

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

NOVEMBER 18, 1999

IN RE:

**PETITION OF THE ELECTRIC POWER BOARD
OF CHATTANOOGA FOR APPROVAL OF AN
INTRALATA TOLL DIALING PARITY PLAN**

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ORIGINAL

DOCKET NO. 99-00648

**ORDER APPROVING THE INTRALATA TOLL DIALING PARITY
IMPLEMENTATION PLAN**

This matter came before the Tennessee Regulatory Authority (the "Authority") on September 28, 1999, at a regularly scheduled Authority Conference, to consider the Petition of the Electric Power Board of Chattanooga for approval of an IntraLATA Toll Dialing Parity Implementation Plan ("the Plan").

Section 251(b) of the Telecommunications Act of 1996 ("the Act") requires all Local Exchange Carriers to provide dialing parity.¹ Specifically, section 251 (b)(3) of the Act states, "Dialing Parity - The duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays." The Act further states in sections 251(f)(1) and 251(f)(2) that a rural telephone company may file with the state commission for exemption, suspension or modification of the dialing parity requirements.

¹ Telecommunications Act of 1996, Pub. L. No. 104-104, (February 8, 1996), codified at 47 U.S.C. §§ 151 et seq.

FILE

The Federal Communications Commission ("FCC") initiated a rulemaking on dialing parity on April 19, 1996 and issued its findings in FCC 96-333 Order (Docket 96-98) adopted on August 8, 1996. This Order sets forth the criteria and guidelines for filing of a plan by all carriers. Subsequent to this Order the United States Court of Appeals for the Eighth Circuit vacated the FCC's rules, as they were applicable to intrastate services.² On January 25, 1999, the United States Supreme Court reversed certain portions of the Eighth Circuit's decision including that part of the decision which had stricken the FCC's rules pertaining to dialing parity.³

The FCC's original date for implementation, February 8, 1999, was reinstated by the Supreme Court's decision of January 25, 1999. As a result of this reinstatement, the FCC released FCC 99-54 Order (Docket 96-98) on March 23, 1999, which set forth revised implementation dates for dialing parity. This Order establishes April 22, 1999 as the new date by which all Local Exchange Carriers must file an IntraLATA Toll Dialing Parity Plan with State Commissions for approval. The Plan must be implemented within thirty (30) days after approval from the State Commission. Additionally, the Order states that the Plan must be filed with the Common Carrier Bureau of the FCC if the State Commission has not acted on the Plan by June 22, 1999.

The Electric Power Board of Chattanooga is a telecommunications company approved to operate under Tenn. Code Ann. § 65-4-201 as a competitive local exchange carrier to provide telecommunications services in Tennessee. Pursuant to 47 C.F.R. § 51.213, the petitioner is required to file a plan with the Authority that provides for implementing

² FCC v. Iowa Utils. Bd., United States Court of Appeals for the Eighth Circuit, July 18, 1997.

³ AT&T v. Iowa Utils. Bd., 119 S.Ct. 721 (1999).

intraLATA toll dialing parity in the exchanges in Tennessee where service is provided.⁴ This plan must allow customers to pre-subscribe to different carriers for local service, intraLATA toll service and interLATA toll service.⁵

The Electric Power Board of Chattanooga filed an intraLATA toll dialing plan on September 3, 1999. The Plan, attached hereto as Exhibit A, is fully incorporated herein by this reference.

The Directors considered this plan at the September 28, 1999 Authority Conference and determined that the Plan satisfies the requirements set forth by the FCC in Docket 96-98, FCC Order 96-333 and FCC Order 99-54.⁶ The Plan provides for a method that enables customers to select alternate providers of telephone toll service; a method that allows customers to choose different carriers for interLATA and intraLATA service; customer notification/education procedures; and anti-slamming procedures. The Directors unanimously voted to approve the Electric Power Board of Chattanooga intraLATA toll dialing parity implementation plan with the requirement that the petitioners comply with all applicable sections of FCC Order 96-333 upon implementation of intraLATA equal access.

IT IS THEREFORE ORDERED THAT:

1. The Plan of the Electric Power Board of Chattanooga for IntraLATA Toll Dialing Parity Implementation, a copy of which is attached as Exhibit A, is hereby approved and

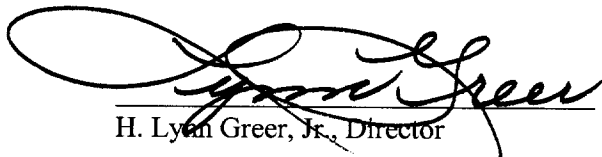
⁴ Under 47 C.F.R. §51.213, the Federal Communication Commission requires that an IntraLATA toll dialing parity plan contain: (1) a proposal that explains how the local exchange carrier will offer intraLATA toll dialing parity for each exchange that such carrier operates in the state, in accordance with the provisions of this section, and a proposed time schedule for implementation; and (2) a proposal for timely notification to its subscribers and the methods it proposes to use to enable each subscriber to affirmatively select an intraLATA toll service provider. The state commission must approve any such plan prior to implementation.

⁵ Pre-subscription allows the customer to place a call without dialing an access code.

⁶ FCC Order 96-333 released August 8, 1996, sets forth the requirements for implementation of IntraLATA Toll Dialing Parity. FCC Order 99-54 released March 23, 1999, extends to June 22, 1999 the deadline for state commissions to act on a LEC's IntraLATA Toll Dialing Parity Plan.

2. incorporated in this Order as if fully rewritten herein;
3. The Electric Power Board of Chattanooga will file appropriate tariffs indicating the PIC change charge amount;
3. The Electric Power Board of Chattanooga shall comply with all applicable sections of FCC Order 96-333 upon implementing IntraLATA equal access; and
4. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.


Melvin J. Malone, Chairman


H. Lynn Greer, Jr., Director


Sara Kyle, Director

ATTEST:


K. David Waddell, Executive Secretary

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OFFICE OF THE
EXECUTIVE SECRETARY

INTRALATA TOLL
DIALING PARITY PLAN

99-00648

ELECTRIC POWER BOARD OF CHATTANOOGA

I. OBJECTIVE/PURPOSE

In Compliance with the Federal Communications Commission ("FCC") rules delineated in 47 C.F.R. Sections 51.207 through 51.215, EPB of Chattanooga ("the Company") files its plan for implementing intraLATA toll dialing parity ("the Plan").

The intent of the Plan is to permit customers to select and subsequently to route intraLATA toll calls automatically, without the use of access codes, to the interexchange carriers ("LXC") that have established themselves as Access Customers of the Company ("Participating Carrier").

This Plan will be effective in all exchanges for which the Company will provide local exchange service. The Company will associate with the 472 Chattanooga LATA. The Company will comply with all pertinent Federal Communication Commission and Tennessee Regulatory Authority Rules and Regulations regarding the Company's provision of intraLATA toll dialing parity.

II. IMPLEMENTATION SCHEDULE

The Company intends to offer dialing parity for intraLATA calls upon its implementation of local exchange service, which is planned for introduction or about November 1, 1999.

III. CARRIER SELECTION PROCEDURES

The Company will implement the "2-PIC" (Presubscribed Interexchange Carrier) methodology. With the "2-PIC" methodology, customers will be able to subscribe to one Participating Carrier for their intraLATA toll calls and to subscribe to the same or a different Participating Carrier for their intraLATA toll calls.

Company employee's who communicate with the public, accept service orders and serve in customer service capacities will be trained to explain the availability of "2-PIC" Equal Access, and to assist customers in making an initial PIC selection.

IV. CALLS SUBJECT TO INTRALATA TOLL DIALING PARITY

Interstate intraLATA 1+ and 0+ toll calls originating in an exchange shall be subject to intraLATA toll dialing parity provisions.

V. CUSTOMER ELIGIBLE FOR INTRALATA TOLL DIALING PARITY

All end user customers subscribing to the Company's local exchange service offerings shall be eligible for intraLATA dialing parity.

VI. CARRIER NOTIFICATION

An IXC that desires to become a Participating Carrier shall notify the Company by requesting and completing the Carrier Participation Form. The request for this Form may be made by telephone or e-mail to the designated Company carrier relations contact. Once the Carrier Participation Form has been returned to the Company and an Access Service Request has been processed, that carrier will be added to the alphabetical list of Participating Carriers maintained by the Company.

VII. CUSTOMER EDUCATION and NOTIFICATION

Customers will receive information explaining their opportunity to select an intraLATA toll service provider upon placing an order for local exchange service with the Company. The Company anticipates that promotional strategies by intraLATA toll service providers will contribute to Customer awareness of intraLATA toll dialing parity.

VIII. CUSTOMER SELECTION PROCESS

Customers contacting the Company requesting local exchange service will be informed of the opportunity to select both an intraLATA and interLATA PIC at no charge. If requested by the customer, the Company will provide an alphabetical list of Participating Carriers. Customers who do not make an affirmative selection of an intraLATA toll service provider will be identified in the Company records as a "no-PIC" and will not be defaulted to a toll service provider. New customers identified in the Company records as a "no-PIC" will be required to dial the access code 101XXXX where XXXX represents the identification code of the carrier they desire to use. The use of the access code will be required for placement of each intraLATA toll call until they make an affirmative selection. The Company representatives will not discuss alternative carriers' rates or services. Instead, carrier contact telephone numbers will be provided to the Company's end users seeking information regarding carrier calling plans.

A customer's request to change his/her current intraLATA PIC will be accepted and processed by the Company in accordance with FCC PIC change procedures. The customer will incur a non-recurring PIC Change Charge of \$5.00. This charge will be tarified prior to implementation.

Customers will be given a period of six (6) months after intraLATA subscription service becomes available within which to make one change of their preferred carrier at no cost to the customer. This waiver period will begin on November 1, 1999. After the initial six (6) months, the Company may charge customers the intraLATA PIC Change Charge at tarified

rates. An initial application of "no-PIC" will, for purposes of applying the PIC Change Charge, be viewed as an affirmative PIC selection.

The Company has no existing customers.

Prior to implementing local exchange service the Company will adopt an anti-slamming policy. The Company is familiar with Tennessee Regulatory Authority Rule 1220-4-2-.56 related to slamming.

IX. ACCESS to OPERATOR SERVICES and DIRECTORY ASSISTANCE

Access to Operator Services and Directory Assistance will be available through the Customer's local exchange service provider or intraLATA toll service provider. No industry standard has been established for access to Operator Services and Directory Assistance unique to the intraLATA toll service provider. For Operator Services, Customers dial "0" to reach their local exchange operator and "00" to reach their intraLATA operator. For Directory Assistance, Customers dial "1-411" in the Company's service territory for accessing the local exchange Directory Assistance and Customers dial "1-NPA-555-1212" for accessing their intraLATA toll service provider's Directory Assistance.

The local and intraLATA Operator Service and Directory Assistance may be branded by the local and intraLATA service providers, as appropriate, based on the dialing pattern of the Customer. Since no unique intraLATA dialing pattern currently exist in the industry, the Company is not capable of identifying intraLATA calls to the Company's or the intraLATA toll service providers operators or directory assistance representatives. As such, this procedure is considered in compliance with FCC Order No. 96-333, Rule 51-217(d).

X. COST RECOVERY

The Company does not currently plan to recoup the incremental cost of implementing intraLATA toll dialing parity but reserves the right to do so in the future. Should the Company make such a determination, it will provide advance notice to the Authority.

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