



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: JUNE 8, 1998

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF LEGAL SERVICES (BROWN, DAVIS^{NKB})
DIVISION OF COMMUNICATIONS (SIMMONS) *AS*

RE: DOCKET NO. 980647-TL - PETITION BY GTE FLORIDA INCORPORATED FOR ESTABLISHMENT OF HEARING SCHEDULES AND PROCEDURES FOR DATA GATHERING FOR LEGISLATIVE REPORTS, DUE TO HB 4785.

AGENDA: 06/16/98 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: REPORTS TO LEGISLATURE DUE FEBRUARY 15, 1999

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\980647.RCM

CASE BACKGROUND

On April 29, 1998, the Legislature passed HB 4785, without amendment. The bill was presented to Governor Chiles on May 12, 1998, and became law without signature on May 27, 1998 (Chapter 98-277). On May 12, 1998, GTE Florida Incorporated (GTEFL) filed a Petition for Establishment of Hearing Procedures. On May 18, 1998, the Attorney General also filed a Petition for Initiation of Formal Proceedings pursuant to Section 120.57, Florida Statutes. At its May 19, 1998, Agenda Conference the Commission deferred a decision on staff's recommendation to dismiss GTEFL's petition and the Attorney General's petition, pending a meeting between staff and interested persons to review and discuss staff's proposed procedures to accomplish the tasks required in the bill. The Commission also scheduled a June 2, 1998, special Internal Affairs meeting to review staff's proposals. (See Attachment A.) GTEFL stated that it would consider withdrawing its petition, and the Attorney General's representative indicated that he would probably not withdraw his petition. By letter dated June 8, 1998, GTEFL

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withdrew its petition. On Friday June 5, 1998, the Attorney General's office confirmed that he would not withdraw his petition. As of this date, the Commission has not received any responses to either petition. Since GTEFL has withdrawn its petition, this recommendation will only address the Attorney General's petition.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission grant the Attorney General's Petition for Initiation of Formal Proceedings?

RECOMMENDATION: No, the Commission should dismiss the Petition on its own motion. The Petition requests a formal evidentiary hearing for the report on the "relationships among costs and charges associated with providing basic local exchange services, intrastate access and other services provided by local exchange telecommunications companies" and for the report on a "fair and reasonable basic local residential service rate." Chapter 98-277 (HB 4785) does not provide for formal evidentiary hearings for these studies. The statute only provides for a formal evidentiary hearing for the determination and report on the total forward-looking costs of providing basic local telecommunications services.

STAFF ANALYSIS: In his petition, the Attorney General asserts that the Commission must hold a formal evidentiary proceeding under the provisions of Section 120.57(1), Florida Statutes, for the major studies required by HB 4785. The Attorney General argues that his substantial interests "will or potentially will be affected by the actions of the Commission in implementing the directives of the Legislature," and therefore a formal proceeding is necessary. The Attorney General also argues that since the term "intervenor" is used in the legislation, a formal hearing is required. Staff disagrees with the Attorney General's view of what the statute requires.

The legal maxim of "expressio unius est exclusio alterius," the expression of one thing is the exclusion of another, is applicable in interpreting this statute. The Legislature in Section 1 of the statute, Section 364.025(4)(b), clearly and directly requires that the Commission:

shall determine and report to the President of the Senate and the Speaker of the House of Representatives the total forward-looking

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cost, based upon the most recent commercially available technology and equipment and generally accepted design and placement principles, of providing basic local telecommunications service on a basis no greater than a wire center basis using a cost proxy model to be selected by the Commission after notice and opportunity for hearing.

The Commission must hold a hearing on this report, since the language is clear on the face of the statute. A hearing has been scheduled for mid-September.

When we review the other portions of the statute requiring studies, however, there is no such language requiring the Commission to determine and report after notice and opportunity for hearing. Section 1, paragraph (4)(d) requires the Commission to "determine and report" the amount of support necessary to provide residential basic local service to low income customers (Report #2). There is no language in this paragraph stating any requirement for notice and opportunity for hearing.

Specifically, in Section 2(1) of the statute, the Legislature uses the following language regarding the study of the relationships among costs and charges :

(1) The Legislature has determined that charges for intrastate switched access and other services may be set above costs and may be providing an implicit subsidy of residential basic local telecommunications service rates in this state. Therefore, the Public Service Commission shall, by February 15, 1999, study and report to the President of the Senate and the Speaker of the House of Representatives the relationships among the costs and charges associated with providing basic local service, intrastate access, and other services provided by local exchange telecommunications companies. (Emphasis supplied.)

Similarly, paragraph (2)(a) of Section 2, regarding fair and reasonable residential basic local telecommunications service rates requires the Commission to "report" its conclusions ..." (Emphasis supplied.) This provision does require the Commission to hold at least one public hearing in each LEC's service territory, but those

public hearings are specifically to "elicit public testimony about such rates." This requirement for public testimony does not equate to a formal evidentiary hearing in staff's opinion.

Section 5 of the statute requires that the Commission "study" ... and shall report its conclusions" regarding issues associated with telecommunications companies serving customers in multi-tenant environments. Here too there is no language requiring notice and opportunity for hearing. If the Legislature had intended the other reports to be based on information adduced at a formal evidentiary hearing, it would have used the express language for all the required reports. Instead, it used that language only for the first enumerated report, the cost model report.

Further, staff believes that the Attorney General's arguments that hearings are required because the Commission's actions will affect substantial interests, as the use of the term "intervenor" shows, are incorrect. The studies will not affect substantial interests. They will not have the force and effect of law. At the conclusion of these studies, no company will be ordered to file a tariff complying with the study results. The studies the Commission will conduct and the reports it will produce from those studies are preliminary, fact-gathering exercises. The reports will be presented to the Legislature for their subsequent use in deciding what actions may or may not be taken in the future. A formal hearing is not required under these circumstances.

When the language in a statute is plain on its face, one does not look behind that plain language to determine legislative intent. Staff recommends that the language here is very clear, and it means that the Commission should hold a formal hearing only to determine the total forward-looking cost of providing basic local telecommunications service using a cost proxy model. At best, the use of the word "intervenor" in the legislation indicates an ambiguity, and staff notes that a specific Senate amendment to HB 4785, which would have required a formal hearing on the reasonable rate study, was debated on the Senate floor and was defeated. There were strong statements from the bill's sponsors in the House and the Senate during the debates that the bill did not contemplate a formal hearing and that this was only a study. It is clear to staff that if the term "intervenor" creates a doubt about whether the Legislature intended the Commission to hold formal hearings for these reports, that doubt is erased by the legislative history of the bill. Legislative intent aside, in view of the plain meaning of the language in the statute and the express requirement of notice and opportunity for hearing for the cost

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proxy study only, we recommend that the Attorney General's request for a formal hearing on the other studies should be dismissed.

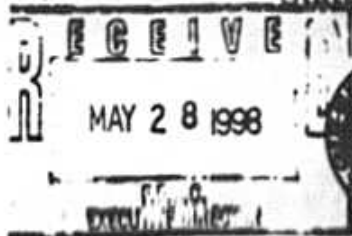
The statute creates a very heavy workload, all of which must be completed and reported to the Legislature by February 15, 1999. All actions in this process must be expedited, and time periods for various activities must necessarily be truncated in order for the Commission to comply with the mandated reporting date. That is not to say, however, that interested persons will not have the opportunity to participate in the Commission's studies. As Attachment A demonstrates, the work plan that the Commission approved at the June 2, 1998, Internal Affairs contemplates extensive, open participation in the process.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, the docket should be closed.

STAFF ANALYSIS: If the Commission approves staff's recommendation in Issue 1, the docket should be closed.

State of Florida



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: May 28, 1998
TO: Chairman Julia L. Johnson
Commissioner J. Terry Deason
Commissioner Susan F. Clark
Commissioner Joe Garcia
Commissioner E. Leon Jacobs, Jr.
FROM: Mary Andrews Bane, Deputy Executive Director/Technical *YMB*
RE: Proposed Work Plan for Implementation of HB 4785 - For Consideration at the June 2, 1998 Internal Affairs Meeting

Attached is a proposed Work Plan for completing the three major studies/reports required by HB 4785. Staff met with interested persons on May 27, 1998 to discuss the proposed Work Plan. The major concerns expressed by the attendees are listed below, by Study. The proposed Work Plan has been revised to accommodate most of the concerns expressed by those persons and those changes are highlighted in the attachment.

Concerns with Study 1

1. Small LECs were concerned that the proposed Work Plan would require them to submit two sets of cost data: one set for the proxy cost model and one set for any alternative cost proposal they may choose to file. To address this concern, the proposal clarifies that if a small LEC files testimony to use alternative cost study, staff does not intend to seek discovery to obtain additional information for another cost model.
2. The size of the geographic area for the cost studies for small LECs was discussed: whether the area would be the size of the company's service territory. Embedded cost data may not be available for areas smaller than a company's service territory, so the issue appears to be resolved if a small LEC files an alternative cost proposal using embedded costs.
3. The Office of Public Council (OPC) expressed concern about PSC staff developing estimates of the number of households "eligible" for Lifeline telephone service and not giving interested persons an opportunity to critique the methodology used prior to the Internal Affairs meeting when the report is presented. To address this concern, staff proposes to hold a workshop to allow interested persons to discuss the methodology and the data we have developed. A write-up of the methodology used and the resulting estimates of eligible households would be distributed at least a week prior to the workshop.

Concerns with Study 2

1. One major issue addressed was whether an evidentiary hearing should be held for Study 2. The Office of the Attorney General (AG) stated its position that an evidentiary hearing is necessary in order to give parties due process and provide the Legislature with accurate information. The AG wants an evidentiary hearing, discovery (interrogatories and depositions), sworn testimony, cross-examination, a staff recommendation, a commission agenda conference vote, and an appealable order. They are willing to discuss a modified approach to the evidentiary hearing process to address the time constraints. OPC also urged that we conduct a formal hearing, citing the use of the word "intervenor" in the bill to conclude that the Legislature intended that such a hearing be held because that is the only context in which the term "intervenor" has meaning.

With regard to holding an evidentiary hearing, staff strongly believes that the Legislature specifically addressed the issue of an evidentiary hearing on the floor of the Senate when an amendment was proposed which would have required a formal hearing for this study. To quote, Senator Scott stated as follows:

Originally, there was an idea that this would be in the nature of a rate hearing and that kind of predetermined thing. This amendment at this point and to this study commission bill would undermine, really, the intent to have the Public Service Commission develop information and make recommendations concerning the cost of telecommunications services and basic local rates and what fair and reasonable rates would be. If you require a formal hearing, that makes it like a rate case, and it would have the opposite effect of perhaps these companies having more rights to try to cross-examine and so forth. What we're looking at is a study here. This amendment is not necessary, and I would urge the members not to put it on this bill. And there is no formal hearing required, but we don't want a formal hearing.... this is just a study commission.

Staff strongly believes that it would be inappropriate to hold a hearing given the intent of the Legislature as stated by Senator Scott and as supported by the other Senators who voted down the amendment. Therefore, the proposed Work Plan provides for discovery and a technical workshop rather than an evidentiary hearing. The Work Plan does contain 15 to 20 public hearings.

2. Other interested persons expressed concern that a docket should be opened to keep track of filed information and to allow for discovery to "verify" the data and analysis that will be filed by the LECs. Still other parties questioned how the PSC would deal with LECs who are not responsive to discovery efforts by those seeking to verify cost data and analysis submitted by the LECs. Finally, a number of persons expressed the opinion that the technical workshops should be Commissioner workshops rather than staff workshops so that the Commissioners would not hear the information for the first time when the draft report is presented for Internal Affairs.

To address some of the concerns described in 1. and the concerns expressed in 2., staff proposes the following amendments to the Work Plan.

(a) A docket would be opened solely for the purpose of discovery related to this study. The procedural order for the docket would lay out time frames for filing and completion of discovery efforts. The docket would remain open until two weeks after the November 15 date for filing of final comments. One of the issues to be addressed by the Commissioner assigned to administer the docket, prior to issuance of the procedural order, would be the scope of discovery: Is it limited to "verification of the cost data and analysis" submitted by the LECs? A second area of responsibility for that Commissioner would be resolving any disputes among the parties related to discovery.

(b) Both Study 2 and Study 3 would be assigned a Title and a Project Number by the Division of Records and Reporting (RAR). Materials other than discovery would be filed with RAR and each individual filing would receive a document number and be filed under the Project Number. This would allow for identification and tracking of any materials filed during the study.

(c) To allow adequate time for discovery, staff has revised the Work Plan to have ONE workshop in early October rather than having a first workshop in early September and a second workshop in early October. With the discovery process, two workshops should not be necessary because much of the detailed questioning on cost data would be conducted through depositions rather than in the workshops.

(d) While we believe that the October workshop should be chaired by staff rather than by the Commissioners, staff agrees that it would be very useful for the Commissioners to attend the workshop and listen to the presentations and discussion. A written transcript of the workshop would be prepared and made available to interested parties.

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ATTACHMENT A

3. A final major concern related to access to confidential data in a timely manner. Neither the OPC nor the AG can enter into non-disclosure agreements, as suggested by staff in the Work Plan. To address this concern, staff proposes that the companies file the material under a claim of confidentiality, pursuant to Rule 25-22.006(5), F.A.C. and Section 364.183(1), F.S. When the claim is filed, the Commissioner assigned to administer discovery matters for the study will expeditiously issue a temporary protective order exempting the materials from the Public Records Act. This will permit the AG and the OPC to review the material as soon as possible. If the materials are made the subject of a public records request, the companies must file a line-by-line request for confidentiality at that time. Other interested persons are strongly encouraged to enter into individual protective agreements with the companies providing the information PRIOR to the August 1 filing date.
4. Several attendees wanted an opportunity to review the content of the survey on affordability prior to that being sent to the University of Florida. In response, staff will conduct a workshop to allow that review.
5. A concern raised by BellSouth was where the Summary of the Cost Information would be made available to the public since the Work Plan stated that it would be in LEC business offices and BellSouth no longer has business offices. Staff has revised the Work Plan to provide that the summary data be placed in the main county library for each county served by the LEC. In addition, those LECs having an Internet homepage would make the information available on the Internet.

MAB:mw
Attachment

cc: William D. Talbott
James Ward
Noreen Davis
Bev DeMello
Tim Devlin

Walter D'Haeseleer
Dan Hoppe
David Smith
Richard Tudor
Rob Vandiver

Martha Brown
David Dowds
Bridget Duff
Cindy Miller
Sally Simmons

**WORK PLAN FOR
IMPLEMENTATION OF HB 4785 - TELECOMMUNICATIONS**

There are three major studies and reports required by the bill.

- (1) A study to determine the total forward-looking cost of providing basic local telecommunications services on a geographic basis no larger than a wire center using a cost proxy model to be selected by the Commission after notice and opportunity for hearing. With regard to costs for small LECs (those which serve less than 100,000 access lines), the Commission is not "required" to use the cost proxy model selected for the large LECs until a mechanism is implemented by the Federal Government for small companies, but no sooner than January 1, 2001. The bill further states, however, that the costs for small LECs may be calculated based on a "different" cost proxy model or based on the embedded costs of the LEC (on a geographic basis no smaller than a census block group). The Commission is also to determine the amount of support needed to provide telephone service to customers who qualify for Lifeline Service. (SECTION 1)

- (2) A study and report of the relationships among the costs and charges associated with providing basic local service, intrastate access, and other services provided by local exchange telecommunications companies. (SECTION 2 (1))

A report of the Commission's conclusions as to the fair and reasonable Florida residential basic local telecommunications service rate, considering affordability, the value of service, comparable residential basic local telecommunications rates in other states, and the cost of providing residential basic local telecommunication services in the state, including the proportionate share of joint and common costs. (SECTION 2 (2)(a))

- (3) A study of issues associated with telecommunications companies serving customers in multi-tenant environments and a report of the Commission's conclusions, including policy recommendations. As part of this study, the Commission shall hold publicly noticed workshops and shall consider the promotion of a competitive telecommunications market to end users, consistency with any applicable federal requirements, landlord property rights, rights of tenants, and other considerations developed through the workshop process and Commission research. (SECTION 5)

OTHER REQUIREMENTS OF THE BILL WHICH INVOLVE PSC ACTION

- (4) Discounted service for former Lifeline subscribers: Requires each LEC to offer basic service at a 30% discount for 1 year to former Lifeline customers. (SECTION 3)
- (5) Requires GTE and Sprint to reduce intrastate switched access rates by 5% on July 1, 1998 and by 10% on October 1, 1998. (SECTION 4)

Requires any IXC that receives a rate reduction to "decrease its intrastate long distance rates by the amount necessary to return the benefits of such reductions to its customers but shall not reduce per minute intraLATA toll rates by a percentage greater than the per minute intrastate switched access rate reductions required by the act. The interexchange telecommunications carrier may determine the specific intrastate rates to be decreased, provided that residential and business customers benefit from the rate decreases."

- (6) Requires the PSC to expand its current consumer information program to inform consumers of their rights as customers of competitive telecommunication services and to assist customers in resolving any billing and service disputes that customers are unable to resolve directly with the company. The Commission may, pursuant to this program, require all telecommunication companies providing local or long distance services to develop and provide information to customers and may specify by rule the types of information to be developed and the manner by which the information will be provided to the customers. (SECTION 6)
- (7) Requires the PSC to adopt rules to prevent the unauthorized changing of a subscriber's telecommunications service. (SECTION 7)
- (8) Authorizes the PSC to adopt rules to implement requirements in the bill regarding billing practices. (SECTION 7)
- (9) Requires the PSC to maintain a file of all complaints by alternative local exchange telecommunications companies against local exchange telecommunications companies regarding timeliness and adequacy of service. This information, including how and when each complaint was resolved, shall be included with the commission's annual report to the Legislature on competition. (SECTION 8)

WORK PLAN FOR STUDY 1. UNIVERSAL SERVICE/FORWARD LOOKING COSTS
(Section 1) (OPR: CMU; OCR: AFA, LEG, RRR)

REQUIREMENTS OF SECTION 1:

- A. "Determine and report to the President of the Senate and the Speaker of the House, the total forward-looking cost, based upon the most recent commercially available technology and equipment and generally accepted design and placement principles, of providing basic local telecommunications service on a basis no greater than a wire center basis, using a cost proxy model to be selected by the commission after notice and opportunity for hearing."
- B. "Calculate a small local exchange telecommunications company's cost of providing basic local telecommunications services based on one of the following options:
- a. A different proxy model; or
 - b. A fully distributed allocation of embedded costs, identifying high-cost areas within the local exchange area the company serves and including all embedded investments and expenses incurred by the company in the provision of universal service. The geographic basis for the calculations shall be no smaller than a census block group."
- C. "Determine and report to the President of the Senate and the Speaker of the House the amount of support necessary to provide residential basic local telecommunications service to low-income customers," defined as customers who qualify for Lifeline Service.

PROPOSED PROCEEDINGS:

For A. and B., a 120.57 hearing is required to select a proxy model and determine costs statewide, on a basis no larger than a wire center.

The small LECs may propose that their costs should be computed using either a different cost proxy model or a fully distributed allocation of embedded costs. If so, the small LECs would file their proposals when other testimony is due for the 120.57 hearing, to allow these cost proposals to be subject to review and cross-examination by intervenors to the docket during the hearing process. (If a small LEC files an alternative cost proposal, staff does not intend to seek discovery to obtain additional information for another cost model.)

For C., we will estimate the number of subscribers who qualify for Lifeline in order to determine the amount of support necessary. The estimates will be based on information from other state agencies on the numbers of households participating

in the programs contained in the definition of eligibility for Lifeline service. This will require an internal research effort but will not involve a workshop or a hearing. A workshop will be held to allow interested persons an opportunity to discuss the methodology used and the estimates developed.

KEY EVENTS:

- o Conduct a workshop on the estimates of households eligible for Lifeline Service (Date to be determined)
- o Conduct 120.57 hearing October 12-16, 1998.
- o File staff recommendation in early December.
- o Render Commission decision at December 18 or 21 Special Agenda.
- o Issue order on January 7, 1999.
- o Prepare draft report and present at January 19 Internal Affairs. (Allows for second Internal Affairs, if needed.)
- o File report with Legislature by February 15, 1999.

WORK PLAN FOR STUDY 2. FAIR AND REASONABLE RATES (Section 2)
(OPR: CMU; OCR: AFA, LEG, RRR)

REQUIREMENTS OF SECTION 2:

- A. Requires the PSC by February 15, 1999, to "study and report ... the relationships among the costs and charges associated with providing basic local service, intrastate access, and other services provided by local exchange telecommunications companies."
- B. Requires the PSC by February 15, 1999 to "report ... its conclusions as to the fair and reasonable Florida residential basic local telecommunications service rate considering..."
(1) Affordability; (2) value of service; (3) comparable residential rates in other states; and (4) the cost of providing residential basic local telecommunications services in Florida, including the proportionate share of joint and common costs.

PROPOSED PROCEEDINGS:

The act requires at least one public hearing in the service territory of each LEC "to elicit public testimony about such rates" for a minimum of 10 public hearings. Staff recommends that the commissioners hold 15-20 public hearings in order to ensure that both rural and urban areas have an opportunity for input.

Information responsive to B. above, as prescribed by the PSC, is to be filed by August 1, 1998. To ensure that all interested persons have access to the data and receive the information in a timely manner, interested persons are encouraged to enter into any non-disclosure agreements with the LECs prior to August 1. Neither the Office of Public Counsel nor the Office of the Attorney General can enter into non-disclosure agreements. To ensure that the OPC and the AG have timely access to the information, LECs should file the cost data and analysis under a claim of confidentiality, pursuant to Rule 25-22.008(5), F.A.C. and Section 364.153(1), F.S. When the claim is filed, the Commissioner assigned to administer discovery matters for the study will expeditiously issue a temporary protective order exempting the materials from the Public Records Act. If the materials are made the subject of a public records request, the companies must file a line-by-line request for confidentiality at that time, data, pursuant to Rule 25-22.008(5)(c), F.A.C.

A docket will be opened solely for the purpose of discovery. The docket will remain open until two weeks after the final comments are filed on November 15. The technical workshop will not be a part of the docket. A Project Number and Title for Study 2 will be assigned by the Division of Records and Reporting (RAR).

so that all materials filed during the study may be assigned a specific document number and retained under the Project Number. Materials related to discovery will not be filed with RAR.

Two technical staff workshops (two days each) will be held in Tallahassee to allow presentations, comments, and discussions on the data filed by the LECs. ~~The first workshop would hopefully be held early in September with comments filed by interested persons a week prior to the workshop.~~ The second workshop will be held the first week in October with comments again due a week prior to the workshop.

To address the issue of affordability, the PSC plans to contract with the University of Florida (Bureau of Economic and Business Research) to conduct a telephone survey of customers on their usage of communications-related services and expenditures for such services. A staff workshop will be held to allow parties to review and comment on the survey questions prior to the survey questions being forwarded to U of F.

PSC staff will prepare a draft report that will be presented to the commissioners at Internal Affairs in January.

KEY EVENTS:

- o ~~Open docket for purpose of Discovery~~
- o Mail data request for information to the LECs on June 19, 1998 for return by August 1, 1998.
- o Receive responses from LECs on August 1.
- o Distribute bill stuffer in mid-July to mid-August mailings advising customers that LEC cost data and information on local rates in other states will be available ~~in mailboxes~~ at LEC business offices in late August.
- o ~~Conduct technical workshop in early September (Written comments due one week in advance).~~
- o Conduct second technical workshop in early October (Written comments due one week in advance).
- o Conduct 15-20 public hearings September-October 1998.
- o ~~Hold workshop on content of survey on affordability (Date to be determined)~~
- o Receive responses to University of Florida affordability survey late October 1998.
- o Receive written comments from interested persons by November 13, 1998.
- o Prepare draft report and present at January 19, 1999 Internal Affairs. (Allows for second Internal Affairs, if needed.).
- o File report with Legislature by February 15, 1999.

WORK PLAN FOR STUDY 3. ACCESS TO CUSTOMERS IN MULTI-TENANT ENVIRONMENTS (Section 5) (JOINT OPR: RRR AND LEG)

REQUIREMENTS OF SECTION 5:

Requires the PSC to "study issues associated with telecommunications companies serving customers in multi-tenant environments and report its conclusions, including policy recommendations, ... by February 15, 1999. As part of this study, the commission shall hold publicly noticed workshops and shall consider the promotion of a competitive telecommunications market to end users, consistency with any applicable federal requirements, landlord property rights, rights of tenants, and other considerations developed through the workshop process and commission research."

PROPOSED PROCEEDINGS:

A Project Number and Title will be assigned to Study 3 by the Division of Records and Reporting (RAR) and all materials supplied by interested persons will be filed with RAR and assigned a specific document number.

Staff plans to hold three publicly noticed workshops. Workshop 1 will be for the purpose of identifying the issues to be addressed in the study. Workshop 2 will allow parties to present oral comments on the identified issues. Workshop 3 will offer parties a chance to rebut or offer additional detail on the information presented in Workshop 2. Based on the information presented in the workshops, staff will then draft the report which will be presented to the commissioners at Internal Affairs in early December.

KEY EVENTS:

- o June 1-30, gather background information, develop the workshop agenda and notice Workshop 1.
- o One-day workshop week of July 6-10 to identify issues for discussion at Workshop 2.
- o Written comments due 14 days after workshop 1.
- o Hold Workshop 2 week of August 10-14 to allow interested persons to make presentations regarding their positions on the issues identified in Workshop 1 (including supporting information on the positions taken).
- o Written comments due 14 days after Workshop 2.
- o Workshop 3 to be held week of Sept. 14-18 to allow presentations and rebuttal comments by interested persons on positions taken in Workshop 2.
- o Draft report by December 8, 1998.
- o Report on Internal Affairs on December 14, 1998.
- o Report filed with Legislature by February 15, 1999.