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Service Date: December 28, 1984

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

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IN THE MATTER Of The Second)	UTILITY DIVISION
Investigation of INTRASTATE ACCESS)	DOCKET NO. 84.4.15
CHARGES For Telecommunications)	INTERIM ORDER NO. 5055e

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1. On December 5, 1984 the Commission issued Interim Order No. 5055c in this docket. Order No. 5055c discussed the history of this proceeding including a stipulation which was entered and submitted at the October 23, 1984 hearing. Pursuant to this stipulation and pursuant to the Commission's Order No. 5044c in Docket No. 83.11.80 which addressed interim relief for AT&T Communications, the Commission issued Order No. 5055c directing local exchange companies to reduce carrier access charges paid by AT&T Communications in the amount of $1,620,000. This was to be done by eliminating Mountain Bell's bulk billing element, reducing charges for special access to approximate the level of Mountain Bell's current private line rates, and reducing carrier common line charges if necessary. The Commission directed the local exchange companies to file tariffs accomplishing the stated reduction in access charges and to submit proposals for spreading any necessary offsetting rate adjustments.

2. Mountain Bell, Northwestern Telephone Systems, and General Telephone Company of the Northwest have submitted filings responding to Order No. 5055c.

3. Mountain Bell's response contains the following language:

> "Mountain Bell has reviewed the special access charges under current tariffs and determined them to be equivalent to its intraLATA private line rates. Mountain Bell continues to work with AT&T Communications to resolve any dispute in this regard..."

AT&T Communications has filed an exception to Mountain Bell's response stating that special access charges and private line rates are not "equivalent". The Commission directs Mountain Bell and AT&T Communications to continue to work on this apparent disagreement and to file a proposed resolution to the problem by January 21, 1985. Any further filing by Mountain Bell reiterating its position that special access charges and interLATA private line rates are "equivalent" should specifically address the exhibits attached to AT&T Communication's December 21, 1984, Exception to Mountain Bell Response to Reduction of Access Charges.

4. The Commission finds that Mountain Bell's allocation of the $1,620,000 to specific telephone companies contained in its December 11, 1984 filing is acceptable and in compliance with the Commission's prior orders.

5. The Commission grants Mountain Bell's request to recover its $1,534,069 shortfall created by the reduction in access charges by a uniform percentage increase to basic exchange services and directs Mountain Bell to file tariffs to accomplish the same.

6. Northwestern Telephone Systems and General Telephone of the Northwest filed requests to recover $26,480 and $8,197 respectively by a uniform cents per line increase to basic exchange services. This Commission has consistently perferred uniform percentage increases to a uniform dollar increase. Northwestern Telephone Systems and General Telephone of the Northwest are directed to refile tariffs recovering the amounts specified above through a uniform percentage increase to basic exchange services.

CONCLUSIONS OF LAW

1. The Montana Public Service Commission properly exercises jurisdiction over the investor-owned telephone companies providing telephone service in Montana pursuant to Title 69, Chapter 3, MCA.

2. The modifications to rates adopted herein are just and reasonable and constitute a proper exercise of the Commission's authority to implement interim rates, pending final resolution of a docket.

ORDER

1. The reduction of carrier access charges in the amount of $1,620,000 will be effective January 1, 1984.

2. The increases to basic exchange rates approved herein will be effective January 1, 1985.

DONE IN OPEN SESSION this 21st day of December, 1984, by a vote of 4 to 0.

DOCKET NO. 84.4.15, INTERIM ORDER NO. 5055e

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION.

Thomas J. Schneider, Chairman

Howard L. Ellis, Commissioner

Clyde Jarvis, Commissioner

Danny Oberg, Commissioner

ATTEST:

Laura Bird, Acting Secretary

Madeline L. Cottrill
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.