

Service Date: October 20, 1999

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF U S WEST) UTILITY
DIVISION)
COMMUNICATIONS, INC., Application for)
Approval of a Decrease in Rates as a)
DOCKET NO. D99.7.168)
Result of HB 128 Tax Reductions) ORDER NO
. 6194b)

FINAL ORDER

On July 2, 1999, U S West Communications, Inc. (USWC), f
iled before the Public Service
Commission (PSC) an application to reduce rates for telecommunic
ations service provided by
USWC in Montana. USWC's proposed reduction is in response to th
e 1999 Montana
Legislature's HB 128 (now Ch. 426, L. 1999), a part of which red
uces certain taxes pertaining to
USWC and other telecommunications carriers, effective January 1,
2000. (Although HB 128
reduces certain taxes pertaining to telecommunications carriers,
it also creates a 3.75 percent
excise tax pertaining to telecommunications services.)

On July 22, 1999, the PSC publicly noticed USWC's applic
ation through a Notice of
Application and Intervention Deadline. In response to that noti
ce the Montana Consumer
Counsel (MCC), AT&T Communications of the Mountain States, Inc.
(AT&T), the Northwest
Payphone Association (NWPA), and Sprint Corporation (Sprint) req
uested intervention and were
granted intervention as parties to the proceeding.

On October 15, 1999, USWC and all intervenors (MCC, NWPA
, AT&T, and Sprint) filed
a stipulation for PSC approval. The stipulation agrees to USWC'
s proposed reduction in rates, as
filed (i.e., as proposed) by USWC.

The PSC determines that the stipulation submitted for ap
proval should be and is approved.

Effective for service rendered on and after January 1, 2000, USWC shall reduce rates in accordance with its application. The approximate annual revenue reductions presented in USWC's application are \$3.73 million for residential basic local exchange service (approximately \$1.21 reduction in monthly bill), \$3.35 million for business local exchange service, \$1.68 million for IntraLATA toll service, and \$1.00 million for switched access service.

Done and dated this 18th day of October, 1999, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

DAVE FISHER, Chair

NANCY MCCAFFREE, Vice Chair

BOB ANDERSON, Commissioner

GARY FELAND, Commissioner

BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38 .2.4806, ARM.

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