Interpretative Rules of the Public Utilities Commission concerning Intrastate Telecommunications Services Regulated under Article 15 of Title 40, C.R.S.

(See publication in library)
Decision No. C89-290
DOCKET NO. 89R-105T

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(Decision No. C89-290)

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF INTERPRETATIVE RULES OF THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO CONCERNING INTRASTATE TELECOMMUNICATIONS SERVICES REGULATED UNDER ARTICLE 15 OF TITLE 40.

DOCKET NO. 89R-105T

COMMISSION ORDER
ADOPTING INTERPRETATIVE
RULES FOR ARTICLE 15, TITLE 40
COLORADO REVISED STATUTES

March 1, 1989

#### BASIS AND PURPOSE FOR RULES

# BY THE COMMISSION

Some of the telecommunications services identified in § 40-15-401(1), C.R.S., were defined by the General Assembly. However, some were not and terms within some of the definitions provided require interpretations. In order to remove uncertainty as to the applicability of any statutory provision, the Commission may issue interpretative rules which are intended to clarify statutory provisions. See, Regular Route Common Carrier Conference of Colorado Motor Carriers Association v. Public Utilities Commission, 761 P.2d 737 at pages 748 and 749 (1988).

In Case No. 6645, the Commission interpreted these same services as they were offered by The Mountain States Telephone and Telegraph Company (Mountain Bell), now known as U S WEST Communications, Inc., in Initial Commission Decision No. C88-4. The final Commission decision in Case No. 6645 was appealed to the Denver County District Court on several issues, one of which concerned whether the Commission was required to have a transcript of the proceedings prior to issuing an initial Commission decision where it had not presided over the hearing.

When it opened Case No. 6645, it was and remains the purpose of the Commission to implement Part 4, Article 15 of Title 40 as quickly as possible by interpreting the terms of the statute. The <u>Regular Route Common Carrier</u> Case opinion was issued after a final Commission decision was issued in Case No. 6645. Since the Commission's intent had been to interpret certain terms found primarily in Part 4 in Case No. 6645 as quickly as possible, the appeal of Case No. 6645, from the Commission's perspective, only would delay the effect of the Commission's interpretations. Rather than litigating Case No. 6645 in the appellate

process for a lengthy period of time, the Commission confessed error on the limited procedural issue. As a result, the prior final Commission decision was null and void.

By this decision, the Commission will issue interpretative rules concerning intrastate telecommunications services regulated under Article 15, Title 40, C.R.S. <u>These rules are not binding as rules promulgated under § 24-4-103, C.R.S.</u>, and refer to various providers of telecommunications services and their tariffs only to exemplify the Commission's interpretations.

# RELEVANT STATUTORY PROVISIONS

The Commission must interpret § 40-15-401, C.R.S., which provides as follows:

40-15-401. Services, products, and providers exempt from regulation.

- (1) The following products, services, and providers are exempt from regulation under this article or under the 'Public Utilities Law' of the state of Colorado:
  - (a) Cable services as defined by section 602(5) of the federal 'Cable\_Franchise Policy and Communications Act of 1984':
  - (b) Cellular telecommunications services;
  - (c) Mobile radio service:
  - (d) Radio paging service;
  - (e) New products and services other than those necessary to provide basic local exchange service;
  - (f) Centron and centron-like services:
  - (g) Special arrangements;
  - (h) Special assemblies;
  - (i) Informational services;
  - (j) Operator services;
  - (k) Advanced features offered and provided to nonresidential customers with more than five lines:
  - (1) Special access.

Some of the terms used in  $\S 40-15-401(1)$ , C.R.S., are defined in Article 15, Title 40, C.R.S. Specifically, in  $\S 40-15-102$ , C.R.S., some

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 2 of 16

<sup>1.</sup> All references to Tariffs shall be to the tariffs as they existed prior to enactment of Article 15, Title 40 in HB 1336 (HB 1336) in the 1987 session of the Colorado General Assembly.

pertinent definitions are provided, as follows:

- (1) 'Access' means special access and switched access.
- (2) 'Advanced features' means custom calling features known as speed dialing, 3-way calling, call forwarding, and call waiting.
- (3) 'Basic local exchange service' means the telecommunications service which provides a local dial tone line and local usage necessary to place or receive a call within an exchange area regulated pursuant to part 2 of this article.
- (4) 'Centron and centron-like services' means services which provide custom switching features which include, but are not limited to distributive dial tone, select number screening, toll restriction and screening, nonattendant busy out, nonattend and call transfer, and select trunk hunting and screening.

\* \* \*

(6) 'Deregulated telecommunications services' means telecommunications services not subject to the jurisdiction of the commission pursuant to part 4 of this article.

\* \* \*

(8) 'Exchange area' means a geographic area established by the commission, which consists of one or more central offices together with associated facilities which are used in providing basic local exchange service.

\* \* \*

- (10) 'Informational services' means nonstandard services provided to customers by means of personnel and facilities which include personalized intercept, synthesized voice messages, specialized bill services, and personalized number services.
- (11) 'Interexchange provider' means a person who provides telecommunications services between exchange areas.

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 3 of 16

- (18) 'Local exchange provider' means any person authorized by the commission to provide basic local exchange service.
- (19) 'New products and services' means any new product or service introduced separately or in combination with other products and services after January 1, 1988, which is not functionally required to provide basic local exchange service and any new product or service which is introduced after January 1, 1988, which is not a repackaged current product or service or a direct replacement for a regulated product or Repackaging service. any product or deregulated under part 4 of this article with any service regulated under part 2 or 3 of this article shall not be considered a new product or service.
- (20) 'Operator services' means optional services provided by operators to customers which offer individualized and select call processing.

\* \* .\*.

(22) 'Private line service' means any point-to-point or point-to-multipoint service dedicated to the exclusive use of an end user for the transmission of any telecommunications services.

\* \* \*

- (25) 'Special access' means any point-to-point or point-to-multipoint service provided by a local exchange provider dedicated to the exclusive use of any interexchange provider for the transmission of any telecommunications services.
- (26) 'Special arrangements' means custom assemblies of optional manufactured products which allow users to select nonstandard interfaces and switched or dedicated facilities in combinations for select, specialized custom applications, including but not limited to combinations of microwave, coaxial or copper cable, fiber optics, multiplexing equipment, or specialized electronics. 'Special arrangements' does not include access.
- (27) 'Special assemblies' means services provided to

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 4 of 16 customers who require special or nonstandard conditioning for interoffice or intraoffice connections or image-data use interruptions for combination lines.

- (28) 'Switched access' means the services or facilities furnished by a local exchange company to interexchange providers which allow them to use the basic exchange network for origination or termination of interexchange telecommunications services.
- (29) 'Telecommunications service' means the electronic or optical transmission of information between separate points by prearranged means.

Many words used repetitively in the definitions found in  $\S$  40-15-102, C.R.S., are undefined, including such words as <u>nonstandard</u>, <u>custom</u>, <u>special</u>, <u>specialized</u>, <u>optional</u>, <u>services</u>, <u>products</u>, <u>arrangements</u>, and <u>assemblies</u>. Although all of these words have a common meaning or dictionary definition, within the telecommunications industry these words have acquired technical meanings. Some of these words appear to be used interchangeably within  $\S$  40-15-102, C.R.S.

When attempting to construe a statute, Article 4 of Title 2 entitled "Statutes-Construction and Revision" provides guidance.

Section 2-4-101, C.R.S., provides that:

Words and phrases shall be read in context and construed according to the rules of grammar and common usage. Words and phrases that have acquired a technical or particular meaning, whether by legislative definition or otherwise, shall be construed accordingly.

Section 2-4-201, C.R.S., provides:

- (1) In enacting a statute, it is presumed that:
  - (a) Compliance with the constitutions of the state of Colorado and the United States is intended;
  - (b) The entire statute is intended to be effective;
  - (c) A just and reasonable result is intended;
  - (d) A result feasible of execution is intended;
  - (e) Public interest is favored over any private interest.

Section 2-4-203, C.R.S., concerning ambiguous statutes provides:

(1) If a statute is ambiguous, the court, in determining

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 5 of 16 the intention of the general assembly, may consider among other matters:

- (a) The object sought to be attained:
- (b) The circumstances under which the statute was enacted:
- (c) The legislative history, if any;
- (d) The common law or former statutory provisions, including laws upon the same or similar subjects;
- (e) The consequences of a particular construction:
- (f) The administrative construction of the statute:
- (g) The legislative declaration or purpose.

# Section 2-4-205, C.R.S., provides:

If a general provision conflicts with a special or local provision, it shall be construed, if possible, so that effect is given to both. If the conflict between the provisions is irreconcilable, the special or local provision prevails as a exception to the general provision, unless the general provision is the later adoption and the manifest intent is that the general provision prevail.

# Section 2-4-212, C.R.S., provides:

All general provisions, terms, phrases, and expressions, used in any statute, shall be liberally construed, in order that the true intent and meaning of the general assembly may be fully carried out.

#### Finally, § 2-5-113(4), C.R.S., provides:

The classification and arrangement by title, article, and numbering system of sections of Colorado Revised Statutes, as well as the section headings source notes, annotations, revisor's notes, and other editorial material, shall be construed to form no part of the legislative text, but to be only for the purpose of convenience, orderly arrangement, and information; therefore, no implication or presumption of a legislative construction is to be drawn therefrom.

It is with these rules of statutory construction that the terms and definitions found in Article 15 must be construed.

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 6 of 16

#### CONCLUSIONS OF LAW

#### RULE 1 – GENERAL

- 1.1 Many telecommunication service providers (providers) provide services and products described in § 40-15-401(1), C.R.S., namely, cellular telecommunications services (Appendix A), mobile radio service (Appendix B), radio paging service (Appendix C), Centron and Centron-like services (Appendix D), special arrangements (Appendix E), special assemblies (Appendix F), informational services (Appendix G), operator services (Appendix H), advanced features offered and provided to nonresidential customers with more than five lines (Appendix I), and special access (Appendix J), which are the subject of these interpretative rules. However, providers do not provide services or products which could be described as cable services or new products and services as those terms are used in § 40-15-401(1), C.R.S.
- 1.2 For purposes of these interpretative rules, obsolete services are generally certain items of service and equipment previously offered elsewhere in a tariff, but are now offered in a different section of the provider's tariff that has limited applicability. Due to obsolescence, these items are no longer suitable to meet the current needs of the general public. They are not offered as new items of service or equipment to any customer except where they are required to fully use the installed common equipment capacities of existing systems. At the discretion of the provider, obsolete items of service and equipment may be continued in service if they remain on the same premises and the provider is able to maintain the items without unreasonable expense and is able to obtain repair parts from existing or recovered stock.

# RULE 2 – CABLE SERVICES AND NEW PRODUCTS AND SERVICES

Cable services and new products and services other than those necessary to provide basic local exchange service are not discussed any further in these interpretative rules since providers do not provide services or products which might fall within these categories in their tariffs.

#### RULE 3 – CELLULAR TELECOMMUNICATIONS SERVICES

Cellular telecommunications service is the furnishing of radio communications which provides for telecommunications between cellular radio units and conventional telephone systems or between cellular radio units within a cellular system. A cellular system is a telecommunications system that is comprised of a mobile telecommunications switching office, cell sites and dedicated interconnecting facilities.

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 7 of 16

#### RULE 4 - MOBILE RADIO SERVICE

Mobile radio service is a communications service provided within specified mobile service areas through a mobile telephone service base station between a mobile unit and a wire-line telephone or between two mobile units.

#### RULE 5 – RADIO PAGING SERVICES

Radio paging service is a service involving the one-way transmission of signals from any telephone, or other compatible input device, with exchange access, through a land radiotelephone station, to a personal signaling receiver equipped for such service. The receiver is a small portable radio unit which may be carried by the customer. The receiver may generate one or more audible or visual signals which alert the customer to call a telephone number or which displays specific information transmitted.

#### RULE 6 – RURAL RADIO SERVICE

- 6.1 Rural radio service is provided only in remote areas where it is impracticable to provide service by means of regular land-line facilities. Obsolete rural radio service is rural radio service using obsolete items of service or equipment or both. The character of the service offered, that is, the fact that this service is provided only in remote areas where it is impracticable to provide service by means of regular land-line facilities, remains the same.
- 6.2 The service received by the rural radio service customers, including obsolete service, is basic local exchange service as that term is defined in  $\S$  40-15-102(3), C.R.S., and the means to provide this basic local exchange service is mobile radio service as that term is used in  $\S$  40-15-401(1)(c), C.R.S. Thus, a Part 4 service or product is being used to provide basic local exchange service. Using the general rules of statutory construction, discussed elsewhere within this decision, the fact that mobile radio services are being used to provide basic local exchange service requires the Commission to continue regulation of Rural Radio Service and Obsolete Rural Radio Service. Here the need to regulate basic local exchange service, even when provided by means of rural radio service, is in the public interest and consistent with the legislative declaration.

# RULE 7 – FACILITIES FOR RADIO COMMON CARRIERS

7.1 Certain necessary facilities are made available to radio common carriers (RCC) by other providers so that they can also provide mobile radio service and radio paging service. These providers which provide the facilities are responsible only for their own facilities, and

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 8 of 16 the provision of those facilities does not constitute a joint undertaking with a radio common carrier for the furnishing of any service. In determining whether these facilities fall within mobile radio service or radio paging service, the Commission will focus on the word service.

- 7.2 RCCs are not interexchange providers and access provided to them by a provider is not special access for purposes of radio common carriage or radio paging services. The definition of an interexchange provider, as found in § 40-15-102(11), C.R.S., is dependent upon the definition of an exchange area. An exchange area consists of one or more central offices, together with associated facilities, which are used in providing basic local exchange service. For RCCs, exchange area boundaries have no relevance in providing this service. Rather, the relevant service areas within which RCCs provided service related to the single reliable service area, as measured by radio signal strength, since this service is affected by topographical characteristics. Although the radio signal may travel beyond a particular exchange area, this is not sufficient to cause the Commission to classify RCCs who receive service from a provider as interexchange providers in general.
- 7.3 The facilities needed by RCCs are not services in and of themselves but are components necessary to provide the services. Thus, facilities for RCCs discussed in USWC Tariff  $\S$  A20, and AT&T Tariff  $\S$  A20, for example, should not be exempt from regulation as Part 4 services, but are regulated services.

# RULE 8 - CENTRON AND CENTRON-LIKE SERVICE

- 8.1 Centron is a business communications service furnished only from a stored-program controlled central office (CO) and is offered subject to the availability of facilities and applicable generic feature programs. It is arranged to provide a number of basic service features which provide switching features similar to those discussed Centron and Centron-like services § 40-15-102(4), C.R.S. substituted for private branch exchanges (PBX). A PBX is an arrangement of switching equipment and stations for intercommunication among the which to may be connected exchange telecommunications services (MTS) as used in connection with private line service to another premises of the same customer.
- 8.2 Centron or Centron-like services require the use of the local loop and network access registers (NAR). The local loop is used primarily for basic local exchange access. The network access registers are used to provide direct inward and outward dialing of exchange and long distance calls. The local loop portion and NAR usage for a Centron system or a Centrex system are not exempt from regulation under Part 4 because they connect the customer-provided equipment to the local network, the local network usage element, or NAR equivalent.

- 8.3 The services and features described in Appendix D are examples of Centron or Centron-like services which are available from a stored-program controlled central office. When these features and services are offered as part of a Centron system for a provider's customers, then these features should be exempt from regulation as Part 4 services. Intercom switching services are included within the definition of Centron or Centron-like service.
- 8.4 When these same features and services are offered on a stand-alone basis to customers other than those who possess a Centron-like system or subscribe to a Centron system offered by a provider, then the features or services on a stand-alone basis should not be exempt from regulation under Part 4 since they are components of systems other than Centron or Centron-like systems. If the General Assembly intended to deregulate these switching features and services on a stand-alone basis, it would have deregulated all custom switching features rather than those associated with the provision of Centron and Centron-like services. In addition, any features or services required to provide a Centron or Centron-like system which are not custom switching features as generally described in § 40-15-102(4), C.R.S., are not part 4 services even if included in a Centron-like system.
- 8.5 Custom calling features such as those described in paragraphs 6 through 10 and 15 of Appendix D may qualify as advanced features discussed in Rule 13 of this decision.
- 8.6 The statutory definition uses not only the words <u>Centron</u> but also the words <u>Centron-like</u>. Therefore, custom switching feature systems, not only named Centron, can be considered as Centron-like. The six switching features identified in § 40-15-102(4), C.R.S., are examples of custom switching features which are generally associated with Centron or Centron-like services. All of the six or any particular combination of the six are not required in order for a service to be classified as a Centron or Centron-like service. Rather, one must look to the service as a whole.

#### RULE 9 - SPECIAL ARRANGEMENTS

9.1 Special arrangements are custom assemblies of optional manufactured products which allow users to select nonstandard interfaces and switched or dedicated facilities for select, personalized custom applications from a provider. A connecting arrangement is the equipment provided by a provider to accomplish the direct electrical connection of customer facilities with the provider's facilities. These are commonly referred to as interfaces.

- 9.2 Special arrangements are something more than one-of-a-kindservices such as those offered to the federal government described in Appendix E. They include some standard, off-the-shelf services which may have been tariffed. Had the General Assembly intended to limit special arrangements to one-of-a-kind products or services, ordinarily not tariffed, it could have so stated in the definition. However, that is not to say that the Commission considers everything other than basic residential service (1FR) and basic business service (1FB) as nonstandard. The Commission's interpretation falls between these parameters.
- 9.3 The number of services or products, or whether they are tariffed, are not stated as factors in the statute. The Commission considers the number of units as one relevant factor in determining whether certain services or products are special arrangements. However, the more relevant criterion is whether custom assemblies of optional manufactured products are used which allow the user to select nonstandard interfaces and switched or dedicated facilities from a provider in combinations for select, specialized custom applications. Therefore, the Commission considers the number of units as one of several issues relevant in determining whether certain services and products are special assemblies and specialized billing services.

# **RULE 10 - SPECIAL ASSEMBLIES**

Special assemblies are provided to customers who require special or nonstandard conditioning for interoffice or intraoffice connections. The term <u>nonstandard</u> should be interpreted generally in the same manner as for special arrangements and the Commission will take the same approach it did for special arrangements.

# **RULE 11 – INFORMATIONAL SERVICES**

- ll.1 In the definition of Informational Services, unlike the definition of Centron and Centron-like services, four specific means of personnel or facilities were identified in the statute in order to provide informational services, namely, personalized intercept, synthesized voice messages, specialized bill services, and personalized number services. The language in the definition of informational services does not suggest these are examples of personnel or facilities, but are the <u>only</u> personnel or facilities which may be used in a nonstandard service to qualify as informational services.
- 11.2 The definition of <u>Centron and Centron-like services</u> in § 40-15-102(4) C.R.S., means services which provide custom switching features which <u>include</u>, <u>but are not limited to</u>, distributive dial tone, etc. By way of contrast, the <u>definition for informational services</u> states that these services mean nonstandard services provided to customers by means of personnel and which include personalized intercept, synthesized voice messages, specialized bill services, and personalized

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 11 of 16 number services. Thus, in this latter definition the phrase <u>include but</u> not limited to is not used. Had the Legislature intended to give the expansive meaning to the word <u>include</u>, it would have used the phrase <u>include</u> but not limited to as it did when it defined Centron and Centron-like services.

11.3 Billing name and address and recording services, only, discussed in paragraph 11 of Appendix G should not be specialized bill services. These are basic bill services which are virtually identical to those required by USWC to determine its own billing information.

# RULE 12 - OPERATOR SERVICES

- 12.1 When the use of an operator is required as exemplified in subparagraphs a through g, the operator service and associated rates are not optional and should remain tariffed as regulated services.
  - a. Calls made at coin-operated telephones, both public and semipublic, may require operator intervention or a synthesized message to advise the calling party of the coins to be deposited and to advise the party when the time paid for has expired. If a synthesized message is provided, this still is not an informational service. Thus, all calls made from coin-operated telephones (as opposed to only those calls requiring synthesized messages), whether public or semipublic, which require operator intervention or a synthesized message to advise the party of the coins to be deposited or when the time has expired, remain regulated.
  - b. Calls made from telephone exchanges which do not allow for direct dialing (also described as Dial Station-to-Station in the USWC Exchange and Network Services Tariff § 6.2.1.A.1) and require operator intervention to complete what would, otherwise, be a direct-dialed call. Thus, when a customer places a direct dial call and an operator must intervene for any reason (whether providing a service in support of the network or to obtain originating number, etc.) the required operator service shall remain regulated.
  - c. Calls made by individuals who are so disabled that they are unable functionally to complete a call (for example, unable to use rotary dial or Touch-Tone pad) without operator assistance shall remain regulated. These calls may also include calls made with telecommunications devices for the deaf if operator intervention is required to functionally complete the call.

- d. Calls made by inmates at penal institutions who are not permitted to use coins when placing calls at coin telephones or who are required to use an operator's services to complete a call because of correctional rules or regulations shall remain regulated.
- e. All operator-provided services in support of the network, including operated-assisted call reconnection for disconnection or poor transmission, and operator-handled credit requests shall remain regulated.
- f. Directory assistance, including calls to 1-411 or 1-555-1212 shall remain regulated. (In the case of a customer using a long-distance operator for connection to long-distance directory assistance, rather than the customer dialing the call (1-555-1212) directly, the use of the operator service is optional and hence the call to the long-distance operator is, in the opinion of the Commission, an optional operator service and hence exempt from regulation under Part 4.)
- g. Basic emergency services, including calls made to operators by customers seeking emergency assistance from authorized emergencies agencies shall remain regulated.
- 12.2 Customer-dialed, calling-card, station-to-station calls are not optional operator services unless an operator is contacted. With Touch-Tone service, these calls do not involve an operator, but require the calling party to enter his calling card number. However, this service is then a specialized bill service.

# RULE 13 – ADVANCED FEATURES OFFERED AND PROVIDED TO NON-RESIDENTIAL CUSTOMERS WITH MORE THAN FIVE LINES

Advanced features means custom calling features known as speed dialing, 3-way calling, call forwarding, and call waiting. When these are offered to business customers with more than five access lines, these services are exempt from regulation. Advanced features offered and provided to residential customers and business customers with five or fewer access lines are regulated by the Commission.

#### **RULE 14 – SPECIAL ACCESS**

14.1 While the special access services and facilities provided by local exchange provider may also allow interexchange providers to use the basic exchange network for origination or termination of interexchange telecommunications services, that portion of any service or

product which is point-to-point or point-to-multipoint service provided by the local exchange provider and which is dedicated to the exclusive use of any interexchange provider is special access.

14.2 The phrase <u>exclusive</u> <u>use</u> must be construed properly. For example, where a reseller, who qualifies as an interexchange provider, leases a point-to-point dedicated circuit from the local exchange provider and then resells the use of that circuit or a portion of it to other persons, the reseller is considered exclusively using the service even though it may subsequently resell a service from that dedicated circuit. However, to the extent the local exchange provider's access services may be offered or used by persons other than interexchange providers, they should not be Part 4 services.

# RULE 15 - APPLICABILITY OF PART 1 TO PART 4 SERVICES

Access includes both switched and special access by definition in HB 1336. The legislative declaration, definitions of Part 4 services, prohibitions against cross-subsidization, powers of the Commission concerning inspection of books and records and determinations of cost methodologies, and the provision allowing any single entity to offer both regulated and Part 4 services, as well as Section 105 concerning nondiscriminatory access charges are all found in Part 1. The Commission interprets HB 1336 so that all of Part 1 applies to Part 4 services and products, notwithstanding any apparent conflict in § 40-15-401(1), C.R.S.

#### THEREFORE THE COMMISSION ORDERS THAT:

These interpretative rules are not binding upon any person, but may be used by the Commission in order to implement other provisions of Article 15 of Title 40, C.R.S., including, but not limited to, cost allocation methods.

This Decision is effective immediately.

DONE IN OPEN MEETING the 1st day of March 1989.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

Commissioners

COMMISSIONER RONALD L. LEHR ABSENT BUT CONCURRING IN PART AND DISSENTING IN PART.

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Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 14 of 16

# COMMISSIONER RONALD L. LEHR ABSENT BUT CONCURRING IN PART AND DISSENTING IN PART

I respectfully dissent, in part. I dissent from that part of the Commission's order which discusses operator services in Rule 12, and Rule 12.2 in particular. Rule 12.2 considers important uses of an operator for long distance calls as "optional."

The Legislature in H. B. 1336 defined "operator services" as optional services provided by operators to customers which offer individualized or select call processing. (See § 40-15-102(20), C.R.S.) US WEST in the past has taken the view that all operator assisted calling is optional, since customers may dial some long distance calls direct. The Commission majority apparently shares this view.

To my mind, the standard long distance calling services are not options to direct distance dialing. They are different services. For example, person-to-person calling, collect calling, and third-number billing do not seem to be the same service as direct long distance dialing to me. Direct distance dialing, conversely, is not an option to the end user who needs a person-to-person, collect, or third-number billed call. An operator is required to complete person-to-person, third number billing, and collect calls. Customers don't have an option not to use the operator if they need to use these services.

The Commission majorities decision opens up a number of exceptions which I think providers will find very difficult to implement on an unregulated basis. The problems of accounting for and separating the revenues, expenses, investment, and assets for these unregulated operator assisted calls from the regulated operator assisted calls will be a very large one.

Rather than take this approach, I would have treated all operator assisted touch—tone credit card calls as deregulated. Customers who have touch—tone telephone sets have the option of punching in the numbers for their credit calls and not using a operator. Or if they wish, an operator can be summoned to take their credit card information. This is the kind of optionality I believe the Legislature had in mind when it passed H. B. 1336.

In addition, it has been argued before the Commission in Case No. 6645 that Section II (A) of the MFJ requires the Bell operating companies to provide exchange access and exchange services for such access on a "tariff basis". <u>United States v. American Telephone and Telegraph Company</u>, 552 F. Supp. 131, 227 (D.C. Cir. 1982), <u>Aff'd</u>, 103 S.Ct. 1240 (1983). Appendix B of the MFJ is also argued to require the Bell operating companies to provide access on a "tariff basis". <u>Id</u>. 232-33. I believe the Commission should determine whether the MFJ is a

Decision No. C89-290 Docket No. 89R-105T March 1, 1989 Page 15 of 16 constraint on the Commission's order in this case which has the effect of detariffing certain exchange services. It seems to me that the Commission's Rule 14 on special access may be in violation of an order of a federal district court judge as it relates to switched access, as more fully explained in my dissent to Decision No. C88-209.

For these reasons, I dissent in part.

THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF COLORADO

Commissioner