

Clearinghouse Rule 13-025

PUBLIC SERVICE COMMISSION OF WISCONSIN

Changes to Telecommunications Rules as a Result of Retail
Deregulation

1-AC-237

NOTICE OF HEARING

Hearing Date:	<u>Friday, April 26, 2013 – 10:00 a.m.</u>
Hearing Location:	Amnicon Falls Hearing Room – 1st Floor Public Service Commission of Wisconsin 610 North Whitney Way Madison, Wisconsin

Comments Due:	Address Comments To:
Monday, May 6, 2013 – 12:00 noon	Sandra J. Paske, Secretary to the Commission Public Service Commission of Wisconsin P.O. Box 7854 Madison, Wisconsin 53707-7854

The Public Service Commission of Wisconsin proposes an order to repeal PSC 8.07 (7) and (11), 162, 163, 164, 165.02 (2) to (5), (11), (13) to (16), and (18) to (20), 165.031, 165.034 to 165.065, and 165.07 to 165.10, 166, 167, 168.10 (1) (b) to (d) and (2), and 168.11, 168.12 (1) (f), 169, 171.06 (2) and (3), 171.07 (4) and (5), 171.08, 171.10 (3) and 174; to renumber and amend PSC 168.10 (1) (intro.) and (a); to amend PSC 100.01, 102.01, 104.02 (3), 165.01 (2), 165.032 (intro.), (6), (7) and (9), 165.033, 168.05 (1) (d) and (3), 168.09 (4), 168.12 (1) (intro.), 168.13 (1) (a), 171.02 (5), 171.06 (1) and 171.10 (1); and to repeal and re-create 171.09.

**ANALYSIS PREPARED BY THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

The analysis is set forth in Attachment A.

TEXT OF PROPOSED RULE CHANGES

The text of the proposed rules is set forth in Attachment B.

INITIAL REGULATORY FLEXIBILITY ANALYSIS

The intention of this rulemaking is to clarify those activities removed from state regulation, thereby affording a benefit to providers that might otherwise believe they have to observe both federal and state requirements with respect to those activities. Confusion that could be caused by retention of obsolete provisions in the Wisconsin Administrative Code should be largely, if not completely, avoided. The reduction in compliance costs is a positive financial benefit for both small and large telecommunications providers, effecting an across-the-board reduction of regulatory compliance obligations and associated costs. Those limited duties preserved for the commission largely relate to wholesale interactions among providers. Other duties (chiefly regarding access rates, numbers and service maps) are clarified and updated consistent with Act 22's provisions that involve federal law.

FISCAL ESTIMATE

The proposed rule changes and repeals will likely result in a small, positive fiscal impact in that compliance costs will be reduced through the removal of non-applicable regulations or textual clarification that a retained rule does not apply to a particular type of telecommunications service provider. This rulemaking seeks to update and clarify the scope of the commission's remaining telecommunications jurisdiction in the wholesale, carrier-to-carrier sector of the telecommunications industry.

The Economic Impact Analysis for this rulemaking is included in Attachment C.

WRITTEN COMMENTS

Any person may submit written comments on these proposed rules. The record will be open for written comments from the public, effective immediately and until May 6, 2013, at **noon**. All written comments must include a reference on the filing to docket 1-AC-237. File by one mode only.

Industry: File comments using the commission's Electronic Regulatory Filing (ERF) system. This may be accessed from the commission's web site (<http://psc.wi.gov>).

Members of the Public: Please submit your comments in only one of the following ways:

- **Electronic Comment.** Go to the commission's web site at <http://psc.wi.gov>, and click on the "ERF – Electronic Regulatory Filing" graphic on the side menu bar. On the next page, click on "Need Help?" in the side menu bar for instructions on how to upload a document.
- **Web Comment.** Go to the commission's web site at <http://psc.wi.gov>, click on the "Public Comments" button on the side menu bar. On the next page select the "File a comment" link that appears for docket number 1-AC-237. Web comments shall be received no later than noon, Monday, May 6, 2013.

Docket 1-AC-237

- **Mail Comment.** All comments submitted by U.S. Mail shall be received no later than Monday, May 6, 2013. A mail comment shall include the phrase “Docket 1-AC-237 Comments” in the heading, and shall be addressed to:

Gary A. Evenson
Docket 1-AC-237 Comments
Public Service Commission
P.O. Box 7854
Madison, WI 53707-7854

The commission does not accept comments submitted via e-mail or facsimile (fax). Any material submitted to the commission is a public record and may appear on the commission’s website. Only one comment may be submitted per person during a comment period. The commission may reject a comment that does not comply with the requirements described in this notice.

CONTACT PERSON

Questions regarding this matter, including small business questions, should be directed to Gary A. Evenson at (608) 266-6744 or gary.evenson@wisconsin.gov. Media questions should be directed to Kristin Ruesch, Communications Director, at (608) 266-9600. Hearing- or speech-impaired individuals may also use the commission’s TTY number. If calling from within Wisconsin, use (800) 251-8345; if calling from outside Wisconsin, use (608) 267-1479.

The commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this docket or who needs to obtain this document in a different format should contact the docket coordinator, as indicated in the previous paragraph, as soon as possible. Any hearing location is accessible to people in wheelchairs. The Public Service Commission Building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building.

Dated at Madison, Wisconsin, March 22, 2013

By the Commission:

/s/ Sandra J. Paske
Sandra J. Paske
Secretary to the Commission

SJP:DL:00609563:1-AC-237 Notice of Hearing & Request for Comments.docx

**ANALYSIS PREPARED BY THE
PUBLIC SERVICE COMMISSION OF WISCONSIN**

A. Statutory Authority and Explanation of Authority

This rulemaking is conducted by the commission under ss. 196.02 (1) (“do all things necessary and convenient to its jurisdiction”); 196.02 (3) (“The commission may adopt reasonable rules to . . . regulate the mode and manner of all . . . investigations and hearings.”); and 196.44, Stats. (“The commission . . . shall enforce all laws relating to public utilities . . .”). In addition, the commission has the general power granted to all state agencies under s. 227.11 (2) (a), Stats. (“Each agency may promulgate rules interpreting the provisions of any statute enforced or administered by it, if the agency considers it necessary to effectuate the purpose of the statute, . . .”).

B. Statutes Interpreted

The primary purpose of this rulemaking is the removal of all those regulations no longer consistent with the regulatory scheme for telecommunications services in Wisconsin enacted and framed by 2011 Wis. Act 22 (Act 22), effective June 9, 2011. Updating changes in the regulations are also included where appropriate to conform to existing law apart from Act 22.

Specifically, telecommunications utility regulatory and reporting requirements removed by Act 22 warrant the amendment and repeal of various provisions, as detailed in Attachment B, in chs. PSC 8, 100, 104, 162, and 168. Act 22’s repeal of commission regulation of retail services offered by telecommunications utilities to the consuming public warrant the repeal of most of ch. PSC 165 (retaining minor clarifications of the remaining tariff and map rules), the repeal (with other minor conforming changes) of any retail rate regulation of resellers in ch. PSC 168, and the repeal of all retail ratemaking and service-related regulations in chs. PSC 163, 164, 166, 167, and 174. Reflecting existing federal preemption of most state regulation of payphone providers by the Telecommunications Act of 1996, Pub. L. 104-104, 110 Stat. 56 (1996) (1996 TA), payphone regulation in ch. PSC 169 is proposed for repeal. Finally, ch. PSC 171 governing cable television telecommunications providers is amended to reflect the reduction in data reporting to the commission and the removal of limitations on alternative telecommunications providers included in Act 22’s changes to s. 196.203, Stats.

C. Related Statutes or Rules

The above-referenced rules are uniquely limited to the commission’s jurisdiction. No other related state or federal statutes or rules are affected, whether adversely or positively, by the changes and repeals generally outlined in B. above.

D. Brief Summary of Rules

The description in B. above describes the general purpose of this rulemaking which is to remove or clarify the application of existing commission regulations that primarily impose reporting requirements, retail service offering constraints, or other regulatory oversight. Almost all of the changes are non-controversial.

The proposed changes include repeal of certain regulations that arguably reflect state-imposed service quality standards that also intertwine with promoting wholesale competition: (1) Sections PSC 165.064, 165.085, 165.086 and 165.087, involving trunking duties and transmission service quality between at least two telecommunications providers' networks, and (2) s. PSC 165.055, regarding the distribution and contents of alphabetical local exchange directories ("white pages"). This notice does not retain the foregoing regulations in the draft proposed rules, but this should not be treated as a final commission view of whether the regulations should be retained. An argument may be advanced that retention of one or more of the regulations is compatible with the commission's remaining telecommunications regulatory authority. The commission encourages comments by interested persons as to policy and legal arguments for or against retention of the identified regulations or any part thereof.

E. Comparison with Existing or Proposed Federal Regulations

Most retail regulation of telecommunications services, apart from long distance and payphone services, and reporting by state-certificated providers to the commission, have been the historical regulatory domain of state commissions. Act 22 has essentially removed these state obligations, leaving to the commission, with some exceptions in s. 196.219, Stats., only those regulatory duties affecting wholesale relations among telecommunications services providers. Section 196.016, Stats., grants the commission the authority to exercise duties within the 1996 TA that have been granted by that law or the FCC to the state commissions to administer if they so elect. The commission retains authority over areas such as telephone numbering, universal service (including designation of eligible telecommunications carriers), and determinations under 47 USC 251 (f) (1) and (2) to terminate or maintain a rural or small incumbent local exchange carrier's claim to an exemption from interconnection. The proposed changes based on concerns identified in D. above arguably can be addressed and resolved through carrier-to-carrier proceedings under the 1996 TA administered by the commission, specifically the negotiation and arbitration of interconnection agreements under 47 USC 251 and 252 and the provisions preserving state service quality standards cognizable under 47 USC 252 (e) (3), 253 (b), 254 (f), and 261.

F. Comparison with Similar Rules in Adjacent States

To conduct this comparison, inquiries were made to the state commissions of Iowa, Illinois, Michigan and Minnesota about the current telecommunications regulatory framework (statutes and rules) prevailing in each state. The inquiry asked questions regarding (1) the extent of reduction of carrier reporting requirements; (2) whether retail rate regulation remained; (3) what provider of last resort (POLR) duty existed, if any; (4) whether the state was seeking parity

of regulation among the incumbents and competitors; and (5) whether wholesale jurisdiction as allowed to the states by the 1996 TA was in place. The responses for the four states indicated variations as to (1) through (4), noted in the next paragraphs, but a uniform retention of state wholesale jurisdiction, as allowed by the 1996 TA in response to (5).

Illinois still imposes significant financial and service quality reporting duties on incumbent carriers under rate of return regulation. However, many large carriers have elected market regulation of their rates, a scheme which deregulates most pricing except for certain “safe harbor” basic service type packages for consumers. A POLR duty of the incumbent may not be abandoned as to classes of service except upon approval by the Illinois Commerce Commission (ICC). Small carriers having fewer than 35,000 lines are not rate-of-return regulated, but may be subjected to a rate-of-return rate case before the ICC upon complaint by a substantial number of the customers (10%). On the wholesale side, it is sufficient for one carrier to complain about a small carrier’s access rates and thereby trigger an ICC rate case on those rates. Illinois did undertake some legislation to equalize the reporting among incumbent and new carriers, in Pub. Act 96-0927, effective June 15, 2010.

Iowa had previously reduced reporting requirements and in 2005 deregulated all rates except for retention of complaint jurisdiction over intrastate switched access rates. Tariffing was removed in favor of mandatory price catalogues of services. Iowa has never had an explicit POLR duty for incumbents, but frames a duty for both incumbents and new competitors to serve “all eligible customers.” Incumbent local exchange providers are required to file maps and competitors are obliged to indicate the extent they concur in those maps as to their service territories.

Michigan currently requires reporting to assist the Michigan Public Service Commission prepare an annual “Status of Competition” report. However, that duty expires with the last report due in 2013 and will effectively end the current reporting obligations. Access charge tariffs are still required. In June, 2011, Michigan totally ended retail rate regulation, paralleling the effect of Act 22. However, there is still a provider of last resort duty, relief from which is permitted, but only under the state commission’s supervision and control. Michigan much earlier equalized level of regulation by unifying its certification process under one certification category for local exchange service, but with defined territories.

Minnesota more than two years ago substantially reduced its reporting requirements to a one-page inquiry. Minnesota has an alternative form of regulation statute enacted before 2010 that has been elected by most incumbents and new competitors. Almost all rates are deregulated except for single-line residential and business customer services that are subject to a \$1/year price increase cap. The state still retains a POLR duty and has not to this point engaged in legislative attempts to create more parity of regulation among providers.

G. Effect on Small Business

The removal of the proposed regulations should have a positive effect on small business by removing obsolete regulations, thereby simplifying and reducing the costs incurred by small businesses.

H. Comments

Comments on this rulemaking may be submitted as outlined in the Notice of Hearing.

I. Accommodation

The commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to receive this document in a different format should contact the Docket Coordinator, as indicated in the following paragraph, as soon as possible.

J. Agency Contacts

Questions regarding this matter, including small business questions, should be directed to Docket Coordinator Gary A. Evenson, Telecommunications Division, at (608) 266-6744 or gary.evenson@wisconsin.gov. Media questions should be directed to Kristin Ruesch, Communications Director, at (608) 266-9600. Hearing- or speech-impaired individuals may also use the commission's TTY number. If calling from within Wisconsin, use (800) 251-8345; if calling from outside Wisconsin, use (608) 267-1479.

PROPOSED TEXT OF RULES

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SECTION 1. PSC 8.07 (7) and (11) are repealed.

SECTION 2. PSC 100.01 is amended to read:

PSC 100.01 **Person defined.** Under s. 196.52 (1), Stats., ~~the term~~ “person” includes trustees, lessees, holders of beneficial equitable interest, voluntary associations, receivers and partnerships. “Person” does not include a telecommunications provider, as defined in s. 196.01 (8p), Stats. This definition should be observed in filing information in response to this order.

SECTION 3. PSC 102.01 is amended to read:

PSC 102.01 **Record of disbursements.** Each public utility for which a system of accounts is prescribed by this commission shall so maintain its records as to disclose full particulars concerning any disbursement, including the name of the payee and the purpose of the payment. The records shall likewise disclose the name of the person intended to be paid and the purpose of such disbursement, regardless of whether payment is made by check, cash, cashier's check, bank draft, postal money order, property or other means, whether paid directly to the ultimate recipient, or indirectly through an affiliated company, officer, employee, attorney, or other intermediary. The purpose of any disbursement, regardless of size, shall be shown by the records and the provisions of this order shall apply in their entirety to each disbursement in excess of \$10. This chapter does not apply to a telecommunications provider, as defined in s. 196.01 (8p), Stats.

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SECTION 4. PSC 104.02 (3) is amended to read:
PSC 104.02 (3) The term “public utility” or “utility” is defined by s. 196.01 (5), Stats., but does not include an alternative telecommunication utility certified by the commission under s. 196.203, Stats.

SECTION 5. Chapter PSC 162 is repealed.

SECTION 6. Chapter PSC 163 is repealed.

SECTION 7. Chapter PSC 164 is repealed.

SECTION 8. PSC 165.01 (2) is amended to read:
PSC 165.01 (2) The rules making up ch. PSC 165 are designed to effectuate and implement, in part, commission responsibilities and jurisdiction in ss. ~~196.02, 196.016, 196.03, 196.04, 196.191, 196.199, 196.10, 196.12, 196.15, 196.16, 196.17, 196.19, 196.21, 196.22, 196.60, 196.625, 196.72,~~ and 196.50 (2) (g), Stats., and parts of other sections of Wisconsin statutes.

SECTION 9. PSC 165.02 (2) to (5), (11), (13) to (16), and (18) to (20) are repealed.

SECTION 10. PSC 165.031 is repealed.

SECTION 11. PSC 165.032 (intro.), (6), (7), and (9) are amended to read:

1 PSC 165.032 **Schedules to be filed with the commission.** (intro.) The provisions of the
2 schedules of rates and rules filed with the commission and comprising the filed tariff of the
3 utility shall be definite and so worded as to minimize ambiguity or the possibility of
4 misinterpretation, and ~~shall~~ may include, together with such other information as may be deemed
5 pertinent, any of the following subjects:

6 **(6)** Rules governing the establishment or re-establishment of service including credit
7 requirements. ~~(See s. PSC 165.052.)~~

8 **(7)** Rules governing the procedure followed in disconnecting and reconnecting service. ~~(See s.~~
9 ~~PSC 165.051.)~~

10 **(9)** Rules governing the billing procedures and payment requirements. ~~(A sample bill form~~
11 ~~should be submitted.)~~

12

13 SECTION 12. PSC 165.033 is amended to read:

14 PSC 165.033 **Exchange area boundaries.** (1) Each telecommunications utility shall file
15 accurate exchange area boundary maps in compliance with ch. PSC 166 depicting each specific
16 geographical area in which it furnishes a local exchange service, as defined in s. 196.219 (1) (b),
17 Stats., under its statewide telecommunications utility certification under s. 196.50 (2) (g) 1.,
18 Stats. Except as provided in sub. (2), the commission shall use the exchange area boundaries
19 designated by the maps on file with it on June 9, 2011, to assist in the following activities:

20 (a) Administration of numbering resources and federal local number portability requirements by
21 determining rate center boundaries.

22 (b) Designation of eligible telecommunications carriers by determining wire center boundaries
23 to the extent feasible.

1 (2) Where multiple rate centers or wire centers existed within an exchange on June 9, 2011, the
2 commission shall use the rate centers or wire centers existing on that date to assist its activities
3 identified in subs. (1) (a) and (b).

4 Note: Identification of the use of exchange boundary maps is not intended to delimit the entire scope of
5 commission activities in its administration of numbering resources and federal local number portability requirements
6 or in its designation of eligible telecommunications carriers.
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9 SECTION 13. PSC 165.034 to 165.065 and 165.07 to 165.10 are repealed.

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11 SECTION 14. Chapter PSC 166 is repealed.

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13 SECTION 15. Chapter PSC 167 is repealed.

14

15 SECTION 16. PSC 168.05 (1) (d) is amended to read:

16 PSC 168.05 (1) (d) Own, operate, manage or control, in Wisconsin, transmission facilities,
17 including wire, cable, fiber optics or radio, and associated electronics, whose cost basis,
18 including capital leases as defined by generally accepted accounting principles, does not exceed
19 \$400,000. The requirements of this paragraph shall be determined for the reseller as of the date
20 of its application for certification and as of December 31 of each calendar year, based upon
21 responses to annual reports commission questionnaires filed pursuant to under s. PSC 168.12.

22

23 SECTION 17. PSC 168.05 (3) is amended to read:

24 PSC 168.05 (3) Nothing in this section authorizes a telecommunications reseller to provide
25 facilities-based local exchange services, as defined in s. 196.50 (1) (b) 1., 2009 Stats., in

1 municipalities served by small telecommunications utilities having 150,000 or fewer access lines
2 in service in this state and for which certification in compliance with s. 196.50 (1) (b), Stats., is
3 required.

4

5 SECTION 18. PSC 168.09 (4) is amended to read:

6 PSC 168.09 (4) ~~Pursuant to~~ Under s. PSC 168.12, alternative telecommunications utility resellers
7 shall file with the commission responses to annual reports for questionnaires regarding
8 Wisconsin operations.

9

10 SECTION 19. PSC 168.10 (1) (intro.) and (a) are renumbered PSC 168.10 and amended to read:

11 **PSC 168.10 General notification requirement.** An alternative telecommunications utility
12 reseller certified under this chapter shall ~~do the following; (a) Within~~ within 20 days of the
13 occurrence, notify the commission in writing of any change to information supplied in response
14 to s. PSC 168.06 (2) (a), (b), (c) or (g).

15

16 SECTION 20. PSC 168.10 (1) (b) to (d), and (2) are repealed.

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18 SECTION 21. PSC 168.11 is repealed.

19

20 SECTION 22. PSC 168.12 (1) (intro.) is amended to read:

21 PSC 168.12 (1) (intro.) Each reseller shall file with the commission by April 1 of each year
22 responses to an annual report providing commission questionnaire that provide details
23 concerning the following:

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SECTION 23. PSC 168.12 (1) (f) is repealed.

SECTION 24. PSC 168.13 (1) (a) is amended to read:

PSC 168.13 (1) (a) Failure to file a substantially complete responses to the commission's annual report questionnaire required by s. PSC 168.12.

SECTION 25. Chapter PSC 169 is repealed.

SECTION 26. PSC 171.02 (5) is amended to read:

PSC 171.02 (5) "Telecommunications service" has the meaning ~~prescribed~~ given in s. 196.01 (9m), Stats., ~~and includes but is not limited to, point to point service for the transport of electronic signals.~~

SECTION 27. PSC 171.06 (1) is amended to read:

PSC 171.06 (1) All qualified cable television telecommunications service providers shall be subject to the following sections of ch. 196, Stats.: ss. 196.02, ~~196.08, 196.12,~~ 196.025 (6), 196.203, 196.25, 196.39, 196.395, 196.40, 196.41, 196.43, 196.44, 196.65, and 196.66, 196.85, 196.858, and 196.859, Stats.

SECTION 28. PSC 171.06 (2) and (3) are repealed.

SECTION 29. PSC 171.07 (4) and (5) are repealed.

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SECTION 30. PSC 171.08 is repealed.

SECTION 31. PSC 171.09 is repealed and recreated to read:

PSC 171.09 **New franchise areas.** A qualified cable television telecommunications service provider may offer telecommunications services in a franchise area other than the one specified in a qualified petition by notifying the commission in a transmittal updating the information supplied under s. PSC 171.03. The transmittal shall be filed no later than 20 days after the initial offering of the telecommunications services in the additional franchise area.

SECTION 32. PSC 171.10 (1) is amended to read:

PSC 171.10 (1) File with the commission responses to an annual report questionnaire providing details as to its identity, franchise service areas, and revenues ~~and number of customers~~.

SECTION 33. PSC 171.10 (3) is repealed.

SECTION 34. Chapter PSC 174 is repealed.

(End)

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
DOA-2049 (R03/2012)

DIVISION OF EXECUTIVE BUDGET AND FINANCE
101 EAST WILSON STREET, 10TH FLOOR
P.O. BOX 7864
MADISON, WI 53707-7864
FAX: (608) 267-0372

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis

Original Updated Corrected

2. Administrative Rule Chapter, Title and Number

Wis. Admin. Code chs. PSC 8, 100, 104, 102, 162-171, 174

3. Subject

Repeal and amendment of PSC telecommunications rules to conform with 2011 Wis. Act 22, with miscellaneous updates and clarifications.

4. Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

5. Chapter 20, Stats. Appropriations Affected

None

6. Fiscal Effect of Implementing the Rule

No Fiscal Effect Increase Existing Revenues Increase Costs
 Indeterminate Decrease Existing Revenues Could Absorb Within Agency's Budget
 Decrease Cost

7. The Rule Will Impact the Following (Check All That Apply)

State's Economy Specific Businesses/Sectors
 Local Government Units Public Utility Rate Payers
 Small Businesses (if checked, complete Attachment A)

8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes No

9. Policy Problem Addressed by the Rule

Clarifies law by removing regulations no longer needed due to statutory change.

10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

This rulemaking removes regulations no longer needed as a result of statutory change. Since these regulations will no longer exist, any costs of complying with them will disappear. As a result, any economic impact will be a positive one. Telecommunications providers, trade associations for wireline providers, wireless providers, and cable providers. Public interest group (CUB) also contacted.

11. Identify the local governmental units that participated in the development of this EIA.

Not Applicable

12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

Expected reduction in costs as entities previously subject to rules can substantially simplify compliance with state telecommunications requirements. The issues raised by commenting parties were substantive rather than economic.

13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Expected reduction in costs as entities previously subject to rules can substantially simplify compliance with state telecommunications requirements.

14. Long Range Implications of Implementing the Rule

See No. 12 above. Also reduced regulation will lead to more entrants, more vigorous competition, and a greater variety

of price and service options.

15. Compare With Approaches Being Used by Federal Government

There is no strict comparability with federal government regulations in this area because Communications Act of 1934, as amended by the Telecommunications Act of 1996, leaves retail telecommunications regulation to the states.

16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)
Not applicable as level of deregulation in WI matches or exceeds levels of adjacent states.

17. Contact Name

Sarah Klein

18. Contact Phone Number

(608) 266-3587

This document can be made available in alternate formats to individuals with disabilities upon request.

ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

Implements Act 22 by removing or amending rules rendered obsolete or inapplicable, and makes miscellaneous language updates. Since these rules will no longer exist, any costs of complying with them will disappear. As a result, any economic impact will be a positive one.

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

Not deemed necessary.

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

Almost all substantive repeals and amendments are required by Act 22. However, in the process minor technical changes will be made to improve rule organization, clarify rule application, modernize rule language, and remove obsolete requirements. Since certain rules will no longer exist, any costs of complying with them will disappear. As a result, any economic impact will be a positive one.

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

As Act 22 already created the effect on small businesses, this proceeding simply advances the clarity of the rules remaining, simplifying management of compliance obligations that remain. This rulemaking removes regulations no longer needed as a result of statutory change. Since these regulations will no longer exist, any costs of complying with them will disappear. As a result, any economic impact will be a positive one.

5. Describe the Rule's Enforcement Provisions

Not applicable.

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
-