LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER

LOUISIANA PUBLIC SERVICE COMMISSION
EX PARTE

Docket Number R-29564. Louisiana Public Service Commission, ex parte. In re: Possible amendments to the "Local Competition Regulations", as most recently modified by the General Order dated October 31, 2005 and Possible Amendments to the General Order dated March 18, 1994 requiring Commission approval of Transfers of Control of Public Utilities Subject to the Commission's Jurisdiction.

(DECIDED AT THE NOVEMBER 29, 2006 BUSINESS AND EXECUTIVE SESSION)
(Amends the Commission's Local Competition Regulations)
(Amends the General Order dated March 18, 1994)

Overview

In its Official Bulletin dated June 16, 2006, the Louisiana Public Service Commission ("Commission" or "LPSC") opened the above referenced docket to consider possible amendments to the Commission's Regulations for Competition in the Local Telecommunications Market ("Local Competition Regulations") as most recently modified by the General Order dated October 31, 2005, and the General Order dated March 18, 1994[1] ("3/18/94 General Order"), which requires the Commission's approval and/or non-opposition to transfers of control of public utilities subject to the Commission's jurisdiction.

Currently, the Commission's 3/18/94 General Order requires all jurisdictional utilities and common carriers to seek the Commission's prior approval or non-opposition to any sale, transfer, lease or other encumbrance of any part of the utility's operations, assets, etc., regardless of the method used to accomplish said transaction, when the values involved exceed one percent of the regulated utility or common carrier's gross assets. When this Order was enacted, competition in the local and long distance telecommunications market was essentially non-existent. Thus, the Order only applied to the small number of Telecommunications Service Providers ("TSPs") in existence at that time. Following the adoption of the Local Competition Regulations in 1996, the Commission has certificated a large number of TSPs who offer a variety of competitive services in the local, long distance, wholesale, wireless and data markets. Additionally, through the restructuring of the telecommunications industry, a large number of financing and transfer transactions have occurred involving these providers. While essentially all of these transactions are uncontested, and ultimately

1 General Order dated March 18, 1994, *In re: Commission Approval Required of Sales Leases, Mergers, Consolidations, Stock Transfers, and All Other Changes of Ownership or Control of Public Utilities Subject to the Commission's Jurisdiction.*

have no impact on end-user customers of the providers, they are nonetheless subjected to the requirements of the 3/18/94 General Order. Finally, as these transactions require approval in a number of jurisdictions, and often contain aggressive timelines for completion, time is of the essence in issuing the Commission's approval or non-opposition.

In an attempt to address the above concerns, Staff has sought comments on changes to the Commission's Local Competition Regulations and the 3/18/94 General Order. Comments were received from BellSouth Telecommunications, Inc. ("BellSouth"), Level 3 Communications, LLC ("Level 3") and Sprint Nextel. Additionally, interventions were filed, but no comments received, from the following parties: Occidental Chemical Corporation and the Small Company Committee of the Louisiana Telecommunications Association ("SCC"). Following a review of the Comments, Staff issued a proposed recommendation. BellSouth and the SCC filed additional reply comments on Staff's proposed recommendation.

Jurisdiction

As stated in Article IV § 21 of the Louisiana Constitution of 1974, the Commission has the authority to:

> "regulate all common carriers and public utilities and has all other regulatory authority as provided by law. The Commission shall adopt and enforce reasonable rules, regulations and procedures which are necessary for the discharge of its duties including other powers and duties as provided by law."

Pursuant to its constitutional authority, the Commission has adopted numerous rules and regulations applying to entities subjected to its jurisdiction, including the Local Competition Regulations[2], as most recently amended by the General Order dated October 31, 2005, and the 3/18/94 General Order, both of which apply to telecommunications carriers subject to the Commission's jurisdiction.

Staff's Recommendation and Commission Consideration

After careful consideration of the applicable Commission regulations and the comments received from intervenors, Staff recommended the following rule changes for the Commission's approval:

Section 301 M. shall be added to the Local Competition Regulations to read as follows:

M. (1) No TSP shall transfer control or ownership of any assets, common stock or other indicia of control of the carrier to any other person, corporation, partnership, limited liability company, utility, common carrier, subsidiary, affiliated company or any other entity or divide into two or more common carriers, where the values involved in such transaction exceed one percent (1%) of the gross assets of such regulated common carrier, or subsidiary thereof, without prior notice to the Commission. Such notice shall include information identifying the parties involved, a summary description of the

2 The actual Regulations are contained in "Appendix B" to the General Order.

transaction, and a public interest statement.

Any notice filed pursuant to subsection M (1) above shall be published in the Commission's Official Bulletin with a 15-day period for any party in interest to file an intervention or protest. If no intervention or protest is filed by a party in interest within the 15-day period, the transfer shall be deemed approved. If a timely intervention or protest is filed by a party in interest, the Commission through its Secretary shall initiate a proceeding and, after notice to and comments from the applicant(s) and party in interest, may reject, require modification of, or impose conditions on any transfer found to be contrary to the public interest.

This section and the procedures hereunder shall apply only to TSPs other than ILECs. Nothing in this section shall affect the application of any Commission rules, regulations or orders applicable to ILECs.

(2) If a TSP changes its corporate name, the TSP shall file a notice of such name change with the Commission within ten (10) business days of the name change.

Additionally, Staff proposed the March 18, 1994 General Order be modified to include the following language as section 6.

6. This Order shall be superseded by Section 301 M. of the Commission's Regulations for Competition in the Local Telecommunications Market for the classes of TSPs contained therein.

Staff's final recommendation was considered by the Commission at its November 29, 2006 Business and Executive Session. On Motion of Commissioner Blossman, seconded by Commissioner Sittig, and unanimously adopted, the Commission voted to accept Staff's final recommendation.

IT IS THEREFORE ORDERED THAT:

1. Section 301 M. is hereby added to the Commission's Local Competition Order, as most recently amended by the General Order dated October 31, 2006, to read as follows. The modified Local Competition Regulations are attached hereto as "Attachment A":

   M. (1) No TSP shall transfer control or ownership of any assets, common stock or other indicia of control of the carrier to any other person, corporation, partnership, limited liability company, utility, common carrier, subsidiary, affiliated company or any other entity or divide into two or more common carriers, where the values involved in such transaction exceed one percent (1%) of the gross assets of such regulated common carrier, or subsidiary thereof, without prior notice to the Commission. Such notice shall include information identifying the parties involved, a summary description of the transaction, and a public interest statement.

   Any notice filed pursuant to subsection M (1) above shall be published in the Commission's Official Bulletin with a 15-day period for any party in interest to file an intervention or protest. If no intervention or protest is filed by a party in interest within the 15-day period, the transfer shall be deemed approved. If a timely intervention or protest is filed by a party in interest, the Commission through its Secretary shall initiate a proceeding and, after notice to and comments from the applicant(s) and party in interest, may reject, require modification of, or impose conditions on any transfer found to be contrary to the public interest.

   This section and the procedures hereunder shall apply only to TSPs other than

ILECs. Nothing in this section shall affect the application of any Commission rules, regulations or orders applicable to ILECs.

(2) If a TSP changes its corporate name, the TSP shall file a notice of such name change with the Commission within ten (10) business days of the name change.

2. Section 6 is hereby added to the Commission's General Order dated March 18, 1994 to read as follows:

6. This Order shall be superseded by Section 301 M. of the Commission's Regulations for Competition in the Local Telecommunications Market for the classes of TSPs contained therein.

3. This Order shall be effective immediately.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA

December 14, 2006

/S/ C. DALE SITTIG
DISTRICT IV
CHAIRMAN C. DALE SITTIG

/S/ JAMES M. FIELD
DISTRICT II
VICE CHAIRMAN JAMES M. FIELD

/S/ JACK "JAY" A. BLOSSMAN
DISTRICT I
COMMISSIONER JACK "JAY" A. BLOSSMAN

/S/ FOSTER L. CAMPBELL
DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

LAWRENCE C. ST. BLANC
SECRETARY

/S/ LAMBERT C. BOISSIERE, III
DISTRICT III
COMMISSIONER LAMBERT C. BOISSIERE, III

LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER

LOUISIANA PUBLIC SERVICE COMMISSION
EX PARTE

In re: Regulations for Competition in the Local Telecommunications Market

(As most recently amended by the General Order Dated December 14,2006)

APPENDIX "A"

LOUISIANA PUBLIC SERVICE COMMISSION

REGULATIONS FOR COMPETITION IN
THE LOCAL TELECOMMUNICATIONS MARKET

LOUISIANA PUBLIC SERVICE COMMISSION
REGULATIONS FOR COMPETITION IN
THE LOCAL TELECOMMUNICATIONS MARKET

(AS AMENDED 10/26/05)

PREAMBLE

The Louisiana Public Service Commission hereby promulgates the following regulations (the "Regulations") to foster the transition from monopoly to competitive local telecommunications markets in Louisiana. The Commission imposes these Regulations for competition within local service areas in order to encourage competitive entry, preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers while ensuring that the rates charged and services rendered by telecommunications services providers are just and reasonable.

The Commission recognizes that, given current local telecommunications markets, competition in every segment of these markets will take time to develop. It is likely that the introduction of competitive services will occur asymmetrically, with new entrants initially targeting high volume, heavily populated urban areas and other selected high-profit areas, and therefore, the benefits resulting from competition will be seen first in those areas. However, it is the policy of the Commission that all Louisiana consumers should benefit from competition. Although a limited exemption is proposed for incumbent local exchange carriers with 100,000 access lines or less in Louisiana, the Commission encourages competition throughout Louisiana.

These Regulations are designed to ensure that Louisiana consumers in the aggregate benefit from competition. The Commission grants telecommunications services providers the opportunity to compete in local telecommunications markets under the condition that the consumers of Louisiana benefit by having greater choices among telecommunications products, prices and providers. Through the development of effective competition, which promotes the accessibility of new and innovative services at non-discriminatory prices consumers can and are willing to pay, and which results in wider deployment of existing services at competitive prices, the public interest will be promoted.

SECTION 101. Definitions

1. Basic Local Service - those telecommunications services required to provide residential and single-line business customers with each of the items comprising the definition of Universal Service as specified in Commission General Order dated May 22, 1995.

2. Basic Services - for purposes of the Price Plan and ILECs regulated thereunder, the category of services required to provide basic local service to residential and single line business customers, including all services itemized in the Price Plan.

3. Bona Fide Request - a request to a telecommunications services provider that demonstrates a good faith showing by the requesting party that it intends to purchase the services requested within ninety (90) days of the date of the request.

4. Central Office - a facility within a telecommunications network where calls are switched and which contains all the necessary equipment, operating arrangements and interface points for terminating and interconnecting facilities such as subscribers' lines and interoffice trunks.

5. Commission - the Louisiana Public Service Commission.

6. Commercial Mobile Radio Service (CMRS) - a mobile service that is: (a)(1) provided for profit, i.e., with the intent of receiving compensation or monetary gain; (2) an interconnected service; and (3) available to the public, or to such classes of eligible users as to be effectively available to a substantial portion of the public; or (b) the functional equivalent of such a mobile service described in paragraph (a) of this definition. 47 CFR § 20.3, as amended. CMRS includes "Radio Common Carriers" as that term is defined and used in La. R.S. § 45:1500 *et seq.*

7. Commercial Mobile Radio Service Provider - any person or entity engaged in the provision of a service that is a commercial mobile radio service. CMRS Provider includes "Radio Common Carriers" as that term is defined and used in La. R.S. § 45:1500 *et seq.*

8. Competitive Access Provider (CAP) - a telecommunications services provider offering and/or providing only exchange access services or private line services in a local service area.

9. Competitive Local Exchange Carrier (CLEC) - a telecommunications services provider, except a CAP, offering and/or providing local telecommunications services in competition with an ILEC.

10. Essential Telecommunications Carrier (ETC) - the telecommunications services provider designated by the Commission to be the obligated provider of basic local service within a particular local service area (formerly referred to as the Carrier-of-Last-Resort).

11. Exchange Access Services - the provision of switched or dedicated telecommunications services which connect an end-user to an interexchange carrier for the purpose of originating or terminating interexchange telecommunications. These services are provided by facilities in an exchange area for the transmission, switching, or routing of interexchange telecommunications originating or terminating within the exchange area.

12. Exchange Area - a geographic area established by a telecommunications services provider consisting of one or more central offices together with associated facilities used in furnishing local telecommunications services within the area in which telecommunications services and rates are the same.

13. Facilities Based Telecommunications Services Provider - a telecommunications services provider which has deployed and is using its own significant telecommunications equipment or facilities within a particular geographic area in Louisiana to serve its Louisiana subscribers. A facilities based provider may offer services exclusively over its own facilities, or partially over its own facilities and partially through the resale of ILEC and/or CLEC wholesale offerings.

14. Gross Domestic Product-Price Index (GDP-PI) - the total value of all currently produced goods and services in the United States during any particular time period as is calculated by the United States Bureau of Economic Analysis of the Department of Commerce.

15. Incumbent Local Exchange Carrier (ILEC) - telecommunications services provider that is the incumbent and historical wireline provider of local telecommunications services within a local service area as of the effective date of these Regulations, and any intrastate regulated affiliate or successor to such entity which is engaged in the provisioning of local telecommunications services.

16. Interconnection - the physical linking of networks, including signaling facilities, of telecommunications service providers that provides the reciprocal ability to handoff calls from customers on one network to customers on another provider's network in a manner that is transparent to customers, and which allows one provider to utilize unbundled basic network functions of another provider for the purpose of providing an end-to-end service to end users. Interconnection can be achieved at different points on the network.

17. Interconnection Services - for purposes of Price Plan and ILECs regulated thereunder, the category of services that allow telecommunications services providers to interconnect to an incumbent local exchange carrier's network to originate or terminate telecommunications services, including all services itemized in the Price Plan. For other purposes, those services offered by telecommunications services providers to other providers to interconnect networks in order to originate or terminate telecommunications traffic, and to interconnect at all unbundled points on another provider's network.

18. Interexchange Carrier - a telecommunications services provider of interLATA telecommunications services.

19. Interexchange Telecommunications - telecommunications traffic that originates in one exchange area and terminates in a different exchange area regardless of the service or facilities used to originate and terminate traffic.

20. Intraexchange Telecommunications - telecommunications traffic that originates and terminates within the same exchange area regardless of the service or facilities used to originate and terminate traffic.

21. LPSC - the Louisiana Public Service Commission.

22. Local Exchange Carrier (LEC) - telecommunications services provider offering and/or providing local telecommunications services.

23. Long Distance - any telephone call to a location outside a local service area. Also called a toll call.

24. Local Service Area - the geographic area in which end users may place telephone calls without incurring toll charges which includes a flat rate calling area. The local service area of a CLEC may be different from the local service area of an ILEC. Nothing in this definition shall preclude the provision of toll service within the expanded Local Optional Service Area as described in Order No. U-17949-N, dated October 18, 1991.

25. Local Telecommunications Services - telecommunications services traditionally provided by an ILEC as a local service, including but not limited to, exchange access services, private line services, basic local services, and public pay phone services.

26. Long Run Incremental Cost - the costs a company would incur (or save) if it increases (or decreases) the level of production of an existing service or group of services. These costs consists of the costs associated with adjusting future production capacity and reflect forward-looking technology and operations methods.

27. Market Trial - a trial involving paying customers that focuses on the collection of primary market research information that could impact the marketing of a product or service, such as customer acceptance of a product or service and/or willingness to pay for a product or service.

28. Mobile Service - a radio communication service carried on between mobile stations or receivers and land stations, and by mobile stations communicating among themselves, and includes: a) both one-way and two-way radio communication services; b) a mobile service which provides a regularly

interacting group of base, mobile, portable, and associated control an relay stations for private one-way or two-way land mobile radio communications by eligible users over designated areas of operation; and c) any service for which a license is required in a personal communications service pursuant to 47 CFR Part 24. 47 CFR Sect. 20.3, as amended. Mobile Service includes "Radio Common Carriers" as that term is defined and used in La. R.S. § 45:1500 *et seq.*

29. Non-Basic Services - for purposes of the Price Plan and ILECs regulated thereunder, all services not otherwise classified as basic or interconnection services offered by an ILEC. See Appendix A and Appendix B attached.

30. Number Portability - the ability of an end-user customer of local telecommunications services to retain his existing telephone number(s) without impairment of quality, reliability or convenience, when changing from one provider of local telecommunications services to another, as long as the user remains at the same location.

31. Private Line Service - any dedicated point-to-point, or point-to-multi point service for the transmission of any telecommunications services.

32. Private Mobile Radio Service (PMRS) - As defined at 47 CFR § 20.3, as amended.

33. Public Pay Telephone Service Provider - COCOTs as defined in Commission Orders U-16462, U-16462-A through U-16462-G, General Order dated March 30, 1995 and any subsequent Orders, including but not limited to, Orders resulting from Docket No. U-21322.

34. Rate - the price of a service approved by the Commission.

35. Resale - the offering of services, elements, features, functions, and capabilities for sale to competing telecommunications services providers.

36. Reseller - a telecommunications services provider that purchases telecommunications services from another provider for resale to end users for a fee.

37. Small ILEC - an incumbent local exchange carrier that meets the definition of a "rural telephone company" contained in the Communications Act of 1934, as amended.

38. Subscriber List Information - any information (a) identifying the listed names of subscribers of a TSP and such subscribers' telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combination of such listed names, numbers, addresses, or classifications, and (b) that the TSP or an affiliate has published, caused to be published, or accepted for publication in any directory format.

39. Technical Trial - a trial involving non-paying customers that focuses on assessing the technical capabilities of a new network serving arrangement, including technologies and supporting equipment, and associated supporting systems, such as ordering, billing, provisioning and maintenance systems. Services provisioned pursuant to a technical trial may include new services and/or new ways of providing existing services.

40. Telecommunications- the bi-directional transmission of information of the user's choosing between or among points specified by the user, including voice, data, image, graphics and video, without change in the form or content of the information as sent and received, by means of an electromagnetic and/or fiber optic transmission medium, including all instrumentalities, facilities, apparatus and services (including the collection, storage, forwarding, switching and delivery of such information) essential to such transmission.

41. Telecommunications Directory Publisher (TDP) - any person or entity, including affiliates of an ILEC, engaged in the business of publishing subscriber list information, in any format.

42. Telecommunications Equipment - equipment, other than customer premises equipment, used by a telecommunications services provider to provide telecommunications services including software integral to such equipment.

43. Telecommunications Service - the offering and/or providing of telecommunications for compensation or monetary gain to the public, or to such classes of users as to be effectively available to the public regardless of the facilities used to transmit the telecommunications services.

44. Telecommunications Services Provider (TSP) - a generic term used to refer to any person or entity offering and/or providing telecommunications services for compensation or monetary gain.

45. Toll Call - a call to any location outside the local service area. Also called a long distance call.

46. Total Service Long Run Incremental Cost (TSLRIC) - the total additional cost incurred by a telecommunications services provider to produce the entire quantity of a service, group of services, or basic network functions, given that the telecommunications services provider already provides all of its other services. TSLRIC is based on the least cost, most efficient technology that is capable of being implemented at the time the decision to provide the service is made.

47. Unbundle - disaggregation of a facilities-based telecommunications services provider's network services, including elements, features, functions and capabilities whenever technically feasible at rates as determined by the Commission.

48. Universal Service - as defined by Commission General Order dated May 22, 1995, and any subsequent modifications or amendments thereto.

SECTION 201. Public Interest

A. Based on the complete record before the Commission in this docket, which includes the complete records, evidence and pleadings of Subdocket "D" of Docket U-17949 and the Regulatory Track of Subdocket "E" of Docket U-17949,[1] and considering the present state of the telecommunications market structure, the Louisiana Public Service Commission hereby finds, determines and declares that the promotion of competition in all local telecommunications markets in Louisiana is in the public interest.

B. Because effective competition will not exist in these markets in the short-term but will require a long-term policy enabling competition to develop, the Commission likewise finds, determines, and declares that providing an appropriate regulatory framework and methodology to transition into effective competition is additionally in the public interest.

SECTION 202. Service Areas

A. TSPs are permitted to provide telecommunications services in all historically designated ILEC service areas as described in existing Commission orders as of the effective dates of these Regulations, or in maps, tariffs and rate schedules reviewed and approved by the Commission prior to the effective date of these Regulations, except as provided for in Section 202 (B) with respect to the service area served by Small ILECs.

B. 1. All requests for interconnection made of a Small ILEC for interconnection described in Section 251 (c) of the Communications Act of 1934, as amended ("the Act") shall be made and addressed in accordance with the requirements stated in Section 251 (f)(1) of the Act, and with final Orders of the Federal Communications Commission.

2. Notwithstanding Section 202(B)(1) above, a Small ILEC may petition the Commission for a suspension or modification of the application of a requirement or requirements found in Sections 251 (b) and 251 (c) of the Act. The Commission shall consider and grant any such petition in accordance with the requirements of

[1] LPSC Order No. U-17949 - Subdocket D, March 2, 1995; and LPSC Order No. U-17949 (Subdocket E), August 22, 1995.

Section 251(f)(2) of the Act.

C. For Commission regulatory purposes, a Small ILEC choosing to provision telecommunications services outside its historically designated service area(s) shall segregate the assets, liabilities, revenues and expenses relating to services provisioned in its historically designated service area(s) from those relating to services offered or provided outside its historically designated service area(s). Such Small ILEC's revenues not derived, and expenses not incurred from the Small ILEC's historically designated service area(s) shall not be considered by the Commission for purposes of applying Order No. U-21181, including LECAF funding. Such Small ILEC's traditional ILEC operations shall not cross-subsidize its competitive ventures.

D. If a Small ILEC forms a subsidiary and/or other affiliate entity to provision telecommunications services outside its historically designated service area(s), for Commission regulatory purposes, including the application of Order No. U-21181 and LECAF funding, the Small ILEC shall maintain separate books and accounts which segregate the assets, liabilities, revenues and expenses of the Small ILEC from those of the subsidiary and/or other affiliate entity. The Small ILEC's traditional ILEC operations shall not cross-subsidize the operations of any subsidiary and/or other affiliate entity providing telecommunications services outside the Small ILEC's historically designated service area(s). The Small ILEC shall apply all Commission imputation rules when dealing with its subsidiary and/or other affiliate.

E. An exclusive franchise, license or certificate shall not be issued to any TSP to provide telecommunications services for a particular service or geographic area by the Commission.

SECTION 301. Certification of Telecommunications Services Providers

A. Any TSP desiring to offer telecommunications services is required to apply to the Commission for issuance of a Certificate of Authority. This application process shall not apply to ILECs with regard to their historically designated service areas and to TSPs exclusively provisioning CMRS and/or PMRS. Providers of CMRS and/or PMRS shall continue to register with the Commission.

B. Until modified by state or federal law, or explicit Commission order, operator service providers shall remain subject to the provisions of Order Nos. U-17957 through U-17957-C, and any subsequent orders. Public Pay Telephone Service Providers shall remain subject to the provisions of Order Nos. U-16462 through U-16462-G and any subsequent orders, including General Order dated March 30, 1995.[2] To the extent that operator service providers and public pay telephone service providers desire to expand their service offerings of telecommunications services beyond those authorized prior to the effective date of these Regulations, such providers must apply to the Commission for authority pursuant to, and agree to be bound by, these Regulations.

C. The Commission, through its Secretary, when in the public interest and subject to and in compliance with the conditions and procedures set forth below, shall grant a Certificate of Authority to an applicant that possesses the requisite managerial, financial and technical abilities to provide telecommunications services. A color-coded Certificate of Authority suitable for framing and display in a TSP's business office will be issued by the Commission. No TSP shall offer or provide telecommunications services to any person or entity prior to obtaining a Certificate of Authority from the Commission.

D. TSPs operating under a Certificate of Authority issued prior to the effective date of these Regulations or, granted pursuant to this Section, or TSPs previously registered with the Commission, are prohibited from providing telecommunications services to or on behalf of an uncertificated TSP that is required to be certificated pursuant to this Section and which is providing telecommunications services in Louisiana.

E. Each applicant hereunder shall submit to the Secretary of the Commission an original and

[2] In re: Registration and Certification of Customer-Owned Coin-Operated Telephone Service Providers. *See also* Docket No. U-21322, which shall consolidate and supersede the cited Orders as applied to public payphone service providers and operator service providers.

five (5) copies of its application along with an application fee of $250.00 to cover the administrative costs of processing the application. The applicant shall also supply each Commissioner with a copy of its application simultaneously therewith. Upon request by the Secretary, and when reasonably feasible, an applicant shall also submit in addition to the original and five copies, a copy of its application on computer disk in a format specified by the Secretary. All applications shall include the following:

1. Legal name, and name under which the applicant intends to do business, mailing and physical addresses of the applicant, and telephone number where the applicant can be reached by the Commission.

2. The names and addresses of the applicant's principal corporate officers.

3. If different from (2) above, the names and addresses of all officers and corporate officers in Louisiana, and the names and addresses of employees responsible for Louisiana operations.

4. Information about the structure of the business organization, and, where applicable, a copy of any articles of incorporation, partnership agreement or by-laws of the applicant. An applicant shall also disclose all affiliate entities offering and/or providing telecommunications services in Louisiana.

5. A certified copy of the applicant's authorization to do business in Louisiana issued by the Secretary of State.

6. The name, address and telephone number of the applicant's Louisiana agent for service of process.

7. Documentation demonstrating managerial, financial and technical abilities, including but not limited to, the following:

(a) To demonstrate financial ability, each applicant shall provide a copy of its most recent stockholders annual report and its most recent SEC 10K, or, if the applicant is not publicly traded, its most recent financial statements. If the applicant does not have separate financial reports, it may submit applicable financial statements of an affiliate with explanation to demonstrate the financial ability of the applicant.

(b) To demonstrate managerial ability, each applicant shall attach a brief description of its history of providing telecommunications services and shall list the geographic areas in which it has been and is currently providing telecommunications services. Newly created applicants shall list the experience of each principal officer in order to show its ability to provide service.

(c) Technical ability shall be indicated by a description of the applicant's experience in providing telecommunications services, or in the case of newly created companies, the applicant may provide other documentation which supports its technical ability.

8. A description of the services proposed to be offered, the proposed exact geographic areas in which the services shall be offered and a map thereof.

9. Repair and maintenance information, including the name, address and telephone number of a Louisiana contact person responsible for and knowledgeable about the applicant's operations.

10. A list of other states where the applicant has applied to operate as a telecommunications services provider and/or to offer telecommunications services, a list of other states where the applicant is authorized to operate, and a list of those states which have denied any requested authority.

11. Illustrative tariffs in compliance with the requirements set forth in Section 401 below.

12. Such other information as the Commission Staff may specifically request of any applicant.

F. SECURITY REQUIREMENTS

1. The Commission, through its Executive Secretary, shall require that all certificated carriers that resell prepaid basic local service to end users shall procure a performance bond, irrevocable letter of credit or other approved form of security sufficient to cover, among other things, any customer prepayments or deposits that may be collected from its end users.

This security requirement shall be a continuing one which automatically renews and is not subject to termination without at least 60 days written advance notice provided to the Commission from the surety and Certificated carrier reselling prepaid local service.

Upon receiving notification that the security will be canceled, the certificated carrier reselling prepaid local service shall have 30 days following the notice of the cancellation to send proof of a new bond, letter of credit or other acceptable security agreement to the Commission. Should the certificated carrier reselling prepaid local service fail to provide proof prior to the lapse of this 30-day period, the Commission may institute proceedings to revoke the carrier's certificate.

2. The performance bond, letter of credit or certificate of deposit shall be in the form approved by Commission Staff. The amount of security required shall be calculated on a sliding sale, determined quarterly by the carrier and automatically submitted to the LPSC staff, using the following formula:

(N* x Deposit collected per customer) + (N x Monthly prepaid fee) + (N x $.50[3])
= Required amount of Security/Bond.

* N shall be the total number of end users or access lines, whichever is greater.

$50,000.00 shall be the base or minimum amount of security a carrier is required to post with the Commission.

3. All existing certificated carriers reselling prepaid local service shall also comply with these new security requirements within 30 days of the effective date of this order.

4. A certificated carrier reselling prepaid local service shall provide the Commission with quarterly reports detailing the number of customers, number of access lines and amount of deposit and prepaid monthly fee for basic local service charged per customer. Should the number of customers, lines, or charges increase, the certificated carrier reselling prepaid local service shall automatically adjust its security on file with the Commission at the expiration of the quarterly deadline. The reports shall be due as follows: April 30 for data existing on April 15; July 30 for data existing on July 15; October 30 for data existing on October 15; and January 30 for data existing on January 15.

All carriers must provide supporting data as described above, calculate the security as provided under these regulations and post the appropriate bond within 30 days of the effective date of this order based on information from the most recent available figures. In any event, this information must not be more than 2 weeks old.

[3]This figure is based upon the cost of producing and mailing notices to customers of a possible disconnection, in the event the reselling carrier fails to provide notification.

5. The penalty for failing to comply with any one of these requirements includes a fine of not greater than $10,000.00 and /or revocation of the carrier's certificate by the Executive Secretary, following 10 days written notice of the proceeding for revocation. The Executive Secretary shall also have the authority to order the ILEC to place a freeze on the non-complying carrier's new orders until the appropriate quarterly security update is posted and requirements in this order have been met.

6. The Commission may require a bond or other security requirement at any time for those carriers excluded from these regulations, based upon the carrier's managerial, financial or technical ability.

G. A showing of public convenience and necessity shall not be required of an applicant hereunder. A showing that an ILEC's services or facilities are somehow inadequate in any local service area as a condition precedent for grant of authority to an applicant hereunder shall not be required nor considered by the Commission.

H. Applications determined by the Commission Staff to be in compliance with each of the above requirements may be approved by the Commission through its Secretary and a Certificate of Authority issued therewith, unless the Secretary elects to publish notice of any application in accordance with Rule 19 of the Commission's Rules of Practices and Procedures, in which case a Certificate of Authority may be issued pending the resolution of any protest filed pursuant to subsection I below. Notice of approved applications will be published in the Commission's Official Bulletin.

I. Any notice of protest timely filed in accordance with Rules 19 and 20 of the Commission's Rules of Practices and Procedures shall be docketed and administered pursuant to Rules 54 through 66 of the Commission's Rules. Any applicant issued a Certificate of Authority hereunder shall be allowed to provide telecommunications services pending final resolution of any notice of protest filed pursuant to Rule 20 of the Commission's Rules.

J. TSPs obtaining a Certificate of Authority under this Section shall obtain certification subject to the following conditions and obligations:

1. TSPs shall comply with all Commission rules, regulations, orders, tariff and other requirements relevant to the provision of telecommunications service.

2. TSPs are prohibited from engaging in unreasonable price discrimination, predatory pricing, price squeezing, or tying arrangements with respect to other TSPs and end users regardless of whether services are offered pursuant to tariff and/or contract.

3. TSPs are prohibited from providing preferences related to the provisioning of telecommunications services to affiliated entities.

4. TSPs shall file with the Secretary of the Commission all reports required pursuant to Section 302 below.

5. TSPs shall maintain on file with the Commission all current tariffs and service standards.

6. TSPs shall cooperate with Commission investigations of customer complaints.

7. As required by the Commission, TSPs shall participate in and contribute to a Universal Service Fund.

8. TSPs shall comply with the mandates of Commission Order No. U-17656-B, dated October 20, 1992 regarding the Americans with Disabilities Act.

9. Following certification, TSPs are required to file tariff amendments pursuant to Section 401 regarding new service offerings and changes to the geographic areas

where services are to be offered prior to provisioning a new service or implementing a change in service area(s).

10. After notice and hearing, such other obligations the Commission may require.

Failure of a TSP to comply with any of the above conditions and obligations may, after notice and hearing, result in the rescission of its Certificate of Authority and/or the imposition of monetary fines not exceeding ten thousand dollars ($10,000) per violation.

K. In addition to the conditions and obligations applicable to all TSPs set forth above in subsection J, TSPs designated by the Commission as CLECs shall be subject to the following additional conditions and obligations:

1. Upon request a CLEC shall provide to any customer in its certificated area basic local service, and shall render adequate service within its certificated area. This does not relieve an ILEC from its obligations to subscribers arising from its status as the Essential Telecommunications Carrier.

2. Within ninety (90) days of receipt of a bona fide request, a facilities-based CLEC shall provide interconnection as close as technically possible to the end user or at other locations more efficient, technically or economically feasible to the party requesting interconnection. A cable television system providing telecommunications services as a CLEC shall make interconnection available at its head end or at other locations more efficient, technically or economically feasible to the party requesting interconnection.

3. A facilities-based CLEC shall make all telecommunications service offerings on its facilities available for resale within the same class of service without unreasonable discrimination.

4. A CLEC shall charge non-discriminatory switched access rates which do not exceed the intrastate switched access rates of the competing ILEC in each of the CLEC's certificated areas.

5. All CLECs shall charge non-discriminatory interconnection rates.

6. All CLECs shall provide all customers equal access presubscription to their long distance carrier of choice as provided by Commission Orders.

7. Upon request a CLEC shall provide, either on its own facilities or through resale, service in accordance with its tariffs to all customers in the same service classification in its certificated areas.

Failure of a CLEC to comply with any of the above conditions and obligations may, after notice and hearing, result in the rescission of its Certificate of Authority and/or the imposition of monetary fines not exceeding ten thousand dollars ($10,000) per violation.

L. After notice and hearing, the Commission may impose monetary fines not exceeding ten thousand dollars ($10,000) per violation, or revoke a certificate previously issued to any applicant which:

1. Does not provide or fails to disclose information required by subsections E and F of this Section.
2. Submits false or materially misleading information in its application.

3. Is found not to possess adequate financial, managerial and/or technical abilities to provide services.

4. Fails to provide a performance bond, line of credit and/or certificate of deposit, or establish an escrow or trust account, if required as a precondition to certification or, after notice and hearing, subsequent to the granting of certification.

5. Is found to have failed to comply with any and all applicable Commission rules, regulations, orders, tariffs, and procedures, including these Regulations such as the conditions and obligations imposed in subsections J and K above.

M. 1. No TSP shall transfer control or ownership of any assets, common stock or other indicia of control of the carrier to any other person, corporation, partnership, limited liability company, utility, common carrier, subsidiary, affiliated company or any other entity or divide into two or more common carriers, where the values involved in such transaction exceed one percent (1%) of the gross assets of such regulated common carrier, or subsidiary thereof, without prior notice to the Commission. Such notice shall include information identifying the parties involved, a summary description of the transaction, and a public interest statement.

Any notice filed pursuant to subsection M (1) above shall be published in the Commission's Official Bulletin with a 15-day period for any party in interest to file an intervention or protest. If no intervention or protest is filed by a party in interest within the 15-day period, the transfer shall be deemed approved. If a timely intervention or protest is filed by a party in interest, the Commission through its Secretary shall initiate a proceeding and, after notice to and comments from the applicant(s) and party in interest, may reject, require modification of, or impose conditions on any transfer found to be contrary to the public interest.

This section and the procedures hereunder shall apply only to TSPs other than ILECs. Nothing in this section shall affect the application of any Commission rules, regulations or orders applicable to ILECs.

2. If a TSP changes its corporate name, the TSP shall file a notice of such name change with the Commission within ten (10) business days of the name change.

SECTION 302. Reporting Requirements of Telecommunications Services Providers

A. All TSPs providing telecommunications services in Louisiana shall file with the Commission the following reports on a Louisiana-specific basis by April 1st of each year in accordance with Commission General Order dated August 31, 1992.[4]

1. All annual financial reports, including income statement and balance sheets.

2. Annual report on the availability of service capabilities and service offerings within Louisiana subdivided by facilities-based and non-facilities-based.

3. Annual report on the number of customers, access lines served, and revenues, subdivided by residential and business.

B. One year from the date of obtaining its Certificate of Authority, and semi-annually thereafter, all CLECs shall file with the Commission, service standard reports as follows:

1. Complaints - the number of complaints filed with the Commission and the CLEC.

2. The change in the total numbers of customers in each service category served in Louisiana.

3. % Appointments Offered in Five (5) Days - the percentage of appointed service initiation orders for basic local service implemented within five (5) days of such request.

4. Service Initiation Appointments Met - the percentage of appointed service initiation orders that are implemented by the appointment date set with the customer.

5. Customer Trouble Reports - the number of customer reported troubles.

[4] Treatment of information designated as trade secret, proprietary or confidential.

6. Percentage Out-of-Service Troubles Cleared Within 24 Hours - the percentage of out-of-service customer trouble reports that are cleared within 24 hours of taking the initial trouble report.

C. The Commission may modify these reporting requirements as technology and customer needs change and as competition in the local market develops.

Historical Notes

Section 301 M Added by the General Order dated December 14,2006.

SECTION 401. Tariffs

A. All TSPs shall file tariffs with the Commission describing the services offered and the rates charged. All such tariff filings shall be in compliance with the rules set forth in Order No. U-20375, dated November 18, 1994 as contained in these Regulations. Upon request tariffs shall be filed on a computer disk in a format specified by the Commission Secretary.

B. Providers of CMRS and providers of PMRS shall file tariffs which identify and describe the rates, terms and conditions of services offered and provided in Louisiana. Such tariff filings shall be reviewed by the Commission consistent with the mandates of the Omnibus Budget Reconciliation Act of 1993 as codified at 47 U.S.C.A. §332, as amended.[5] However, to ensure the universal availability of telecommunications services to Louisiana consumers at affordable rates, providers of CMRS or PMRS, where such services have become or are a substitute for land line telephone exchange service for a substantial portion of the communications within the State, shall be required to abide by and comply with these tariff filing requirements.

C. Except as modified in subsection 401.B, the Commission hereby incorporates and restates the technical tariff rules as adopted in Order No. U-20375 and as amended as shown herein.

1. General Requirements

a. Each regulated telecommunications services provider shall maintain on file with the Commission tariffs which set forth all of the rates and charges for customer services, the different services available to subscribers, and the conditions and circumstances under which service will be furnished. When the Commission has authorized contract rates, the conditions under which such contracts may be offered shall be clearly stated in the provider's tariff but the contracts themselves need not be part of the tariff. Upon request by the Commission, the contracts are to be made available to the Commission for its review. The tariff shall not include charges for detariffed equipment and services.

b. Each tariff shall be Louisiana-specific and all rates, charges, and service descriptions shall be for intrastate usage, unless interstate rates are necessary to compute the intrastate portion of a customer's monthly bill; then, the interstate rates, charges and service description shall also be quoted in the tariff or referenced and readily available to the extent necessary to compute the intrastate portion of a customer's bill.

c. Each tariff must be clearly expressed in simple words, sentences and paragraphs. It must avoid unnecessarily long, complicated or obscure phrases or acronyms so that the customer will understand that for which he is contracting or obligated to pay.

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[5] See also, *In the Matter of Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, Second Report and Order*, 9 FCC Rcd. 1411 (1994); and *In the Matter of Petition on Behalf of the Louisiana Public Service Commission for Authority to Retain Existing Jurisdiction over Commercial Mobile Radio Services Offered Within the State of Louisiana*, Report and Order, PR Docket No. 94-107 (1995).

d. Each tariff shall be written in a manner such that service will be provided on a non-discriminatory basis. No public statement of service quality, rates, or service offerings or billings should be misleading or differ from those stated in the tariff.

e. A printed notice shall be kept posted by each company in a public and conspicuous place in each office, if any, where application for service may be made stating that its tariff and standard contract and agreement forms, are on file at that office and are open to examination by any person. In the case of telecommunications providers without an office in Louisiana the notice and tariffs will be maintained at the office of local counsel or the agent for service of process. The holder of this information shall be disclosed to the Commission.

f. All proposed changes to an existing, filed tariff shall be directed to the Secretary of the Louisiana Public Service Commission, Post Office Box 91154, Baton Rouge, Louisiana 70821-9154. A filing must be received by the Commission before 4:30 P.M. of a normal Commission workday in order for it to be "filed" on that day.

g. All tariff changes shall be submitted to the Commission in quadruplicate in substantially the same form described herein. The letter of transmittal shall be sent in duplicate with the request that the duplicate be returned. If requested, the duplicate copy stamped "Received" will be returned to the company, which shall be the notice to the company that the proposed tariff has been received. Once the tariff has been accepted by the Commission, the telecommunications services provider will be notified either by notation on the tariff transmittal letter submitted by the provider, or by separate letter from the Commission.

h. Telecommunications services providers shall charge only the rates contained or allowed in their tariffs. Telecommunications services providers electing to enter special marketing promotions where they desire to temporarily lower rates or suspend specific charges and later return to existing tariff rates, may notify the Commission by letter stating the specific tariff charges, a description of the customers who would be eligible for the decrease, the conditions under which customers would be eligible for the decrease, the conditions under which customers would receive a decrease, and the beginning and ending dates of the reduction. The rules and regulations governing special marketing promotions for all TSPs are governed by the rules and regulations contained herein, notwithstanding any other order of this Commission to the contrary. The filing requirement for special marketing promotions of a service will follow the same filing requirements for a tariff of the same services being promoted, as set forth in 5(b)(3) and 5(b)(4) below.

2. Format

a. All tariffs filed shall be submitted in loose leaf form on 8-1/2" x 11" sheets, typewritten on a good grade of white three hole paper of durable quality, using one side of the paper only. All copies must be clear and legible. Sufficient margin shall be allowed on each sheet for a left-hand binding edge so that when the tariff book is open all printed matter will be in view.

b. Every page in the tariff shall be numbered in the upper right hand corner of the page.

c. Each page shall bear the name of the filing company in the upper left-hand corner of the page.

d. Each initially approved page in the tariff shall be marked "Original Page" in the upper right-hand corner of the page. As an example: Original Page No. 1, or Original Page No. 5.2.

e. Revised pages in the tariff shall be marked with the number of the revision in the upper right-hand corner and the number of the page(s) it replaces. As an example:
First Revised Page No. 1
Cancels Original Page No. 1

or
Fourth Revised Page No. 5.2
Cancels Third Revised Page Nos. 5.2, 5.3
and Second Revised Page 5.4

f. On each page shall appear the Issued Date in the upper left-hand corner of the page. The Issued Date will be the date shown on the provider's transmittal letter to the Commission referencing the tariff filing.

g. On each page shall appear the Effective Date in the upper right-hand corner of the page. The Effective Date will be the date indicated on the provider's transmittal letter to the Commission for the tariff to go into effect.

h. On each page shall appear the name and/or title of the issuing officer of the filing company in the upper left hand corner of the page under the Issued Date.

i. The filed tariffs shall contain the following in the order listed:

(1) Title Page. The title page shall adequately identify the tariff, filed by the particular company with the Commission and will include the name, address and telephone number of the company representative responsible for providing information with respect to the company's tariff filings.

(2) Table of Contents. All tariffs shall have a Table of Contents identifying the page location of each section in the tariff. In tariffs of less than 30 sheets, the table of contents may serve as subject index for the entire volume.

(3) Symbols Used in Tariff Filings. The following symbols will be used in any proposed change to the existing tariff in the manner described herein. The symbols will appear in the right margin of each sheet to denote the line(s) to which any change has been made. In the event more than one type of change occurs on the same line, two or more types of symbols denoting the changes shall be placed next to each other on the affected line. The following are the only letters allowed to denote the following types of change:

C - To signify Changed Regulation

D - Delete or Discontinue

I - Change Resulting in an Increase to a rate

M - Moved from Another Tariff Location

N - New

R - Change Resulting in a Reduction to a rate

S - Matter Appearing Elsewhere or Repeated for Clarification

T - Change in Text But No Change to Rate or Charge

V - Signifies Vintage Tariff

Z - Correction

(4) Technical Terms and Abbreviation. This section shall contain full and concise information as to the meaning of all technical and special terms and abbreviations used in the tariff.

(5) Rules and Regulations. This section shall include all rules, regulations, practices, exceptions and conditions made or observed relative to the services provided by the company which are general and apply to allow many of the services offered. It shall contain the telecommunications provider's deposit requirements. If a general regulation does not apply to particular service, that

fact should be clearly stated within the regulation or as part of the specific regulations of a particular service.

(6) Description of Service Offered.

(a) This section shall contain a description of how a billable call is timed, when timing begins and ends, and the method used to make this determination.

(b) This section shall also contain a description of how distance is measured for toll rating purposes and the formula used to compute it, as well as what points are used for origination and termination with respect to calculation of the distance between them.

(c) This section shall detail all relevant information which pertains to a particular type of service, and will be subdivided into subsections for each type of service offered.

(7) Rates. All standard rate schedules, rates and charges for all services, and other data necessary to compute a customer's monthly bills for intrastate service shall be placed in this section. If more than one type of service is offered, all information pertaining to an individual service shall be grouped together or clearly cross-referenced.

(8) Index. To facilitate reference by subject matter, tariffs of 30 sheets or more are to include an alphabetical listing of services and the page number on which they may be found.

3. Information to Accompany All Tariff Filings

a. The original and one copy of a letter of transmittal to the Commission shall accompany each tariff filing, which lists the sheets (by section, page number, and revision level) being transmitted and gives a brief description of all changes included therein and the reasons for the change(s). The letter must also include a paragraph stating I) the service or product affected, (ii) the type of customer affected, (iii) the impact on the customer of the proposed change, and (iv) whether the affected service or product is competitive or non-competitive. In addition, if the tariff filing affects an optional service the letter must specify the existing price or rate for the service and any proposed change to the price or rate. The Commission reserves the right to request additional data, including cost of service data.

b. With each tariff filing the provider shall include four (4) copies of the tariff pages which contain proposed changes as they appear in the filed tariff.

c. If applicable, imputation compliance and testing data shall accompany the tariff filing.

4. Log-In Book and Bin

a. The Commission's Staff shall maintain a log-in book for each tariff filing. The notation for each tariff shall consist of (i) the name of the entity filing the tariff, (ii) date filed, and (iii) a general, brief description of the filing. The log-in book shall be available to the public for inspection.

b. The Commission's Staff also shall maintain a tariff bin for copies of all filed tariffs. Copies of filed tariffs shall remain in the tariff bin until the tariff is accepted, rejected, or published, whichever occurs first. The tariff bin shall be available to the public for inspection.

D. The Commission hereby establishes the following substantive tariff rules to be incorporated as rules "5", "6" and "6.A" of the tariff rules and procedures adopted by the Commission in Order No. U-20375:

5. General Tariff Provisions.

a. Except as provided in 5(b)(4), all tariffs (including revised tariffs) filed with the Commission must be accepted by the Commission through its Secretary prior to implementation. Except as provided in 5(b)(4) & (5) below, a tariff is accepted once signed by the Secretary.

b. Accepted tariffs will become effective as follows:

1. All tariffs are effective upon acceptance or later if a later date is specified in the tariff.

2. A TSP may request expedited acceptance. However, the disposition of such request shall be subject to the ability of the Commission and its Staff to accommodate such request.

3. The Commission through its Secretary must accept, reject, or elect to follow the procedure set forth in 5(c) below within ten (10) working days after the filing of a tariff. If no action is taken within the ten (10) day period the tariff is deemed accepted.

4. Effective October 1, 2005, any ILEC regulated under Price Regulation will be allowed to file informational tariffs with respect to existing Competitive Services. An existing Competitive Service is one contained in the Competitive Services Basket. Informational tariffs shall be effective with one (1) day's notice to the Commission, and shall not require Commission acceptance. All TSPs shall be allowed to file similar informational tariffs with the Commission, provided the services are similar in nature to those ILEC services contained in the Competitive Services Basket.

5. Tariff filings made pursuant to an order of the Commission shall be effective on the date specified by the Commission.

c. The Commission through its Secretary shall have the right to publish notice of a filed tariff in the Commission's Official Bulletin and either delay acceptance of any particular tariff filing or accept the tariff filing and publish notice of the accepted tariff.

d. Inherent within the Commission's plenary power is the Commission's authority to delay the acceptance of a tariff and consider the tariff at the Commission's Business and Executive Session. Additionally, the Commission may suspend for reasonable cause after notice and hearing any tariff previously accepted.

6. Rate Decreases and Introduction of New Services.

a. All Tariffs filed for the purpose of:

(1) lowering the rate of any service offered by a TSP, or

(2) introducing a new Universal, Basic, Competitive or Interconnection Service, program or promotion offered by an ILEC regulated pursuant to the Consumer Price Protection Plan, shall be subject to review by the Commission Staff. If no action is taken within the time periods mentioned in 5(b)(3) and 5(b)(4) above, then any such tariff or promotion shall be deemed to be accepted by the Commission.

b. The Commission through its Staff shall determine which new, or reclassified telecommunications services are Basic, Competitive and Interconnection.

c. Upon acceptance of a tariff as provided 6(a) above, the tariff filing shall not be subject to suspension pending the outcome of any challenge to the filing or acceptance. The burden of proof in such a challenge shall be on the intervenor or complainant; provided, however, that if applicable and subject to the execution of a confidentiality agreement, the TSP that filed the

tariff submits cost of service data as stated in Commission Order No. U-20375.

d. Tariffs filed by an ILEC that affect its toll products shall be subject to the imputation/pricing standard set forth in Order No. U-20710. ILEC tariffs which include monopoly features and/or functions provided to other TSPs, except Local Optional Service (LOS), must impute the cost of all such monopoly features and/or functions when provisioning such services to itself. In addition, the Commission reserves the right to develop imputation rules applicable to other ILEC services as deemed necessary in the future.

6.A. Technical and Market Trials of Non-Basic Services.

a. Non-basic local services may be offered to customers by any TSP as a technical trial or market trial for the purpose of evaluating, in an operating environment, the performance and/or pricing of specific services.

b. A technical or market trial shall not require a tariff filing to initiate the trial. A transmittal letter shall be provided to the Commission, through its Secretary, no later than thirty (30) days prior to the proposed start of the trial. The transmittal letter shall be filed in accordance with Commission General Order dated August 31, 1992 and shall include the following information:

1. The proposed start date of the trial.

2. A description of the new service to be offered.

3. All rules and regulations governing the offering of the trial and the terms and conditions applicable to the services.

4. The specific geographic area(s) in which the trial is to be offered.

5. A description of the customers that are eligible to participate in the trial.

6. The rates and charges for services offered pursuant to the trial, including any range of rates within which the rates may be increased or decreased.

7. The purpose of any technical or market trial must be specifically and clearly stated in the transmittal letter.

c. A proposed technical or market trial shall commence on its proposed start date unless the Commission, through its Secretary, requests additional information, including the data specified in subsection f below, or determines that the provisioning of the trial services is not in the public interest, in which cases the Secretary shall specify the start date, or prohibit the trial.

d. Technical and market trial service offerings shall be limited to new non-basic (local) services or enhancements of existing non-basic service. Restructuring the pricing of existing services shall not be considered a new non-basic (local) service or an enhancement of an existing non-basic (local) service which can be offered as a trial service. Market or technical trials shall not be an avenue for the ILEC to bundle basic or interconnection services with non-basic (local) services.

e. The customers to whom the trial services are to be offered shall be notified in writing, prior to offering and/or provisioning service, of the trial and of the terms and conditions of the trial.

f. Any service offered to customers by an ILEC as a technical or market trial shall cover the total service long run incremental costs of providing such services and satisfy the imputation/pricing standard applicable to LEC toll offerings as set forth in Commission Order No. U-20710, in addition to any other applicable imputation standard. Upon request by the Commission Staff, cost data evidencing that the pricing of market trial services is in compliance with this subsection shall be submitted to the Commission Staff prior to implementation of any trial service. Trial services offered by an ILEC shall reflect the tariffed

rates of underlying essential services.

g. The length of any technical or market trial of a service shall be of limited duration not to exceed six (6) months.

h. Trial services shall not be offered on a state-wide or LATA-wide basis for trial purposes.

i. Any services offered pursuant to a technical or market trial shall comply with applicable pricing and price floor rules set forth in subsections 701(G) and 701(H) of the Price Plan for ILECs regulated thereunder.

j. If a trial service is not implemented subsequent to trial, the cost of such trials should be allocated to shareholders and shall not be recovered through regulated services of an ILEC.

k. If a trial service is ultimately offered to the public pursuant to a general tariff, the costs of the technical and market trials shall be a component of the rate at which the service is offered and shall be subject to the pricing rules of the Price Plan of an ILEC regulated thereunder.

l. No later than thirty (30) days after the conclusion of a technical trial or market trial, a TSP shall file a report with the Commission, through its Secretary, pursuant to Commission General Order dated August 31,1992, summarizing the results of the trial and the TSP's future plans for the new services.

7. Prohibited Tariff Filings

A tariff filing that is designed to alter or modify any Commission order, rule, regulation, policy or procedure in any way is prohibited.

E. ILECs with more than 100,000 access lines statewide shall file LRIC and TSLRIC cost studies with all tariff filings for new Basic Local Services or decreases in rates of Basic Local Services. A Small ILEC, when making such tariff filings, shall either adopt as proxy the cost studies filed by the large ILEC, or file its own such studies.

F. Additional Technical Tariff Rules for the termination of a delinquent telecommunications reseller

1. Purpose. The Louisiana Public Service Commission hereby promulgates the following regulations to establish a procedure whereby an incumbent local exchange carrier may terminate a delinquent Reseller as defined by the two carriers' interconnection agreement while at the same time ensuring the protection of the innocent end-user consumer from improper disconnection, slamming and other abuses.

2. All ILECs must:
   a. make a good faith effort to work with a Reseller in determining what portion of the debt owed is disputed and which portion in undisputed pursuant to the parties' interconnection agreement, and shall work with the carrier to resolve the problem and arrange for payment, if possible, pursuant to the interconnection agreement entered into between the ILEC and the Reseller.

   b. Send notice of intent to terminate by certified mail to the Reseller at its last known address, to the Commission Office located in the same district as the utility whose service is to be terminated, and to the LPSC Utilities Staff in the Main office. The failure of the District office or the LPSC Utilities Office to receive timely notice shall constitute prima facie evidence of unlawful termination.

   c. Verify with the LPSC Utilities Staff in the Main office the correct address of the utility to be terminated (for Notice purposes.)

   d. State the following in the content of the notice:

1. the name, address and account number of the consuming utility;

2. a plain statement of the grounds upon which the right to terminate is founded, including the amount owed, and;

3. the exact date and time or range of dates and times service will be discontinued.

e. Not discontinue service to the customers of a reseller prior to the date and time (or range of dates and times) given on the notice of intent to terminate. In no case shall disconnection be effected less than twenty (20) days from date of mailing of the notice of intent. In the event service is not terminated on the date and time or range of dates and times given in the initial notice, service may not be disconnected without providing an additional notice of intent to disconnect pursuant to these regulations. If the last day of the twenty (20) day period falls on a Saturday, Sunday or legal holiday, the notice period will expire at the close of the terminating utility's next business day.

f. In addition to any other remedy available at civil law, be liable for all damages to ratepayers of the reseller resulting from an unlawful termination.

3. All resellers shall:

a. make a good faith effort to work with the ILEC in determining what portion of the debt owed is disputed and which portion in undisputed pursuant to the parties' interconnection agreement, and shall work with the carrier to resolve the problem and arrange for payment, pursuant to the interconnection agreement entered into between the ILEC and the Reseller. Written documentation of reasons and support for a disputed debt must be forwarded to the ILEC with copies to the LPSC District Office and LPSC Utilities Division within five (5) days of the ILEC notice.

b. File, by certified mail, with the Commission District Office and LPSC Utilities Division a notarized affidavit (Attachment A) verifying that you will either pay the undisputed amount owed to the underlying carrier or that you will mail or send telephonic notice to your customers at least ten (10) days prior to the disconnection date listed on the notice, and that if that action is not completed in a timely manner then the bond will be forfeited. (Attachment A.) The Reseller shall also file a list of customer names and addresses under seal which shall be used by the Commission if the Reseller fails to provide notice to consumers as provided by these regulations.

c. Send a notice to end user customers which shall read in legible easy to read bold type as follows: ***NOTICE*** Your telephone service may be subject to disconnect on (insert date or range of dates of disconnect) due to billing issues arising between (state reseller company name) and (state ILEC name) which are unrelated to your payment status. Because your service may be disconnected, you may need to prepare other arrangements on or before the disconnect date to avoid loss of service. Any payments made for service not received should be directed to (state Reseller name) at (insert Reseller phone number which WILL be available before and after disconnect.)

d. Immediately take those steps necessary to identify any customers who are also public utilities. A list of those customers and their account numbers and addresses shall be provided to the respective District Offices and the LPSC Utilities office under seal.

Attachment A
AFFIDAVIT

STATE OF _____
PARISH OF_____

BEFORE ME, ___(NOTARY)___, a Notary in and for the said State and Parish, this day personally appeared ___(Appearer)___, appearing herein in his capacity as __(Title)__ of (Company)___, (the "Company") duly authorized to act on behalf of said Company, who being by me first duly sworn deposed and said that:

the foregoing instrument/ Notice of Disconnect was received by said Company with an undisputed amount listed as ___(Dollar amount)___ due to the underlying carrier and a date of disconnect listed as ___(Date or dates specified) .

He/She is appearing to swear or affirm that he/she will ensure, on behalf of said Company, that:

_____ The Company can and will pay the undisputed amount owed to the underlying carrier before the disconnect date;

OR

_____ The Company will mail or send telephonic notice, pursuant to LPSC Rules and Regulations, to your customers at least five (5) days prior to the disconnection date as listed in the attached Notice from the underlying carrier (ATTACHMENT OF NOTICE REQUIRED.)

AND if I fail to do what I say that I will do (send notice or pay) then I forfeit the bond for failing to do as I have sworn I would do. (See attached affidavit)

AND if present before the Commission and duly sworn, his testimony would be the same.

_____
Person duly authorized to Act for Company
SWORN TO AND SUBSCRIBED BEFORE ME THIS _____DAY OF _____, 2000.

_____
NOTARY PUBLIC
My Commission expires _____.

SECTION 501. Universal Service

A. The Commission incorporates and restates herein the definition of Universal Service as adopted by the Commission in General Order dated May 22, 1995 and as amended herein:

"A. The Commission hereby defines universal service to consist of the following:

1. Residential and single-line business access to the local exchange network, including usage and measured usage within the local service area.

2. Touchtone capability.

3. White page directory listing (residential and business).

4. Access to directory assistance (local).

5. Directory distribution (publication and distribution of at least one annual local directory).

6. Access to 911 service (where established by La. R.S. 45:791 et seq.).

7. Affordable line connection (for service initiation).

8. Access to long distance carriers and operator services.

9. Access to the telephone relay system.

10. Access to customer support services, including billing.

11. Access to a calling plan for a local service area sufficiently large to encompass a user's community of interest (but no greater than 40 miles).

B. The Commission hereby declares that the definition of universal service shall be subject to modification by the Commission as technology and customer needs change. Also, the Commission reserves the right to modify the definition of universal service as a result of any FCC and/or federal decrees, orders, or legislation.

C. The Commission also declares that nothing contained in this Policy Statement and Definition of Universal Service is intended to undermine or impair the Commission regulatory authority."

B. The Commission hereby finds that it is in the public interest to make available universal service to all end users at affordable rates.

C. All services and functions listed as part of the universal service definition shall be required of a CLEC.

D. Depending on the results of cost studies ordered pursuant to Commission General Order dated May 22, 1995 and Subdocket A of Docket U-20883, a Universal Service Fund may be established to collect and disburse monies to insure the availability of Universal Service to all consumers in Louisiana at affordable rates. If the Commission determines that such a fund is necessary, all TSPs providing service in Louisiana shall contribute to the fund. The basis from which contributions to the fund will be determined, and the method of disbursement there from shall be established in Subdocket A of Docket U-20883.

E. The Universal Service Fund shall be a method of achieving a public policy goal. Thus, disbursements from the fund shall not be limited to economically disadvantaged individuals.

SECTION 601. Essential Telecommunications Carrier

A. ILECs are hereby designated as the Essential Telecommunications Carriers (ETC). ETC's are obligated to provide basic local service to all customers upon request for such service within the ILECs' historically designated service areas until relieved of this obligation by the Commission. A CLEC providing basic local services in an ILEC's service area does not relieve the ILEC of its ETC obligations except as provided below.

B. An ILEC may petition the Commission to abandon its obligations as the ETC for a particular service area or areas if a CLEC is available to provide basic local service in such service area or areas. After a hearing, the Commission may approve the ILEC's request only if the CLEC is approved to assume all of the existing service obligations as ETC for the ILEC's service area or areas. In areas with only one LEC, the LEC is prohibited from ceasing to provide basic local service.

C. A CLEC may petition the Commission to be the ETC for a particular service area. The CLEC must be willing to fulfill all existing ETC service obligations and serve all customers requesting basic local service within the particular service area. After a hearing, the Commission shall determine whether the CLEC qualifies to serve as the ETC for the particular service area, whether the ILEC serving that same area desires to abandon its obligations as ETC and whether it will be in the public interest to switch the ETC for that particular service area.

D. Once a CLEC is designated as the ETC for a particular service area, it is prohibited from ceasing to provide basic local service unless otherwise relieved of that obligation by the Commission. Additionally, once the Commission determines that a CLEC should become the ETC, the Commission shall release the ILEC from its obligations as ETC for that service area.

SECTION 701. Consumer Price Protection Plan

A. Scope and Conditions:

1. Effective April 1, 1996, an ILEC with more than 100,000 access lines statewide shall be regulated pursuant to the terms and conditions of this Consumer Price Protection Plan (the "Price Plan" or "Plan"). The Price Plan is based on the ILEC's rates for service rather than its rate of return. Monitoring, reporting and tracking under the Price Plan shall be directed toward the ILEC's rates for services, revenues, expenses, costs and service quality. An ILEC shall be regulated under the Plan for a period of six (6) years unless earlier terminated by the Commission.

2. A "Small ILEC" as defined in Section 101 (37) may petition the Commission to be regulated under the terms and conditions of a price cap plan in lieu of continuing to be regulated pursuant to Order No. U-21181, dated June 30, 1995. If a Small ILEC fails to petition the Commission before April 1, 1996, then the ILEC has the opportunity to elect into a price cap plan by December 1, 1996 for the year 1997 and thereafter, or on the same date in each subsequent year. Once a Small ILEC elects into a price cap plan, it will remain in the plan for a period of five years unless earlier terminated by the Commission. No Small ILEC opting into a price cap plan may receive compensation from the Louisiana Exchange Carrier Association Fund ("LECAF").

3. Under the Price Plan, the LPSC shall continue to regulate the rates, terms and conditions of all telecommunications services provisioned in the State by an ILEC regulated hereunder. In no event will the Price Plan become effective prior to the effective date of these Regulations.

4. CLECs shall not be subject to the terms and conditions of the Price Plan at this time. However, the Commission specifically reserves the right to apply the Price Plan, or any modifications thereof, to the CLECs in the future if deemed in the public interest by the Commission following notice and hearing.

5. While operating under the Price Plan, an ILEC shall be responsible for its depreciation rates and schedules, and shall submit its Louisiana specific depreciation expenses to the Commission as part of its semi-annual reporting called for in subsection J below. All ILECs regulated under the Price Plan are prohibited from seeking any type of rate increase based on recovering any depreciation expenses or reserves. Should the Commission elect to return to traditional rate-base rate of return

regulation or rate-base rate of return incentive regulation pursuant to subsection B below, the incremental effect of an ILEC's depreciation expense (i.e., assuming responsibility without customer rates) shall not be recognized in the rate base.

6. The Price Plan shall apply to all regulated services offered by the ILEC prior to the adoption of the Price Plan and to all Basic Services, Interconnection Services and Non-Basic Services introduced by the ILEC after adoption of the Price Plan.

B. Term of Price Plan

1. There shall be no specific term for the Price Plan. It is intended that the elements of the Plan remain in effect through the initial six (6) years of the Plan unless the Commission finds it in the public interest, after notice and hearing, to modify or eliminate the Price Plan and substitute in its place traditional rate-base rate of return regulation or rate-base rate of return incentive regulation, or any form of regulation deemed appropriate and in the public interest by the Commission.

2. The Price Plan shall be subject to complete review after three years from its effective date as to each ILEC regulated thereunder, and again during the sixth (6th) year of the Plan. As a result of its monitoring efforts and periodic Price Plan reviews, the Commission may, if deemed in the public interest after notice and hearing, modify any aspect of the Price Plan, including ordering its termination and substitution.

C. Classification of Services under Price Plan

1. Each telecommunications service offered by an ILEC shall be classified into one of the following three categories: a) Basic Services, b) Interconnection Services, and c) Non-Basic Services.

2. The service categories are defined as follows:

a. Basic Services - are those services required to provide basic local service to residential and single line business customers, which include, among others, each of the items comprising the definition of Universal Service as specified in Commission General Order, dated May 22, 1995. Initially, Basic Services shall include the services itemized on Appendix "A" attached hereto and made part hereof.

b. Interconnection Services - are those services that allow other telecommunications services providers to interconnect to an ILEC's network to originate or terminate telecommunications services. Initially, Interconnection Services shall include the services itemized on Appendix "B" attached hereto and made part hereof.

c. Non-Basic Services - are all other services which are not classified as either Basic or Interconnection Services. Initially, Non-Basic Services shall include the services not itemized on either Appendix "A" or "B" attached hereto.

D. Initial Rates under Price Plan

1. An ILEC's initial rates under the Price Plan shall be the rates in effect immediately prior to implementing the Plan, as recalibrated to reflect the rate reductions implemented pursuant to the stipulated settlement referenced in subsection K below, for each individual Basic Service, each individual Interconnection Service, except cellular interconnection services subject to contractual arrangements, and each individual Non-Basic Service. The rate for each individual Basic Service may be reduced from these initial rates, subject to the price floors contained in subsection H below, but cannot exceed the initial rates under any circumstance for a period of five (5) years from the date the Plan becomes effective as to the ILEC. The rate for each individual Interconnection Service shall be similarly restricted for a period of three (3) years from the effective date of the Price Plan as to the ILEC.

E. Tariffs

1. An ILEC electing to be regulated pursuant to the Price Plan shall continue to be required to file tariffs with the Commission for all services in compliance with the terms and conditions of Section 401 of these Regulations, unless tariff requirements are exempted by the Commission by past or future rule or order.

F. New Services and Reclassification of Services under Price Plan

1. A new service is defined as a service, function, feature, capability or any combination of these which is not offered by the ILEC on the date the ILEC commences to be regulated pursuant to the Price Plan.

2. At least ten (10) working days prior to offering a new service, an ILEC shall file notice and a tariff with the Commission in accordance with Section 401 of these Regulations, which sets forth the rate, terms, conditions and proposed service category of the new service. Appropriate documentation and support related to the service classification and the proposed rate shall be provided.

3. Each July 1, the ILEC shall file a "Service Category Classification Report" with the Commission, which shall address the classification of new services and the reclassification of existing services. The Report shall identify all new services introduced during the 12-month period through May 31 of that year and provide the basis for the proposed market classification. The Report shall include any proposals for reclassifying any services, demonstrate the basis for the proposal and meet the requirements for reclassification as specified in the Plan.

4. The ILEC retains the burden of proof for all classifications and reclassifications of telecommunications services it proposes.

5. The Commission retains the right to approve, suspend or reject any proposal to introduce a new service, classify a new service or reclassify an existing service.

G. Pricing Rules under Price Plan

1. The initial rate of each individual service included in the Basic Services category as determined in subsection D above shall be capped for a period of five (5) years from the date the Price Plan becomes effective as to an ILEC. This means that the rate for any individual Basic Service may be reduced from its initial rate in accordance with the price floors but cannot exceed its initial rate under any circumstance for a period of five (5) years from the effective date of the Price Plan.

2. The initial rate for each individual service included in the Interconnection Services category as determined in subsection D above, with the exception of cellular interconnection services subject to contractual arrangements, shall be capped for a period of three (3) years from the date the Price Plan becomes effective as to an ILEC. This means that the rate for any individual Interconnection Service may be reduced from its initial rate in accordance with the price floors but cannot exceed its initial rate under any circumstance for a period of three (3) years from the effective date of the Price Plan.

3. After the first five (5) years that the Price Plan is in effect as to an ILEC, and during the sixth (6^{th}) year only, an adjustment shall be made to the Basic Service category in the aggregate based on the Gross Domestic Product - Price Index (GDP-PI) minus a productivity offset of two and one-half percent (2.5%). For purposes of the pricing formula computation, if the GDP-PI is greater than five percent (5%), GDP-PI shall be assumed to be equal to five percent (5%). After the sixth (6^{th}) year, the productivity offset shall be reevaluated by the Commission for application in the seventh and subsequent years.

4. The sixth (6^{th}) and subsequent year price cap adjustments shall be effective April 1 of said years, and will be calculated using data for the "Test Year." The "Test Year" shall consist of data from the four most recent consecutive quarters available.

5. During the initial five (5) years of the Price Plan, no rate of an individual service included

within the Basic Services category shall be increased above its cap established in subsection D above. During the sixth (6th) and subsequent years, no rate of any individual Basic Service shall be increased by more than ten percent (10%) in any twelve month period.

6. During the initial three (3) years of the Price Plan, no rate of an individual service included within the Interconnection Services category shall be increased above its cap established in subsection D above. During the fourth (4th) and subsequent years, no rate of any individual Interconnection Service shall be increased by more than ten percent (10%) in any twelve month period.

7. Cellular interconnection is currently subject to contractual pricing arrangements between the ILECs and the cellular carriers. These contractual arrangements will remain in effect until their expiration. After expiration, cellular interconnection shall become part of the Interconnection Services category and the terms, conditions and rates shall comply with the provisions of the Price Plan.

8. The rates for the Basic and Interconnection Service categories may be reduced below their initial price caps as the ILEC deems appropriate subject to the restrictions of subsection H below.

9. The above price controls and price caps do not apply to rates and charges for services included in the Non-Basic Services category. Services so classified shall be rate deregulated, subject only to the price floor restrictions set forth in subsection H below, and the restriction that the rate for an individual service classified as Non-Basic shall not increase by more than twenty percent (20%) in any twelve-month period. Non-Basic Services shall not benefit from cross subsidy or revenue support from Basic Services.

10. Tying arrangements are prohibited.

H. Price Floors under Price Plan

1. The rate for each service shall equal or exceed the ILEC's total service long run incremental cost (TSLRIC) of providing the service unless specifically exempted by the Commission based on public interest concerns (e.g., provision of universal service); or, unless the ILEC, in good faith, prices a service below its TSLRIC to meet the equally low price of a competitor, and subject to applicable imputation standards adopted by the Commission in Docket No. U-20710 and in these Regulations.

2. The price floors as specified above shall remain in place for the duration of the Price Plan.

3. The methodologies regarding the development and application of the TSLRIC studies will be considered as part of the monitoring process set forth in subsection J below.

I. Contract Service Arrangements

1. The tariffs currently in effect for Contract Service Arrangements will remain unchanged under the Price Plan; provided, however, an ILEC's contract service arrangements are subject to any applicable rules and procedures implemented in other sections of the Regulations, and all Contract Service Arrangements must specifically comply with the pricing rules and floors set forth in subsections G and H above.

J. Monitoring and Reporting Requirements under Price Plan

1. Marketplace Data Submissions and Related Monitoring

The Commission and its Staff shall monitor the development of competition in the telecommunications markets in Louisiana subsequent to the effective date of the Price Plan as to any ILEC. Upon request, an ILEC regulated under the Price Plan shall furnish the Commission, data related to the following:

a. Changes in the marketplace.

b. The impact of competition on the ILEC.

c. The competitive status of services to determine the degree of competition in their provisioning.

d. The impact of federal initiatives.

e. The technical compatibility between carriers.

f. Service performance of new market entrants.

The information will be used by the Commission to assess the impact of marketplace changes, the continued viability of the Price Plan, market impact of competition on ILECs, market impact of federal initiatives, appropriateness of service categories, technical compatibility between telecommunications services providers, service quality performance of all telecommunications services providers, and other issues arising from the entry of new providers of telecommunications services in the local market. The Commission reserves the right to establish new areas of inquiry and investigation.

2. Financial Reporting

An ILEC regulated pursuant to the Price Plan shall file semi-annually, Louisiana specific company basis reports excluding Commission adjustments and returns as specified in Appendix "C" hereto. An ILEC regulated under the Price Plan shall continue to report to the Commission on an interstate, intrastate, and non-regulated basis. A Small ILEC regulated under a price plan shall continue to file all reports and data required to be filed with the Commission pursuant to Order No. U-21181, dated June 30, 1995. In addition, an ILEC regulated under the Price Plan shall furnish the Commission the following data within thirty days of issuance:

a. Annual Reports of the ILEC and parent corporation.

b. Forms 10Q and 10K of the ILEC and parent corporation.

c. Proxy statements containing financial data not in annual reports.

d. Shareholder Newsletters.

e. ARMIS Reports.

3. Service Quality

ILECs regulated pursuant to the Price Plan shall furnish the Commission the following service quality data on a semi-annual basis for monitoring by the Commission and its Staff:

a. Commission Complaints per 10,000 access lines for ILECs with more than 100,000 access lines; or Commission Complaints per 100 access lines for ILECs with less than 100,000 access lines.

b. Percentage Installation Appointments Offered within Five (5) Days of Service Contact.

c. Percentage Installation Appointments Met.

d. Total Network Repair Reports per 100 Access Lines.

e. Average Duration (Hours) Special Services - Complex.

f. Percentage Out of Service Troubles Cleared within 24 Hours.

g. Overall Residence Satisfaction.

The data described above shall be segregated by the ILEC so that the Commission can monitor and evaluate separately the ILEC's service quality performance for Basic Services. If the Commission finds as a result of monitoring that the ILEC's service quality is substandard in any one of the above listed categories, the Commission may, after notice and hearing, take action as it deems necessary and proper to assure a desirable level of service quality, including imposing a monetary penalty not exceeding ten thousand dollars ($10,000) per violation.

4. Periodic Reviews of the Price Plan

The Commission shall review the Price Plan at the end of the third (3rd) year of the Plan with particular attention to the following issues:

a. The status of universal service.

b. The ILEC's compliance with Plan rules and reporting requirements.

c. Just and reasonable rates (as determined without reference to a rate of return or other rate base proceeding).

d. Modification to Plan parameters.

e. Service quality.

f. The consumer and marketplace impacts of price regulation.

g. The status of competition in all markets and its impact on consumers and on the ILECs.

h. The continuation of price caps on the Interconnection Services category subsequent to the third year of the Price Plan.

The Commission shall conduct a review of the following during the sixth year of the Price Plan:

a. The status of universal service.

b. Service quality performance.

c. The consumer and marketplace impacts of price regulation.

d. The degree of technological change in the marketplace.

e. The impact of federal initiatives on Louisiana telecommunications markets.

f. The status of competition in all markets and its impact on consumers and on the ILECs.

g. The ILEC's compliance with Plan pricing rules and reporting requirements.

h. Just and reasonable rates (as determined without reference to a rate of return or other rate-based proceeding).

i. Modifications to, or termination of the Plan.

j. The continued viability of the Price Plan.

Adjustments or modifications based on the findings resulting from the Periodic Reviews will be implemented on a prospective basis. Any further reviews of the Plan, including periodic update of Plan parameters, will be considered.

K. BellSouth Annual Rate Reductions

1. Pursuant to the terms and conditions of the stipulation entered in Subdocket E of Docket No. U-17949 (the "Stipulation"), BellSouth shall provide to its ratepayers seventy million dollars ($70,000,000) in rate reductions over the initial three (3) years that BellSouth is regulated under the Price Plan, and shall additionally provide a one time nine million dollar ($9,000,000) credit to its ratepayers during the first year BellSouth is regulated under the Price Plan. These reductions shall be made according to the Stipulation and applied as determined by the Commission.

L. Miscellaneous Provisions

1. During the Price Plan, an ILEC regulated thereunder shall notify its customers of any change in the rate for services offered using the same procedures in effect at the implementation of the Price Plan.

2. Rather than limit or restrict an ILEC's commitment to universal service and to the ILEC's fulfillment of Essential Telecommunications Carrier obligations, the Price Plan is intended to strengthen and reaffirm such commitments.

SECTION 801. Number Portability

A. TSPs providing local telecommunications services shall provide number portability, upon receipt of a valid request, that ensures that an end-user customer of local telecommunications services, while at the same location, shall be able to retain an existing telephone number without impairing the quality, reliability, or convenience of service when changing from one provider of local telecommunications services to another. There are no exceptions to this requirement. In particular, no TSP shall withhold the porting of an end-users' number to another TSP because of unpaid bills or contractual arrangement. The type of number portability contemplated by this rule is service provider portability and not location portability. Failure to timely port a number subjects the refusing TSP to the fines and penalties as contained in Sections 301 J, K & L of these regulations.

B. The end-user customers of a CLEC shall not be required to dial the telephone number of an ILEC's end-user customer in any way other than that required of the ILEC's end-users.

C. The end-user customers of an ILEC shall not be required to dial the telephone number of a CLEC's end-user customer in any way other than that required to dial other end-users of the ILEC.

D. As of the effective date of these Regulations, and as an interim measure, remote call forwarding and direct inward dialing, as specified below, shall be made available to a CLEC according to the following guidelines: 1) within sixty (60) days of receipt of a request, an ILEC shall make the requested interim number portability solution available at a reasonable cost-based charge agreed to between the parties, or 2) if within sixty (60) days of receipt of a request, an agreement is not reached between the parties, the matter will be resolved by the Commission upon petition of either party. As part of the Commission's review of the matter, the ILEC shall provide TSLRIC and LRIC studies to the Commission which show the cost of providing the requested interim number portability solution. There is no mandate that the interim number portability solutions be provided by the ILEC to CLECs at its TSLRIC or LRIC of providing such services.

E. Once the costs studies specified in Section 901.C below are filed with the Commission, the Commission shall establish a reasonable cost-based rate at which an ILEC shall make the interim number portability solutions available to other TSPs. There is no mandate that the interim number portability solutions be provided by the ILEC to CLECs at their TSLRIC or LRIC of providing such services.

F. The CLEC is required to arrange for transport facilities to the central office where portability is sought. A CLEC shall reciprocate by offering number portability to an ILEC under the same arrangements.

G. In order to implement remote call forwarding, an ILEC's tariffed remote call forwarding service shall forward any call to a ported number to trunk groups associated with the CLEC. The

central office switch where the number resides should be programmed to reroute calls from the called number to a new number located in a different switch. Both the end-user customer of, and the caller to a remote call forwarding number should be unaware of the second number. Should technology change in the future this method may be modified by the Commission.

H. In order to implement the direct inward dialing option, all incoming calls to the ported number shall be routed to the ILEC end office. From there it should then be routed via the direct trunk group to the CLEC switch. Because direct inward dialing is normally provisioned in groups of 20 numbers, ILEC policies shall be changed to allow a single number to be identified as a direct inward dialing number. Should technology change in the future this method may be modified by the Commission.

I. At the earliest possible date all TSPs shall cooperate and use their best efforts to design, develop and deploy number portability databases, associated connections and/or other arrangements to achieve a permanent number portability solution.

J. The costs associated with development and deployment of a permanent number portability solution, such as a database, or other arrangement, shall be recovered from all TSPs using or benefiting from such a solution.

SECTION 901. Interconnection

A. Interconnection of the local telephone networks at reasonable rates is essential to local telephone competition. Competing networks shall be interconnected so that customers can seamlessly receive calls that originate on another carrier's network and place calls that terminate on another carrier's network without dialing extra digits, paying extra, or doing any other such action out of the ordinary that is not required when dialing on his/her own carrier's ILEC or CLEC network. TSPs should be interconnected with the ILECs in a manner that gives the TSPs seamless integration into and use of local telephone company signaling and interoffice networks in a manner substantially equivalent to that of the ILECs. Interconnection shall include access to switches, databases, signaling systems and other facilities or information associated with originating and terminating communications.

B. Based on current traffic and market conditions in the CMRS industry, mandatory CMRS-to-CMRS interconnection is not required by the interconnection obligations of this Section (901). However, providers of CMRS and PMRS are encouraged to develop interconnection arrangements among themselves and with other TSPs which foster the Commission policy of promoting the interconnection of competing networks so that customers can seamlessly receive and place calls originating and terminating on other carriers' networks.

C. Physical Interconnection for purposes of utilizing unbundled basic network components of ILEC networks:

1. Physical interconnect charges between and among TSPs shall be tariffed and based on cost information. The cost information derived from both TSLRIC and LRIC studies shall be provided to the Commission. This information will be used by the Commission to determine a reasonable tariffed rate. There is no mandate that interconnection services be provided by the ILEC to TSPs at its TSLRIC or LRIC of providing such services. As an interim measure, until such cost studies are completed and a decision rendered thereon by the Commission in Docket No. U-22022, consolidated with Docket No. U-22093, or other pertinent Commission proceeding, interim rates for unbunbled network elements are hereby established as listed on attached Appendix "D". At such time as a final order issues in Docket No. U-22022, consolidated with Docket No. U-22093, rates will be re-calibrated accordingly.

2. ILECs must conduct within ninety (90) days from the effective date of these Regulations the TSLRIC and LRIC studies on all basic network service components and file such studies with the Commission. Basic network components shall include, without limitation, network access, switching and switch functions, transport (dedicated and switched) and ancillary services.[6]

[6]Re A Methodology to Determine Long Run Incremental Cost, 156 PUR 4th 1, Michigan

3. Physical interconnection tariffs shall be filed in accordance with Section 401.

4. TSPs shall utilize the "bill and keep" methodology as an interim compensation method for call transport and termination, pending establishment of permanent rates at such time as a final order issues in Docket No. U-22022, consolidated with Docket No. U-22093, or other pertinent Commission proceeding. Bill and keep arrangements compensate a carrier terminating a call originated with another carrier by requiring the carrier originating the call to, in turn, transfer and terminate calls originating from the other carrier. Under a bill and keep arrangement, no money changes hands.

D. Consistent with Section 252(a)(1) of the Telecommunications Act of 1996, upon receiving a request for interconnection, services, network elements, or reciprocal compensation pursuant to Section 251 of the Telecommunications Act, an ILEC may negotiate and enter into a binding agreement with the requesting TSP without regard to the costing standards set forth in subsection C of this Section. However, negotiated compensation arrangements for the exchange of local traffic shall provide for equal treatment and rates between competing TSPs. Rates of negotiated compensation arrangements shall be mutual, reciprocal, nondiscriminatory and cost-based, and shall be effective between the negotiating parties. Nothing in this section shall be interpreted as advocating or precluding the adoption of an in-kind rate or the adoption of an explicit rate as the negotiated compensation mechanism for the exchange of local traffic.

E. The Commission shall be notified in writing by the negotiating parties of the date the request for interconnection was submitted by the requesting TSP. The interconnection agreement shall include a detailed schedule of itemized charges for interconnection and each service or network component (element) included in the agreement. All agreements shall be submitted to the Commission for approval. Any party negotiating an agreement hereunder may, at any point in the negotiations, request the Commission to participate in the negotiation and to mediate any differences arising in the course of negotiation.

F. In accordance with Section 252(b) of the Telecommunications Act of 1996, either party to the negotiation may petition the Commission to arbitrate any open issue to the negotiation. When an ILEC and TSP are unable, through negotiations, to agree to rates for the interconnection of facilities and equipment, network elements and/or reciprocal compensation, any party to such negotiations may request the Commission to impose rates and conditions binding upon the parties to the agreement which comply with the results of the studies performed pursuant to subsection C.2 of this Section, and which are consistent with the mandates of Section 252(d) of the Telecommunications Act of 1996.

G. ILECs and CLECs shall file reports with the Commission Secretary on April 1st of each year which show by month the volume of local terminating traffic delivered to ILECs or CLECs during the previous year.

H. Interconnections arrangements established pursuant to Commission Docket No. U-18976 shall remain in effect until January 1, 1999, unless otherwise modified by the Commission.

I. TSPs shall be required to enter into reciprocal, mutual billing and collection agreements which ensure that each TSP can accept other TSPs' telephone line numbers based on nonproprietary calling cards; and, ensures that each TSP can bill and collect on collect calls and on calls billed to a third number served by another TSP.

J. The ILECs shall not limit the ability of a TSP to provide and carry operator services traffic.

K. CLECs shall have access to 911 connectivity where provided by an ILEC under the same terms and conditions enjoyed by the ILEC.

L. TSPs shall be afforded nondiscriminatory access to each other's databases as follows:

1. Directory Assistance and Line Information databases - TSPs shall be permitted to input their customers' telephone numbers and any pertinent account data into the ILEC directory assistance and line information databases. TSPs shall also be

permitted to access any customer's number from the TSP directory assistance and line information databases in order to provide directory assistance service to its customers or to obtain billing name and address.

2. Public Interest Services - TSPs shall have equal access to provide their customer numbers and address information to 911 providers, whether these providers are the ILEC or independent service bureaus.

3. TSP Service Databases - TSPs shall be provided access to TSP service databases (e.g., 800, line information, AIN) through signaling interconnection, with functionality, quality, terms, and conditions equal to that provided by the TSP to itself and its affiliates. TSPs will be charged tariffed rates for database queries equal to that charged to interexchange carriers for the same functions. The TSPs will impute the tariffed rates of database access to it services.

4. No TSP shall access the customer proprietary network information ("CPNI") of another interconnecting TSP for the purpose of marketing its services to the interconnecting company's customers. Likewise, no TSP shall access the CPNI of a company reselling its services, without permission of the reseller, for the purpose of marketing services to the reseller's customers.

M. TSPs shall develop mutually agreeable and reciprocal arrangements for the protection of their respective customer proprietary network information.

N. Nothing in this Section (901) shall be construed as authorizing the concentration of access lines in contravention of the prohibitions contained in Commission Orders U-16462 and U-17957-C.

O. All TSPs holding a certificate from the Commission are prohibited from providing interconnection services to non-certificated TSPs, unless the non-certificated TSP is exempt from the Commission's certification requirements pursuant to state or federal law or explicit Commission order.

P. A TSP shall permit other TSPs to interconnect with its network at a single point within a LATA, subject to the requirement that the TSP requesting interconnection shall pay multiple access switching charges in circumstances where multiple access tandems exist. A TSP may request more than one point of interconnection within a LATA.

Q. A TSP shall permit other TSPs to interconnect with its network at a "mid-span" meet rather than an access tandem or end office, subject to the requirement that the TSP requesting such interconnection shall bear all costs prudently incurred by the TSP providing such interconnection.

R. A CLEC shall not mix different traffic types (i.e., toll and local) over the same trunk group that interconnects with the ILEC's network until such time as technology is available to provide accurate billing or until such time as the ILEC agrees to such mixing of traffic or the ILEC is actually providing such service in Louisiana or elsewhere.

S. A TSP shall, when receiving misdirected service calls intended for another TSP, indicate to the customer that he has called the TSP in error and shall inform such customer that he should contact his local service provider. If requested by the customer to do so, the TSP shall provide the name and phone number of the customer's local service provider to the customer.

T. A TSP is not required to provide other TSPs with electronic access to its customer service records. TSPs are, however, directed to accept three-way calls from a customer and another TSP and shall, if the customer's consent is expressly given to the TSP, disclose the customer's current services and features. All TSPs shall implement an electronic "switch as is" process by which it shall switch a customer to another TSP with all services and features to which the customer is currently subscribing, upon receipt of appropriate customer authorization. The "switch as is" process described above shall result in no additional cost to the end user.

U. In circumstances where there is an open connection(s) or terminal(s) in a TSP's Network Interface Device ("NID"), another TSP shall be allowed to connect its loop(s0 to such open

connection(s) or terminal(s). In circumstances where there are no open connection(s) or terminal(s), TSPs may effect a NID-to-NID connection as described in the FCC's First Report and Order (Docket No. 96-98 Aug. 8, 1996), at Paragraphs 392 - 394.

V. TSPs shall provide other TSPs with access to their Ain facilities, but only subject to mediation, if such mediation is desired by the TSP whose facilities are being accessed.

W. Upon receipt of a bona fide request, an ILEC shall provide a requesting TSP with a customized electronic interface to its database. The ILEC shall provide the requested customized electronic interface within twelve (12) months of the date that the requesting TSP provides the ILEC with specifications for the interface it desires. All costs prudently incurred by the ILEC in developing this customized electronic interface shall be borne by the TSP requesting such interface. Any other TSP utilizing such electronic interface shall reimburse the requesting TSP for its cost incurred relative to the development of such electronic interface on a pro-rata basis determined on actual usage. The pro rata basis will be determined by the Commission when TSPs cannot agree on the relative usage.

SECTION 1001. Unbundling

A. All TSPs shall be able to purchase desired features, functions, capabilities and services promptly and on an unbundled and non-discriminatory basis from all other TSPs provisioning services within the State. TSPs shall be allowed to combine unbundled network elements in any manner they choose; however, when a TSP recombines unbundled elements to create services identical to the retail offerings of the TSP providing the unbundled elements, the prices charged to the requesting TSP for the rebundled services shall be the provisioning TSP's retail price less the wholesale discount established in Order NO. U-22020 (or any future modifications thereof), and offered under the same terms and conditions as the provisioning TSP offers such services. For purposes of this section, a TSP shall be deemed to be "recombining unbundled elements to create services identical to the provisioning TSP's retail offering" when the service offered by the requesting TSP contains the functions, features and attributes of a retail offering that is the subject of the provisioning TSP's properly filed and approved tariffs. Services offered by the requesting TSP shall not be considered "identical" when the requesting TSP utilizes its own switching or other substantive functionality or capability in combination with unbundled elements in order to provide a service offering. For example, a requesting TSP's provision of purely ancillary functions or capabilities, such as operator services, Caller ID, Call Waiting, etc., in combination with unbundled elements shall not constitute a "substantive functionality or capability" for purposes of determining whether the requesting TSP is providing "services identical to a provisioning TSP's retail offering."

B. Unless exempted pursuant to Section 202 above, an ILEC shall provide unbundled loops, ports, signaling links, signal transfer points, and signaling control points to a requesting TSP upon the effective date of these Regulations.

C. Unless exempted pursuant to Section 202 above, after the effective date of these Regulations, an ILEC shall provide additional unbundling within ninety (90) days of receipt of a bona fide request from a TSP. Additional unbundled basic network components shall include, but not be limited to:

1. Logical components within the loop plant, including loop distribution, loop concentration, and loop feeder.

2. End office and tandem switching.

3. Operator systems.

4. Common and dedicated transport links.

D. TSPs shall be able to interconnect with all unbundled basic network components at any technically feasible point within an ILEC's network. Access, use and interconnection of all basic network components shall be on rates, terms and conditions substantially equivalent to those an ILEC provides to itself and its affiliates for the provision of exchange, exchange access, intraLATA toll and other ILEC services.

E. As specified in Section 901 above, rates for utilizing unbundled basic network components of ILEC networks and interconnection thereto shall be tariffed and based on cost information. There is no mandate that unbundled elements be provided by the ILEC to TSPs at its TSLRIC or LRIC of providing such elements. Interim rates for unbundled network elements are hereby established, as listed on attachment "D", subject to true-up upon the setting of permanent rates at such time as a final order issues in Docket U-22022 or other pertinent Commission proceeding.

F. ILECs shall put into place a service ordering, repair, maintenance, and implementation scheduling system for use by TSPs, which is equivalent to that used by the ILECs and their affiliates for their own retail exchange services. Data pertaining to service and facility availability shall be made available to TSPs in the same manner used by the ILECs and their affiliates.

G. ILECs shall include on a non-discriminatory basis the telephone numbers of CLEC customers in the ILECs' (including ILEC affiliates') "White Pages" residential and business listings, "Yellow Pages" listings, "Blue Pages" government listings, and directory assistance databases associated with the areas covered by such publications in which the CLECs provide local telecommunications services either through resale or its own facilities. CLEC customers requesting to be omitted from such directories shall be omitted.

H. CLECs shall provide to the ILEC (including ILEC affiliate) publishing "White Pages", "Yellow Pages", and "Blue Pages" directories the names, addresses and telephone numbers of all CLEC customers that do not wish to be omitted from such directories. The entries of CLEC customers in ILEC directories shall be interspersed alphabetically among the entries of the ILEC customers and shall be no different in style, size or format than the entries of the ILEC customers.

I. ILECs shall, upon request of a CLEC, provide White, Yellow and Blue Pages directories to CLECs' customers.

J. ILECs and CLECs providing local telecommunications services shall provide subscriber list information gathered in their capacities as local telecommunications services providers on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any person or entity (including TSPs and TDPs) for the purpose of publishing directories in any format.

K. ILECs and CLECs providing local telecommunications services shall provide the names and addresses of non-published or non-listed subscribers gathered in their capacities as local telecommunications services providers on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any person or entity (including TSPs and TDPs) for the purpose of directory delivery.

L. TSPs shall allow nondiscriminatory access to their poles by other TSPs for pole attachments on a first come/first serve basis and pursuant to Commission General Order dated December 17, 1984. A TSP may reserve to itself maintenance spare capacity. "Maintenance spare capacity" is capacity reserved on a pole in which the ILEC can place facilities quickly in response to emergency situations such as cut or destroyed cables. TSPs shall provide access to poles for pole attachments under standard licensing agreements complying with all pertinent rules and regulations of this Commission.

M. TSPs shall allow nondiscriminatory access to their conduits and rights-of-way by other TSPs on a first come/first serve basis for the provisioning of local telecommunications services. A TSP may reserve to itself maintenance spare capacity. "Maintenance spare capacity" is capacity reserved in a conduit in which the ILEC can place facilities quickly in response to emergency situations such as cut or destroyed cables. TSPs shall provide access to conduits and rights-of-way under standard licensing agreements complying with all pertinent rules and regulations of this Commission. TSPs shall make their right-of-way records available to other TSPs upon the execution of a mutually acceptable confidentiality agreement.

SECTION 1101. Resale

A. To encourage and promote competition in the local telecommunications markets, all facilities based TSPs shall make unbundled retail features, functions, capabilities and services, and bundled retail services available for resale to other TSPs on a nondiscriminatory basis.

B. No facilities based TSP may impose any restrictions on the resale of its unbundled retail features, functions, capabilities and services, and bundled retail services, except as follows:

1. Resale must be of the same class of service and category of customer. When TSPs purchase services for resale, they must do so on the same terms and conditions that the ILEC imposes on end users that purchase such services on a retail basis.

2. Contract Service Arrangements shall be made available at the Commission determined wholesale discount rate.

3. N11, 911, and E911 services are not subject to mandatory resale.

4. Link Up and Lifeline services are available for resale, with the restriction that TSPs shall offer such services only to those subscribers who meet the criteria the ILEC currently applies to subscribers of these services. TSPs shall discount the Link Up/Lifeline services by at least the same percentage as provided by the ILEC. TSPs shall comply with all spects of any applicable rules, regulations or statutes relative to the providing of Link Up/Lifeline programs.

5. Short-term promotions, which are those offered for 90 days or less, are not subject to mandatory resale. Promotions that are offered for more than ninety (90) days must be made available for resale, at the Commission established discount, with the express restriction that TSPs shall only offer a promotional rate obtained from the ILEC for resale to those customers who would qualify for the promotion if they received it directly from the ILEC.

6. "Grandfathered Services" (service available only to a limited group of customers that have purchased the service in the past) are available for resale by TSPs to the same limited group of customers that have purchased the service in the past.

C. TSPs shall revise their existing tariffs to remove the prohibitions not allowed by this Section on the resale of unbundled retail features, functions, capabilities and services, and bundled retail services within thirty (30) days of the effective date of these Regulations. TSPs filing initial tariffs shall not include in such tariffs any prohibitions not allowed by this Section on resale of unbundled retail features, functions, capabilities and services, and bundled retail services.

D. During the transition to a competitive local telecommunications market, ILEC unbundled retail features, functions, capabilities and services, and bundled retail services, including vertical features, shall be tariffed and provided to other TSPs at reasonable wholesale rates. Avoided costs studies will be used by the Commission to determine costs avoided by an ILEC when an ILEC's unbundled retail features, functions, capabilities and services, and bundled retail services, including vertical features, are resold by another TSP, and to establish a wholesale discount percentage. An ILEC's tariffed wholesale resale rates will be determined by discounting the ILEC's retail rates by the wholesale discount percentage. There is no mandate that resold services be provided by an ILEC to TSPs at the ILEC's TSLRIC or LRIC of providing such services.

E. As of the effective date of these Regulations, and as an interim measure until the tariffed wholesale resale rates are developed pursuant to subsection D above, the wholesale resale rates of an ILEC shall be the ILEC's current tariffed retail rates reduced by 10% to encourage and promote competition in the local telecommunications markets and to reflect the ILEC's avoidance of retail costs, including but not limited to, sales, marketing and customer services associated with the resold items. ILEC services currently tariffed and provisioned below cost shall be available for wholesale resale in the manner described above. If deemed necessary by the Commission to ensure universal service, a subsidy mechanism may be established in Subdocket A of Docket U-20883, which would be available to an ILEC reselling services shown to be provisioned below cost for public interest purposes.

F. An ILEC shall make available non-discriminatory online access to the ILEC's operating systems at a reasonable cost-based charge per database dip to TSPs that desire to resell ILEC features, functions, capabilities and services. This access shall be made available according to the following guidelines: 1) within sixty (60) days of receipt of a bona fide request, the ILEC shall make the requested access available at a reasonable cost-based charge agreed to between the parties, or 2) if within sixty (60) days of receipt of a bona fide request, an agreement is not reached between the parties, or the ILEC responds that the request is not technically and/or economically feasible to provide, the matter will be resolved by the Commission upon petition of either party. As part of the Commission's review of the matter, the ILEC shall provide TSLRIC and LRIC studies to the Commission which show the cost of providing the requested access, including a detailed explanation of why the requested access is not technically or economically feasible to provide the requesting TSP.

G. Access shall be available to the following:

1. Direct, on-line access to the ILECs' mechanized order entry system. Access shall be considered adequate when the provided access permits the reseller to access an ILEC's mechanized order entry system to place initial orders, access information concerning service and feature availability, modify orders previously entered, schedule the installation of services and any necessary equipment, and to check on the status of all transactions that the reseller has initiated in a manner at least as efficient as the access provided the ILEC's own employees.

2. On-line access to numbering administration systems and to numbering resources.

3. Direct on-line access to the ILECs' trouble reporting and monitoring systems. Access is considered adequate if reseller can directly access remote line testing facilities, report service problems, schedule premise visits where required, and check the status of repairs. Arrangement must also provide for interception and automatic forwarding of repair calls placed by reseller customers to the reseller.

4. Customer usage data. Resellers must be provided timely on-line and printed reports pertaining to the Reseller's customers usage of ILEC local calling and switched access services.

5. To local listing databases and updates. Resellers should be able to add, modify and delete directory listings for the Reseller's customers via on-line access to the ILEC's directory database, and new reseller customers' listings should be available from Directory Assistance on precisely the same basis and in the same time frame as applies for new ILEC retail subscribers.

This access shall equal that provided to the ILECs' own personnel. The Commission and its Staff will monitor the progress, or lack thereof, made in this area, and, if deemed necessary after notice and hearing, will impose an additional transitional resale discount on an ILEC's features, functions, capabilities and services until an ILEC's operating systems are accessible by TSPs on the terms specified herein.

H. No TSP shall access the customer proprietary network information ("CPNI") of another interconnecting TSP for the purpose of marketing its services to the interconnecting company's customers. Likewise, no TSP shall access the CPNI of a company reselling its services, without permission of the reseller, for the purpose of marketing services to the reseller's customers.

I. All ILECs shall offer an optional, unbundled version of their retail services that allows the reseller to use its own operator services and directory assistance services.

J. All ILECs shall offer resold services to the resellers which utilize the ILEC's operators as "unbranded" services until such time as selective routing is technically feasible, as determined by the Commission.

K. An ILEC shall advise a TSP reselling ILEC's services at least 30 days in advance, or at a date mutually agreed upon by the ILEC and the TSP in the parties interconnection agreements, of any changes in the terms and conditions under which it offers telecommunications services to subscribers

who are non-TSPs including, but not limited to, the introduction or discontinuance of any feature, function, service or promotion. To the extent that revisions occur between the time that an ILEC notifies TSPs reselling the ILEC's services of the change, the ILEC shall immediately notify such TSPs of the revisions consistent with the ILEC's internal notification process. The ILEC may not be held responsible for any cost incurred by a TSP as a result of such revisions, unless such costs are incurred as a result of the ILEC's intentional misconduct. The Commission reserves the right to impose a fine or other penalty, after notice and hearing, upon an ILEC for such intentional misconduct. TSPs are expressly precluded from utilizing the notice given by the ILEC under this section to market its resold offering of such services in advance of the ILEC.

L. Upon receipt of a bona fide request, an ILEC shall provide a requesting TSP with a customized electronic interface to its databases. The ILEC shall provide the requested customized electronic interface within twelve (12) months of the date that the requesting TSP provides the ILEC with specifications for the interface it desires. All costs prudently incurred by the ILEC in developing this customized electronic interface shall be borne by the TSP requesting such interface. Any other TSP utilizing such electronic interface shall reimburse the requesting TSP for its cost incurred relative to the development of such electronic interface on a pro-rata basis determined on actual usage. The pro rata basis will be determined by the Commission when TSPs cannot agree on the relative usage.

SECTION 1201. Consumer Protection.

A. All TSPs shall comply with all applicable statutes and Commission rules, regulations, orders and policies regarding customer billing, deposits, provisioning of service and the handling of complaints.

B. The following additional consumer protection rules shall apply to all TSPs providing local telecommunications services:

1. Any solicitation by or on behalf of a TSP to a customer to terminate his/her service with another provider and switch his/her service to a new TSP shall include current rate information of the new provider and all other information regarding the service(s) to be provided including, but not limited to the terms and conditions under which the new provider will provide the service(s). Upon request of a customer, a TSP shall provide the customer information pertaining to the technical specifications of the service(s) it is offering to the customer. All information provided shall be legible and printed in a minimum point size of type of at least 10 points. Failure to provide this information to the customer shall result in a fine of $500 for each violation in addition to any other fine and/or penalties assessed.

2. In order to switch a customer from one TSP to another TSP, the new provider must obtain a signed and dated statement from the customer prior to the switch indicating that he/she is the subscriber of the telephone service for a particular telephone account and number, that he/she has the authority to authorize the switch of service to the new provider and that he/she does authorize the switch. This signed statement must be a separate or severable document whose sole purpose is to authorize the switch of the customer's TSP. The signed statement cannot be contained on the same document as promotional material, a registration to enter a contest or a form to contribute money to a charity.

Among other fines and/or penalties, the TSP making an unauthorized switch shall be subject to a fine not exceeding ten thousand dollars ($10,000) per unauthorized switch, required to pay the costs of switching that customer back to the customer's previous provider and required to refund to the customer amounts paid to the provider during the unauthorized service period and extinguish any other amounts due by the consumer and not billed and/or paid. Additionally, the TSP shall be liable to the customer's previously selected provider in the amount equal to all charges paid by the customer to the unauthorized TSP after the unauthorized switch. All TSPs are responsible for the actions of their agents that solicit switches in an unauthorized manner and/or result in unauthorized switches.

3. A printed bill must be supplied to each customer at least once a month.

4. All billing for local telecommunications services must be presented for payment to the consumer within sixty (60) days of the date the consumer incurs the charge.

5. The customer's bill shall show the name of the TSP rendering service on behalf of the customer as opposed to the underlying carrier.

6. An address and a toll free telephone number for billing inquiries shall appear on each bill sent to the customer.

7. Interim dispute resolution procedures including interrupt and disconnect of services procedures, detailing how a customer can dispute a charge, lodge a complaint, and/or appeal to the Commission must be filed with the Commission and supplied to the customer upon request. The Commission will remain accessible to hear customer complaints as well as to resolve disputes among carriers regarding a customer complaint or problem. Final dispute resolution procedures are currently being considered by the Commission. When developed and approved, TSPs must comply with these procedures.

8. Customers must be given 30 days notice of any increase in price which is in excess of 5% of the current price.

9. No termination fees will be permitted for residential and single line business basic local services.

10. Unless fraud is suspected, no TSP can unilaterally and arbitrarily limit the amount of charges a customer can incur on his/her account regardless of whether the charges are for local, long distance or other toll charges unless the customer has a billed, outstanding balance due. If charges have been limited due to suspected fraud, the customer shall be informed in writing within two business days of the limits placed on the account and the reason for the limitations. Credit limits may be established when service is initiated, before charges are incurred or at any time upon an agreement between the TSP and customer.

11. No TSP may release nonpublic customer information regarding a customer's account or calling record unless required to do so by subpoena or court order.

12. Unless fraud is suspected, no TSP may unilaterally place a block on its customer's telephone service when a particular amount of charges have been incurred and the customer has not been presented the opportunity and a reasonable amount of time to pay or make other payment arrangements to pay the charges. If a block has been placed on a customer's telephone service due to suspected fraud, the customer shall be informed in writing within two business days of the block placed on his/her telephone and the reason for the block. For inmate pay phone systems, a customer's telephone may be blocked from the receipt of calls from an inmate facility only if the TSP has a blocking policy submitted in a tariff format approved by the Commission.

C. TSPs must file the service standard reports delineated in Section 302 in order to insure that consumers receive timely, adequate and quality service.

D. The arrival of competition will not necessarily obviate the need of those whose incomes entitle them to assistance from the Lifeline Fund or similar fund. When appropriations become available for the Lifeline Fund, all TSPs shall be required to participate therein.

E. Violation of any statute or Commission rule, regulation, order or policy applicable to regulated TSPs may result in the imposition of monetary fines, penalties and/ or the revocation of the a providers certificate.

SECTION 1301. Miscellaneous Provisions

A. Application. It is the intent of the Commission that these Regulations shall apply to all TSPs over which the Commission has regulatory authority. To the extent the Commission's regulatory authority over any particular TSP or over certain conduct or services offered or provided by any particular TSP is expressly preempted, then these Regulations shall be interpreted in a manner which recognizes all such preemptions so long as such preemption remains in effect.

B. All provisions of Order No. U-17949-N, dated October 18, 1991, are unaffected by these Regulations and shall remain in effect unless contrary to or inconsistent with the goals and/or provision(s) of these Regulations, in which case the provision(s) of these Regulations shall preempt and supersede all affected provisions of Order No. U-17949-N. However, the Commission hereby rescinds Ordering Paragraph Nos. "10", "11" and "12" of Order No. U-17949-N.

C. Severability. If a court of competent jurisdiction finds any provision of these Regulations to be invalid or unenforceable as to any TSP or circumstance, such finding shall not render that provision invalid or unenforceable as to any other TSPs or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of these Regulations in all other respects shall remain valid and enforceable. In addition, in the event any provision of these Regulations is stayed in connection with a judicial review of these Regulations, the remaining provisions of these Regulations shall remain valid and enforceable.

APPENDIX A

LOUISIANA BASIC SERVICES

Local Basic Service, including calling options.

Basic Local Service
Subscriber Line Charges
Statewide Rate Schedules (flat, measured and message)
Monthly Exchange Rates
Local Measured/Message Rated Service
Expanded Local Calling Area Service
Link-Up Service
Joint User Service (5 or less subscribers)
Local Option Calling Plans (LOS and LOSB)
Local Saver Service
Local Tele Thrift
Party Line Service
Local Exceptions
Public Telephone Service
Semi-Public Access Line

Local Ordering, Installation, and Restoral

Basic Service Connection
Trouble Determination Charges
Dual Service
Link Up

Other Services

Directory Listing
TouchTone
Customized Code Restriction
Blocking Service and Emergency Network Services
Directory Assistance (within local service area)
Local Operator Verification/Interrupt

APPENDIX B

LOUISIANA INTERCONNECTION SERVICES

Interconnection Services

Basic Serving Arrangement
Carrier Common Line Access
Clear Channel Capability
Common Channel Signaling Access Capability
Common Switching Optional Features
Dedicated Network Access Line (DNAL)
Direct Inward Dialing (DID) or DID/Direct with LSBA
DID/Direct Outward Dialing (DOD) Access with LSBSA
DID or DID/DOD with BSA
800 Access Service
Line Side Basic Serving Arrangement (LSBSA)
Local Switching
Local Transport
Network Blocking Charge for Feature Group D
Network Access Register Package
Trunk Side Access Facility
Trunk Side BSA
900 Access Service
Analog Services
Dedicated Access Lines for TSPs
Custom Network Service
Digital Data Service
High Capacity Service
Metallic Service
Voice Grade Analog Service
Customer Owned Coin Operator Telephone (COCOT) Services Access Line
Interconnection for Mobile Service Providers (includes cellular mobile)