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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

DA 92-173

In the Matter of	)	CC Docket No. 92-24
	)	
Southern New England Telephone Company	)	
	)	
Tariff F.C.C. No. 39	)	Transmittal Nos. 531 and 533
	)	
Line Information Database	)	
	)	
	)	

ORDER

Adopted: February 10, 1992; Released: February 10, 1992

By the Deputy Chief (Policy), Common Carrier Bureau:

I. INTRODUCTION

1. Southern New England Telephone Company (SNET) has filed a petition for waiver of Part 69 of the Commission's Rules, 47 C.F.R. Part 69, to establish rate elements for transmission services connecting customers to the carriers' common channel signaling networks (CCS) and to establish rate elements for access to the data in their line information databases (LIDB). SNET has also filed tariff transmittals to introduce CCS access and LIDB. These tariff revisions are scheduled to take effect on February 11, 1992. MCI Telecommunications Corporation (MCI) filed petitions against both transmittals.

2. For the reasons discussed below and in the Southwestern Bell LIDB Order[1], we hereby grant the requested waiver. We also suspend the SNET transmittals for one day, impose an accounting order, and initiate an investigation of the transmittals.[2]

II. WAIVER PETITION

A. Background

3. LIDB[3] refers to a database created by local exchange carriers (LECs).

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[1] Southwestern Bell Telephone Company, Petitions for Waiver of Part 69 of the Commission's Rules, 6 FCC Rcd 6095 (Com.Car.Bur. 1991) (Southwestern Bell LIDB Order).

[2] See also Local Exchange Carriers, Line Information Database, Order, DA No. 91-1637, (released Dec. 30, 1991) (Com.Car.Bur.).

[3] Unless otherwise indicated, the acronym "LIDB" is an abbreviation for Line Information Database (or Data Base).

These databases are interconnected in order to enable LECs to share with each other and with third parties data on the account status[4] of LEC joint use calling cards,[5] as well as information on line numbers, such as third party billing exceptions.[6] This information is stored in LIDB and updated by the LECs on a regular basis. LIDB query service will enable LEC customers such as interexchange carriers (IXCs) to query the database to determine whether a caller is the authorized user of a valid LEC joint use card, or whether a particular telephone number can accept collect or third-party billed calls, before transmitting any call using that card or line number.

4. Both the LECs and the IXCs have developed CCS networks which operate as part of their switched networks to assist in the routing and delivery of telecommunications traffic. Many of the carriers' services that use CCS network capabilities (including LIDB) will require the LECs and their customers to interconnect their CCS networks. CCS interconnection service requires at a minimum one 56 kilobit per second (kbps) link connecting an IXC's CCS network to the signaling transfer points (STPs) in the LEC's network. This link can be used by the LEC to transmit out-of-band signaling information to IXCs, which provides IXCs with faster call set-up than is possible with in-band signaling. CCS interconnection service also enables the IXC to transmit queries to LECs' STPs and thence to LEC databases, like the queries an IXC sends to LIDB for purposes of calling card validation or third party billing information.

5. On October 4, 1991, the Common Carrier Bureau released a decision granting the petition for waiver filed by Southwestern Bell to establish new rate elements for provision of LIDB services.[7] Specifically, the Bureau permitted Southwestern Bell to recover the costs of LIDB query service through two separate charges, one which recovers the costs of the service control point (SCP) which is the database itself, and one which recovers the costs of the STP facilities and transmission lines dedicated exclusively to LIDB.[8] We also permitted Southwestern Bell to recover the costs of CCS interconnection service through two new charges within the Part 69 local transport access element. The first of these is a charge per port for the STP port in which the transmission facility between the IXC's signaling point of interconnection (SPOI) and the LEC's signaling network terminates. The second subelement is a

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[4] See Cincinnati Bell Telephone Co., CC Docket No. 323, 6 FCC Rcd 3501, 3501 n.2 (1991) (Cincinnati Bell Final Order).

[5] See Policies and Rules Concerning Local Exchange Carrier Validation and Billing Information for Joint Use Cards, Notice of Proposed Rulemaking, CC Docket No. 91-115, 6 FCC Rcd 3506, 3506 n.1 (1991) (Cincinnati Bell Rulemaking).

[6] Id. at 3507 n.4.

[7] Southwestern Bell LIDB Order, 6 FCC Rcd 6095.

[8] Id. at 6098.

charge per line which recovers the costs of the transmission facility itself.[9] We granted those waivers on an interim basis, pending the outcome of the Commission's rulemaking proceedings in CC Docket Nos. 91-115[10], 91-141[11] and 91-213.[12]

B. Petition

6. On January 17, 1992, SNET filed a petition for waiver of Part 69 of the Commission's Rules, in which SNET seeks authority to establish the rate elements which Southwestern Bell was permitted to establish in the Southwestern Bell LIDB Order. No parties filed oppositions to SNET's petition for waiver.

C. Discussion

7. The petitioner requests waiver of Part 69 of the Commission's Rules to establish the same rate structure that the Bureau permitted Southwestern Bell to establish in the Southwestern Bell LIDB Order. As we discussed in the Southwestern Bell LIDB Order, a waiver of Part 69 is warranted because Part 69 does not currently provide for this service. Moreover, the costs that the LEC incurs to provide LIDB service should be recovered from the user or group of users whose service needs require the LEC to incur the costs. Therefore, the establishment of service-specific charges is a cost-causative method for recovering the costs of LIDB service.[13] Because these facilities are used on a dedicated basis, the Bureau agreed with Southwestern Bell that the charge for CCS interconnection service should be on a flat, per line basis.[14] Moreover, the Bureau found such charges to be consistent with the three goals for switched transport pricing established in the Transport Rulemaking.[15] The SNET waiver petition seeks authority to establish the rate structure approved in the Southwestern Bell LIDB Order and it is hereby granted.

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[9] See id. at 6099-6100.

[10] See Cincinnati Bell Telephone Co., CC Docket No. 323, 6 FCC Rcd 3501 (1991) (Cincinnati Bell Final Order).

[11] See Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Notice of Proposed Rulemaking, 6 FCC Rcd 3259 (1991) (Expanded Interconnection Rulemaking).

[12] MTS and WATS Market Structure, CC Docket No. 78-72 and Transport Rate Structure and Pricing, CC Docket No. 91-213, 6 FCC Rcd 6126 (1991) (Transport Rulemaking).

[13] Southwestern Bell LIDB Order, 6 FCC Rcd at 6099.

[14] Id.

[15] Id. at 6099-6100.

III. TARIFF FILINGS

A. Transmittals

8. On December 13, 1991, SNET filed Transmittal No. 531 to introduce "Line Information Data Base (LIDB) service via SNET's Common Channel Signaling (CCS) network."[16] On January 14, 1992, SNET filed Transmittal No. 533 to amend Transmittal No. 531 to establish a rate structure that "mirrors the rate structure of Southwestern Bell's LIDB and CCSAS services."[17]

B. Pleadings

9. On December 30, 1991, MCI filed a petition to suspend and investigate Transmittal 531. SNET filed a reply on January 7, 1992. On January 21, 1992, MCI filed a petition to suspend and investigate Transmittal 533; SNET filed a reply on January 27, 1992.

10. MCI argues that the cost support for Transmittal No. 531 is insufficient and claims that the rates are unreasonably high.[18] Specifically, MCI charges that SNET has not provided any meaningful information pertaining to the Common Channel Signaling Cost Information System (CCSCIS) and SNET's internally developed Model for Incremental Cost and Revenue Analysis (MICRA).[19]

11. MCI also asserts that the terms and conditions in SNET's LIDB tariff are unreasonably vague.[20] MCI contends that if terms and conditions are not clearly spelled out, it is possible that two users might pay the same rate for a service but not receive identical service, thereby resulting in a violation of Section 202(a) of the Communications Act of 1934.[21] MCI further argues that SNET's interconnection specifications must be more specific, insisting that the referenced Bell Communications Research, Inc. (Bellcore) publications are not industry standards and are subject to revision.[22]

12. SNET replies that it developed its LIDB rates in compliance with the price cap rules and insists that its tariff satisfies all the tests applicable to a new price cap service offering.[23] SNET argues that it filed extensive

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[16] SNET Transmittal No. 531 at 1.

[17] SNET Transmittal No. 533 at 1.

[18] MCI Petition (Tr. 531) at 4-8.

[19] Id. at 5-6.

[20] Id. at 8-10.

[21] Id. at 8-9.

[22] Id. at 10-11.

[23] SNET Reply (Tr. 531) at 1-2.

cost support of its rates in compliance with the Commission's Rules as outlined in the Part 69 ONA Order.[24] SNET asserts that it is not appropriate for MCI to analyze SNET's CCSCIS and MICRA models as these models contain highly proprietary data related to SNET's network.[25]

13. SNET also contends that its tariff for LIDB service includes terms and conditions which adequately describe the service offering and protect against any unreasonable discrimination.[26] SNET claims that issues of network performance and congestion are clearly defined in the Bellcore technical specifications to which SNET refers in its tariff.[27] SNET argues that it maintains the performance of its network to ensure the accuracy of its data and to preserve fraud control measures.[28] Finally, SNET asserts that MCI provides no justification for its claim that the terms, conditions of service, and interconnection specifications must be addressed prior to the implementation of SNET's LIDB service.[29]

14. In its petition against Transmittal No. 533, MCI restates its objections to Transmittal No. 531, insisting that Transmittal No. 533 contains the same defects as Transmittal No. 531.[30] MCI also argues that SNET failed to address any of the issues set forth in its initial petition.[31]

15. SNET replies that MCI merely repeats the claims included in its petition against Transmittal No. 531.[32] Consequently, SNET reiterates its responses to MCI's allegations, arguing that MCI raises no questions which would merit suspension and investigation of Transmittal No. 533.[33] SNET also insists that its initial reply addressed the issues raised by MCI, thereby establishing that MCI's petition raises no questions of unlawfulness which

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[24] Id. at 2-3 (citing Amendments of Part 69 of the Commission's Rules Relating to the Creation of Access Charge Subelements for Open Network Architecture, CC Docket No. 89-79, Report and Order, Order on Further Reconsideration, and Supplemental Notice of Proposed Rulemaking, 6 FCC Rcd 4524 (1991) (Part 69 ONA Order)).

[25] Id. at 3.

[26] Id. at 4.

[27] Id.

[28] Id. at 5.

[29] Id.

[30] MCI Petition (Tr. 533) at 1-2.

[31] Id. at 2.

[32] SNET Reply (Tr. 533) at 2-4.

[33] Id. at 2.

would merit suspension and investigation.[34]

C. Discussion

16. We conclude, based on our review of the transmittals and the associated pleadings, that these transmittals raise substantial questions of law and fact which require further investigation to determine whether the rate levels are excessive and whether the terms and conditions are reasonable. Therefore, because customers may be subject to excessive rates as a result of these transmittals, which may warrant refunds at the conclusion of this investigation, we will suspend the above-referenced transmittals for one day, impose an accounting order, and initiate an investigation. We will establish a pleading cycle and designate the specific issues to be examined in this investigation in a future Order.[35] CC Docket No. 92-24 has been assigned to this investigation and the investigation commenced in the LEC LIDB Order.

IV. ORDERING CLAUSES

17. Accordingly, IT IS ORDERED that the petition for waiver of Part 69 of the Commission's Rules, 47 C.F.R. Part 69, filed by Southern New England Telephone Company IS GRANTED.

18. IT IS FURTHER ORDERED that, pursuant to Sections 204(a) and 403 of the Communications Act of 1934, 47 U.S.C. §§ 204(a), 403, an investigation IS INSTITUTED into the lawfulness of the tariff revisions filed by Southern New England Telephone Company, Tariff F.C.C. No. 39, Transmittal Nos. 531 and 533.

19. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, the instant tariff revisions filed by Southern New England Telephone Company ARE SUSPENDED for one day.

20. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, Southern New England Telephone Company SHALL FILE tariff revisions reflecting this suspension no later than seven business days from the release of this Order. We hereby waive Sections 61.56, 61.58, and 61.59 of the Commission's Rules, 47 C.F.R. §§ 61.56, 61.58, and 61.59, and grant Special Permission No. 92-89 for this purpose.

21. IT IS FURTHER ORDERED that, pursuant to Sections 4(i) and 204(a) of the Communications Act of 1934, 47 U.S.C. §§ 154(i), 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, Southern New England Telephone Company SHALL KEEP ACCURATE ACCOUNT of all amounts received that are associated with the rates that are the subject of this investigation.

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[34] Id. at 3.

[35] We will investigate these transmittals as part of the investigation of other carriers LIDB tariffs that we established in the LEC LIDB Order. See note 2, supra.

22. IT IS FURTHER ORDERED that the petitions for suspension and investigation of the instant transmittals, filed by MCI Telecommunications Corporation, ARE GRANTED to the extent indicated, and otherwise ARE DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Carl D. Lawson

Carl D. Lawson
Deputy Chief (Policy)
Common Carrier Bureau