUE A LETTER OF REGISTRATION GRANTING OPERATIONAL AUTHORITY FOR THE COMPANY, UPON APPROVAL OF ITS TARIFF. Telecommunications service providers or telephone utilities which already have certificates or the authority to provide nonoptional operator services shall continue to have the authority ~~without having to obtain a new certificate~~.
- 5.3 Persons who provide nonoptional operator services SHALL BE GRANTED SPECIFIC REGULATORY TREATMENT AS FOLLOWS:
- 5.3.1 CUSTOMER NOTICE AS REQUIRED IN RULE 41(e) OF THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE (4 CCR 723-1) SHALL BE WAIVED, I.E., NO SPECIFIC CUSTOMER NOTICE OF PROPOSED RATE CHANGES SHALL BE REQUIRED.
- 5.3.2 RULE 25(c) OF THE COMMISSION'S RULES OF PRACTICE AND PROCEDURE (4 CCR 723-1) RELATING TO THE MAINTENANCE OF ACCOUNTING INFORMATION IN ACCORDANCE WITH UNIFORM SYSTEM OF ACCOUNTS PRESCRIBED BY THE FEDERAL COMMUNICATIONS COMMISSION SHALL BE WAIVED FOR ALL PROVIDERS THAT DO NOT MAINTAIN THEIR BOOKS OF ACCOUNT IN ACCORDANCE WITH THE UNIFORM SYSTEM OF ACCOUNTS AND THAT MAINTAIN THEIR BOOKS OF ACCOUNT ACCORDING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.
- 5.3.3 RULE 3 OF THE COMMISSION'S RULES REGULATING TELECOMMUNICATIONS SERVICE PROVIDERS AND TELEPHONE UTILITIES (4 CCR 723-2) PERTAINING TO THE REQUIREMENT THAT ALL RECORDS BE KEPT WITHIN THE STATE SHALL BE WAIVED. HOWEVER, SUCH RECORDS MUST BE MADE AVAILABLE TO THE COMMISSION OR ITS AUTHORIZED REPRESENTATIVE AT ANY TIME UPON REQUEST AND AT THE UTILITY'S EXPENSE.
- 5.3.4 THE COMMISSION'S COST ALLOCATION RULES (4 CCR 723-27) SHALL BE WAIVED FOR OPERATOR SERVICE PROVIDERS WHOSE PRIMARY TELECOMMUNICATIONS

BUSINESS IS THE PROVISION OF OPERATOR SERVICES AND/OR LONG DISTANCE SERVICES.

5.3.5 A PROVIDER may seek a specific form of relaxed regulation or deregulation of nonoptional operator services in accordance with the Rules Regulating Emerging Competitive Telecommunications Service FOUND AT 4 CCR 723-24.