

Ruth Nettles

From: terry.scobie@verizon.com
Sent: Thursday, October 02, 2008 2:37 PM
To: Filings@psc.state.fl.us
Cc: de.oroark@verizon.com; Kimberly Caswell; David Christian; demetria.g.clark@verizon.com
Subject: Undocketed 08-0000 - CLEC Intrastate Access Charges
Attachments: CLEC Intrastate Access Charges-WV PSC Staff Rec filing.pdf



The attached filing is submitted on behalf of Verizon by

Dulaney L. O'Roark
P. O. Box 110, MC FLTC0007
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de.oroark@verizon.com

The attached .pdf document consists of a total of 5 pages (cover letter-1 page, Staff Recommendation-4 pages).

Terry Scobie
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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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October 2, 2008 – VIA ELECTRONIC MAIL

Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Undocketed 08-0000
CLEC Intrastate Access Charges

Dear Ms. Cole:

Enclosed for filing in the above matter is a West Virginia Public Service Commission Staff memorandum, released on October 1, 2008, recommending a cap on competitive local exchange carrier ("CLEC") intrastate switched access rates at the level of the competing incumbent local exchange carrier rates. The West Virginia recommendation is consistent with the actions of more than a dozen other states that have imposed constraints on CLEC access rates. A CLEC access rate cap is also under consideration in Massachusetts, where the Department of Telecommunications and Cable concluded hearings on a proposed cap last week.

Verizon urges the Florida Public Service Commission to move forward with a docketed proceeding to consider capping CLEC access rates.

Sincerely,

A handwritten signature in black ink that reads "Dulaney L. O'Roark III".

Dulaney L. O'Roark III

tas

Enclosure

DOCUMENT NUMBER-DATE

09338 OCT-2 08

FPSC-COMMISSION CLERK

Public Service Commission
Of West Virginia

201 Brooks Street, P. O. Box 812
Charleston, West Virginia 25323



Phone: (304) 340-0300
FAX: (304) 340-0325

October 1, 2008

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Arlington, VA 22201

RE: Case No. 08-0656-T-GI
Verizon West Virginia Inc., Bell Atlantic Communications, Inc.,
dba Verizon Long Distance, MCIMetro Access Transmission
Services, LLC, dba Verizon Access Transmission Services and
MCI Communications

Gentlemen:

Pursuant to Rule 2 of the Commission's Rules of Practice and Procedure, enclosed is a copy of the Staff memorandum in this matter. If you wish to respond to the enclosed Staff memorandum, you may do so in writing, **within 10 days**, unless directed otherwise, of this date.

Your failure to respond in writing to the utility's answer, Staff's recommendations, or other documents may result in a decision in your case based on your original filing and the other documents in the case file, without further hearing or notice.

You have the ability to view documents as they are filed in this case if you have email. Please visit our web site at www.psc.state.wv.us and register with our email subscription system to receive customized daily activity information in this case. The public will not be given access to your email address. If you have provided an email address you will automatically receive docket notifications as documents are filed.

Most documents filed after December 1, 2005, regarding PSC Formal Cases, are now viewable in PDF format on our web site at www.psc.state.wv.us.

Sincerely,

A handwritten signature in black ink that reads "Sandra Squire".

Sandra Squire, Director
Executive Secretary Division

SS/cg
Enclosure

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

FINAL JOINT STAFF MEMORANDUM

TO: SANDRA SQUIRE
Executive Secretary

DATE: October 1, 2008

22m
FROM: LISA L. WANSLEY
Staff Attorney

RE: CASE NO. 08-0656-T-PC
VERIZON WEST VIRGINIA INC., BELL ATLANTIC COMMUNICATIONS, INC., DBA VERIZON LONG DISTANCE, MCIMETRO ACCESS TRANSMISSION SERVICES LLC, DBA VERIZON ACCESS TRANSMISSION SERVICES, AND MCI COMMUNICATIONS SERVICES, INC., DBA VERIZON BUSINESS SERVICES

On April 25, 2008, Verizon filed a petition requesting the institution of a general investigation of the intrastate switched access charges of competitive local exchange carriers.

By a June 26, 2008 Commission Order, a general investigation was initiated, all CLEC's and ILEC's were named respondents and the Administrative Law Judge due date was extended to February 2, 2009. Further, the Staff report was scheduled for October 1, 2008 and response to Staff's report were due by November 2, 2008.

Attached for filing find Staff's final memorandum drafted by David Howell, Utilities Division.

LWL/kf
Attachment

CWS CWS

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2008 OCT - 1 PM 4: 02
W VA PUBLIC SERVICE
COMMISSION
SECRETARY'S OFFICE

PUBLIC SERVICE COMMISSION OF WEST VIRGINIA
UTILITIES DIVISION FINAL RECOMMENDATION

FROM: David Howell, Utilities Analyst *DH*
Utilities Division

DATE: October 1, 2008

SUBJECT: **CASE NO. 08-0656-T-GI**
VERIZON WEST VIRGINIA INC., BELL ATLANTIC
COMMUNICATIONS, INC., dba VERIZON LONG DISTANCE,
MCIMETRO ACCESS TRANSMISSION SERVICES LLC, dba
VERIZON ACCESS TRANSMISSION SERVICES, AND MCI
COMMUNICATIONS SERVICES INC., dba VERIZON BUSINESS
SERVICES

Petition by Verizon West Virginia Inc., Bell Atlantic
Communications, Inc., dba Verizon Long Distance, MCI metro
Access Transmission Services LLC, dba Verizon Access
Transmission Services, and MCI Communications Services Inc.,
dba Verizon Business Services (filed 4/25/08)

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PUBLIC SERVICE COMMISSION
LEGAL DIVISION

On April 25, 2008, Verizon West Virginia Inc., Bell Atlantic Communications, Inc., dba Verizon Long Distance, MCI metro Access Transmission Services LLC, dba Verizon Access Transmission Services, and MCI Communications Services Inc., dba Verizon Business Services filed this Petition requesting that the Public Service Commission of West Virginia, (hereinafter, the "Commission") institute a General Investigation of the Intrastate Switched Access Charges of Competitive Local Exchange Carriers Operating in West Virginia. Verizon West Virginia's reasons for filing its request for a General Investigation are outlined in its Petition.

On May 28, 2008, the Commission referred this Case to the Division of Administrative Law Judges.

On June 26, 2008, the Commission initiated a general investigation; joined all competitive local exchange carriers (CLECs) and incumbent local exchange carriers

(ILECs) operating in West Virginia; and extended the Administrative Law Judge ("ALJ") decision due date to February 2, 2009.

In its initial Petition, Verizon-WV stated that CLECs currently charge intrastate switch access rates substantially higher than those of incumbent local exchange carrier ("ILEC") Verizon-WV. While most CLECs in West Virginia have maintained the higher access rates, Verizon-WV has steadily lowered its intrastate access rates since 2002. Verizon-WV proposed that the Commission find that CLEC intrastate access rates may not exceed the access rates charged by the competing ILEC in the same service area.

Currently, the FCC has capped CLEC interstate switched access rates at the per minute rate of the ILEC with which the CLEC competes. CLEC access charges that do not exceed the benchmark are presumed to be just and reasonable. All CLECs in West Virginia already must comply with the FCC rule and must charge interstate access rates that do not exceed the interstate access rates of competing ILECs.

Several states have adopted regulations mirroring the FCC's price cap approach for CLEC access rates. Maryland established a rule capping CLECs switched access rates at the level of the ILEC's switched access rates prior to the FCC rule. Pennsylvania limited CLEC access rates to those of the ILEC unless the higher access rates can be demonstrated to be cost justified. New York and Louisiana Public Service Commissions require that CLEC intrastate switch access charges not exceed those of the ILEC. Connecticut, Virginia, Ohio, Missouri and New Hampshire have all acted to limit CLEC access rates to the access rate of the ILEC. Other State Commissions such as Indiana, Iowa, Maine, Michigan, and Washington have imposed constraints on CLECs' intrastate access rates by requiring them to mirror the carriers' interstate rates.

Staff recommends that CLECs in West Virginia adjust their switch access rates to mirror those of the ILEC it competes with or file a cost justification with the Commission for the higher rate it wishes to charge.



DH/dh