(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF DESIGNATING TELECOMMUNICATIONS SERVICES, IN ADDITION TO BASIC LOCAL SERVICE, AS UNIVERSAL SERVICES FOR THE PURPOSES OF RECEIVING 1998 TELECOMMUNICATIONS UNIVERSAL SERVICE FUNDS. | )  )  )  )  )  )  )  ) | CASE NO. GNR-T-98-7  NOTICE OF MODIFIED PROCEDURE  ORDER NO.  27620 |

On July 2, 1998, Commission Staff recommended the Commission open a new docket to consider what telecommunications services should be made available to Idaho consumers by eligible telecommunications carriers to meet their obligation to provide universal service and receive Telecommunications USF support.  Staff also recommended the Commission adopt the definition of universal services adopted by the Federal Communications Commission.

After considering the law and the Staff’s memorandum, by this Order, the Commission opens this docket to consider Staff’s recommended definition of “universal services” using modified procedure.  Commission Rules of Procedure 201-204, IDAPA 31.01.01.201-04.

BACKGROUND

The 1998 legislature amended Idaho Code§ 62-610 creating a1998 Telecommunications Universal Service Fund (“Telecommunications USF”).  See  Idaho Code§§ 62-610A-F.  Idaho Code§ 62-610F anticipates that the Telecommunications USF will be established by March 1, 1999.  One of the purposes for creating the Telecommunications USF was to make “universal service,” as to be defined by the Commission,widely available to all Idahoans.  Id.  Once established, disbursements from the Telecommunications USF will be used to defray costs, as to be determined by the Commission, for providing “universal service” to customers within a geographic support area.

Those costs will be calculated using a “forward-looking cost methodology.”  Idaho Code

§§ 62-610F.  On December 19, 1998, the Commission opened a docket to consider what that methodology should be.  GNR-T-97-22.

One of the first steps in establishing the Telecommunications USF is for the Commission to designate what telecommunications services, in addition to basic local exchange service, should be “widely available to consumers in all regions of the state at just and reasonable rates.”  Idaho Code§ 62-610B(6).  The legislature found that universal service is an evolving level of telecommunication services and directed the Commission to “review the level of telecommunication services within the state on a periodic basis and designate those service(s) which should be made available to consumers by eligible telecommunications carriers to meet their obligation to provide universal service . . .”  Idaho Code§62-610C.

In considering those services, in addition to basic local exchange service, that are to be designated, the Commission must consider the extent to which such other telecommunication services:

(a)Have, through the operation of market choices by customers, been subscribed to by a substantial majority of residential customers;

(b)Are being deployed in public telecommunications networks by telecommunications carriers; and

(c)Are consistent with the public interest, convenience and necessity.

(d)The commission shall also consider definitions of universal service adopted by the federal communications commission pursuant to the telecommunications act of 1996.

Id.

The FCC has generally defined those universal services as:  “single-party service; voice grade access to the public switched network; Dual Tone Multifrequency signaling or its functional equivalent; access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and toll limitation for qualifying low-income consumers.”  More specifically, universal services are defined by the FCC as follows:

(1)Voice grade access to the public switched network."  Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call.  Voice grade access shall occur within the frequency range of between approximately 300 Hertz and 3,000 Hertz,(footnote: 1)

(2)Local usage.  "Local usage" means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users;

(3)Dual tone multi-frequency signaling or its functional equivalent.  "Dual tone multi-frequency" (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time;

(4)Single-party service or its functional equivalent.  "Single-party service" is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission;

(5)Access to emergency services.  "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations.  911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point (PSAP) operated by the local government.  "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information (ALI), which permits emergency service providers to identify the geographic location of the calling party.  "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems;

(6)Access to operator services.  "Access to operator services" is defined as access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call;

(7)Access to interexchange service.  "Access to interexchange service" is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network;

(8)Access to directory assistance. "Access to directory assistance" is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings; and

(9)Toll limitation for qualifying low-income consumers.  Toll limitation for qualifying low-income consumers both toll blocking and toll control.

STAFF RECOMMENDATION

Staff recommended that the Commission solicit public comment concerning those telecommunication services which should be made available to consumers by eligible telecommunications carriers to meet their obligation to provide universal service.  As required by Idaho Code § 62-610C (d), Staff reviewed the definition of universal service adopted by the FCC and found that definition to be consistent with the public interest, convenience and necessity.  Staff, therefore, proposed that the Commission adopt the FCC definition for universal services as its definition for Idaho universal services.  The Commission previously granted limited waivers for providing toll control.

NOTICE OF MODIFIED PROCEDURE

YOU ARE NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and, therefore, will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through -.204.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this matter may file a written comment with the Commission within twenty-one (21) days from the date of this Notice.  The comment must contain a statement of reasons supporting the comment.  Persons desiring a formal hearing must specifically request a formal hearing in their written comments.  Written comments concerning this matter shall be mailed to the Commission and the Commission Staff at the addresses reflected below:

COMMISSION SECRETARYJOSEPH W. CUSICK

IDAHO PUBLIC UTILITIES COMMISSIONIDAHO PUBLIC UTILITIES COMMISSION

PO BOX 83720COMMISSION STAFF

BOISE, IDAHO  83720-0074PO BOX 83720

BOISE, IDAHO  83720-0074

Street Address for Express Mail:

472 W WASHINGTON ST

BOISE, IDAHO  83702-5983

These comments should contain the case caption and case number shown on the first page of this document.

YOU ARE FURTHER NOTIFIED that if no written comments are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing.  If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that the Commission intends to consider Staff’s recommendation to adopt the FCC definition of universal services; i.e., that, in addition to basic local service, universal service be defined as including the following telecommunications services:

(1)Voice grade access to the public switched network."  Voice grade access" is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call.  Voice grade access must occur within the frequency range of between approximately 300 Hertz and 3,000 Hertz,

(2)Local usage.  "Local usage" means an amount of minutes of use of exchange service, prescribed by the FCC, provided free of charge to end users;

(3)Dual tone multi-frequency signaling or its functional equivalent.  "Dual tone multi-frequency" (DTMF) is a method of signaling that facilitates the transportation of signaling through the network, shortening call set-up time;

(4)Single-party service or its functional equivalent.  "Single-party service" is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or, in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission;

(5)Access to emergency services.  "Access to emergency services" includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations.  911 is defined as a service that permits a telecommunications user, by dialing the three-digit code "911," to call emergency services through a Public Service Access Point (PSAP) operated by the local government.  "Enhanced 911" is defined as 911 service that includes the ability to provide automatic numbering information (ANI), which enables the PSAP to call back if the call is disconnected, and automatic location information (ALI), which permits emergency service providers to identify the geographic location of the calling party.  "Access to emergency services" includes access to 911 and enhanced 911 services to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems;

(6)Access to operator services.  "Access to operator services" is defined as access to any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call;

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(9)Toll limitation for qualifying low-income consumers.  Toll limitation for qualifying low-income consumers both toll blocking and toll control.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final Order consistent with its authority under Title 61 and Title 62.

YOU ARE FURTHER NOTIFIED that persons desiring to be served with initial and reply comments in this proceeding should contact the Commission Secretary in writing no later than fourteen (14) days from the service date of this Order.  The Commission will create a service list and provide it to interested persons.  Persons filing initial and/or reply commentswill be required to serve their comments on members of the service list.

O R D E R

IT IS HEREBY ORDERED that Case No. GNR-T-98-7 is initiated for the purposes set forth above.

IT IS FURTHER ORDERED that initial written comments regarding Staff’s proposal must be received within twenty-one (21) days of this Order and reply comments must received within seven (7) days of the initial comments.

IT IS FURTHER ORDERED that those persons desiring to receive comments filed in this case must notify the Commission Secretary no later than fourteen (14) days from the service date of this Order.  Once the Commission Secretary has received the service requests, she shall issue a Notice of Interested Persons desiring to be served with comments in this case.  Persons submitting comments to the Commission are required to serve those persons on the Commission’s service list.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of July 1998.

                                                                                                                                      DENNIS S. HANSEN, PRESIDENT

                                                                                           RALPH NELSON, COMMISSIONER

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

**FOOTNOTES**

1:

 This part was amended in the Fourth Reconsideration on December 30, 1997.  Originally, the bandwidth was set at 500 Hertz to 4,000 Hertz.  Bandwidth, as a measure of channel capacity for analog signals, is the range of frequencies that the channel can carry with attenuation less than some specified amount. On reconsideration, the FCC stated:

16.  We reconsider, on our own motion, the Commission's specification of a bandwidth for voice grade access to the PSTN and conclude that bandwidth for voice grade access should be, at a minimum, 300 Hertz to 3,000 Hertz.  In the Order, the Commission determined that voice grade access bandwidth be approximately 500 Hertz to 4,000 Hertz.  We reconsider that determination based on our recognition that the 500 Hertz to 4,000 Hertz bandwidth established in the Order would require eligible carriers to comply with a voice grade access standard that is more exacting than current industry standards, a result that we did not intend.

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

July 7, 1998