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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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In the Matter of		
Access Charge Reform	)	CC Docket No.96-262
Price Cap Performance Review for Local Exchange Carriers	)	CC Docket No.94-1
Transport Rate Structure and Pricing	)	CC Docket No.91-213
Usage of the Public Switched Network by Information Service and Internet Access Providers	)	CC Docket No.96-263

MOTION OF THE PEOPLE OF THE STATE OF CALIFORNIA AND THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA FOR AN EXTENSION OF TIME

Pursuant to Section 1.46 of the Rules of Practice and Procedure of the Federal Communications Commission (FCC), 47 C.F.R. §1.46, the People of the State of California and the Public Utilities Commission of the State of California (California or CPUC) seek an extension of time to February 3, 1997 to file comments on the the Notice of Proposed Rulemaking (NPRM), and until February 24, 1997 to file reply comments on the NPRM. California has notified the Competitive Pricing Division of its intent to seek this extension of time. California seeks no extension of time for filing comments or reply comments in response to the companion Third Report and Order and Notice of Inquiry (NOI).

I. BACKGROUND

On December 24, 1996, the FCC released its Notice of Proposed Rulemaking, Third Report and Order, and Notice of Inquiry in this docket. The NPRM proposes sweeping reforms of interstate access charges, changes in the price cap performance review for incumbent local exchange carriers, and restructuring

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of transport rates and pricing policies. The companion NOI proposes policies for use of the public switched telephone network by information service and Internet access providers. For the NPRM, the FCC established a comment date of January 27, 1997, and a reply comment date of February 13, 1997.

II. **NEED FOR ADDITIONAL TIME**

The FCC's NPRM was released on December 24th, Christmas Eve, the beginning of the Christmas-New Year's holiday period. Many members of the California legal and technical team assigned to this proceeding first learned that the FCC had released this NPRM from reading accounts in regional newspapers on Christmas Day. Most of the team members were absent from the office from Christmas Eve until after New Year's Day, January 1st. As a consequence, work on the CPUC's comments could not begin in earnest until January 6th. Thus, a full ten days of the comment period was lost because of the timing of the FCC's release of the NPRM.

In addition, the NPRM is sweeping in scope and seeks detailed comments on myriad interrelated issues. The CPUC team is reading and re-reading the NPRM to evaluate which issues to address in comments. This task is rendered particularly difficult because of the fact that access charge, and transport rate and pricing issues are connected. All of these issues, in turn, implicate pricing flexibility for incumbent price cap LECs. Further, a number of issues presented for comment in the NPRM either are directly or indirectly related to both the FCC's and the CPUC's Universal Service proceedings. Thus, it is not readily apparent to California at this point how to respond only about some issues while remaining silent about other, related issues.

For example, in Sections IV. through VI., the FCC seeks comment on two alternative approaches to access reform and deregulation: 1) the market-based approach, and 2) the prescriptive approach. The FCC requests parties to comment on each proposed approach, as well as to offer suggestions for one or more other approaches which might combine elements of both the

market-based and prescriptive proposals. Crafting one or more other approaches using elements of the market-based and prescriptive proposals requires careful thought and consideration. California is contemplating which approach to recommend to the FCC and is finding the task extremely challenging, especially given the short time frame for submitting comments.

Further, in Section VII.B of the NPRM, the FCC addresses issues relating to the potential difference between the revenues that incumbent LECs generate from current interstate access charges and the revenues that revised access charges are likely to generate. The FCC then asks for comment on "both the estimated magnitude of that difference and the extent to which alternative methods of recovery of that difference should be permitted". (NPRM ¶ 241.) The FCC proposes several types of recovery mechanisms. Each of these issues requires parties to estimate relevant costs, and resulting revenue effects when those costs are shifted. Performing this task will require considerable time and effort; attempting such an exercise will require more than the eight working days remaining before California must submit its comments. Even with an extension, California may determine it cannot provide estimates because the effort is too complex and demanding for the amount of time allowed to comment.

Finally, the CPUC has been undergoing an internal reorganization, still in progress, which has produced temporary displacement of relevant staff and their files. This temporary situation, coupled with California's own efforts to oversee the transition in the local exchange market, makes it extraordinarily difficult for the CPUC to meet the January 27th deadline. California seeks a one-week extension of time, to February 3rd, to file comments. In addition, California notes that the reply period is less than three weeks. The CPUC anticipates having to review dozens of sets of comments, each of them close to one hundred pages long. California requests that the FCC extend the reply period by one week and two extra working days, from February 13th to February 24th.

Accordingly, the CPUC believes that it has shown good cause for an extension of time for the filing of comments to February 3rd, and of reply comments to February 24th, in response to the NPRM.

Dated: January 14, 1997

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document entitled **MOTION OF THE PEOPLE OF THE STATE OF CALIFORNIA AND THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA FOR AN EXTENSION OF TIME** has been served upon all known parties of record.

Executed at San Francisco, California, this 14th day of January, 1997.

Helen M. Mickiewicz

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