

LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER

In re: Amendments to General Order dated March 15, 1996, as Amended October 16, 1996, as Amended April 1, 1997 and as Amended June 18, 1998 - *In re: Regulations for Competition in the Local Telecommunications Market.*

(Decided at the June 18, 1998 Open Session)

By General Order dated March 15, 1996, the Commission adopted its Regulations for Competition in the Local Telecommunications Markets¹, which were amended by the Commission October 16, 1996 (the "Regulations") and again on April 1, 1997. The current amendment involves Section 1101 relating to Contract Service Arrangements (CSA).

With respect to the amendment, this Commission voted in August of 1997 to approve BellSouth Telecommunications, Inc.'s (BST) Statement of Generally Available Terms and Conditions (SGAT) including provisions that CSAs would be subject to resale, but at no discount under Section 252(f) of the Telecommunications Act of 1996 (the "Act") subject to specific, LPSC required amendments. The Commission issued Order No. U-22252-A on September 5, 1997 which contained the Commission findings and required modifications. BST filed a modified SGAT on September 10, 1997 consistent with LPSC requirements. BST then filed an application with the FCC requesting authority to provide in-region interLATA exchange services relying partially upon the LPSC approval of the BST SGAT which included CSA provisions.

On February 4, 1998, the FCC issued an order rejecting BST's application to provide in-region interLATA exchange services. The FCC rejected the Application in part because BST failed to make its contract service arrangements (CSA) available for resale at a wholesale discount.

On April 30, 1998, BST filed a second modification to its SGAT with the LPSC. The SGAT amendments make CSAs available for resale at the wholesale discount set by the LPSC in Docket No. U-22020.² In addition, BST requested that a proceeding be commenced to establish a CSA-specific resale discount.³

The current Commission regulations, the Regulations For Competition in the Local Telecommunications Market ("Local Competition Regulations")⁴ and the Resale Docket Order No. U-22091 were not consistent with the SGAT or the FCC decision. The Regulations provided that the CSAs placed as of January 28, 1997 were exempt from mandatory resale, and all CSAs entered into after that date would be subject to resale at no discount. For the filed SGAT amendments to be approved, Staff recommended that the above referenced regulations be

¹ The Commission voted to adopt the *Substitute Proposed Regulations for Competition in the Local Telecommunications Market* which pursuant to the General Order was redesignated as the *Regulations for Competition in the Local Telecommunications Market*.

² See, Louisiana Public Service Commission, Ex Parte. In Re: Review and Consideration of BellSouth Telecommunications, Inc.'s Resale Costs Study Submitted Pursuant to Section 1101(D) of the Regulations for Competition in the Local Telecommunications Market as Adopted by General Order dated March 15, 1996 in order to determine the Wholesale Resale Rates for Unbundled Retail Features, Functions, Capabilities and Services, and Bundled Retail Services including Vertical Features as provided under Section 1101(D).

³ See, Correspondence of D.R. Hamby to Lawrence St. Blanc, dated April 30, 1998, filed with the revised SGAT.

⁴ See, Regulations for Competition in the Local Telecommunications Market General Order dated March 15, 1996, as amended October 16, 1996, as amended April 1, 1997.

amended.

Specifically, Staff recommended that the Commission adopt those revision as amended by BST for CSAs, making CSAs immediately available for resale at the current discount rate of 20.72% as established under Order U-22020, and that the Commission amend the Regulations for Competition in the Local Telecommunications Market, Section 1101 with respect to CSAs.

This matter was considered at the Commission's Open Session held on June 18, 1998. On motion of Commissioner Field and seconded by Commissioner Owen, and adopted by a vote of 3 to 2, the Commission voted to accept the staff recommendation subject to Commissioner Field's amendments which do not concern the CSA provisions.

IT IS THEREFORE ORDERED THAT:

1. The Amendments to the Regulations as set forth in Appendix "A" hereto are hereby adopted.
2. All provisions of the Amendments to the Regulations are hereby ordered by the Commission.
3. All entities subject to the provisions of this order and the Amendments to the Regulations shall forthwith take all actions required by this order and the Amendments to the Regulations.
4. The Regulations as hereby amended are set forth in Appendix "B" attached hereto.
5. This order shall be effective immediately.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA**

/S/ DON OWEN
DON OWEN, CHAIRMAN
DISTRICT V

IRMA MUSE DIXON DISSENTING
IRMA MUSE DIXON, VICE-CHAIRMAN
DISTRICT III

/S/ C. DALE SITTIG
C. DALE SITTIG, COMMISSIONER
DISTRICT IV

/S/ JAMES M. FIELD
JAMES M. FIELD, COMMISSIONER
DISTRICT II

JACK "JAY" A. BLOSSMAN, JR. DISSENTING
JACK "JAY" A. BLOSSMAN, JR. COMMISSIONER
DISTRICT I

SECRETARY