

STATE OF ALASKA

THE ALASKA PUBLIC UTILITIES COMMISSION

Before Commissioners:

Sam Cotten, Chairman
Alyce A. Hanley
Dwight D. Ornquist
Tim Cook
James M. Posey

In the Matter of the Application)
by SOUTHWESTERN BELL COMMUNICATIONS) U-97-220
SERVICES, INC. d/b/a SOUTHWESTERN BELL)
LONG DISTANCE for a Certificate of) ORDER NO. 1
Public Convenience and Necessity to)
Operate as a Telecommunications)
(Intrastate Interexchange) Public)
Utility within Alaska)
_____)

ORDER APPROVING APPLICATION, SUBJECT TO CONDITIONS;
APPROVING INITIAL TARIFF; ALLOWING RECORDS TO BE KEPT OUT
OF STATE; CONDITIONALLY GRANTING WAIVER; AND CLOSING DOCKET

BY THE COMMISSION:

Background

On October 31, 1997, Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance (SBCS) filed an application for a certificate of public convenience and necessity to resell telecommunications (intrastate interexchange) public utility service within Alaska. SBCS stated that it is a nonfacilities-based intrastate interexchange reseller proposing to offer calling-card service in Alaska.

Notice of the application was issued to the public on November 7, 1997, with a closing date of December 8, 1997, for submission of statements in support of, or in opposition to, the

application. No comments have been received in response to the notice.

The Commission Staff (Staff) reviewed the filings in this proceeding and on January 6, 1998, submitted its analysis and recommendation (Report) thereon. Staff's Report sets out in detail the history of the proceeding, the public noticing of the application, and Staff's findings and recommendations regarding disposition of the application. A copy of Staff's Report is attached to this Order as an Appendix and is, by this reference, incorporated herein.

Among other things, Staff concluded that SBCS is fit, willing, and able to furnish intrastate interexchange telecommunications public utility service in Alaska. Staff recommended that SBCS's application be approved subject to conditions that SBCS:

(a) pay intrastate access charges on an interim, refundable basis, limited to payment of the per-minute, common-line rate in accordance with the tariff of the Alaska Exchange Carriers Association, Inc., at Sheet No. 278;

(b) file simplified Bulk Bill reports; and

(c) by March 15th of each year, file its audited or reviewed financial statements for the previous year.

In addition, Staff recommended that SBCS's request to keep its books, records, and accounts out of state be approved,

subject to the condition that SBCS provide certified copies of its books, records, and accounts upon request by the Commission. Staff further recommended that SBCS's tariff Sheet Nos. 1 through 64, filed October 31, 1997, be approved. Additionally, Staff recommended that SBCS's request for a waiver of the requirement to file a wholesale tariff be approved, subject to conditions.¹

Discussion

Based on its review of the record in this proceeding, the Commission concurs with Staff that SBCS is fit, willing, and able to furnish the proposed intrastate interexchange telecommunications public utility service.² Accordingly, the Commission accepts Staff's recommendation to approve SBCS's application subject to the conditions set out above and in Staff's Report.

The Commission also concurs with Staff's recommendation to approve SBCS's request to keep its books, records, and accounts out of state. That approval is subject to the condition that SBCS provide certified copies of its books, records, and accounts upon

¹Staff recommended that approval of the waiver of the wholesale tariff filing requirement be subject to the condition that if SBCS constructs interexchange facilities in Alaska, or expands its intrastate services in Alaska, or another carrier requests wholesale services from SBCS, SBCS shall file a wholesale tariff with the Commission for approval before the new intrastate services are provided or the facilities are placed into service.

²The Commission notes that under its regulations at 3 AAC 52.350(b), the competitive provision of intrastate interexchange telephone service in accordance with the provisions of 3 AAC 52.350 - 3 AAC 52.399 is required by the public convenience and necessity.

the request of the Commission or pay the actual expenses incurred by the Commission in sending personnel to examine SBCS's books and records at the place where they are kept. (AS 42.05.491.)

Additionally, the Commission concurs with Staff's recommendation that SBCS's request for a waiver of the requirement for a wholesale tariff be approved subject to the condition that if SBCS constructs or operates interexchange facilities in Alaska, or expands its intrastate services in Alaska, it will be required to file a wholesale tariff for the Commission's approval before the new intrastate services are provided or the facilities are placed into service. SBCS is placed on notice that it may also be required to provide wholesale services in the future if another carrier requests purchase of SBCS's services on a wholesale basis.

Finally, the Commission concurs with Staff's recommendation to approve SBCS's initial tariff filed October 31, 1997. Staff's Report is incorporated herein by reference and adopted as the Commission's findings of fact and conclusions of law.

There are no outstanding substantive or procedural issues to be disposed of in this proceeding, and there are no allocable costs under AS 42.05.651 and 3 AAC 48.157. Therefore, this Docket should be closed.

ORDER

THE COMMISSION FURTHER ORDERS:

1. The application by Southwestern Bell Communications Systems, Inc. d/b/a Southwestern Bell Long Distance for a certifi-

cate of public convenience and necessity to provide telecommunications (intrastate interexchange) public utility service in Alaska is approved, subject to the conditions that Southwestern Bell Communications Systems, Inc. d/b/a Southwestern Bell Long Distance:

- a. pay intrastate access charges in accordance with the tariff of the Alaska Exchange Carriers Association, Inc., on an interim, refundable basis, limited to payment of the per minute common line rate identified in the Alaska Exchange Carriers Association, Inc., tariff at Sheet 278;³
- b. file simplified Bulk Bill reports;
- c. by March 15th of each year, file its audited or reviewed financial statements for the previous year.

2. Tariff Sheet Nos. 1 through 64, filed October 31, 1997, by Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance are approved.⁴

3. The request by Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance to keep its books, records, and accounts out of state is approved subject to the condition that Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance provide certified copies of the books, records, and accounts upon the request of the Commission

³Effective January 1, 1998, the common-line per minute rate was \$.047251 per access minute.

⁴Validated copies of the tariff will be mailed under separate cover.

or pay the actual expenses incurred by the Commission in sending personnel to examine the books and records at the place where they are kept.

4. The request by Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance for a waiver of the requirement to file a wholesale tariff is conditionally approved. If Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance constructs interexchange facilities in Alaska, expands its intrastate services in Alaska, or another carrier requests wholesale services from Southwestern Bell Communication Service, Inc. d/b/a Southwestern Bell Long Distance, the utility shall file a wholesale tariff with the Commission for its approval before the new intrastate services are provided or the facilities are placed into service.

5. Docket U-97-220 is closed.

DATED AND EFFECTIVE at Anchorage, Alaska, this 17th day of March, 1998.

BY DIRECTION OF THE COMMISSION
(Commissioners Sam Cotten, Chairman, and
Alyce A. Hanley, not participating)

(S E A L)