

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

In the Matter of

Price Cap Performance Review CC Docket No. 94-1
for Local Exchange Carriers

Treatment of Operator Services CC Docket No. 93-124
Under Price Cap Regulation

Revisions to Price Cap CC Docket No. 93-197
Rules for AT&T

ORDER ON MOTION FOR EXTENSION OF TIME

Adopted: November 13, 1995; Released: November 13, 1995

By the Chief, Common Carrier Bureau:

1. In September of this year, the Commission released three orders seeking comment on price cap regulation of local exchange carriers (LECs).¹ The *LEC Pricing Flexibility NPRM* seeks comment on proposed changes to the LEC price cap plan to respond to changes in the market for interstate access services and to rely more heavily on market forces to achieve the Commission's public policy goals. Among other things, the Commission asked for comment on proposed changes that would make it easier for LECs to introduce new services and would grant LECs increased pricing flexibility. Comments are due on November 20, 1995, with reply comments due on December 20, 1995. The *VDT NPRM* solicits comment on the threshold level of video dialtone activity required to initiate segregation of video dialtone costs and revenues for purposes of sharing and the low-end adjustment, and the (procedures for allocating costs to the video dialtone basket once the threshold has been exceeded. Initial comments on the *VDT NPRM* were due on October 27, 1995, and reply comments are due on November 17, 1995. In the *X-Factor NPRM*, the Commission solicited comment on a number of issues regarding the long term price cap plan. In particular, it sought comment on: (a) the X-Factor, including calculation of the X-Factor, and whether the X-Factor should be reviewed and modified periodically or set on a permanent basis; (b) the number of X-Factors to be included in the

price cap plan, and the sharing requirements, if any, to be associated with each X-Factor; (c) the common line formula; and (d) the exogenous cost rules. Comments are due on the *X-Factor NPRM* on November 27, 1995, and reply comments are due on December 27, 1995.

2. On October 31, 1995, the Ad Hoc Telecommunications Users Committee (Ad Hoc) requested that the Commission extend by three months the dates for filing comments in response to the *LEC Pricing Flexibility NPRM*. Sprint Corporation (Sprint) filed comments in support of Ad Hoc's request. The United States Telephone Association (USTA) filed comments opposing Ad Hoc's request and filed its own motion requesting a three-week extension for comments in response to both the *LEC Pricing Flexibility NPRM* and the *X-Factor NPRM*.² Southwestern Bell Telephone Company (SWBT) filed comments in opposition to Ad Hoc's request and supported USTA's request for a three-week extension for both notices. The Bell Atlantic Telephone Companies (Bell Atlantic) and Ameritech also opposed Ad Hoc's request. Bell Atlantic argued that the Commission should grant a limited extension shorter than that sought by Ad Hoc for both the *LEC Pricing Flexibility NPRM* and the *X-Factor NPRM*. Ameritech stated it would not oppose a modest extension for the *LEC Pricing Flexibility NPRM* of no more than three weeks. Pacific Bell (Pacific) opposed Ad Hoc's motion and suggested a six week extension of time to file comments responsive to both the *LEC Pricing Flexibility NPRM* and the *X-Factor NPRM*.

3. It is the policy of the Commission that extensions of time are not routinely granted.³ Nevertheless, in light of the important issues presented in this proceeding and in order to ease the burden on the parties and allow parties to submit comments that are more helpful to the Commission, the Bureau will grant a three-week extension for parties to submit comments in response to certain of the issues raised in the *LEC Pricing Flexibility NPRM* as described below and a one-week extension for the other issues. There are a few particular issues identified in the *LEC Pricing Flexibility NPRM* that relate specifically to the *X-Factor NPRM*.⁴ For example, in the *LEC Pricing Flexibility NPRM*, we seek comment on using the level of competition faced by a LEC as a basis for assigning an X-Factor, and using the level of competition to determine a LEC's sharing obligation. Therefore, the Bureau grants a one-week extension of time to November 27, 1995, for parties to address the matters raised in Issues 19 and 20 and paragraphs 159 through 172 of the *LEC Pricing Flexibility NPRM*.⁵ Comments on these portions of the *LEC Pricing Flexibility NPRM* will thus be due on November 27, 1995 and reply comments are due on December 27, 1995. Parties may include comments on these issues together with

¹ Price Cap Performance Review for Local Exchange Carriers, Second Further Notice of Proposed Rulemaking in CC Docket No. 94-1, Further Notice of Proposed Rulemaking in CC Docket No. 93-124, and Second Further Notice of Proposed Rulemaking in CC Docket No. 93-197, FCC 95-393 (rel. Sept. 20, 1995) (*LEC Pricing Flexibility NPRM*); Price Cap Performance Review for Local Exchange Carriers, Second Report and Order and Third Further Notice of Proposed Rulemaking, CC Docket No. 94-1, FCC 95-394 (rel. Sept. 21, 1995) (*VDT NPRM*); Price Cap Performance Review for Local Exchange Carriers, Fourth Further Notice of Proposed Rulemaking, CC Docket No. 94-1, FCC 95-406 (rel. Sept. 27, 1995) (*X-Factor NPRM*).

² The Common Carrier Bureau (Bureau) will act separately on USTA's motion and the requests of certain other LECs for an

extension of time for submission of comments in response to the *X-Factor NPRM*.

³ See 47 C.F.R. § 1.46(a).

⁴ *LEC Pricing Flexibility NPRM*, ¶¶ 159-72.

⁵ Those issues, however, also relate to the matters raised in Issues 11 through 14 of the *LEC Pricing Flexibility NPRM*, which seek comment on how to determine whether a market is competitive and definition of product and geographic markets. Therefore, in addressing Issues 19 and 20, parties should address the market definition and other issues raised in Issues 11 through 14 and paragraphs 106 through 126 of the *LEC Pricing Flexibility NPRM*, as necessary to put their comments in the appropriate context.

their comments responsive to the *X-Factor NPRM*, which are now due on the same dates, or they may submit them separately. The Bureau grants a three-week extension with respect to all other issues identified in the *LEC Pricing Flexibility NPRM*. Comments on those other issues, therefore, shall be filed by **December 11, 1995** and reply comments shall be filed by **January 10, 1996**.

4. Accordingly, IT IS ORDERED, pursuant to Sections 4 (j) and 5(c) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154 (j) and 155(c), and the authority delegated thereunder pursuant to Sections 0.91 and 0.291 of the Commission's Rules, 47 C.F.R. §§ 0.91 and 0.291, that the motion of Ad Hoc for an extension of time is GRANTED to the extent indicated herein. Comments in response to the *LEC Pricing Flexibility NPRM* shall be FILED by the dates described above.

FEDERAL COMMUNICATIONS COMMISSION

Regina M. Keeney
Chief, Common Carrier Bureau