

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 SENATE BILL 1660

By: Nichols

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5
6 AS INTRODUCED

7 An Act relating to the Corporation Commission;
8 amending 17 O.S. 2001, Section 139.103, as amended by
9 Section 2, Chapter 240, O.S.L. 2004 (17 O.S. Supp.
10 2009, Section 139.103), which relates to the Oklahoma
11 Telecommunications Act of 1997; updating statutory
12 references; clarifying Corporation Commission
13 jurisdiction over certain activities; and declaring
14 an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 17 O.S. 2001, Section 139.103, as
17 amended by Section 2, Chapter 240, O.S.L. 2004 (17 O.S. Supp. 2009,
18 Section 139.103), is amended to read as follows:

19 Section 139.103 A. Except as provided as follows, no company
20 shall increase or decrease any regulated telecommunications service
21 rate without approval of the Corporation Commission, consistent with
22 Commission rules. The Commission shall promulgate rules, to be
23 effective no later than January 1, 1999, eliminating any regulatory
24 disparities between the CLECs and ILECs with respect to the process
of reviewing and approving tariffs.

1 B. Unless approved by the Legislature, no local exchange
2 telecommunications service provider may charge a basic local
3 exchange service rate that exceeds a basic local exchange service
4 rate previously approved by the Commission and in effect on March
5 20, 1997, unless the local exchange telecommunications service
6 provider is regulated under traditional rate base, rate of return
7 regulation. Provided, companies serving less than fifteen percent
8 (15%) of the total access lines in the state or which are subject to
9 subsection B of Section 137 of this title may adjust local exchange
10 rates in the manner provided for in subsection B of Section 137 of
11 this title.

12 C. Nothing in this act, Section 139.101 et seq. of this title,
13 shall be construed as modifying, affecting, or nullifying the
14 responsibilities of the Commission or any telecommunications carrier
15 as required pursuant to the National Labor Relations Act, 29 U.S.C.A
16 151 et seq., the Communications Act of 1934 as amended by the
17 Telecommunications Act of 1996, 47 U.S.C.A. 151 et seq., or the
18 provisions relating to refund liability for overcharges pursuant to
19 Section 121 et seq. of this title.

20 D. Except as otherwise provided for in this subsection, nothing
21 in this act shall be construed as abrogating any rate case
22 settlement agreement approved by the Corporation Commission prior to
23 ~~the effective date of this act~~ July 1, 1997. With respect to local
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1 exchange telecommunications service providers serving fifteen
2 percent (15%) or more of the access lines in the state:

3 1. The company shall not request and the Commission shall not
4 approve an increase in basic local exchange service rates before
5 February 5, 2001;

6 2. The Commission shall not initiate or conduct a traditional
7 rate base, rate of return or earnings proceeding for any such
8 company before February 5, 2001, unless such company proposes and
9 the Commission approves an increase in a service rate that results
10 in an increase in overall revenues of more than five percent (5%) on
11 an annual basis for that company, excluding rate changes made
12 pursuant to subsection E of Section 139.106 of this title and rate
13 changes required or authorized by federal or state law, rules,
14 orders or policies;

15 3. Notwithstanding any other provision of this act, no later
16 than July 15, 1997, each such company shall submit to the
17 Commission, and the Commission shall approve tariff changes reducing
18 the intrastate access rates of that company by an amount necessary
19 to generate a reduction in the annual intrastate access revenues of
20 that company of Five Million Dollars (\$5,000,000.00). The company
21 may seek recovery from the OUSF of only that portion of the annual
22 five-million-dollar revenue reduction taken as directed in this
23 paragraph that exceeds that amount necessary to achieve parity with
24 the interstate access rates of that company in effect on May 30,

1 1997. Thereafter the Commission shall continue to adjust the
2 intrastate access rates of such company as necessary to keep such
3 rates in parity with the interstate access rates of that company,
4 until the intrastate access revenues of that company have been
5 reduced by a cumulative annual amount of Eleven Million Five Hundred
6 Thousand Dollars (\$11,500,000.00), in addition to the five-million-
7 dollar annual reduction taken as directed in this paragraph. The
8 company may seek recovery of all or part of the eleven-million-five-
9 hundred-thousand-dollar annual revenue reduction from the OUSF. If
10 the company seeks recovery from the OUSF of such access revenue
11 reductions described in this paragraph, the Commission shall, after
12 notice and hearing, make a determination of the portion, if any, of
13 the amounts requested that the company is eligible to receive from
14 the OUSF;

15 4. No later than July 15, 1997, each such company shall submit
16 to the Commission, and the Commission shall approve revised tariffs
17 amending the terms and conditions provisions of the intrastate
18 access tariffs of that company so that those tariffs are in parity
19 with the terms and conditions provisions of the interstate access
20 tariffs of that company. Thereafter, on an ongoing basis, such
21 company shall maintain the terms and conditions provisions of the
22 intrastate access tariffs of that company so that they are in parity
23 with the terms and conditions provisions of the interstate access
24 tariffs of that company; and

1 5. All reductions in access rates provided for in paragraph 3
2 of this subsection shall be flowed through to customers, consistent
3 with the Commission's Order No. 282453, as issued by the Commission
4 in Cause No. 29217.

5 E. Upon application of a provider of regulated
6 telecommunications services, the Commission may implement an
7 alternative form of regulation other than traditional rate base,
8 rate of return regulation. In determining whether to approve an
9 alternative form of regulation or whether to continue regulation as
10 established in paragraph 2 of subsection D of this section beyond
11 February 5, 2001, the Commission shall consider the compliance of
12 the company with the federal Telecommunications Act of 1996 in
13 opening its network to local competition and implementing the
14 interconnection and access provisions of such act.

15 F. Nothing in this section shall be construed as restricting
16 any right of a consumer to complain to the Commission regarding
17 quality of service or the authority of the Commission to enforce
18 quality of service standards through the Commission's contempt
19 powers or authority to revoke or rescind a certificate of
20 convenience and necessity if the provider fails to provide adequate
21 service. A certificate shall not be revoked or rescinded without
22 notice, hearing, and a reasonable opportunity to correct any
23 inadequacy.

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1 G. The rules of the Corporation Commission governing quality of
2 service shall apply equally to all local exchange telecommunications
3 service providers.

4 H. In a manner consistent with the provisions of this act and
5 rules promulgated by the Commission, the Commission shall retain
6 jurisdiction over access services and rates, including primary
7 universal services and special universal services.

8 SECTION 2. It being immediately necessary for the preservation
9 of the public peace, health and safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

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