

DT 01-151

**Verizon New Hampshire
Section 271 Inquiry
Conversion of Statement of Generally
Available Terms and Conditions to a Tariff**

Order Nisi Approving Revisions to Tariff 84 and New Tariff 86

ORDER NO. 24,337

June 18, 2004

By Secretarial Letter dated June 14, 2002, the New Hampshire Public Utilities Commission (Commission) set out conditions which Verizon New Hampshire (Verizon) agreed to meet in order to gain the Commission's approval of Verizon's Section 271 Application¹. The Commission's first condition called for Verizon to "explicitly convert the existing SGAT [Statement of Generally Available Terms and Conditions) into a CLEC [Competitive Local Exchange Carrier] tariff from which competitors may directly order anything contained in the SGAT, without the need to negotiate an interconnection agreement or amend an interconnection agreement." In compliance with that condition, on May 24, 2004, Verizon filed revisions to Tariff 84 (formerly the Collocation Tariff) and filed a new Tariff 86 (Tariffs).

¹ Section 271 of the Telecommunications Act of 1996 (TAct) sets out a fourteen-point competitive checklist with which Verizon must comply in order to be eligible to provide interstate toll services. The Commission was asked to verify to the Federal Communications Commission whether Verizon complied with the checklist. The Commission found that Verizon did, once the conditions set out in our secretarial letter were met.

Commission Staff reviewed Verizon's filing, and submitted its findings to the Commission on May 25, 2004. Staff also made its analysis and the Tariffs available for review by the parties. Staff recommends adoption of the Tariffs, and states that any variations between the two documents are not intended to reflect a change in the terms and conditions as established in the SGAT. Staff sets out three items that require a change in terms and conditions in order to make the various tariffs consistent. We consider those items here.

1. Payment Due Date

The SGAT sets a payment due date of 25 calendar days from the date the bill is mailed, or by the next bill date, whichever is shorter. The pre-existing Collocation Tariff, and Verizon's newly-filed revisions, in order to be consistent, call for a payment due date of 31 days after the bill date, or the next bill date, whichever is shorter. Staff explains that Verizon adopted this change to reflect actual practice, and recommends that we adopt the new language. We concur and the new language setting a due date of 31 days after the bill date, or the next bill date, which ever is shorter, is adopted.

2. Interest Paid on Deposits

The existing collocation tariff and the SGAT set out three different rates of interest for deposits made by CLECs and other monies held by or withheld from Verizon, such as late payments. These interest rates are: 1) prime; 2) the highest legal commercial rate; and 3) a rate of .0005 per day.

Staff recommended that we consolidate these interest rates, keeping the SGAT language set out in SGAT Section 4.2.4.1.B.2.b on page 4-17, which states that interest for late payments will be:

- (i) The highest interest rate (in decimal value) which may be levied by law for commercial transactions for the number of days from the payment date to and including the date that the TC² actually makes the payment to the Telephone Company, or
- (ii) the rate of 0.0005 per day for the number of days from the payment date to and including the date that the TC actually makes the payment to the Telephone Company.

The provisions for late payment charges are consistent between the new language and the existing tariff provisions, and are consistent with our rules (*see* N.H. Admin. Rules, Puc 1203.08) to the extent that such late payment penalties do not exceed the actual cost incurred by Verizon due to the lateness of the payment. Thus, no changes to the late payment provisions are required.

The proposed revision to change the rate of interest charged on deposits, making it consistent with existing collocation tariff charges for deposits, would be contrary to our rules, however. Puc 1203.03(i)(2) and (3) read, in pertinent part:

- (2) All deposits shall accrue simple annual interest from the date of deposit to the date of termination;
- (3) Interest shall accrue at a rate equal to the prime rate;

Therefore, deposit interest may only accrue at simple annual interest at a rate equal to the prime rate. Accordingly, we direct Verizon to make both its existing and revised tariff compliant with this rule.

3. House and Riser Building Access and Floor Access Rates

SGAT rates for horizontal house and riser cable in Section 5.2.4 are marked as

² TC is used throughout the SGAT to refer to Telecommunications Carriers, e.g.CLECs.

"interim rates: subject to adjustment prospectively upon Commission approval of final rate". Verizon has proposed eliminating that designation, to accord final status to the rates submitted for Building Access and Floor Access. These rates were based on cost studies filed in Massachusetts. We find that this is reasonable and accept Staff's recommendation to adopt Verizon's proposed language.

Based upon the foregoing, it is hereby

ORDERED NISI, that the payment due date for CLEC bills shall be 31 days after the bill date, or the next bill date, whichever is shorter; and it is

FURTHER ORDERED, that the tariff shall be amended to set interest on customer deposits to the prime rate; and it is

FURTHER ORDERED, that rates for House and Riser Building Access and Floor Access shall no longer be interim rates; and it is

FURTHER ORDERED, that Verizon's revisions to Tariff 84 are approved as filed, except as amended by this order; and it is

FURTHER ORDERED, that Verizon's Tariff 86 is approved as filed, except as amended by this order; and it is

FURTHER ORDERED, that Verizon shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than June 28, 2004, 2004 and to be documented by affidavit filed with this office on or before July 12, 2004; and it is

FURTHER ORDERED, that all persons interested in responding to this Order Nisi be notified that they may submit their comments or file a written request for a hearing on

this matter before the Commission no later than July 12, 2004; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than July 12, 2004; and it is

FURTHER ORDERED, that this Order Nisi shall be effective July 19, 2004, 2004, unless the Petitioners fail to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of June, 2004.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Graham J. Morrison
Commissioner

Attested by:

Debra A. Howland
Executive Director & Secretary