

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

In the Matter of )
Investigation of Certain 2008 Annual ) WCB/Pricing File No. 08-14
Access Charge Tariffs )
)

ORDER

Adopted: November 20, 2008

Released: November 24, 2008

By the Commission:

I. INTRODUCTION

1. In this order, we terminate the investigation regarding the access rates (and associated terms and conditions) included in the Common Line, Traffic-sensitive and Trunking baskets filed in the 2008 annual access tariff of Puerto Rico Telephone Company (Puerto Rico) and the access rates (and associated terms and conditions) included in the Traffic-sensitive and Trunking baskets filed in the annual access tariffs of Consolidated Communications Companies and Illinois Consolidated (hereinafter jointly referred to as Consolidated). The Wireline Competition Bureau (Bureau) suspended these rates for one day on June 30, 2008 pursuant to section 204(a) of the Communications Act of 1934, as amended (the Act),1 and adopted an accounting order.2 As discussed below, Puerto Rico and Consolidated have filed tariff revisions that address the concerns with the suspended tariffs. Therefore, we conclude that these access rates are lawful.

II. DISCUSSION

2. As part of their conversion from rate-of-return regulation to price cap regulation, Puerto Rico and Consolidated were required to move marketing expenses from the Traffic-sensitive and Trunking Baskets to the Common Line Basket.3 In addition, sections 69.106 and 69.111 of the Commission's rules require a greater degree of rate element unbundling for price cap LECs than is

1 47 U.S.C. § 204(a).

2 July 1, 2008 Annual Access Charge Tariff Filings, WCB/Pricing No. 08-14, Order, DA 08-1562 (Pricing Pol. Div. 2008) (Suspension Order).

3 On May 6, 2008, the Bureau granted Puerto Rico and Consolidated permission to convert from rate-of-return to price cap regulation on July 1, 2008, subject to certain conditions. To achieve this transition, Puerto Rico and Consolidated had to file their own Common Line access rates, establish initial price cap indexes, actual price indexes, and service band indexes, and make other tariff changes to reflect requirements imposed on price cap LECs. Petition of Puerto Rico Telephone Company, Inc., for Election of Price Cap Regulation and Limited Waiver of Pricing and Universal Service Rules, Consolidated Communications Petition for Conversion to Price Cap Regulation and for Limited Waiver Relief, WC Docket Nos. 07-292 and 07-291, Order, 23 FCC Red 7353 (Wireline Comp. Bur. 2008).

required of rate-of-return LECs.<sup>4</sup> Upon review of the initial tariff filings of the two carriers, the Bureau found that neither Consolidated nor Puerto Rico established the unbundled rate elements and associated rates, terms, and conditions required of price cap LECs by sections 69.106 and 69.111.<sup>5</sup> Further, the Bureau determined that Puerto Rico did not properly move marketing expenses from the Traffic-sensitive and Trunking Baskets to the Common Line Basket.<sup>6</sup> Accordingly, the Bureau initiated an investigation and suspended for one day certain access rates and associated terms and conditions contained in the 2008 annual access tariffs of Puerto Rico and Consolidated.<sup>7</sup>

3. On July 30, 2008, Puerto Rico filed tariff revisions under Transmittal No. 70 correcting the deficiencies in its annual access tariff filing. On October 2 and 3, 2008, Consolidated filed tariff revisions under Transmittal Nos. 21 and 140 that corrected the deficiencies in its annual access tariff filing. By addressing the concerns underlying the tariff suspensions, Puerto Rico and Consolidated have obviated the need to continue this tariff investigation. Thus, we conclude that the access rates (and associated terms and conditions) included in the Common Line, Traffic-sensitive and Trunking baskets filed in the 2008 annual access tariff of Puerto Rico (Transmittal No. 67, Tariff FCC No. 1), and the access rates (and associated terms and conditions) included in the Traffic-sensitive and Trunking baskets filed in the annual access tariffs of Consolidated Communications Companies (Transmittal No. 18, Tariff FCC No. 1) and Illinois Consolidated (Transmittal No. 137, Tariff FCC No. 2), as modified by Transmittal Nos. 70, 21, and 140, are lawful.

### III. ORDERING CLAUSES

4. ACCORDINGLY, IT IS ORDERED that, pursuant to sections 201-204 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 201-204, the tariff investigation initiated in WCB/Pricing File No. 08-14 IS TERMINATED.

5. IT IS FURTHER ORDERED that the accounting order applicable to Puerto Rico Telephone Company, Consolidated Communications Companies, and Illinois Consolidated IS TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch  
Secretary

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<sup>4</sup> 47 C.F.R. §§ 69.106, 69.111.

<sup>5</sup> *Suspension Order* at para. 3.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at para. 4.