Transmittal No. 199

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

In the Matter of

US West Communications Tariff F.C.C. No. 1

ORDER

Adopted: December 20, 1991; Released: December 23, 1991

By the Deputy Chief (Policy), Common Carrier Bureau:

1. US West Communications Inc. (US West) filed Transmittal No. 199 on October 4, 1991, to introduce charges applicable to interexchange carriers (IXCs) that submit unauthorized Primary Interexchange Carrier (PIC) changes to US West.

2. On October 21, 1991, MCI Telecommunications Corporation (MCI) filed a petition to reject, or alternately to suspend and investigate, Transmittal 199. US West replied to the petition on October 31, 1991.

3. MCI argues that US West's tariff language should be modified to reflect the tentative conclusions regarding PIC change verification contained in the Commission's *PIC Change NPRM.*¹ MCI Petition at 5-6. MCI then claims that allowing US West to seek rate increases on a cost recovery basis for a service (PIC change charge) excluded from price cap regulation allows US West to recover more than the overall cost it would have been entitled to recover if rates for all of its regulated services were governed by either rate of return or price cap regulation. Id. at 6-7. Finally, asserts MCI, US West has not provided sufficient cost information under Section 61.38(b) of the Commission's Rules, 47 C.F.R. § 61.38(b), to allow the Commission and interested parties to determine whether the tariff rate is justified. *Id.* at 8-9.

4. US West replies that it is not required to revise its tariff language to reflect the tentative conclusions regarding PIC change verification contained in the *PIC Change NPRM*. According to US West, the *PIC Change NPRM* is primarily aimed at protecting customers by minimizing the number of unauthorized PIC changes, not at determining how local exchange carriers (LECs) should bill IXCs for unauthorized changes. Furthermore, US West states that if the Commission adopts an order in CC Docket No. 91-64 which affects LEC procedures for verifying and billing for unauthorized PIC changes, it will

modify its tariffs to comply with any such order. US West Reply at 3. US West then disputes MCI's claim that US West would recover more than 100 percent of its overall costs if it is allowed to recover its costs for a service excluded under price cap regulation. US West asserts that its unauthorized PIC change charges are based on cost and comply with the Commission's tariff review requirements. US West Reply at 4. US West also maintains that its cost information justifies its charges for unauthorized PIC changes. ² Id. at 4-5.

5. The Common Carrier Bureau has reviewed the US West transmittal and all associated submissions. We conclude that no compelling argument has been presented that the tariff revisions are so patently unlawful as to require rejection, and that no question has been presented that warrants investigation at this time.

6. Accordingly, IT IS ORDERED that the petition to reject or suspend and investigate US West Communications Inc. Tariff F.C.C. No. 1, Transmittal No. 199, filed by MCI Telecommunications Corporation, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Carl D. Lawson Deputy Chief (Policy), Common Carrier Bureau

to LECs on behalf of customers. American Telephone and Telegraph Company, Petition for Rulemaking, CC Docket No. 91-64, FCC 91-398 (1991) (*PIC Change Order*).

² On November 20, 1991, US West filed a letter with the Commission providing additional cost information to support its proposed charges. Letter from J. Stahlhut, US West, to D. Searcy, Secretary, Federal Communications Commission, filed Nov. 20, 1991.

¹ American Telephone and Telegraph Company, Petition for Rulemaking, CC Docket No. 91-64, Notice of Proposed Rulemaking, 6 FCC Rcd 1689 (1991) (*PIC Change NPRM*). On December 12, 1991, the Commission approved a *Report and Order* revising the verification procedures that IXCs must follow when submitting PIC change orders, generated by telemarketing,