

The Public Utility Commission of Texas (commission) proposes an amendment to §26.467 relating to Rates, Allocation, Compensation, Adjustments and Reporting. The commission amends subsection (k) to correct an inadvertent error in the calculation of the due date for the first-time filing of the quarterly access line count report. Section 26.467 implements the provisions of House Bill 1777 (HB 1777), Act of May 25, 1999, 76th Legislature, Regular Session, chapter 840, 1999 Texas Session Law Service 3499 (Vernon) (to be codified as an amendment to Local Government Code §283.001, et. seq.). In order to provide the 45-day implementation period mandated in Local Government Code, Chapter 283, the commission extends the time for certificated telecommunications providers (CTPs) to file this report from October 15, 2000 to November 15, 2000. Project Number 20935 is assigned to this proceeding.

D. Diane Parker, Senior Attorney, Office of Policy Development, and Elango Rajagopal, Senior Policy Analyst, Office of Regulatory Affairs, have determined that for each year of the first five-year period the proposed section is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Mr. Rajagopal and Ms. Parker have determined that for each year of the first five years the proposed section is in effect the public benefit anticipated as a result of enforcing the section will

be that CTPs will have more time to provide an accurate quarterly access line count report. There will be no effect on small businesses or micro-businesses as a result of enforcing this section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Mr. Rajagopal and Ms. Parker have also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

Comments on the proposed amendment (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, PO Box 13326, Austin, Texas 78711-3326, within 30 days after publication. The commission invites specific comments regarding the costs associated with, and benefits that will be gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. All comments should refer to Project Number 20935.

This amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998) (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction, including rules of practice and procedure. This proposed rule is also authorized

by House Bill 1777, 76th Legislature, Regular Session (1999), Local Government Code
§283.055 and §283.058.

Cross Reference to Statutes: Public Utility Regulatory Act §14.002, Local Government Code
§283.055 and §283.058.

§26.467. Rates, Allocation, Compensation, Adjustments and Reporting.

(a) - (j) (No change.)

(k) **CTP implementation of commission-established rates.** CTPs shall continue to compensate municipalities at the rates required under the terms of the expired or terminated agreements or ordinances until the CTP implements the commission established initial and/or updated rates. A CTP not subject to an existing franchise agreement or ordinance that wants to construct facilities to offer telecommunications services in the municipality shall pay fees that are competitively neutral and non-discriminatory, consistent with the charges of the most recent agreement or ordinance between the municipality and the CTP serving the largest number of access lines within the municipality until the right-of-way fees established by the commission take effect.

(1) - (2) (No change.)

(3) **Subsequent quarterly compensation and reporting.** All CTPs shall implement commission-established initial and updated rates (as applicable) no later than July 1, 2000, and revised rates (as applicable) for the subsequent quarters.

(A) Quarterly access line count report. No later than November 15, 2000~~October 15, 2000~~, a CTP shall file a quarterly access line count

report for the preceding calendar quarter with the commission. All subsequent quarterly access line count reports shall be due no later than 45 days from the end of the preceding calendar quarter. The quarterly access line count report shall include a count of the number of access lines, by category, by municipality, for the end of each month of the preceding quarter. The report shall exclude lines that are resold or leased to other CTPs unless an intercarrier agreement has been reached pursuant to subsection (l) of this section. The CTP shall include with the report a certified statement from an authorized officer or duly authorized representative of the CTP certifying that the information contained in the report is true and correct to the best of the officer's or representative's knowledge and belief after inquiry. On request and subject to the confidentiality protections of the Local Government Code, §283.005, each CTP shall provide each affected municipality with a copy of the report required by this subsection.

- (B) Compensation. Beginning July 1, 2000, CTPs shall apply the most recent commission-established rates to access line in a municipality. The municipal compensation shall be an amount equal to the rate per category of access line multiplied by the number of access lines in that category in that municipality at the end of each month in a calendar quarter as reflected in reports filed pursuant to subparagraph (A) of this

paragraph. All CTPs shall pay to municipalities the compensation for the third calendar quarter of 2000, no later than November 15, 2000~~October 15, 2000~~. All payments for subsequent calendar quarters shall be made no later than 45 days from the end of that quarter.

(4) (No change.)

(l) - (n) (No change.)

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 28th DAY OF APRIL 2000 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
RHONDA G. DEMPSEY**