

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

3 ONE HUNDRED AND THIRTEENTH LEGISLATURE

5 Legislative Document

NO. 34

7 H.P. 33 House of Representatives, January 21, 1987
8 Reference to the Committee on Utilities suggested and
ordered printed.

9 EDWIN H. PERT, Clerk
10 Presented by Representative Simpson of Casco.
Cosponsored by Representative Mahany of Easton.

11
12 STATE OF MAINE

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SEVEN

17 AN ACT to Ensure Affordable Telephone Service
18 in all Areas of the State.
19

20 Be it enacted by the People of the State of Maine as
21 follows:

22 35 MRSA §75-A is enacted to read:

23 §75-A. Affordable telephone service

24 1. Certificates of public necessity and conve-
25 nience. The commission may not award a certificate
26 of public necessity and convenience to intrastate
27 long distance carriers, allow the provision of coin
28 telephone service by entities other than duly certifi-
29 cated telephone utilities, or allow the resale of
30 any local or long distance service, unless it deter-
31 mines that the effect of that action will not in-
32 crease the cost of residential local telephone ser-

1 vice or local coin telephone service or have the ef-
2 fect of reducing the number and geographic distribu-
3 tion of coin telephone provided by a telephone compa-
4 ny.

5 2. Deregulation and deaveraging. The commission
6 may not deregulate the provision of message toll ser-
7 vice or approve any tariffs for message toll service
8 which provide for a different rate for toll calls
9 made between any 2 exchanges which are equally dis-
10 tant. The commission shall require all
11 facility-based interexchange carriers permitted to
12 operate in the State to provide originating message
13 toll service from all offices equipped for equal ac-
14 cess.

15 3. Carrier bypass. The commission may not per-
16 mit interexchange carriers to provide service direct-
17 ly to end users either by building facilities direct-
18 ly to the customer location or by connecting to a
19 customer-provided facility, going from the customer's
20 location to the interexchange carrier's point of
21 presence. In the event interexchange competition is
22 permitted, all access to interexchange carrier facil-
23 ities shall be provided by the local exchange compa-
24 nies.

25 4. Wide Area Telephone Service or WATS. The
26 commission shall require that any rate differences
27 between Wide Area Telephone Service or WATS, private
28 line and Intrastate Message Toll Service or MTS rates
29 be based on actual cost difference. The contribution
30 for each minute toward Nontraffic Sensitive or NTS
31 cost for MTS, WATS and private line may not be dif-
32 ferent, unless some deviation is necessary to avoid
33 the loss of the customer. Where a rate deviation is
34 necessary, it shall be targeted specifically to that
35 customer, or class of customers, and not to telephone
36 ratepayers in general.

37 5. Intrastate carrier access charges. Intra-
38 state carrier access charges shall be structured in a
39 manner such that the NTS contribution from that ser-
40 vice is the same as that coming from toll services
41 provided by a local exchange carrier.

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STATEMENT OF FACT

2 This bill requires the Public Utilities Commis-
3 sion to consider the effect of competition on local
4 telephone rates and to take no procompetitive steps
5 if such action will result in higher local rates.
6 The bill also prohibits long-distance rate
7 deregulation and rate deaveraging. Rate deaveraging
8 will cause long-distance rates within the State to
9 stop being uniform throughout the State. The bill
10 also prohibits carrier bypass of the existing tele-
11 phone network. Finally, this bill requires the com-
12 mission to maintain the same relationships, for all
13 services, of costs to rates so that any provision of
14 service by entities other than local telephone compa-
15 nies will minimize upward pressure on local rates.

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