STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: July 18, 2019 AT (OFFICE): NHPUC

FROM: Kath Mullholand, Director, Regulatory Innovation and Strategy

SUBJECT: / DT 19-100

2019 Intrastate Access Filings by Incumbent Telephone Utilities

- **TO:** Commissioners Debra Howland, Executive Director
- CC: David Wiesner, Staff Attorney

The above-named docket was opened for the purpose of accepting for filing all incumbent local exchange carriers' (ILECs) intrastate access filings made in compliance with the Federal Communications Commission (FCC) Report and Order and Further Notice of Proposed Rulemaking regarding the Universal Service Fund and Inter-Carrier Compensation, in WC Docket Nos. 10-90, etc., FCC Release No 11-161, issued on November 18, 2011 (the Transformation Order). In the Transformation Order, the FCC established a multi-step timeline for reducing the interstate and intrastate access rates that telephone companies charge one another. Under this timeline, ILECs must reduce their rates according to various factors.

For New Hampshire ILECs, the next step in the FCC timeline occurs in July 2019. ILECs have rate changes mandated to take effect on July 2, 2019¹ to further reduce switching and transport charges. ILECs are calculating the requirements for this year and making their filings now for effect on July 2, 2019. There are date discrepancies between a federal tariff being filed and taking effect and a state tariff being filed and taking effect. The Transformation Order required intrastate access rates to mirror interstate rates as of July 2013, so the federal timeline for interstate tariff changes now effectively controls intrastate changes as well.

In Staff's assessment, the most efficient means of addressing the discrepancy in tariff filing timelines is for the Commission to allow the ILEC filings made in this docket to be uniformly effective on July 2, 2019, as contemplated by the FCC. Pursuant to RSA 378:6, IV, the Commission has the discretion to "permit changes to existing tariffs to become effective in fewer than 30 days from the date of filing." Such an approach is in keeping with New Hampshire RSA 378:2, which states that "[i]n the case of public utilities subject to regulation by duly constituted federal authority... the filing of schedules with the commission... shall conform as nearly as may be to the requirements

¹ See July 1, 2019 Annual Access Charge Tariff Filings, WC Docket No. 19-47, Order, DA 19-246, issued on April 4, 2019, found at <u>https://docs.fcc.gov/public/attachments/DA-19-246A1.pdf</u>.

of said federal authority." Staff will review each such submittal for compliance with FCC rules and to ensure that it does not include rates, terms, or conditions unrelated to intrastate access, and report to the Commission if any such concerns arise, before the July 2, effective date.

Staff therefore recommends that the Commission, on its own motion, waive N.H. Code Admin. Rules Puc 1603.07(a)(1), which requires proposed tariff changes to become effective after 30 days' notice to the Commission and the public, unless the Commission orders otherwise, and Puc 1604.05(d), which requires utilities to file written waiver requests pursuant to Puc 201.05 for authority to implement tariff revisions upon less than 30 days' notice to customers. In this instance, the Commission and public have been aware of the required reductions in access rates since November 2011. The recommended rules waivers will serve the public interest, as they will allow compliance with FCC requirements and will not disrupt the orderly and efficient resolution of matters before the Commission.

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