

FCC MAIL SECTION

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

JAN 13 3 02 PM '95

DA 95-94

DIS In the Matter of)

BellSouth Telecommunications, Inc.
Revisions to Tariff F.C.C. No. 1)

) CC Docket No. 94-97

GTE System Telephone Companies
Revisions to Tariff F.C.C. No. 1)

) Transmittal No. 253

GTE Telephone Operating Companies
Revisions to Tariff F.C.C. No. 1)

) Transmittal No. 132

Southwestern Bell Telephone Company
Revisions to Tariff F.C.C. No. 73)

) Transmittal No. 938

) Transmittal No. 2413

ORDER

Adopted: January 12, 1995; Released: January 12, 1995

By the Deputy Chief, Tariff Division, Common Carrier Bureau:

1. On December 9, 1994, the Common Carrier Bureau (Bureau) released an Order suspending for one day and initiating an investigation of the permanent virtual collocation tariffs filed on September 1, 1994 by the Tier 1 local exchange carriers (LECs) subject to expanded interconnection requirements. The LECs' permanent virtual collocation tariffs became effective on December 15, 1994, subject to an accounting order.¹ The Virtual Collocation Suspension Order directed BellSouth Telecommunications, Inc. (BellSouth), GTE System Telephone Companies and GTE Telephone Operating Companies (GTE), and Southwestern Bell Telephone Company (SWB), inter alia, to delete from their virtual

¹ See Ameritech Operating Companies et al., CC Docket No. 94-97, Order, DA 94-1421, released Dec. 9, 1994 (Virtual Collocation Suspension Order). In addition, the Bureau partially suspended for the remainder of the five-month suspension period certain LECs' rates to the extent they included overhead loading levels that were not justified by the record. Virtual Collocation Suspension Order at ¶¶ 1-2. The Bureau stated that it would designate specific issues regarding the LECs' virtual collocation tariffs and establish a pleading cycle for discussion of those issues in a subsequent Order. Id. at ¶ 3.

recover the cost of training LEC technicians to service interconnector-designated equipment that differs from the type of equipment the LEC uses. The Bureau ordered the foregoing LECs to file tariff revisions no later than December 23, 1994, to replace references to ICB pricing either with specific rates or time and materials charges.²

2. In response to the Virtual Collocation Suspension Order, BellSouth, GTE, and SWB filed tariff provisions proposing to delete from their virtual collocation tariffs references to ICB pricing for rate elements that recover the costs of training. These revisions are scheduled to take effect on January 14, 1995. In Transmittal No. 253, BellSouth proposes a schedule of specific charges, including charges for training classes (at basic, overtime, and premium rates), airfare, meals, and housing. In Transmittal Nos. 132 and 938, GTE proposes to replace ICB pricing with labor rates set forth elsewhere in its tariff. Additionally, GTE proposes that the interconnecting customer will be responsible for the arrangement and payment of training seminars, including tuition and course materials, and that travel expenses will be billed directly to the interconnecting customer. SWB's Transmittal No. 2413 proposes nonrecurring charges for training courses and material, lodging, intercity transportation, local transportation, expenses, and airport parking.

3. On December 30, 1994, MCI Telecommunications Corporation (MCI) filed a petition to suspend and investigate BellSouth's transmittal. MCI asserts that BellSouth's proposed training rates, terms and conditions "do not guarantee interconnectors the lowest available rates." MCI Petition at 7. Specifically, MCI contends that BellSouth overestimated training-related expenses, e.g., for airfare. MCI proposes that BellSouth charge the interconnectors only for the expenses that are actually incurred. *Id.* at 3-5. MCI also urges the Bureau to require BellSouth to provide the cost support on which it based its proposed rates for training. *Id.* at 5. Finally, MCI asserts that the Bureau should require BellSouth to give interconnectors the option of making training arrangements themselves. *Id.* at 5-6. No petitions were filed against GTE's and SWB's transmittals.

4. On January 9, 1995, BellSouth filed an opposition to MCI's petition. BellSouth asserts that its filing should be permitted to take effect without suspension or investigation because the transmittal complies fully with the Bureau's directive to remove references to ICB pricing. BellSouth Opposition at 1. BellSouth also claims that MCI's proposed approach would amount to ICB pricing to recover training costs. Finally, BellSouth defends the method it used to develop its rate for airfare/travel expense. *Id.* at 3.

5. The transmittals filed by BellSouth, GTE, and SWB raise the same issues as the permanent virtual collocation tariffs that were suspended for one day and made subject to investigation initiated in the Virtual Collocation Suspension Order. Despite BellSouth's claim that it complied with the Bureau's directive to remove ICB pricing, the Bureau must review BellSouth's transmittal in the context of its investigation to assess the reasonableness of the

² *Id.* at ¶ 47.

proposed rates. Therefore, the above-captioned transmittals are suspended for one day, until January 15, 1995, and will be subject to the investigation initiated in the Virtual Collocation Suspension Order. These rates will also be subject to an accounting order to facilitate any refunds that may later prove necessary.

6. Accordingly, IT IS 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 revisions to BellSouth Telecommunications Tariff F.C.C. No.1, Transmittal No. 253, GTE System Telephone Companies Tariff F.C.C. No.1, Transmittal No. 132, GTE Telephone Operating Companies Tariff F.C.C. No.1, Transmittal No. 938, and Southwestern Bell Telephone Company Tariff F.C.C. No. 73, Transmittal No. 2413, ARE SUSPENDED for one day and an investigation of the referenced tariff transmittals IS INSTITUTED.

7. IT IS FURTHER ORDERED that the petition to suspend and investigate filed by MCI Telecommunications Corporation IS GRANTED.

8. IT IS FURTHER ORDERED that BellSouth, GTE, and Southwestern Bell Telephone Company SHALL FILE tariff revisions within five business days of the release date of this Order to reflect this suspension.

9. IT IS FURTHER ORDERED that, for these purposes, we 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. BellSouth, GTE, and Southwestern Bell Telephone Company should cite the "DA" number of the instant Order as the authority for this filing.

10. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, 47 U.S.C. § 204(a), BellSouth, GTE, and Southwestern Bell Telephone Company shall keep accurate account of all amounts received by reason of the rates that are the subject of this investigation.

FEDERAL COMMUNICATIONS COMMISSION



David A. Nall
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Common Carrier Bureau