

CR 88-44

CERTIFICATE

STATE OF WISCONSIN)	
)	
PUBLIC SERVICE COMMISSION)	File 1-AC-121
OF WISCONSIN)	

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

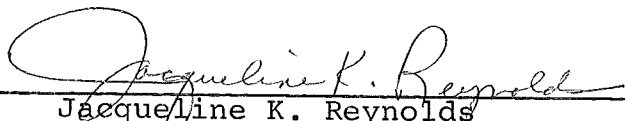
I, Jacqueline K. Reynolds, Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said commission, do hereby certify that the annexed order exempting alternative telecommunications utilities from regulation under chs. 196 and 184 of the statutes, except where the commission decides that the public interest requires application of any section of those chapters was duly approved and adopted by this commission on October 27, 1988.

I further certify that said copy has been compared by me with the original on file in this commission and that the same is a true copy thereof, and of the whole of such original.

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IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the commission at Hill Farms State Office Building in the City of Madison, WI November 4, 1988.



 Jacqueline K. Reynolds
 Secretary to the Commission
 PUBLIC SERVICE COMMISSION OF
 WISCONSIN

1-1-89

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COMPARED WITH AND CERTIFIED BY ME
TO BE A FULL, TRUE AND CORRECT COPY
OF THE ORIGINAL ON FILE IN MY OFFICE

OCT 27 1988

Jacqueline K. Reynolds
Secretary to the Commission
Public Service Commission of Wisconsin

DATE MAILED
NOV 2 1988

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Regulation of Cable Television)
Telecommunications Service)
Providers Which Are Determined) 1-AC-121
to Be Alternative Telecommunications) Utilities)

ORDER OF THE PUBLIC SERVICE
COMMISSION CREATING RULES

On May 6, 1986, Wisconsin Act 297 became effective. This legislation included sec. 196.203, Stats., which exempts alternative telecommunications utilities from regulation under chs. 196 and 184 of the statutes, except where the commission decides that the public interest requires application of any section of those chapters.

On June 4, 1986, the commission began proceedings in docket 05-TI-108 requesting petitions and comments from cable television telecommunications service providers concerning the appropriate level of regulation. In an order dated April 1, 1987, the commission defined various terms used in the regulation of cable television telecommunications service providers, set forth a procedure to qualify such providers in the future, and determined an appropriate level of regulation under sec. 196.203, Stats.

The findings and conclusions of that April 1, 1987, order are now being codified as administrative rules. The rules set forth procedures for cable television telecommunications service

providers to qualify for designation as alternative telecommunications utilities, the sections of ch. 196, Stats., by which they must abide, and other requirements they must meet.

The rules are authorized by and interpret sec. 196.203, Stats.

SECTION 1: Ch. PSC 171 is created to read:

CABLE TELEVISION TELECOMMUNICATIONS SERVICE PROVIDERS.

PSC 171.01 PURPOSE. The purpose of this chapter is to set forth requirements for consideration of petitions from cable television telecommunications service providers requesting qualification as alternative telecommunications utilities and to set forth the appropriate level of regulation for such utilities.

PSC 171.02 DEFINITIONS. In this chapter:

(1) "Alternative telecommunications utility" has the meaning prescribed in sec. 196.01(1), Stats.

(2) "Cable television telecommunications service provider" has the meaning prescribed in sec. 196.01(lr), Stats.

(3) "Gross income" means gross revenues received from providing traditional cable television programming plus revenues received from providing telecommunications services. "Gross income" does not include revenues from any source other than traditional cable television programming and telecommunications services.

(4) "Particular franchise area" means the area within the political boundaries of each municipality in which a cable system provides service.

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

PSC 171.03 PETITION; CONTENTS.

(1) A cable television telecommunications service provider seeking to qualify for status as an alternative telecommunications service provider shall file a petition with the commission containing the following information:

(a) The name and address of the cable television telecommunications service provider, with the name, title and telephone number of a contact person;

(b) A description of the types of services to be offered;

(c) The geographic markets to be served;

(d) Copies of municipal franchise grants;

(e) The identity of all telecommunications carriers, if any, accessed through the cable system; and

(f) The access telephone number, if available, for each area served.

(2) An original and four copies of the petition shall be filed with the commission.

Note: Address petitions to Secretary, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, WI 53707.

PSC 171.04 DETERMINATION OF STATUS. On receipt of a cable television telecommunications service provider's petition for qualification as an alternative telecommunications utility, the

commission shall issue a notice of investigation. Hearings may be held at the discretion of the commission. However, a hearing ordinarily will not be held unless the factual record is insufficient, or unless there is an assertion by any person, including commission staff, that a factual matter is in dispute.

PSC 171.05 NOTICE OF PETITIONS. A person wishing to receive notice of investigation of a cable television telecommunications service provider's petition for qualification as an alternative telecommunications utility shall request to be placed on the commission's standing notice list for cable television telecommunications service providers.

NOTE: Requests shall be addressed to Records Management, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, WI 53707.

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

Note: The commission is not regulating trade and advertising practices of cable television telecommunications service providers. See sec. 93.01(1), Stats.

(2) Qualified cable television telecommunications service providers are not required to comply with the provisions of ch. 184, Stats.

(3) Qualified cable television telecommunications service providers are not required to file tariffs prior to offering

telecommunications services, nor need they comply with sec. 196.60, Stats., until they are fully regulated, as required by secs. 196.195 and 196.203, Stats.

PSC 171.07 NOTICE OF CHANGES. Within 20 days of the occurrence, or on request by the commission, all qualified cable television telecommunications service providers shall file with the commission:

(1) Notice of changes in information filed in the petition requesting qualification as a cable television telecommunications service provider;

(2) Notice of all organizational changes;

(3) Notice of exit from market;

(4) Information which will be requested by the commission for its report required under sec. 196.195(11), Stats.; and

(5) Other information as requested.

PSC 171.08 NEW SERVICES. A qualified cable television telecommunications service provider may offer new telecommunications services in the franchise area within which it has been qualified by filing notice with the commission and with persons on the cable television telecommunications service providers standing notice list. Unless suspended by the commission on its own motion or upon complaint, the service offering shall be effective twenty days after the filing.

PSC 171.09 NEW FRANCHISE AREAS. A qualified cable *television* telecommunications service provider may not offer

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telecommunications services in a franchise area other than the one specified in its qualification petition without securing further approval from the commission under PSC 171.03 and 171.04.

PSC 171.10 REPORTS AND ACCOUNTS. In order for the commission to determine whether an entity meets the 90 percent of gross income test set forth in sec. 196.01(1r), Stats., a cable television telecommunications service provider shall:

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

(2) Establish and maintain revenue accounts in accordance with the uniform cable television telecommunications service providers revenue classification and instructions.

Note: Cable television telecommunications service providers revenue classifications and instructions may be obtained from the Accounts and Finance Division, Public Service Commission, P.O. Box 7854, Madison, WI 53707.

(3) Be subject to full regulation whenever it receives in excess of 10 percent of its gross income from telecommunications services in any franchise area in which telecommunications services are provided, unless pursuant to sec. 196.195, Stats., the provider justifies a lesser level of regulation. If the cable television telecommunications service provider has kept appropriate structural or accounting separations between franchise areas, it shall be subject to full regulation only in that franchise area in which it meets the 10 percent threshold.

No additional fiscal burden will be imposed on the state or municipalities as a result of these rules. Small businesses, as defined in sec. 227.114, Stats., were specifically invited to comment on how the rules might be adapted to meet their special needs. The Wisconsin State Telephone Association and Wisconsin Cable Communications Association participated in the hearing on these proposed rules.

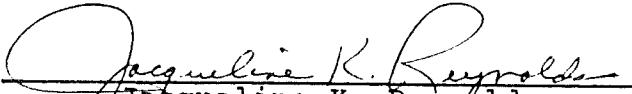
This action is classed as a Type 3 action according to PSC 2.90, Wis. Adm. Code. No unusual circumstances have come to the attention of the commission that would require further environmental review. The rules consequently require neither an environmental impact statement under sec. 1.11, Stats., nor an environmental assessment.

Hearing on these proposed rules was held April 22, 1988, and they have been forwarded to the legislature pursuant to sec. 227.19, Stats. They will take effect on the first day of the month following publication in the Wisconsin Administrative Register, as provided in sec. 227.22(2), Stats.

Dated at Madison, Wisconsin,

October 27, 1988

By the Commission.


Jacqueline K. Reynolds
Secretary to the Commission

JKR:SL:mac07018804

Notice of Appeal Rights

To comply with the requirements of s. 227.48(2), Wis. Stats., notice is hereby given that a party aggrieved by the foregoing decision has the right and option to file a petition for rehearing as provided in s. 227.49, Wis. Stats., within 20 days of the date of mailing of this decision as shown on the first page. If there is no date on the first page, the date of mailing is the date indicated immediately above the signature line.

Notice is further given that a person aggrieved by the foregoing decision also has the right and option to file a petition for judicial review as provided in s. 227.53, Wis. Stats., within 30 days after the mailing of this decision. The Public Service Commission of Wisconsin shall be named as respondent in the petition for judicial review.

This general notification is for the purpose of ensuring compliance with s. 227.48(2), Wis. Stats., and does not constitute a conclusion or admission that any particular party is necessarily adversely affected or that any particular decision is final or appealable.

If this decision is an order after rehearing or reopening, a person aggrieved must seek judicial review rather than rehearing, if the person so desires. A second petition for rehearing is not an option.



State of Wisconsin \ PUBLIC SERVICE COMMISSION

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CHARLES H. THOMPSON, CHAIRMAN
MARY LOU MUNTS, COMMISSIONER
GEORGE R. EDGAR, COMMISSIONER

4802 Sheboygan Avenue
P. O. Box 7854
Madison, Wisconsin 53707

November 4, 1988

Mr. Gary Poulson
Assistant Revisor of Statutes
Suite 904
30 West Mifflin Street
Madison, WI 53703

Re: Ch. PSC 171, Regulation of Cable Television
Telecommunications Service Providers Which Are
Determined to Be Alternative Telecommunications
Utilities
Clearing House 88-44 - Docket 1-AC-121

Dear Gary:

Enclosed are two copies (one certified) of an order of the Public Service Commission adopting rules regarding regulation of cable television telecommunications service providers which are determined to be alternative telecommunications utilities. Copies of the rules were sent to the legislature in July, and there has been no objection. Please call with any questions.

Sincerely,

Steve Levine
Assistant Chief Counsel

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