

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

In the Matter of)
)
Presubscribed Interexchange Carrier Charges) CC Docket No. 02-53
)

ORDER

Adopted: April 8, 2005

Released: April 8, 2005

By the Deputy Chief, Wireline Competition Bureau:

1. On February 10, 2005, the Commission adopted a report and order revising its requirements regarding presubscribed interexchange carrier (PIC) change charges.¹ PIC change charges are federally tariffed charges imposed by local exchange carriers (LECs) on end user subscribers when these subscribers change their presubscribed interexchange carriers (IXCs). Based on the record in the proceeding, the Commission required incumbent LECs to adopt separate PIC change charges for changes that are processed electronically and manually.² The Commission adopted a safe harbor of \$1.25 for electronically processed PIC changes, and a safe harbor of \$5.50 for manually processed PIC changes.³ The Commission also required that, when a customer changes its PIC in conjunction with changing its intraLATA primary interexchange carrier (LPIC), incumbent LECs should assess half of the applicable federally-tariffed PIC change charge.⁴ Incumbent LECs must revise their federal tariffs to reflect these changes within 30 days of publication of the order in the Federal Register, with the new rates to be effective on 15 days' notice.⁵ The *PIC Change Charge Order* was published in the Federal Register on March 15, 2005; therefore, incumbent LECs are required to file their tariff revisions by April 14, 2005.⁶

2. Several individual incumbent LECs and trade groups representing incumbent LECs have informally requested that the Commission extend the effective date of the requirements in the *PIC Change Charge Order*.⁷ These entities assert that they will not be able by April 14 to make the changes

¹ *Presubscribed Interexchange Carrier Charges*, WC Docket No. 02-53, Report and Order, FCC 05-32 (rel. Feb. 17, 2005) (*PIC Change Charge Order*).

² *Id.* at paras. 7-10.

³ *Id.* at paras. 16-17.

⁴ *Id.* at para. 21.

⁵ *Id.* at paras. 22, 26.

⁶ *Presubscribed Interexchange Carrier Charges*, 70 Fed. Reg. 12601 (Mar. 15, 2005).

⁷ Letter from Indra Sehdev Chalk, Counsel, United States Telecom Association, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-53, 4 (filed Mar. 10, 2004) (USTA March 10 *Ex Parte* Letter); Letter from Jeff Lindsey, Director Federal Regulatory Affairs, Sprint, to Marlene Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-53, 2 (filed Mar. 21, 2005) (Sprint March 21 *Ex Parte* Letter); Letter from Richard T. Ellis, Executive Director Federal Regulatory Advocacy, Verizon, to Marlene H. Dortch, (continued....)

necessary within their systems to assess separate charges for manually and electronically processed PIC changes, or to assess the 50 percent charge when PICs are changed in conjunction with LPICs.⁸

3. The incumbent LECs have shown good cause for an extension of the tariff revision deadline.⁹ Several incumbent LECs have provided extensive explanations of the changes to their billing and operating systems necessary for implementation of the revised PIC change charges. We therefore find that a limited waiver of the deadline for complying with the *PIC Change Charge Order* is warranted.¹⁰ We do not, however, believe that the public interest is served by delaying the implementation of the PIC change charge requirements for the ten- to twelve-month period requested by some parties. Instead, we extend by six months the effective date for filing revised tariffs implementing the PIC change charge requirements. Based on information provided by several incumbent LECs, we believe that six months is a sufficient amount of time for incumbent LECs to make the system changes necessary to implement the revised PIC change charge requirements. This limited extension serves the public interest by allowing incumbent LECs to implement revised PIC change charges at one time, rather than in a piecemeal fashion, which could create customer confusion.

4. Accordingly, IT IS ORDERED, pursuant to section 1-4, 201, 203, 205, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 201, 203, 205, and 403, sections 1.3 and 1.41 of the Commission's rules, 47 C.F.R. §§ 1.3 and 1.41, and authority delegated under sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91 and 0.291, that the informal request of the incumbent LECs for a limited waiver of the date for filing tariff revisions related to the *PIC Change Charge Order* IS GRANTED, to the extent discussed above. Incumbent LECs SHALL FILE REVISED

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Secretary, Federal Communications Commission, CC Docket No. 02-53, 2 (filed Mar. 25, 2005) (Verizon March 25 *Ex Parte* Letter); Letter from Bennett L. Ross, General Counsel-D.C., BellSouth D.C., Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-53, 5-6 (filed Mar. 31, 2005) (BellSouth March 31 *Ex Parte* Letter); Letter from Toni Acton, Associate Director, SBC Services, Inc., to Marlene Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-53, 4 (filed Mar. 31, 2005) (SBC March 31 *Ex Parte* Letter).

⁸ USTA March 10 *Ex Parte* Letter at 1; Sprint March 21 *Ex Parte* Letter at 1; Letter from Colin Sandy, Associate Attorney, NECA, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 02-53, 1 (filed Mar. 23, 2005); Verizon March 25 *Ex Parte* Letter at 1-2; BellSouth March 31 *Ex Parte* Letter at 1, 5; SBC March 31 *Ex Parte* Letter at 4.

⁹ 47 C.F.R. § 1.3; *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*); *WAIT Radio v. FCC*, 418 F.2d 1153, 1157 (D.C. Cir. 1969), *cert. denied*, 409 U.S. 1027 (1972) (*WAIT Radio*).

¹⁰ We encourage incumbent LECs to implement these changes as soon as possible and make clear that incumbent LECs that are able to make the changes within the timeframe established in the *PIC Change Charge Order* should do so. We note that several carriers already have made such filings. *See, e.g.*, Letter from Scott W. Kitchen, Senior Manager, Tariffs and Compliance, Consolidated Communications, to Marlene H. Dortch, Secretary, Federal Communications Commission, Tariff F.C.C. No. 1, Transmittal No. 7 (filed Mar. 30, 2005).

RATES, to include one rate for PIC changes that are processed electronically and a separate rate for PIC changes that are processed manually, and rates equal to 50 percent of the full PIC change charge rate when a customer requests a PIC change in conjunction with an LPIC change, NO LATER THAN OCTOBER 17, 2005. These rates SHALL BE EFFECTIVE on fifteen (15) days' notice.

FEDERAL COMMUNICATIONS COMMISSION

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