

Before the
Federal Communications Commission
Washington, D.C. 20554

CC Docket No. 94-97

In the Matter of

Bell Atlantic Telephone Companies
Revisions to Tariff F.C.C. No. 1

ORDER

Adopted: November 30, 1995; Released: November 30, 1995

By the Chief, Tariff Division, Common Carrier Bureau:

1. On October 6, 1995, Bell Atlantic Telephone Companies (Bell Atlantic) filed Transmittal No. 826 to revise its Tariff F.C.C. No. 1. Transmittal No. 826, scheduled to become effective on December 1, 1995, would expand the Design and Planning Fee rate element for fees for new virtual collocation arrangements and for design changes made to existing virtual collocation arrangements. Bell Atlantic also proposes modifying the Installation and Engineering Fee and Site Augmentation Fee, assessed only when Bell Atlantic performs installation or modification to the virtual collocation arrangement, to clarify the charges for equipment-specific rate elements. Additionally, Transmittal No. 826 would increase the options available for the manner in which cable is provided in the virtual collocation arrangement by allowing the interconnector to have Bell Atlantic splice cable to the interconnector's cable at the cable vault, or, alternatively, to provide its own cable to reach its virtual collocation arrangement.

2. Transmittal No. 826 also combines the Cross Connect and Connection Service rate elements into one Cross Connect rate element. Additionally, Bell Atlantic is proposing to offer a Short-Term DS3 Cross Connect, a new option for virtual collocation services. The Short-Term DS3 Cross Connect could be used to interconnect to Bell Atlantic's Short-Term DS3 service offering, and would be for events that require one-time, short-term use of a DS3 service. Finally, Transmittal No. 826 would clarify the minimum

service period requirement for DS3 Cross Connects, introduce specific labor charges, and provide special construction charges for two interconnectors.

3. On October 23, 1995, MFS Communications Company (MFS) and MCI Telecommunications Corporation (MCI) filed petitions to suspend and investigate Transmittal No. 826. MFS and MCI contend that Bell Atlantic has failed to provide sufficient detailed cost support data regarding the costs of installing cabling and equipment in the virtual collocation arrangement.¹ MCI contends that Bell Atlantic is proposing to charge an interconnector a site augmentation fee, regardless of whether Bell Atlantic performs any engineering or design functions.² MFS argues that Bell Atlantic is attempting to establish an excessively high cross connect rate by combining the cross connect and the connection service rates.³ MFS contends that Bell Atlantic's nonrecurring installation charges are discriminatory and unlawful.⁴ MFS also argues that Bell Atlantic's proposed labor rate for "Security, Escort and Additional Labor" is the rate charged for Bell Atlantic's engineers, which is the highest labor rate in the tariff.⁵ Finally, MFS contends that Bell Atlantic is proposing to charge interconnectors on an individual case basis (ICB) for some installation charges,⁶ and that Bell Atlantic's proposal to introduce a 12-month minimum service period for DS3 virtual collocation service is unreasonable.⁷

4. On November 2, 1995, Bell Atlantic filed a reply to the petitions to suspend and investigate. Bell Atlantic attached to its reply the cost information required by the Commission in the virtual collocation tariff investigation. Bell Atlantic denies that its cost support is deficient and contends that combining the cross connect and the connection charge rates into one rate element does not increase the overall rate.⁸ Bell Atlantic states that Transmittal No. 826 complies with the Commission's prescription in the *Phase I Report and Order*.⁹ Bell Atlantic contends that the labor rates proposed in Transmittal No. 826 are no higher than the current tariffed labor rates, and are not excessive.¹⁰ It states that the ICB pricing provision for installation of interconnector-designated equipment is limited to future circumstances that may differ from existing installation requests, and that such requests would be subsequently listed in the tariff.¹¹ Additionally, Bell Atlantic argues that the proposed 12-month minimum DS3 service period is not unreasonable, and that the proposed site augmentation Design and Planning Fee is not excessive.¹²

5. The transmittal filed by Bell Atlantic raises the same issues as the virtual collocation tariffs that were suspended for one day and made subject to the investigation initiated in the *Virtual Collocation Tariff Suspension Order*.¹³ There-

¹ MFS Petition at 2; MCI Petition at 2.

² MCI Petition at 3.

³ MFS Petition at 3.

⁴ *Id.*

⁵ *Id.* at 4.

⁶ *Id.*

⁷ *Id.* at 5.

⁸ Bell Atlantic Reply at 2-3.

⁹ Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport, CC Docket No. 94-97, Phase I, Report and Order, 10 FCC Rcd 6375 (1995) (*Phase I Report and Order*).

¹⁰ Bell Atlantic Reply at 3.

¹¹ *Id.*

¹² *Id.* at 4-5.

¹³ Ameritech Operating Companies *et. al.*, CC Docket No. 94-97, Order, 10 FCC Rcd 1960 (1994) (*Virtual Collocation Tariff Suspension Order*). The *Virtual Collocation Tariff Suspension Order* suspended for one day and initiated an investigation of the virtual collocation tariffs filed on September 1, 1994 by the Tier 1 local exchange carriers subject to expanded interconnection requirements. In the *Phase II Designation Order*, the Common Carrier Bureau designated issues for investigation regarding the rate levels, rate structures, and terms and conditions of service, for the second phase of the investigation of the LECs' virtual collocation tariffs. Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through

fore, the above-captioned transmittal is suspended for one day, until December 2, 1995, and will be subject to the investigation initiated in the *Virtual Collocation Tariff Suspension Order*. This transmittal 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, as amended, 47 U.S.C. § 204(a), and Section 0.291 of the Commission's Rules, 47 C.F.R. § 0.291, the revisions to Bell Atlantic Telephone Companies Tariff F.C.C. No. 1, made in Transmittal No. 826, ARE SUSPENDED for one day and an investigation of the referenced tariff transmittal IS INSTITUTED.

7. IT IS FURTHER ORDERED that Bell Atlantic Telephone Companies SHALL FILE tariff revisions within five business days of the release date of this Order to reflect this suspension.

8. 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. Bell Atlantic Telephone Companies should cite the "DA" number of the instant Order as the authority for this filing.

9. IT IS FURTHER ORDERED that, pursuant to Section 204(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 204(a), Bell Atlantic Telephone Companies shall keep accurate account of all amounts received by reason of the rates that are the subject of this investigation.

FEDERAL COMMUNICATIONS COMMISSION

Geraldine A. Matisé
Chief, Tariff Division
Common Carrier Bureau