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ARKANSAS PUBLIC SERVICE COMMISSION

FILED

IN THE MATTER OF A)
RULE MAKING PROCEEDING)
TO IMPLEMENT ACT 1769)
OF 2001 (CALLING PLANS))

DOCKET NO. 01-169-R
ORDER NO. 13
and
02-037-A
order 1

ORDER

On July 17, 2001, this docket was established to consider the development of discounted calling plans as required by Arkansas Act 1769 of 2001. The Act requires this Commission to establish calling plans to expand local calling areas and to consider local exchange rates, calling scopes, the ability of customers to call their county seat and the availability of funding from the Arkansas Calling Plan Fund, (ACPF), which is established by the Act. The Act also allows the plans to be optional or mandatory; however, mandatory plans must be approved by a majority of the customers who would be subject to any mandatory charge associated with the calling plan. The Act also requires that the calling plans be funded from the ACPF, monthly end-user charges or a combination of both.

On December 20, 2001, a Joint Motion was filed that provides for 60 minutes of calling to the county seat and other nearby exchanges for \$2.50 per month to be available to residential customers in exchanges with 2,600 or fewer access lines.

As noted in the Joint Motion, the parties found development of the plan to be complicated because of the fixed amount in the ACPF and because it is difficult to estimate the usage that will be made of the new plan. As a result the parties proposed a uniform plan which provides for calling to be made available to residential customers in exchanges with no more than 2,600 total access

lines. The plan allows for calling within a 41-mile radius except in instances where that line will cross a Local Access Transport Area boundary. Other exceptions were made in the plan where the 41-mile radius would not allow calling to a county seat.

The plan contains a provision for call rating which rates calls in the same or smaller increments than the increment used for rating optional calling plans at the time Act 1769 became effective. This recommendation is designed to provide an equitable result while, at the same time, avoiding significant expenses which could be associated with re-programming switches to recognize different call rating parameters.

Numerous parties participated in the development of this plan and support the Joint Motion. No opposition to the plan was expressed at the public hearing held on February 15, 2002 or in any comments filed or public statements made regarding the plan.

At the hearing in this matter it was noted that the definition for an eligible telecommunications carrier in Section D-1 of the proposed rules contains a last sentence that is unnecessary and Staff has requested that the last sentence be deleted. The Joint Motion will be considered to be amended to delete the last sentence for the definition of eligible telecommunications carrier.

Under the proposed plan an administrator must be appointed. The parties recommend that the Arkansas Intrastate Carrier Common Line Pool (AICCLP) Administrator be designated to administer the ACPF. Based on the filings and recommendations made in this docket, it is found to be in the public interest to appoint the AICCLP Administrator to administer the ACPF.


The proposed plan clearly satisfies the requirements of Act 1769 of 2001 (Ark. Code Ann. §23-17-120) and is in the public interest. It is therefore found that it is in the public interest to approve the Joint Motion and adopt the plan and proposed rules changes.

The parties have requested that the blended rates used in the calculation of payments from the ACPF be approved as the appropriate rates to be used in those calculations. The parties also ask that the Secretary of the Commission be directed to establish a docket for the ACPF Administrator to file annual estimates of funds required and various monthly reports which are required to be filed under the rules. The blended rates are hereby approved and the Secretary of the Commission is hereby directed to open an "A" docket to be styled "IN THE MATTER OF FILINGS BY THE ARKANSAS CALLING PLAN FUND ADMINISTRATOR".

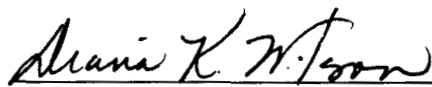
Because the blended rates are currently being treated as proprietary pursuant to orders entered in this docket, those rates shall continue to be deemed proprietary for purposes of this docket and the "A" docket which the Secretary has been directed to establish, pending further orders from the Commission.

BY ORDER OF THE PRESIDING OFFICER.

This 4th day of March, 2002.

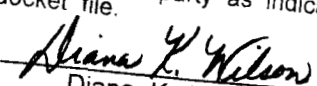


Arthur H. Stuenkel
Presiding Officer



Diana K. Wilson
Secretary of the Commission

I hereby certify that the following order issued by the Arkansas Public Service Commission has been served on all parties of record this date by U.S. mail with postage prepaid, using the address of each party as indicated in the official docket file.



Diana K. Wilson
Secretary of the Commission
Date 3-4-02