

NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

ACCESS TARIFF REVISIONS
TARIFF F.C.C. NO. 5
TRANSMITTAL NO. 986

DESCRIPTION AND JUSTIFICATION

The National Exchange Carrier Association, Inc. (NECA) proposes to modify provisions of its interstate access tariff pertaining to the jurisdictional determination of Switched Access Services and to clarify the conditions under which the telephone company will rely on customers percentage interstate usage (PIU) factors.

The revisions make clear that when telephone call detail is available to the telephone company, such data will be used to determine the jurisdiction of switched access traffic in place of customer-supplied PIU factors. In those cases where the telephone company must still rely on customer-supplied factors to determine the jurisdiction of traffic, the proposed modifications clarify when and how such customer-provided PIU factors would be required and used. Lastly, the proposed revisions modify existing provisions related to disputes over customer-provided PIU factors. The revisions establish procedures for authenticating PIUs and specify a course of action for when a customer does not respond to telephone company requests for documentation supporting the customer's provided PIU factors.

Background

In the early 1980s, telephone companies were forced to use customer-provided PIU factors to jurisdictionalize virtually all traffic except for originating direct-dialed Feature Group C (FGC) and Feature Group D (FGD) access minutes. Such factors were necessary because the call detail information transmitted with traffic lacked sufficient information to allow the company to determine the jurisdiction of particular calls. For example, on most terminating traffic, the calling party number was unavailable in the early 1980s.

Changes in technology and regulations since the mid 1980s have increased the amount of information available to the telephone company, enabling it to determine the actual jurisdiction of customer traffic in most instances (exceptions remain for certain types of originating traffic, such as 800 and 900 dialed calls). For example, Commission rules now require carriers to transmit the calling party number (CPN) of a call for most interstate traffic.¹ This permits the telephone company to examine the call detail record, and where that record contains both the calling and called party numbers, the telephone company can determine the jurisdiction of the call based on the NPA NXXs involved. Where sufficient call detail is available to determine the jurisdiction of traffic directly, customer-provided PIU factors are no longer required.

The telephone company must continue to rely on customer-provided PIU factors (or telephone company-developed PIU factors when the customer fails to provide initial or updated factors as defined in the tariff) where the call detail does not contain the necessary data.

Reason for Changes

These changes are necessary to improve the accuracy of customers' bills by specifying how the telephone company can now use information available within call records to determine the jurisdiction of traffic. Where the telephone company does not have sufficient detail to determine the jurisdiction of traffic, regulations are introduced to ensure the accuracy of customer-supplied PIU factors. The accuracy of customer reported PIU factors has come into question recently by telephone companies because of the growing disparity between intrastate and interstate access rates.² This disparity creates incentives for some customers to overstate the interstate portion of traffic.

NECA is therefore proposing revisions that:

- Clarify that the telephone company will use customer-provided PIU factors only when it is unable to jurisdictionalize traffic using data available to the telephone company.

¹ See Part 64.1601 (a).

² Interstate access rates have decreased substantially since 1998, due to significant access reform changes prescribed by the Federal Communications Commission.

- Specify that if a customer fails to provide the required PIU factor(s) either on its initial order for service or subsequent updates, the telephone company will develop factors using the characteristics of the customer's traffic that the telephone company is able to jurisdictionalize. Such telephone company-developed factors will be used, as needed, until the customer provides updated factors.
- Introduce a provision that requires customers to retain, for a minimum of six months, call detail records that substantiate PIU factor(s) provided to the telephone company. If a customer uses a mechanized system, then a description of the system and the methodology used to determine the PIU factors will also be required.
- Modify the regulations related to billing disputes to introduce regulations for verification audits for switched access services. When there is a billing dispute the telephone company may, by written request, require the customer to provide the data the customer used to determine the projected PIU factor(s). This will be considered the initiation of an audit of the customer's data supporting the projected PIUs. The customer may select among four options as to who will conduct the audit:
 - The telephone company;
 - An independent auditor selected and paid for by the telephone company;
 - A mutually agreed upon independent auditor paid for equally by the telephone company and customer; or
 - An independent auditor selected and paid for by the customer.

In addition, clarifying language is being added to specify how FGA/FGB and FGC/FGD traffic should be jurisdictionalized based on call detail data.

Conclusion

NECA has demonstrated that the provisions described herein are reasonable and the Commission should permit this tariff transmittal to become effective as scheduled on June 18, 2003.