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

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| IN THE MATTER OF THE APPLICATION OF U S WEST COMMUNICATIONS, INC.  TARIFF ADVICE 96-10-N TO RESTRUCTURE LOCAL TRANSPORT CHARGES. | )  )  )  )  )  )  )  ) | CASE NO. USW-T-97-3  AMENDED NOTICE OF APPLICATION  AMENDED NOTICE OF MODIFIED PROCEDURE |

YOU ARE HEREBY NOTIFIED that on December 18, 1996, the Commission received Tariff Advice 96-10-N from U S WEST Communications, Inc.  (U S WEST) requesting authority to restructure its Idaho access service tariff effective January 20, 1997.

U S WEST submitted this Tariff Advice to restructure its Idaho access service tariff.  The tariff provides flat rate charges for dedicated transport facilities and per-minute of use charges for transport that uses a tandem switch.  U S WEST also introduces a new Expanded Interconnection Channel Termination to provide connection between carrier-designated collocated equipment.

This tariff for the northern LATA corresponds to a similar price list submitted in the southern LATA in September.  The customers who are affected are long distance service providers.  These customers were notified when the southern Idaho tariff was implemented and to Staff’s knowledge, voiced no complaints.

YOU ARE FURTHER NOTIFIED that on January 31, 1997, the Commission issued a Notice of Application/Notice of Modified Procedure in this case.  That Notice contains a number of factual errors.  This Amended Notice contains accurate information and replaces the January 31, 1997 Notice.

DESCRIPTION

The filing effectively “unbundles” that portion of access service formerly known as “local transport,” creating rate elements called Entrance Facility (EF), Direct Trunked Transport (DTT), and Tandem Switched Transport (TST) to replace Local Transport (LT) in the tariff.  Where the local transport portion of access is currently a per-minute charge, U S WEST proposes that it become composed of monthly rates, mileage banded monthly rates and per minute rates.

Formerly, Switched Access Service was composed of three rate elements and was billed as follows:

Common Line  Originating$0.0202/min

Terminating$0.0407/min

Local Switching$0.0177/min

Local TransportMileage banded charges ranged from$.0.0070 to 0.0775/min

Access charges for a short-haul call within U S WEST’s serving area were $0.0525 per minute.

Under the revised price list:

Common Line  Originating$0.057089/min

Terminating$0.077589/min

Local Switching$0.014308/min

Local transport is composed of one or more of the following rate elements:

1)  Entrance Facility - transport facility between the customer’s premises and the Company’s switching center, even if the customer’s premises and the switching facilities are in the same building.

Voice$        35.20/mo

DS1$      125.00/mo

DS3$   1,350.00/mo

2)  Direct Trunked Transport (two ends) - provides the transmission path without tandem switching functions on circuits dedicated to the use of a single customer.  This rate element is composed of a monthly fixed rate to provide circuit equipment at the ends of the transmission paths and a per-mile rate to provide the transmission facilities, including intermediate transmission circuit equipment, between the end points of the circuit.

Voice - Fixed Charge$                  26.00/mo

plus$          .17 to .22/mile

DS1 - Fixed Charge$      86.50 to $130.00

plus$  13.55 to 15.05/mile

DS3 - Fixed Charge$    724.84 to $815.44

plus$  78.90 to 91.74/mile

3)  Tandem Switched Transport - circuits dedicated to the use of a single customer from the switching wire center to the tandem and circuits used in common by multiple customers from the tandem to an end office.  The rate element is composed of 1) a fixed minute of use rate to provide the circuit equipment at the end of the interoffice transmission paths, 2) a per-mile per minute of use rate for transmission facilities, including intermediate transmission circuit equipment, between end points of the interoffice circuit,  and 3) a tandem switching minute of use rate to provide for tandem switching facilities.  The TST element is the sum of these three components:

Tandem Transmission Fixed $.000431 to .000551/min

plus$.000022 to .000024/mile/min

Tandem Switching$0.003000/min

As the number of variables is increased, it becomes significantly more difficult to estimate access charges.   Per-minute rates for the same short-haul call within U S WEST’s serving area that cost $.0525 per minute under the current rates would cost $.058528 per minute under the proposed rate structure if it occurred in the switched access mode, but if the call were transported on dedicated facilities, the cost would likely be less.  There are additional monthly fixed and mileage-sensitive charges that were unbundled from the previous per-minute rates.  U S WEST submits that this is a revenue neutral filing.

In addition, in this filing U S WEST and tariffs:

1) Miscellaneous Testing and Billing Services

2)Common Channel Signaling Provisions

3) Expanded Interconnection (EI) as a new service wherein the Company provides wire center interconnection of Switched Access DS1 or DS3 services to interconnector-provided transmission equipment.

4)Sent Paid Access for Pay Telephones

DISCUSSION

This proposed tariff will expand the options for interexchange carriers and other telecommunication service providers to provide their competitive services.  U S WEST suggests that these types of changes are necessary to comply with the FCC’s rules for providing a competitive environment.

YOU ARE FURTHER NOTIFIED that on January 15, 1997, the Commission issued Order No. 26770 finding that U S WEST’s Tariff Advice is of sufficient importance and complexity to require the Commission’s investigation of the reasonableness of the proposed rates.  Consequently, the Commission has since suspended the proposed effective date of January 27, 1997, for a period of 30 days plus 5 months.

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 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 the Commission has reviewed the filings of record in Case No. USW-T-97-3.  The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented and that the issues raised by the Application may be processed under Modified Procedure, i.e., by written submission rather than by hearing.  Reference Commission Rules of Procedure, IDAPA 31.01.01.201-.204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used.  Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission on or before March 6, 1997.  The comment must contain a statement of reasons supporting the comment.  Persons desiring a hearing must specifically request a hearing in their written comments.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission will consider the matter on its merits and enter its Order without a formal hearing.  If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order on the basis of the written positions before it.  Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. USW-T-97-3 should be mailed to the Commission and the Company at the addresses reflected below:

COMMISSION SECRETARYBARBARA L. WILSON

IDAHO PUBLIC UTILITIES COMMISSIONU S WEST COMMUNICATIONS, INC.

PO BOX 83720999 MAIN ST., 11TH FLOOR

BOISE, IDAHO  83720-0074BOISE, ID 83702

Street Address for Express Mail:

472 W WASHINGTON ST

BOISE, IDAHO  83702-5983

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

YOU ARE FURTHER NOTIFIED that the Application in Case No. USW-T-97-3 can be reviewed at the Commission’s office and at the Idaho offices of U S WEST during regular business hours.

DATED at Boise, Idaho this                  day of February 1997.

Myrna J. Walters

Commission Secretary

vld/N:USW-T-97-3.bp2

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

February 19, 1997