COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION INTO THE INTRASTATE SWITCHED ACCESS RATES OF ALL KENTUCKY INCUMBENT AND COMPETITIVE LOCAL EXCHANGE CARRIERS	)	ADMINISTRATIVE CASE NO. 2010-00398

PROTECTIVE ORDER

This Commission has been tasked by the Federal Communications Commission ("FCC") with the responsibility to ensure that carriers comply with the transition timing and intrastate access charge reductions ordered by the FCC in its *ICC/USF Order*.[1] The *ICC/USF Order* adopts a uniform national bill-and-keep framework as the ultimate end-state for all telecommunications traffic exchanged with a local exchange carrier ("LEC"). As of December 29, 2011, the FCC capped all terminating access and reciprocal compensation rates and set forth a timeline whereby the rates will transition to zero.[2] By July 1, 2012, all LECs must file tariffs with the state commissions containing their new rates to reflect the first phase of reductions as required by the *ICC/USF Order*.

To fulfill its responsibilities under the *ICC/USF Order*, the Commission must monitor compliance with the rate transition and review how carriers reduce their rates to ensure they are

[1] *In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform: Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("*ICC/USF Order*"). The Order was published in the Federal Register on November 29 and the majority of its provisions were effective December 29, 2011.

[2] Id. at ¶ 801 and Figure 9.

complying with the uniform national framework set forth in the FCC Order. Accordingly, to expedite the flow and exchange of information among the Commission, the Commission staff and other parties in this case regarding the necessary reductions pursuant to the timeline set forth in the *ICC/USF Order*, to facilitate the prompt resolution of disputes over confidentiality, to adequately protect material entitled to be kept confidential, and to ensure that the protection is afforded to material so entitled, the Commission hereby enters the following Protective Order. The terms of this Order shall govern the exchange of Confidential Information and Highly Confidential Information in this proceeding.

The Commission recognizes that any party in this proceeding may need to provide to or receive from one or more other parties Confidential Information and/or Highly Confidential Information, as defined below, for the purposes of responding to filings, testimony and/or requests for production of documents, interrogatories, or other discovery or orders authorized by the Kentucky Rules of Civil Procedure and the Commission's Rules. Throughout this Order, the "Providing Party" refers to the party providing Confidential Information and/or Highly Confidential Information and the "Receiving Party" refers to the party receiving Confidential Information and/or Highly Confidential Information.

1. As used herein, "Confidential Information" shall refer to any document, testimony or other material produced by a Party that it believes in good faith contains confidential proprietary, commercially valuable, trade secret, competitively sensitive business or financial information, or other confidential information that is not generally available to the public or third parties. Confidential Information encompasses documents, testimony, discovery responses or other material, and all copies thereof, and the information or data contained in such materials, regardless of the form of media in which it is provided. All Confidential Information

shall be protected from disclosure as specified herein, and such protection shall continue unless and to the extent that it has been determined by the Commission or court of competent jurisdiction that particular material or information is to be filed in the public record or does not qualify for protection hereunder.

2. Confidential Information shall be used only for purposes of this proceeding and any appeals thereof, and shall not be used for any other purpose or in any other litigation, and shall not be disclosed to anyone except:

a. The Parties, their agents, employees and designees who agree to be bound by the terms of this Order;

b. Counsel of record, including paralegals, legal assistants and clerks for such counsel, and any other counsel for any of the parties, along with their paralegals, legal assistants and clerks who agree to be bound by the terms of this Order; and

c. Any person, including experts and consultants, employed or retained by counsel of record or a party to this proceeding to whom it is necessary to disclose such for the purpose of this proceeding, provided that each such person agrees to be bound by the terms of this Order.

3. The Parties may designate documents, discovery responses, transcripts, or other material "Confidential" as follows: (1) Documents, discovery responses, or other tangible materials (including, without limitation, CD-ROMs and tapes) may be designated by conspicuously affixing the label "Confidential" to each page or portion of any document, discovery response, or other tangible material containing any Confidential Information (or, in the case of computer media, on the medium and its label and/or cover); (2) If Confidential Information is disclosed in a hearing or other proceeding, the parties may designate any or all of the transcript as "Confidential" or "Proprietary" by so stating on the record of the proceeding; and (3) All copies of any transcript that contains any Confidential Information shall be prominently marked "Confidential" on the cover thereof and on each page thereof which

contains Confidential Information. If any such transcripts are filed with the Commission, such transcripts shall be filed under seal.

4. The parties understand that the Receiving Party may need to incorporate certain portions of the Confidential Information into testimony, briefs or other filings related to this proceeding. Each Receiving Party agrees: (1) not to reveal any Confidential Information to anyone other than the Commission or its staff pursuant to a motion for protective treatment or a person who has read this Order and agreed in writing to be bound by its terms (a copy of such form is attached as Exhibit A hereto); (2) to utilize any Confidential Information solely for purposes of preparation for and conduct and resolution of this proceeding and any appeals thereof, and not for any other purpose; and (3) to keep all Confidential Information secure at all times in accordance with the purpose and intent of this Order.

5. As used herein, "Highly Confidential Information" shall be such Confidential Information that a party designates "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" and believes in good faith constitutes or describes the Providing Party's marketing plans, costing and pricing aspects thereof, costing and pricing of network elements, competitive strategies, market share projections, marketing materials that have not yet been used, customer-identifying information, customer prospects for services that are subject to competition, revenue data, access line information, minutes of use, subscriber data, or other business or network information that would otherwise provide a competitive advantage if disclosed to individuals other than Counsel of Record and Special Designees as defined in Paragraph 6 below. All materials designated "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" shall be protected from disclosure as specified herein, unless a

party obtains an order of the Commission or court of competent jurisdiction that all or certain portions of such materials are not, in fact, protected.

6. All information designated "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" shall be disclosed only to counsel of record in this proceeding, including outside counsel of record, paralegals, legal assistants and clerks for such counsel and outside counsel (collectively, "Counsel of Record"), and only to those witnesses, employees, agents or consultants with a need to know to provide testimony or analyses solely for purposes of this proceeding ("Special Designees"), and who have signed an agreement in the form attached as Exhibit B hereto. Receiving Party shall use the Highly Confidential Information solely for the purpose of participating in this Administrative Case No. 2010-00398 and for no other purpose whatsoever. In no circumstances shall Receiving Party disclose Highly Confidential Information to individuals involved in the pricing, development, and/or marketing of products or services that are offered in competition with those of the Producing Party without submitting a written request to the Producing Party's counsel. If the Requesting and Producing Parties are unable to reach agreement with respect to such a request, they may submit the issue to the Commission for resolution.

7. The parties may designate documents, discovery responses, transcripts, or other material as "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" as follows: (1) Documents, discovery responses, or other tangible materials (including, without limitation, CD-ROMs and tapes) may be designated by conspicuously affixing the label "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" to each page or portion of any document, discovery response, or other tangible material containing any Highly Confidential Information (or, in the case of computer media, on the medium and its label and/or

cover); (2) If Highly Confidential Information is disclosed in a hearing or other proceeding, the parties may designate any or all of the transcript as "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" by so stating on the record of the proceeding; and (3) All copies of any transcript that contains any Highly Confidential Information shall be prominently marked "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" on the cover thereof and on each page thereof which contains Highly Confidential Information. If any such transcripts are filed with the Commission, such transcripts shall be filed under seal.

8. The parties understand that the Receiving Party may need to incorporate certain portions of the materials designated "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" into testimony, briefs, or other filings related to this proceeding. Each Receiving Party agrees: (1) not to reveal information which is designated "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" to any person other than the Commission or its staff pursuant to this Protective Order, and those Special Designees or Counsel of Record in this Proceeding, including paralegals, legal assistants and clerks for such counsel who have signed an agreement in the form attached as Exhibit B hereto; (2) to utilize any such material solely for purposes of preparation for and conduct and resolution of this proceeding and any appeals thereof, and not for any other purpose, and (3) all such material shall be carefully maintained so as to preclude access by persons who are not qualified recipients of such information under paragraph (6) of this Order. This Paragraph shall not apply to material or information that has been determined by the Commission not to qualify for protection hereunder.

9. The inadvertent production of a document or other material without a designation of "Confidential" or "Highly Confidential Information – Attorney's and Special

Designee's Eyes Only" shall not be a waiver of such designation. Any "Confidential" or "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" designation that is inadvertently omitted may be corrected within a reasonable period of time by written notification to counsel for the Receiving Party. The party receiving such notification shall thereafter take such steps as reasonably necessary to mark and treat such documents or other materials, and the information contained therein, in accordance with the terms of this Protective Order. The documents or other materials, and the information contained therein, shall thereafter be fully subject to this Order as if they had been initially so designated.

10. Should any Confidential Information or Highly Confidential Information be inadvertently disclosed to any person or party not authorized under this Protective Order to receive such Confidential Information or Highly Confidential Information, then the Receiving Party that made such inadvertent disclosure shall immediately use its best efforts to retrieve such Confidential Information, Highly Confidential Information and all documents or other materials containing that Confidential Information or Highly Confidential Information from the person to whom it was inadvertently disclosed, and shall also take all steps necessary to have the person who received the Confidential Information or Highly Confidential Information execute an agreement in the appropriate form attached as Exhibits A and B hereto. The executed agreement shall promptly be delivered to the Providing Party. In addition, the party who made such inadvertent disclosure of the Confidential Information or Highly Confidential Information shall immediately inform the Providing Party of the fact of the inadvertent disclosure and the identity of the person to whom the inadvertent disclosure was made.

11. Confidential Information and Highly Confidential Information does not include any information:

a. publicly disclosed by Providing Party;
b. Providing Party in writing authorizes Receiving Party to disclose without restriction;
c. Receiving Party already lawfully knows at the time it is disclosed by Providing Party, without an obligation to keep it confidential;
d. Receiving Party lawfully obtains from any source other than Providing Party, provided that such source lawfully disclosed such information; and
e. Receiving Party independently develops without any direct or indirect use of, access to or reference to Providing Party's Confidential Information or Highly Confidential Information.

12. Prior to submitting any dispute pertaining to this Order to the Commission or a court of competent jurisdiction, the parties agree to first attempt to resolve any such dispute in good faith on an informal basis.

13. In the event of a dispute regarding a designation of any documents or other materials as "Confidential" or "Highly Confidential Information – Attorney's and Special Designee's Eyes Only," counsel shall endeavor in good faith to resolve the dispute informally in accordance with Paragraph 12. Material designated as "Confidential" or "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" however, shall be treated in accordance with the provisions hereof, except that any party may seek at any time an order from the Commission or court of competent jurisdiction determining that specified information or categories of information are not entitled to protection under this Order. During any dispute, the document or other material shall retain its "Confidential" or "Highly Confidential Information – Attorney's and Special Designee's Eyes Only" designation. The burden of demonstrating that the designation of "Confidential" or "Highly Confidential Information – Attorney's and Special

Designee's Eyes Only" is appropriate and should be maintained shall be with the Providing Party.

14. If the Commission or another agency or court subpoenas or orders production or disclosure of any Confidential Information or Highly Confidential Information that a party has obtained under the terms of this Order, the recipient of the subpoena or order shall promptly notify the Producing Party of the pendency of such subpoena or order at least ten (10) days before such production is scheduled or such subpoena is returnable. If the Producing Party wishes to object to the production of the same, it shall notify the recipient of that objection and take appropriate action to challenge the subpoena or order requiring production before the expiration of the ten (10)-day period. No Confidential Information or Highly Confidential Information shall be produced by a Receiving Party until such ten (10) days have elapsed or, upon proper notice having been given to the recipient of the subpoena or order, any party's objections shall have been heard and overruled by the presiding court, arbitrator or administrative agency.

15. If a party receives an order or subpoena requiring the production of Confidential Information or Highly Confidential Information in less than ten (10) days, that party must notify the Producing Party as soon as practicable (preferably within twenty-four (24) hours of receipt of the subpoena). If the Producing Party wishes to object to the production, it shall notify the recipient of the objection and take appropriate action to challenge the subpoena or order requiring production before expiration of the production date.

16. Within sixty (60) days after the conclusion of this proceeding, including any appeals, the original and all copies of each document and thing, including copies given to any expert or other person pursuant to this Order, which contains Confidential Information or Highly

Confidential Information, upon request, shall be destroyed or returned to the Producing Party (unless contrary to the Commission's rulings or the orders of an applicable reviewing or appellate court), and the Receiving Parties shall each certify in writing that all copies of such materials have been destroyed or returned. Counsel of Record nonetheless may elect to retain a complete set of documents admitted into evidence or filed with the Commission.

17. This Order shall apply to all parties and their applicable affiliates that may be producing or receiving information hereunder.

18. Following the entry of this Order, the Receiving Party's obligations with respect to any particular Confidential Information and Highly Confidential Information of the Providing Party shall remain in effect, including after the closing of this proceeding, until such time as it qualifies under one of the exceptions set forth in Section 11 above.

19. The Commission recognizes that any breach or threatened breach of this Order is likely to cause the Providing Party irreparable harm for which money damages may not be an appropriate or sufficient remedy. The Providing Party is, therefor, entitled to seek injunctive or other equitable relief to remedy or prevent any breach or threatened breach of the terms of this Order. Such remedy is not the exclusive remedy for any breach or threatened breach of this Order, but is in addition to all other rights and remedies available at law or in equity.

20. If and to the extent any provision of this Protective Order is held invalid or unenforceable at law, such provision will be deemed stricken from the Order, and the remainder of the Order will continue in effect and be valid and enforceable to the fullest extent permitted by law.

21. This Order applies to the parties and their heirs, executors, legal and personal representatives, successors and assigns, as the case may be.

22. This Order shall be governed and construed by Kentucky law, without regard to its choice of law provisions.

23. No forbearance, failure or delay in exercising any right, power or privilege is waiver thereof, nor does any single or partial exercise thereof preclude any other or future exercise thereof, or the exercise of any other right, power or privilege.

24. This Protective Order, including Exhibits A and B, governs the exchange of information between and among the parties in this proceeding and may not be modified or amended except by order of the Commission. Each party by producing and receiving Confidential Information or Highly Confidential Information in this proceeding understands this Protective Order and agrees to be bound by its terms and conditions. There are no understandings or representations with respect to the subject matter hereof, express or implied, that are not stated herein.

IT IS THEREFORE ORDERED that this Protective Order is hereby entered into in order to facilitate the exchange of Confidential Information and Highly Confidential Information in connection with this proceeding (Case No. 2010-00398), and is not to be taken as precedent for the manner in which confidentiality issues are handled in other Commission proceedings.

By the Commission

ATTEST:

_____

Executive Director

EXHIBIT A
Confidentiality Agreement

I have reviewed the foregoing Protective Order issued by the Kentucky Public Service Commission in Case No. 2010-00398, with respect to the review and use of **Confidential Information** as defined therein, and I hereby agree to be bound by the terms and conditions of such Protective Order.

_____
Signature

_____
Name (type or print)

_____
Title or Description of Position

_____
Employer

_____
Address

_____
Party

_____
Date

EXHIBIT B
Confidentiality Agreement

(Counsel of Record and Special Designees Only)

I have reviewed the foregoing Protective Order entered by the Kentucky Public Service Commission in Case No. 2010-00398, with respect to the review and use of **Highly Confidential Information** as defined therein, and I hereby agree to be bound by the terms and conditions of such Protective Order.

_____
Signature

_____
Name (type or print)

_____
Title or Description of Position

_____
Firm

_____
Address

_____
Party

_____
Date

1030554

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

DTC 07-9 June 16, 2010

ORDER ON COMPLIANCE TARIFFS

On June 8, 2010, the Department of Telecommunications and Cable ("Department") issued a "Filing Procedure Reminder for Compliance Tariffs" to instruct carriers on the proper filing procedures and deadlines for compliance tariff revisions relative to the June 22, 2010 implementation date for the CLEC access charge rate cap approved in this proceeding. *See* Filing Procedure Reminder for Compliance Tariffs (June 8, 2010) ("Reminder Notice"); *Petition of Verizon New England, Inc. for Investigation under Chapter 159, Section 14 of the Intrastate Access Rates of Competitive Local Exchange Carriers*, Order on Motion for Reconsideration and Clarification, D.T.C. 07-9 (December 7, 2009). The Reminder Notice was issued in part because a number of Competitive Local Exchange Carriers ("CLECs" or "carriers") had either not filed compliance tariffs or had failed to do so on a timely basis.

The Department seeks to ensure that the compliance filing and review process does not become unnecessarily lengthy, contentious, and burdensome to all, including the Department, and that carriers fully understand how the process will work.

For carriers that have not filed tariffs to comply with the Department's rate cap in this case by the June 21, 2010 deadline, the Department hereby determines that all existing intrastate switched access tariffs in effect and on file with the Department as of June 22nd, which are above the tariffed rate of the dominant incumbent local exchange carrier ("ILEC") of the region, are unjust, unreasonable, and in violation of Department Order. *See Petition of Verizon New England, Inc. for Investigation under Chapter 159, Section 14 of the Intrastate Access Rates of Competitive Local Exchange Carriers,* Order, D.T.C. 07-9 (June 22, 2009). Unjust and unreasonable charges are prohibited and unlawful, and carriers shall not be required to pay them. G. L. c. 159, § 17.

For compliance tariffs filed before June 22, 2010, with an effective date of June 22nd or thereafter, the Department intends to make all such tariffs effective as of the rate cap effective date of June 22, 2010 , whether they are found in compliance or not. Those tariffs found in compliance will be approved. Carriers whose compliance tariffs are found to contain rates above the Department's rate cap must re-file their tariff to comply with the Department's Order, and shall promptly refund or credit all monies received in excess of the Department's rate cap during the period between June 22, 2010 and the date when they have an approved, effective compliance tariff on file.

By Order of the Department

_/s/ *Geoffrey G. Why*_____
Geoffrey G. Why
Commissioner

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Investigation into Intrastate Carrier Access Reform Pursuant to Sub. S.B. 162.	))))	Case No. 10-2387-TP-COI

ENTRY

The Commission finds:

(1) On June 13, 2010, the governor of the state of Ohio signed into law Substitute Senate Bill 162 (Sub. S.B. 162), which revises state law as it pertains to the provision of telecommunications services. Among other things, Sub. S.B. 162 provides that the Commission may order changes in a telephone company's rates for carrier access within Ohio. The effective date of Sub. S.B. 162 was September 13, 2010.

(2) By Entry of November 3, 2010, (November 3 Entry) the Commission initiated this docket for the purpose of opening a generic investigation into intrastate carrier access reform as authorized by Sub. S.B. 162.

In its November 3 Entry, the Commission described that carrier access charges are charges assessed by local exchange carriers to providers of telephone toll service for access to the local telephone network and are intended to recover a portion of the cost of the local telephone facilities. Additionally, the Commission recognized that carrier access charges comprise a significant portion of the revenue received by small incumbent local exchange carriers (ILECs), as well as three mid-sized ILECs: Windstream Ohio, Inc. and Windstream Western, Inc. (collectively, Windstream) and CenturyTel of Ohio, Inc. dba CenturyLink (CenturyLink). The Commission explained how it has received complaints, both formal and informal, from providers of telephone toll service that the carrier access rates that they were being assessed are excessive. The Commission noted that during this time frame, the ILECs listed above have also experienced a precipitous decline in access minutes of use for which they assess carrier access charges, thus eroding a significant pillar of their financial support.

(3) The November 3 Entry set forth a Commission staff proposal (Staff Proposal) regarding an access restructuring plan and a series of

questions pertaining to the proposed plan that would reduce certain ILEC (i.e., small ILECs, Windstream, and CenturyLink) access charges and allow those ILECs to recoup the revenues lost from the access reductions through an intrastate Access Recovery Fund.[1] Additionally, the Staff drafted two data requests (attached as Appendices C and D, Entry of November 3, 2010), that it proposed be issued. The Commission invited all stakeholders and other interested parties to provide responses to the questions posed in Appendix B and to provide any additional comments regarding the proposed plan and proposed data requests.

(4) On November 18, 2011, the Federal Communications Commission (FCC) released its Report and Order and Further Notice of Proposed Rulemaking (Report and Order) in WC Docket No. 07-135 et al., *In the Matter of Establishing Just and Reasonable Rates for Local Exchange Carriers.* In its Report and Order, the FCC adopted a transitional intercarrier compensation restructuring framework for both intrastate and interstate telecommunications traffic exchanged with a local exchange carrier, which will ultimately result in bill and keep.

During the first phase of the its intercarrier compensation restructuring, the FCC directed that for price cap carriers, rate-of-return carriers, and certain competitive local exchange carriers (CLECs) (i.e., those that benchmark rates to price cap or rate-of-return carriers) with intrastate terminating switched end office and transport rates, originating and dedicated transport rates, and reciprocal compensation rates that are above the carrier's interstate access rates, the respective intrastate rates must be reduced by 50 percent of the differential between the rate and carrier's interstate access rates by July 1, 2012.

(5) In order to allow for the timely review and implementation of the requisite reductions, the Commission directs all affected ILECs to file, in this docket, the appropriate application on or before March 21, 2012, and all affected CLECs to file the appropriate application on or before April 4, 2012. The applications should satisfy the criteria set forth in 47 C.F.R. 51.907, 51.909 and 51.911 for price cap and rate-of-return ILECs and CLECs, respectively. All

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[1] Pursuant to the June 28, 2001, Opinion and Order, Case No. 00-127-TP-COI, *In the Matter of the Commission's Investigation into the Modification of Intrastate Access Charges,* AT&T Ohio, Cincinnati Bell, Verizon North (nka Frontier North), and Embarq (nka CenturyLink) were ordered to reduce intrastate access rates to parity with their interstate access rates.

applications shall include supporting calculations for the proposed transitional intrastate access rates. The current intrastate access rates will remain in effect through June 30, 2012. Unless suspended by the Commission, the new intercarrier compensation rates shall be automatically effective beginning on July 1, 2012, subject to a true-up to the extent that the Commission subsequently determines that the submitted rates require modification. Applications suspended by the Commission will be subject to a true-up as of July 1, 2012, once approved. For those local exchange companies that fail to file the requisite application on a timely basis, the applicable effective intercarrier compensation rates will be deemed as unjust and unreasonable as of July 1, 2012, and such carriers will be prohibited from charging for intrastate intercarrier traffic until they have Commission approved tariffs.

(6) To the extent that an ILEC or CLEC seeks confidential treatment of portions of the information supporting its application, the appropriate motion should be filed pursuant to Rule 4901-1-24, Ohio Administrative Code. Interested entities should enter into the necessary protective agreements to the extent that there is interest in reviewing information that has been designated as being confidential.

It is, therefore,

ORDERED, That each affected ILEC and CLEC should file an application to amend its tariff in accordance with Finding (5). It is, further,

ORDERED, That the tariff amendment applications shall be effective in accordance with Finding (5). It is, further,

ORDRED, That, in accordance with Finding (5), those ILECs and CLECs that fail to file the requisite application to amend their intercarrier compensation rates will be prohibited from charging for intrastate intercarrier traffic effective July 1, 2012. It is, further,

ORDERED, That a copy of this entry be served via the Commission's telephone industry electronic mail listserve, upon all ILECs, all competitive local exchange carriers, all providers of telephone toll service, all wireless service providers registered with the Commission, the office of the Ohio Consumers' Counsel, and all other interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman

Paul A. Centolella

Steven D. Lesser

Andre T. Porter

Cheryl L. Roberto

JSA/dah

Entered in the Journal

FEB 29 2012

Barcy F. McNeal
Secretary

STATE OF MARYLAND

PUBLIC SERVICE COMMISSION

March 29, 2012

NOTICE OF REQUIRED TARIFF FILINGS

To: All Maryland Regulated Facilities-Based Local Exchange Carriers

By Federal Communications Commission ("FCC") Order # FCC 11-161, dated December 29, 2011, the FCC established a framework to migrate tariff charges for switched access to a bill-and-keep régime over several years. As part of the phase-in, carriers are required to reduce certain intrastate switched access rates to half the difference between their intrastate and interstate switched access rates. In the Order, the FCC determined that state tariff filings are an appropriate method to bring charges into compliance with the Order.

Pursuant to 47 C.F.R. §51.907 and §51.911 as revised in the FCC's Order, the first reduction in access rates must occur by July 1, 2012. In order to ensure that tariff filings can be accepted on time, the Commission is requiring facilities based local exchange carriers to file no later than May 1 2012, tariff revisions that are consistent with the FCC Order and with a proposed effective date of July 1, 2012.

Through the same Order, the FCC also determined that all IP related traffic, intrastate or otherwise, would be henceforth charged at interstate rates, and that such rates should be implemented through intrastate tariff filings. While the FCC established December 29, 2011 as the effective date of these new rates, the FCC did not establish a date by which all intrastate tariff filings should be updated.

In order to ensure compliance with the FCC Order, the PSC is requiring that carriers file revisions to intrastate tariffs reflecting implementation of the IP traffic provisions by July 1, 2012.

Failure to comply with this mandate will result in your company being out of compliance with both the FCC Order and applicable provisions of the Maryland Annotated Code, Public Utilities Article. If appropriate tariffs, consistent with federal and state law are not filed as set forth in this letter, carriers will be unable to lawfully charge for intrastate access traffic until such time as the PSC accepts for filing appropriate tariff revisions.

If you have any questions about these requirements, please contact Juan Alvarado at (410) 767-8044 or Carlos Candelario at (410) 767-8053.

Tariff filings should be addressed to David J. Collins, Executive Secretary, Maryland Public Service Commission, William Donald Schaefer Tower, 6 St. Paul Street, 16th Floor, Baltimore, Maryland 21202.

By Direction of the Commission,

/s/ David J. Collins

David J. Collins
Executive Secretary

STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
P.O. BOX 304260
MONTGOMERY, ALABAMA 36130-4260

LUCY BAXLEY, PRESIDENT
TWINKLE ANDRESS CAVANAUGH, ASSOCIATE COMMISSIONER
TERRY L. DUNN, ASSOCIATE COMMISSIONER

WALTER L. THOMAS, JR.
SECRETARY

In Re:	)	
	)	
Alabama's Incumbent Local Exchange Carriers – Intercarrier Compensation	)	**Docket 28642 and 31816**

Order Implementing Intercarrier Compensation Reform and Addressing Treatment of TSF Revenues by Incumbent Local Exchange Carriers

BY THE COMMISSION:

I. Introduction and Background

For decades, telecommunications carriers have debated the extent to which such carriers should be allowed to recoup compensation for any part of their network facilities accessed by other telecommunications carriers for purposes of origination, and/or transport, and/or termination of telecommunications services. The compensation at issue is generally referred to in the telecommunications arena as Intercarrier Compensation ("ICC") and has been the subject of many state and federal regulatory proceedings. The national debate regarding ICC took a significant turn on March 16, 2010, when the Federal Communications Commission ("FCC") unveiled its National Broadband Plan ("NBP") which creates a framework for establishing and ensuring broadband accessibility across the nation. Recommendation 8.14 of the NBP addresses intercarrier compensation as follows:[1]

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[1] *"Connecting America: The National Broadband Plan,"* www.broadband.gov, FCC, March 16, 2010.

> "The FCC should continue reducing ICC rates by phasing out per-minute rates for the origination and termination of telecommunications traffic. The elimination of per-minute above-cost charges should encourage carriers to negotiate alternative compensation arrangements for the transport and termination of voice and data traffic."
>
> "To begin turning this roadmap into reality, the FCC will embark on a series of rulemakings to seek public comment and adopt rules to implement this reform. Although these proceedings will need to make specific decisions on implementation details, this plan sets forth a clear vision for the end state we seek to achieve as a nation—preserving the connectivity that Americans have today and advancing universal broadband in the 21st century."[2]

As part of the initiatives discussed above, the FCC released a Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking under FCC 11-13 on February 9, 2011.[3] In said notices, the FCC made clear its intention to, among other things, institute ICC reform for purposes of eliminating of the economic barriers to full implementation of internet protocol (IP) technology:

> "Because the ICC system has not been reformed to reflect fundamental shifts in technology and competition in the last two decades, the current system results in considerable instability for carriers as revenues are declining at often unpredictable rates. Declining minutes for incumbent carriers have led to a concurrent decline in revenues, particularly for price cap carriers. By providing a more certain glide path for the transition to an all-IP future, intercarrier compensation reform will bring much needed predictability to the industry and investors, which will ultimately benefit consumers."
>
> "...we propose to adopt a sustainable long-term framework to gradually reduce all per-minute charges. Per-minute charges are inconsistent with peering and transport arrangements for IP networks, where traffic is not measured in minutes. The record suggests that the current ICC system is impeding the transition to all-IP networks and distorting carriers' incentives to invest in new, efficient IP equipment."[4]

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[2] *Id.* at p. 150.
[3] *Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service and Lifeline and Linkup.* WC Docket Nos. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45 and WC Docket No. 03-109, released February 9, 2011, ¶ 41.
[4] *Id.* at ¶ 40.

After considering input from numerous parties, the Federal Communications Commission ("FCC") issued an Order on November 18, 2011, which, among other things, restructured intrastate and interstate intercarrier compensation.[5] The ICC Order established separate ICC transition paths for FCC designated price cap carriers and rate-of-return incumbent local exchange carriers (ILECs). The ICC reforms implemented by the ICC order generally apply to the competitive LECs (CLECs) in accordance with the FCC's benchmarking rule[6].

The price cap ILECs in Alabama are: BellSouth Telecommunications, LLC d/b/a AT&T Alabama; CenturyTel of Southern Alabama, LLC d/b/a CenturyLink; CenturyTel of Northern Alabama, LLC d/b/a CenturyLink; Gulf Telephone Company d/b/a CenturyLink; Frontier Communications of Alabama, LLC; Frontier Communications of the South, LLC; and Windstream Alabama, LLC. Frontier Communications of Lamar County and the remainder of Alabama's ILECs are rate-of-return carriers for purposes of the ICC Order.

Effective December 29, 2011, the ICC Order required price cap carriers to cap the intrastate access rate elements referenced in 47 CFR §51.907.[7] Rate-of-return carriers were required by the ICC Order to cap the intrastate access rate elements referenced in 47 CFR §51.909.[8]

The ICC Order further requires carriers to bring intrastate and interstate terminating access rates, including End Office Access Service charges,[9] to parity in two steps that are to be

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[5] *Report and Order and Further Notice of Proposed Rulemaking, Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208; and FCC 11-161, rel. Nov. 18, 2011 (the "ICC Order").

[6] ICC Order at ¶ 807. See also ¶ 801.

[7] ICC Order at ¶ 801. See also ICC Order, Appendix A (Final Rules).

[8] *Id.*

[9] The intrastate reductions apply to "Transitional Intrastate Access Service" revenues as defined in 47 C.F.R. § 51.903(j), which include, among other things, revenues from "terminating intrastate End Office Access Service that was subject to intrastate access rates as of December 31, 2011; terminating Tandem-Switched Transport Access Service that was subject to intrastate access rates as of December 31, 2011;and originating and terminating Dedicated Transport Access Service that was subject to

accomplished on July 1, 2012, and July 1, 2013. Carriers are subsequently required to phase down End Office Access Service rates to bill-and-keep, within six years for price cap carriers and nine years for rate-of-return carriers. The ICC Order allows a portion of the revenue lost as a result of these reductions to be recovered from a monthly Access Recovery Charge ("ARC") (up to $0.50 for consumers/small businesses and $1.00 per line for multi-line businesses) and the Connect America Fund ("CAF"). The ICC Order provides that "Carriers may receive CAF support for any otherwise-eligible revenue not recovered by the ARC."[10] For price cap incumbent local exchange carriers ("ILECs"), the amount eligible for recovery includes those revenues that are being reduced as part of the ICC Order, were billed for service provided in fiscal year (FY) 2011, and for which payment is received by March 31, 2012.[11] For rate-of-return carriers, the eligible recovery is based on the 2011 interstate switched access revenue requirement, plus FY2011 intrastate switched access revenues and FY2011 net reciprocal compensation revenues.[12]

Carriers are required to submit to state regulatory commission's data regarding their FY2011 intrastate switched access MOU and rates, broken down into categories and subcategories, and the FCC expects states to monitor implementation of the recovery mechanism and related intrastate tariff filings necessitated by the access reductions. Price cap ILECs eligible for CAF support shall also file the information with the Universal Service Administrative Company ("USAC"), which will work with the FCC's Wireline Competition Bureau to

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intrastate access rates as of December 31, 2011." End Office Access Service is defined in 47 C.F.R. § 51.903(d); terminating Tandem-Switched Transport Access Service is defined in 47 C.F.R. § 51.903(i); and originating and terminating Dedicated Transport Access Service is defined in 47 C.F.R. § 51.903(c).

[10] ICC Order at ¶ 27.

[11] *Id.* at ¶ 880.

[12] *Id.* at ¶ 892.Average schedule carriers will use projected settlements associated with 2011 annual interstate switched access tariff filing. *Id.* at n. 1727.

implement processes for administration of CAF ICC support.[13] It is anticipated that rate-of-return carriers will also file federal and state access tariffs (with the National Exchange Carrier Association, Inc. ("NECA") filing a tariff for pool members), as well as information with USAC. An election to accept or decline CAF support must be made at the time of an ILEC's interstate tariff filing for the July 1, 2012 access reductions.

II. Implementation of the ICC Reform Mandated by the FCC

The FCC specifically recognized the importance of state commission involvement in the ICC reform process discussed above:

> "...states will play a critical role implementing and enforcing intercarrier compensation reforms. In particular, state oversight of the transition process is necessary to ensure that carriers comply with the transition timing and intrastate access charge reductions outlined above. Under our framework, rates for intrastate access traffic will remain in intrastate tariffs. As a result, to ensure compliance with the framework and to ensure carriers are not taking actions that could enable a windfall and/or double recovery, state commissions should monitor compliance with our rate transition; review how carriers reduce rates to ensure consistency with the uniform framework; and guard against attempts to raise capped intercarrier compensation rates, as well as unanticipated types of gamesmanship. Consistent with states' existing authority, therefore, states could require carriers to provide additional information and/or refile intrastate access tariffs that do not follow the framework or rules adopted in this Order."[14]

In keeping with the ICC reform mandates established by the FCC and the acknowledged role of the states in that reform process, the Commission sets forth below the procedures which telecommunications carriers in Alabama must follow in order to implement ICC reform in this jurisdiction.

A. The Access Charge Transition Process

(1) Step 1

Prior to the FCC's July 1, 2012, effective date for the initial reduction in intrastate access rates, the Commission must verify that each carrier has properly calculated the difference

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[13] *Id.* at ¶ 880.
[14] ICC Order at ¶ 813.

between the interstate and intrastate terminating access revenue and that the proposed intrastate access tariffs properly reflect the step 1 access revenue reduction. Therefore, no later than May 15, 2012, all Alabama price cap carriers shall file with the Commission access rate reductions to be effective on July 1, 2012, as required under the ICC Order for Transitional Access Service. Further, all price cap carriers in Alabama shall separately provide the Commission's Telecommunications Division with data and calculations supporting such Step 1 access charge revisions referenced in 47 CFR §51.907(b) by that same May 15, 2012, deadline. All rate-of-return ILECs in Alabama shall file with the Commission no later than May 25, 2012, access rate reductions, to be effective on July 1, 2012, as required under the ICC Order for Transitional Intrastate Access Service. Alabama rate-of-return ILECs shall also separately provide the Commission's Telecommunications Division with the data and calculations supporting such Step 1 access charge revisions referenced in 47 CFR §51.909(b) by May 25, 2012. CLECs in Alabama shall file no later than June 11, 2012, their required access rate reductions, effective July 1, 2012, and shall provide data and calculations supporting such rate reductions to the Commission's Telecommunications Division by the same date.[15]

(2) Step 2

Effective July 1, 2013, rates for Transitional Intrastate Access shall conform to the requirements set forth in 47 CFR §51.907(c) for price cap carriers and 47 CFR §51.909(c) for rate-of-return carriers. All ILECs and affected CLECs shall file with the Commission by no later than May 17, 2013, revised intrastate access tariffs reflecting the step 2 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 17, 2013, all data and calculations supporting such revisions.

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[15] During the initial transition period, the FCC allows additional time for CLECs to make their filings. See ICC Order at ¶ 807.

(3) Step 3

Effective July 1, 2014, carriers shall implement the requirements set forth in 47 CFR §51.907(d) for price cap carriers and 47 CFR §51.909(d) for rate-of-return carriers. Staff recommends that all ILECs and affected CLECs file with the Commission by no later than May 16, 2014, revised intrastate access tariffs reflecting the step 3 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 16, 2014, all data and calculations supporting such revisions.

(4) Step 4

Effective July 1, 2015, carriers shall implement the requirements set forth in 47 CFR §51.907(e) for price cap carriers and 47 CFR §51.909(e) for rate-of-return carriers. Staff recommends all ILECs and affected CLECs file with the Commission by no later than May 15, 2015, revised intrastate access tariffs reflecting the step 4 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 15, 2015, all data and calculations supporting such revisions.

(5) Step 5

Effective July 1, 2016, carriers shall implement the requirements set forth in 47 CFR §51.907(f) for price cap carriers and 47 CFR §51.909(f) for rate-of-return carriers. Staff recommends all ILECs and affected CLECs file with the Commission by no later than May 17, 2016, revised intrastate access tariffs reflecting the step 5 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 17, 2016, all data and calculations supporting such revisions.

(6) Step 6

Effective July 1, 2017, carriers shall implement the requirements set forth in 47 CFR §51.907(g) for price cap carriers and 47 CFR §51.909(g) for rate-of-return carriers. Staff recommends all ILECs and affected CLECs file with the Commission by no later than May 17, 2017, revised intrastate access tariffs reflecting the step 6 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 17, 2016, all data and calculations supporting such revisions.

(7) Step 7

Effective July 1, 2018, price cap carriers shall implement bill-and-keep terminating access rate requirements set forth in 47 CFR §51.907(h) and rate-of-return carriers shall implement the access reform provisions set forth in 47 CFR §51.909(h). Staff recommends all ILECs and affected CLECs file with the Commission by no later than May 17, 2018, revised intrastate access tariffs reflecting the step 7 access charge transition revisions and that rate-of-return ILECs and associated CLECs submit to the Commission's Telecommunications Division by no later than May 17, 2018, all data and calculations supporting such revisions.

(8) Step 8

Effective July 1, 2019, rate-of-return carriers shall implement the access reform provisions set forth in 47 CFR §51.909(i). Staff recommends all rate-of-return ILECs and affected CLECs file with the Commission by no later than May 17, 2019, revised intrastate access tariffs reflecting the step 8 access charge transition revisions and submit to the Commission's Telecommunications Division by no later than May 17, 2019, all data and calculations supporting the revisions.

(9) Step 9

Effective July 1, 2020, rate-of-return carriers shall implement bill-and-keep terminating access rate requirements set forth in 47 CFR §51.909(j). Staff recommends all ILECs and affected CLECs file with the Commission by no later than May 15, 2020, revised intrastate access tariffs reflecting the step 9 access charge transition revisions.

B. True-up

The current intrastate access rates will remain in effect through June 1, 2012. Unless suspended by the Commission, the new intercarrier compensation rates shall be effective beginning on July 1, 2012, subject to a true-up to the extent that the Commission determines within 120 days of filing that the submitted rates require modification, or as may otherwise be required under federal law. ICC rate filings suspended by the Commission will be subject to a true-up as of July 1, 2012, once approved. For those local exchange companies that fail to file the requisite application on a timely basis, the applicable effective intercarrier compensation rates will be deemed as unjust and unreasonable as of July 1, 2012, and such carriers will be prohibited from charging for intrastate intercarrier traffic until they have Commission approved tariffs.

C. Confidentiality

Information submitted to the Commission Telecommunication Division in support of step 1 access reductions will be considered proprietary and shall not be released to parties outside the Commission without the express written approval of the LEC to which the data applies. Interested entities should enter into the necessary protective agreements to the extent that there is interest in reviewing information that has been designated as confidential.

III. The March 28, 2012 Motion of 27 of Alabama's Incumbent Local Exchange Carriers

In response to the FCC's ICC Order, 27 of Alabama's Incumbent Local Exchange Carriers (the "ICOs")[16] filed with the Commission on March 28, 2012, a Motion for Amendment to Standstill Order and Other Relief (the "ICO Motion"). In said Motion, the ICOs seek a determination from the Commission that a portion of the intrastate access revenue of the ICOs that is billed and collected through the Commission-established Transition Service Fund ("TSF") is attributable to terminating access service subject to the ICC Order and inclusion in its recovery mechanism. The TSF is an access billing mechanism created by the Commission in a series of orders issued in 1995 and 1996[17] which was originally sized to equal the revenue produced during the utilized test period by that portion of each ILEC's intrastate access rates above interstate rates. Upon creation of the TSF, intrastate access charges billed directly by participating ILECs on a per-minute basis were reduced to then existing interstate rates, while the TSF administrator billed interexchange carriers ("IXCs") for their share of the TSF based on their relative share of the TSF recipients' intrastate local switching minutes of use, utilizing the TSF recipients local switching carrier access billing information. The resulting revenue was then distributed to each ILEC recipient as if billed and received directly. The TSF, which remains under Commission supervision, is referenced in the access tariffs of participating ILECs.

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[16] Ardmore Telephone Company, Inc.; Blountsville Telephone, LLC; Brindlee Mountain Telephone, LLC; Butler Telephone Company, Inc.; Castleberry Telephone Company, Inc.; CenturyLink of Alabama, LLC; Farmers Telecommunications Cooperative, Inc.; Knology Total Communications, Inc.; GTC, Inc., d/b/a FairPoint Communications; Gulf Telephone Company, Inc.; Hayneville Telephone Company, Inc.; Hopper Telecommunications, LLC; Knology of the Valley, Inc.; Millry Telephone Company, Inc.; Mon-Cre Telephone Cooperative, Inc.; Moundville Telephone Company, Inc.; National Telephone Company of Alabama, Inc.; New Hope Telephone Cooperative, Inc.; Oakman Telephone Co., Inc.; Otelco Telephone, LLC; Peoples Telephone Company, Inc.; Pine Belt Telephone Company, Inc.; Ragland Telephone Company, Inc.; Roanoke Telephone, Inc.; Union Springs Telephone Company, Inc.; Valley Telephone Co., LLC; and Windstream Alabama, Inc.

[17] *Report and Order,* Docket Nos. 24499, 24472, 24030, 24865 (APSC Mar. 11, 1996). See also *Report and Order, All Telephone Companies Operating in Alabama,* Docket No. 19356 (APSC Oct. 3, 1991); *South Central Bell Telephone Company,* Docket Nos. 24499, 24472, 24030, 24865 (APSC Sept. 20, 1995).

The ICOs assert that the determination sought in their March 28, 2012, Motion is necessary to make tariff revisions and other necessary filings associated with the ICC Order and to confirm any TSF reductions to take place on July 1, 2012, and July 1, 2013.[18]

The ICOs further note that the entry of an Order by the Commission rendering the determination sought in their March 28, 2012, Motion with respect to the TSF will also necessitate an amendment to the Commission's Order entered in Docket 28642 on August 22, 2002.[19] The Standstill Order entered by the Commission addressed certain intercarrier compensation disputes between BellSouth Telecommunications of Alabama, LLC, d/b/a AT&T Alabama ("AT&T") and the ICOs and specifically prohibited further changes to the intercarrier compensation arrangements between AT&T and the ICOs without further Commission Order. The Standstill Order has been amended several times to address, among other things: (1) AT&T Alabama's conversion to multiple billed private lines; (2) the treatment of CMRS traffic delivered by AT&T Alabama; (3) transport issues; (4) transit charges; (5) abolition of the Primary Carrier Plan; and (6) to effectuate the inclusion of AT&T Alabama's ACS minutes in the TSF.

Having considered the ICO Motion in light of prior Commission Orders and the ICC Order of the FCC, the Commission affirms that the access revenues received by each ILEC from the TSF are properly includable in such ILEC's intrastate switched access revenues. More particularly, TSF revenues attributable to originating and terminating traffic are identifiable through the existing carrier access billing information submitted by the ICOs to the TSF

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[18] *Order Granting Motion for Standstill*, Docket 28642 (APSC, August 22, 2002).

[19] *Order Granting Motion for Standstill*, Docket 28642 (APSC, August 22, 2012) (the "Standstill Order"). The Standstill Order entered by the Commission addressed certain intercarrier compensation disputes between BellSouth Telecommunications of Alabama, LLC, d/b/a AT&T Alabama ("AT&T") and the ICOs and specifically prohibited further changes to the intercarrier compensation arrangements between AT&T and the ICOs without further Commission Order. The Standstill Order has been amended several times to address, among other things: (1) AT&T Alabama's conversion to multiple billed private lines; (2) the treatment of CMRS traffic delivered by AT&T Alabama; (3) transport issues; (4) transit charges; (5) abolition of the Primary Carrier Plan; and (6) to effectuate the inclusion of AT&T Alabama's ACS minutes in the TSF.

administrator under the Commission's supervision. Appendix "A", which is incorporated herein, contains a schedule of each recipient's TSF revenues for 2011, attributed to originating and terminating access, and identifying that portion attributable to terminating intrastate End Office Access Service which are subject to the phase down to interstate levels under the ICC Order and inclusion in the recovery mechanism set out therein. The amount received by each ILEC from the TSF shall be reduced in accordance with Appendix "A", with a corresponding reduction in the overall size of the TSF on July 1, 2012 and July 1, 2013. Each ILEC shall accordingly reference such reduction in the TSF in their intrastate access tariffs filed pursuant to the ICC Order and as directed herein by the Commission in Sections II and IV of this Order.

The Commission acknowledges that various aspects of the ICC Order, including those addressing intrastate access rate reductions, are subject to a pending appeal. The Commission's findings and requirements in this Order are therefore contingent upon the continued validity of the provisions of the ICC Order requiring a phase down of terminating switched access rates to interstate levels, and the inclusion of the amounts identified in Appendix "A" in each ILEC's 2011 intrastate access revenues for purposes of the ICC Order and its recovery mechanism.

In light of the above determination, the Commission further concludes that the Commission's August 22, 2002, Standstill Order and, to the extent necessary, the Commission's TSF Implementation Order,[20] should be amended to authorize, incorporate and implement the aforementioned changes as described in the Petition.

IT IS, THEREFORE, ORDERED BY THE COMMISSION, that, subject to the findings and conclusions regarding the ICO Motion set forth immediately above, all of the filing

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[20] Transition Service Fund (TSF) Administration and Procedures, and Modifications to the Primary Carrier Plan, Non-Traffic Sensitive (PCPNTS) and Alabama Service Fund (ASF) Procedures. *Report and Order,* Docket Nos. 24499, 24472, 24030, 24865 (APSC Mar. 11, 1996).

deadlines established for purposes of implementation of the ICC Reform mandated by the FCC as set forth in Section II of this Order are hereby adopted by the Commission.

IT IS FURTHER ORDERED BY THE COMMISSION, that the access revenues received from the TSF shall be reported by each recipient as shown in Appendix "A" for purposes of the ICC Order and related intrastate access reductions as directed by the Commission in Sections II and III of this Order. The amount received by each ILEC from the TSF shall be reduced on the referenced dates in accordance with Appendix "A", with a corresponding reduction in the overall size of the TSF. Each ILEC participating in the TSF shall reference such reduction in their intrastate access tariffs filed pursuant to the ICC Order. The Commission will issue further directives regarding implementation of the reductions at a later date.

IT IS FURTHER ORDERED BY THE COMMISSION, that the Commission's Standstill Order and, to the extent necessary, the TSF Implementation Order, is hereby amended to incorporate and implement the aforementioned changes as described herein.

IT IS FURTHER ORDERED BY THE COMMISSION, that the provisions of this Order shall become null and void in the event of: (a) a stay or final judicial order invalidating the provisions of the ICC Order requiring a phase down of terminating intrastate switched access rates to interstate levels; or (b) as to the TSF, an administrative or judicial determination resulting in the exclusion of the amounts identified in Appendix "A" in each ILEC's 2011 intrastate access revenues for purposes of the ICC Order and its recovery mechanism.

IT IS FURTHER ORDERED BY THE COMMISSION, that jurisdiction in this matter is hereby retained for any further order or orders deemed reasonable in the premises.

IT IS FURTHER ORDERED, that this Order shall be effective as of the date hereof.

DATED at Montgomery, Alabama this 17th day of April, 2012.

ALABAMA PUBLIC SERVICE COMMISSION

Lucy Baxley, President

Twinkle Andress Cavanaugh, Commissioner

Terry L. Dunn, Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

Exhibit "A"

The amounts listed under "Terminating Access Amount" in Exhibit A-1 constitute the terminating Intrastate End Office Access Service revenues authorized by tariff and billed and received via the TSF for each incumbent local exchange carrier for FY2011. These are in addition to the terminating access revenues billed and received directly by the carrier for the same period. Subject to the remaining terms of this Order, the TSF shall be reduced by one half of the total "Terminating Access Amount" shown in Exhibit A-1 effective for access services rendered on or after July 1, 2012 (regardless of when billed); with the remainder of the "Terminating Access Amount" eliminated effective with TSF billings for access services rendered on or after July 1, 2013 (regardless of when billed).

Due to the proprietary nature of the access billing and revenue information, each incumbent local exchange carrier is designated in Exhibit A-1 by code, to be provided separately by the Commission to such carrier.

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Exhibit A-1

Company	Access Revenues Per Tariffed TSF	ORIG Percent	TERM Percent	ORIGINATING ACCESS Amount	TERMINATING ACCESS Amount
Company A	$ 860,363	13.3%	86.7%	$ 114,157	$ 746,207
Company AA	$ 94,837	15.0%	85.0%	$ 14,223	$ 80,614
Company AB	$ 5,355	29.3%	70.7%	$ 1,568	$ 3,787
Company AC	$ 315,521	24.3%	75.7%	$ 76,573	$ 238,948
Company B	$ 690,125	23.3%	76.7%	$ 160,773	$ 529,352
Company C	$ 1,561	17.2%	82.8%	$ 268	$ 1,293
Company D	$ 8,268	19.7%	80.3%	$ 1,627	$ 6,641
Company E	$ 2,112,992	39.4%	60.6%	$ 832,898	$ 1,280,094
Company F	$ 2,092,417	65.9%	34.1%	$ 1,379,059	$ 713,358
Company G	$ 320,450	11.2%	88.8%	$ 35,959	$ 284,491
Company H	$ 252,099	18.7%	81.3%	$ 47,039	$ 205,060
Company I	$ 1,765,985	15.2%	84.8%	$ 269,013	$ 1,496,972
Company J	$ 909,565	38.2%	61.8%	$ 347,301	$ 562,264
Company K	$ 355,418	14.1%	85.9%	$ 50,156	$ 305,262
Company L	$ 334,833	11.2%	88.8%	$ 37,552	$ 297,281
Company M	$ 547,966	14.7%	85.3%	$ 80,322	$ 467,644
Company N	$ 35,640	31.3%	68.7%	$ 11,163	$ 24,477
Company O	$ 1,248,993	23.8%	76.2%	$ 297,380	$ 951,614
Company P	$ 58,576	18.8%	81.2%	$ 11,015	$ 47,560
Company Q	$ 8,331	11.3%	88.7%	$ 944	$ 7,386
Company R	$ 111,091	32.4%	67.6%	$ 35,944	$ 75,147
Company S	$ 105,251	46.1%	53.9%	$ 48,477	$ 56,774
Company T	$ 626,598	47.1%	52.9%	$ 294,852	$ 331,746
Company U	$ 113,654	39.1%	60.9%	$ 44,483	$ 69,171
Company V	$ 356,930	36.3%	63.7%	$ 129,693	$ 227,238
Company W	$ 1,002,043	47.5%	52.5%	$ 475,927	$ 526,116
Company X	$ 329,713	44.5%	55.5%	$ 146,847	$ 182,866
Company Y	$ 149,328	34.8%	65.2%	$ 51,961	$ 97,367
Company Z	$ 2,791	24.0%	76.0%	$ 669	$ 2,122
TOTAL	**$ 14,816,694**	**33.7%**	**66.3%**	**$ 4,997,843**	**$ 9,818,852**