

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
2001 Annual Access Tariff Filings) CCB/CPD File No. 01-08
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)

ORDER ON RECONSIDERATION

Adopted: July 31, 2001

Released: July 31, 2001

By the Chief, Competitive Pricing Division:

I. INTRODUCTION

1. On July 2, 2001, we released the *2001 Annual Access Tariff Filings Suspension Order*,¹ which, *inter alia*, suspended for five months and set for investigation the rates for the traffic sensitive basket filed by Moultrie Independent Telephone Company, Inc. (Moultrie). In the *2001 Annual Access Tariff Filings Suspension Order*, we also suspended for one day several local exchange carriers' (LECs') 2001 annual access tariffs in certain areas, imposed an accounting order, and initiated an investigation into the lawfulness of a number of issues raised by these tariff filings. In particular, we questioned whether ALLTEL Telephone Systems (ALLTEL) had incorrectly derived its dial equipment minutes (DEM) allocation factor for setting local switching rates. We also questioned whether Ameritech Operating Companies (Ameritech), Frontier Telephone of Rochester, Inc. (Frontier of Rochester), Pacific Bell Telephone Company (PacBell), Qwest Communications, Inc. (Qwest), and Sprint Local Telephone Companies-Nevada (Sprint Nevada) proposed to improperly impose a multi-line business subscriber line charge (MLB SLC) that was higher than their CMT revenue per line.

2. In this Order, on our own motion, we reconsider our decision to suspend and investigate the MLB SLC in Ameritech's Transmittal Number 1270 for its Tariff FCC Number 2; Frontier of Rochester's Transmittal Number 48 for its Tariff FCC Number 1; PacBell's Transmittal Number 37 for its Tariff FCC Number 1; Qwest's Transmittal Numbers 76 and 80 for its Tariff FCC Number 1; and Sprint Nevada's Transmittal Number 153 for its Tariff FCC Number 3. As we ordered in the *2001 Annual Access Tariff Filings Suspension Order*, Moultrie's traffic sensitive rates and ALLTEL's local switching rates remain under investigation. The specific issues that are the subject of the investigation will be identified in an upcoming designation order.

¹ *2001 Annual Access Tariff Filings*, CCB/CPD File No. 01-08, Memorandum Opinion and Order, DA 01-1563 (Comp. Pric. Div., rel. July 2, 2001) (*2001 Annual Access Tariff Filings Suspension Order*).

II. DISCUSSION

3. In the *2001 Annual Access Tariff Filings Suspension Order*, we suspended and set for investigation the MLB SLCs of Ameritech, Frontier of Rochester, PacBell, Qwest, and Sprint Nevada.² Specifically, we were concerned that the MLB SLCs filed by these companies in their 2001 annual access tariff filings exceeded their CMT revenue per line.

4. The Commission's rules regarding the MLB SLC state:

Beginning on July 1, 2000, for any study area that does not have deaveraged [SLCs] and in the absence of voluntary reductions, the maximum monthly [SLC] for multi-line business lines will be the lesser of:

(i) \$9.20; or

(ii) The greater of:

(A) The rate as of June 30, 2000, less reductions needed to ensure over recovery of CMT Revenues does not occur; or

(B) The Average Price Cap CMT Revenue per Line month as defined in § 61.3(d) of this chapter.³

5. Our initial review of these companies' MLB SLCs indicated that they may have been calculated in a manner inconsistent with our rules.

6. Pursuant to sections 1.108 and 0.291 of the Commission's rules,⁴ we reconsider on our own motion our decision to suspend and investigate Ameritech's, Frontier of Rochester's, PacBell's, Qwest's and Sprint Nevada's tariff rates for the MLB SLC. We find that Frontier of Rochester correctly computed its rate in accordance with section 61.48(m)(2)(vi) of the Commission's rules regarding addition of pooled revenue to the MLB SLC.⁵ Ameritech, PacBell, Qwest and Sprint Nevada have revised their MLB SLC rates and have filed requests for special permission to correct their respective tariff transmittals.⁶ We find that Frontier of

² *2001 Annual Access Tariff Filings Suspension Order* at para. 7.

³ 47 C.F.R. § 69.152(k)(1). The MLB SLC will be frozen until the study area's MLB presubscribed interexchange carrier charge (PICC) and carrier common line (CCL) charge are eliminated, unless the LEC reduces the rate through a voluntary reduction. *See* Note to paragraph (k)(1) of 47 C.F.R. § 69.152.

⁴ 47 C.F.R. §§ 0.291, 1.108.

⁵ 47 C.F.R. § 61.48(m)(2)(vi).

⁶ *See* Letter from Patrick R. Doherty, SBC Communications, Inc., to Magalie Roman Salas, Secretary, Federal Communications Commission (July 25, 2001) (Ameritech Transmittal No. 1275); Letter from Patrick H. Doherty, SBC Communications, Inc., to Magalie Roman Salas, Secretary, Federal Communications Commission (July 27, 2001) (PacBell Transmittal No. 42); Letter from Bill Johnston, Executive Director, Qwest, to Secretary, Federal Communications Commission (July 10, 2001) (Transmittal No. 83); Letter from Rudolph R. Povirk, Jr., Director- (Footnote continued on the next page.)

Rochester's proposed MLB SLC rate and the other LECs' revised MLB SLC rates are in compliance with our rules. We therefore decline to investigate Ameritech Transmittal Number 1270, Frontier of Rochester Transmittal Number 48, PacBell Transmittal Number 37, Qwest Transmittal Numbers 76 and 80, and Sprint Transmittal Number 153.

III. ORDERING CLAUSES

7. Accordingly, IT IS ORDERED that, pursuant to sections 0.91, 0.291 and 1.108 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.108, we reconsider on our own motion our decision in the *2001 Annual Access Tariff Filings Suspension Order* to suspend and investigate the revised tariff rates for the multi-line business subscriber line charge of Ameritech Operating Companies, Transmittal Number 1270; Frontier Telephone of Rochester, Inc., Transmittal Number 48; Pacific Bell Telephone Company, Transmittal Number 37; Qwest Communications, Inc., Transmittal Numbers 76 and 80; and Sprint Local Telephone Companies-Nevada, Transmittal Number 153.

8. IT IS FURTHER ORDERED that, pursuant to sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, the investigation and accounting order imposed in CCB/CPD File No. 01-08 IS TERMINATED with respect to Ameritech Operating Companies; Frontier Telephone of Rochester, Inc.; Pacific Bell Telephone Company; Qwest Communications, Inc.; and Sprint Local Telephone Companies-Nevada, as indicated in this Order.

FEDERAL COMMUNICATIONS COMMISSION

Jane E. Jackson
Chief, Competitive Pricing Division