



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

☞ Appendix A ... segment V

LRB BILL HISTORY RESEARCH APPENDIX

☞ The drafting file for 2011 LRB-1625 (For: Rep. Honadel)

has been transferred to the drafting file for

2011 LRB-1901 (For: Rep. Honadel)

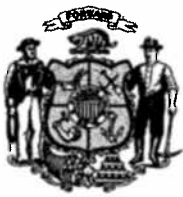
☞ Are These “Companion Bills” ?? ... No



RESEARCH APPENDIX -
PLEASE KEEP WITH THE DRAFTING FILE

Date Transfer Requested: 04/12/2011 (Per: MDK)

☞ The attached 2009 draft was incorporated into the new 2009 draft listed above. For research purposes, this cover sheet and the attached drafting file were copied, and added, as a appendix, to the new 2009 drafting file. If introduced this section will be scanned and added, as a separate appendix, to the electronic drafting file folder.



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1625/P1
MDK:f.jf
WLj

D-NOTE

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

*By Thurs
3-17
3pm by [signature]*

Regen

1 AN ACT *to repeal* 196.09 (9), 196.19 (1m), 196.19 (5), 196.194 (1), 196.194 (2)
2 (title), 196.196, 196.198 (2) (b), 196.20 (1m), 196.20 (2) (am), 196.20 (2r), 196.20
3 (3), 196.20 (5), 196.20 (6), 196.203 (3) (b), 196.203 (3) (c), 196.203 (3) (d), 196.203
4 (3) (dm), 196.203 (3) (e), 196.203 (4), 196.204 (1), 196.204 (2), 196.204 (3),
5 196.204 (4), 196.204 (5) (b), 196.204 (6), 196.205, 196.213, 196.215, 196.219
6 (2m), 196.219 (3) (h), 196.26 (4), 196.49 (1) (ag), 196.49 (3) (d), 196.50 (1) (b) 1.
7 and 2., 196.50 (2) (g) 3., 196.50 (2) (h), 196.52 (5) (b), 196.60 (2), 196.77, 196.79
8 (2), 196.805 and 201.15; *to renumber* 196.50 (1) (b) 3. and 196.52 (5) (a); *to*
9 *renumber and amend* 196.04 (1) (a) 1., 196.194 (2), 196.198 (2) (a), 196.203
10 (1), 196.203 (2), 196.203 (3) (a), 196.204 (5) (ag), 196.204 (5) (ar), 196.79 (1) and
11 196.975 (1); *to amend* 93.01 (1m), 133.07 (2), 196.01 (9m), 196.02 (2), 196.04
12 (1) (b) 1., 196.04 (2), 196.09 (1), 196.13 (2), 196.195 (1), 196.195 (5), 196.195 (12)
13 (a), 196.195 (12) (b) 3., 196.198 (3) (intro.), 196.198 (3) (a), 196.198 (3) (b)
14 (intro.), 196.20 (1), 196.20 (2) (a) (intro.), 196.20 (2m), 196.203 (5), 196.218 (3)
15 (a) 3m., 196.218 (3) (f), 196.218 (5r) (a) 4., 196.219 (1) (b), 196.219 (2) (a), 196.26

1 (1) (a), 196.28 (4), 196.31 (1m), 196.37 (3), 196.37 (4), 196.49 (3) (b) (intro.),
2 196.50 (title), 196.50 (2) (a), 196.50 (2) (b), 196.50 (2) (f), 196.52 (3) (b) 1., 196.52
3 (3) (c) (intro.), 196.52 (6), 196.52 (9) (e), 196.60 (1) (a), 196.604 and 196.975 (2);
4 **to repeal and recreate** 196.204 (title) and 196.218 (4); and **to create** 182.017
5 (1g) (e), 196.01 (1d) (g), 196.01 (3a), 196.01 (12w), 196.016, 196.04 (1) (a) 3.,
6 196.191, 196.203 (1d), 196.203 (2) (b), 196.203 (2) (c), 196.203 (2) (d), 196.203
7 (4m), 196.206, 196.212, 196.218 (1) (a), 196.219 (2r), 196.50 (2) (i), 196.50 (2) (j),
8 196.503 and 196.975 (1g) of the statutes; **relating to:** regulation of
9 telecommunications utilities and alternative telecommunications utilities;
10 telecommunications provider of last-resort obligations; telecommunications
11 switched access service rates; Internet protocol-enabled service; and use of
12 transmission equipment and property by video service providers.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

13 **SECTION 1.** 93.01 (1m) of the statutes is amended to read:

14 93.01 (1m) "Business" includes any business, except that of banks, savings
15 banks, credit unions, savings and loan associations, and insurance companies.
16 "Business" includes public utilities and telecommunications carriers to the extent
17 that their activities, beyond registration, notice, and reporting activities, are not
18 regulated by the public service commission and includes public utility and

1 telecommunications carrier methods of competition or trade and advertising
2 practices that are exempt from regulation by the public service commission under s.
3 196.195, ~~196.196~~[✓], 196.202, 196.203, 196.219, or 196.499 or by other action of the
4 commission.

5 **SECTION 2.** 133.07 (2)[✓] of the statutes is amended to read:

6 133.07 (2) This chapter does not prohibit activities of any public utility, as
7 defined in s. 196.01 (5), or telecommunications carrier, as defined in s. 196.01 (8m),
8 which are required by ch. 196 or rules or orders under ch. 196, activities necessary
9 to comply with that chapter or those rules or orders or activities that are actively
10 supervised by the public service commission. This subsection does not apply to
11 activities of a public utility or telecommunications carrier that are exempt from
12 public service commission regulation under s. 196.195, ~~196.196~~[✓], 196.202, 196.203,
13 196.219 or 196.499 or by other action by the commission.

14 **SECTION 3.** 182.017 (1g)^{cq} (h)^h of the statutes is created to read:

15 182.017 (1g)^{cq} (h)^h "Telecommunications service" means the offering for ^othe sale
16 of the conveyance of voice, data, or other information at any frequency over any part
17 of the electromagnetic spectrum, including the sale of service for collection, storage,
18 forwarding, switching and delivery incidental to such communication and including
19 the regulated sale of customer premises equipment.

20 **SECTION 4.** 196.01 (1d) (g)[✓] of the statutes is created to read:

21 196.01 (1d) (g) A telecommunications utility that provides notice to the
22 commission under s. 196.50 (2) (j) 1. a.[✓]

23 **SECTION 5.** 196.01 (2s)[✓] of the statutes is created to read:

24 196.01 (2s) "Incumbent local exchange carrier" has the meaning given in 47
25 USC 251 (h).[✓]

****NOTE: Because "incumbent local exchange carrier" is used in more than one section, I created a definition that applies throughout all of ch. 196. *

SECTION 6. 196.01 (3a) of the statutes is created to read:

196.01 (3a) "Interconnected voice over Internet protocol service" has the meaning given in 47 CFR 9.3.

SECTION 7. 196.01 (3f) of the statutes is created to read:

196.01 (3f) "Internet protocol-enabled service" means means any service, capability, functionality, or application provided using Internet protocol, or any successor protocol, that enables an end user to send or receive a voice, data, or video communication in Internet protocol format or any successor format. "Internet protocol-enabled service" includes interconnected voice over Internet protocol service.

SECTION 8. 196.01 (8d) of the statutes is created to read:

196.01 (8d) "Switched access rates" means the rates, rate elements, and rate structure, including all applicable fixed and traffic sensitive charges, that a local exchange carrier charges for the provision of switched access services.

****NOTE: I moved the definitions of "switched access rates" and "switched access services" from s. 196.212 to s. 196.01 so that they apply throughout the entire chapter.

SECTION 9. 196.01 (8e) of the statutes is created to read:

196.01 (8e) "Switched access services" means the offering of switched access to a local exchange network for the purpose of enabling a telecommunications provider to originate or terminate telecommunications service within the local exchange.

SECTION 10. 196.01 (9m) of the statutes is amended to read:

196.01 (9m) "Telecommunications service" means the offering for sale of the conveyance of voice, data or other information communication at any frequency over

INSERT 4-10

see LRB-1625/P1, 2 (which contains all inserts)

1 any part of the electromagnetic spectrum, including the sale of ~~service for collection,~~
2 ~~storage, forwarding,~~ switching and delivery incidental to such communication ~~and~~
3 ~~including the regulated sale of customer premises equipment.~~ "Telecommunications
4 service" does not include cable service or broadcast service. "Telecommunications
5 service" includes switched access service.

6 SECTION 11. 196.01 (12w) of the statutes is created to read:

7 196.01 (12w) (a) "Wholesale telecommunications service" means, except as
8 provided in par. (b), a service that satisfies all of the following:

- 9 1. The service is provided by a telecommunications provider to another
- 10 telecommunications provider other than an affiliated interest, as defined in s. 196.52
- 11 (1). ✓
- 12 2. The service is subject to regulation by the commission under this chapter.
- 13 3. The service is subsequently used in the provision of a telecommunications
- 14 service to retail end user ~~customers~~.

15 (b) "Wholesale telecommunications service" does not include switched access
16 service.

17 SECTION 12. 196.016 of the statutes is created to read:

18 **196.016 Relationship to certain federal telecommunications law.**

19 Except as provided in s. 196.50 (2) (j) 2. and 3., ✓ nothing in this chapter is intended
20 to either reduce or expand the scope and application of the federal
21 Telecommunications Act of 1996, P.L. 104-104, including the jurisdiction and
22 authority granted to the commission thereunder, and the commission may take any
23 action that the commission is authorized to take under that federal act.

24 SECTION 13. 196.02 (2) of the statutes is amended to read:

INSERT 5-14 ✓

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except as

~~customers~~

1 196.02 (2) DEFINITION; CLASSIFICATION. ~~In this subsection, "public utility" does~~
2 ~~not include a telecommunications cooperative, an unincorporated~~
3 ~~telecommunications cooperative association, or a small telecommunications utility~~
4 ~~except as provided under s. 196.205 or 196.215 (2) and does not include an alternative~~
5 ~~telecommunications utility.~~ The commission shall provide for a comprehensive
6 classification of service for each public utility. The classification may take into
7 account the quantity used, the time when used, the purpose for which used, and any
8 other reasonable consideration. Each public utility shall conform its schedules of
9 rates, tolls and charges to such classification.

10 **SECTION 14.** 196.04 (1) (a) 1. of the statutes is renumbered 196.04 (1) (a) 4. and
11 amended to read:

12 196.04 (1) (a) 4. "Transmission equipment and property" means any conduit,
13 subway, pole, tower, transmission wire, cable, or other equipment on, over, or under
14 any right-of-way owned or controlled by a political subdivision, street, or highway.

15 **SECTION 15.** 196.04 (1) (a) 3. of the statutes is created to read:

16 196.04 (1) (a) 3. "Political subdivision" means any county, city, village, ^{or} town
17 or public utility owned or operated by any county, city, village, or town.

18 **SECTION 16.** 196.04 (1) (b) 1. of the statutes is amended to read:

19 196.04 (1) (b) 1. Any person who owns transmission equipment and property
20 shall permit, for reasonable compensation, the use of the transmission equipment
21 and property, including an attachment to a pole, by any public utility, video service
22 provider, or telecommunications provider if public convenience and necessity require
23 such use and if the use will not result in irreparable injury to any owner or user of
24 the transmission equipment and property or in any substantial detriment to the
25 service to be rendered by the owner or user.

1 **SECTION 17.** 196.04 (2) of the statutes is amended to read:

2 196.04 (2) If there is a failure to agree upon the use of transmission equipment
3 and property under sub. (1) or the conditions or compensation for the use, or if there
4 is a failure to agree upon the physical connections or the terms and conditions upon
5 which the physical connections shall be made, any public utility, any video service
6 provider, telecommunications provider, or any other interested person interested
7 may apply to the commission. If, after investigation, the commission determines
8 that public convenience and necessity require the use of the transmission equipment
9 and property or the physical connections and that the use or physical connections
10 will not result in irreparable injury to the owner or other users of the transmission
11 equipment and property or of the facilities of the public utility, video service provider,
12 or telecommunications provider, or in any substantial detriment to the service to be
13 rendered by the owner or the public utility, video service provider,
14 telecommunications provider, or other users of the transmission equipment and
15 property or facilities, the commission, by order, shall direct that the use of the
16 transmission equipment and property be permitted and that the physical
17 connections be made. The commission shall prescribe reasonable conditions and
18 compensation for the use of the transmission equipment and property and shall
19 determine how and within what time the physical connections shall be made and by
20 whom the expense of making and maintaining the physical connections shall be paid.
21 An order under this subsection may be revised by the commission.

22 **SECTION 18.** 196.09 (1) of the statutes is amended to read:

23 196.09 (1) ~~In this section, "public utility" does not include a~~
24 ~~telecommunications cooperative or an unincorporated telecommunications~~
25 ~~cooperative association except as provided under s. 196.205.~~ In subs. (2) to (7),

1 ~~“public utility” does not include a telecommunications utility. Subsection (9) only~~
2 ~~applies to a telecommunications utility.~~ Every public utility shall file with the
3 commission, within such time as may be required by the commission, its estimate of
4 the annual rate of depreciation required for each of its classes of fixed capital used
5 for public utility purposes, and of the composite annual rate of depreciation required
6 for such fixed capital as an aggregate, which shall constitute the public utility's
7 estimates of the amount which should be returned to it out of its rates for service, to
8 meet the depreciation of its property.

9 SECTION 19. 196.09 (9) of the statutes is repealed.

10 SECTION 20. 196.13 (2) of the statutes is amended to read:

11 196.13 (2) The commission shall publish in its reports the value of all the
12 property actually used and useful for the convenience of the public of a public utility,
13 ~~other than a telecommunications utility,~~ if the commission has held a hearing on the
14 public utility's rates, charges, service or regulations or if the commission has
15 otherwise determined the value of the public utility's property.

16 SECTION 21. 196.19 (1m) of the statutes is repealed.

17 SECTION 22. 196.19 (5) of the statutes is repealed.

18 SECTION 23. 196.191 of the statutes is created to read:

19 **196.191 Telecommunications utility and alternative**
20 **telecommunications utility tariffs.** (1) Notwithstanding anything in this
21 chapter to the contrary, any telecommunications utility or alternative
22 telecommunications utility may do any of the following:

23 (a) Retain on file with the commission tariffs already on file with the
24 commission as of the effective date of this paragraph [LRB inserts date], showing
25 the rates, tolls, and charges that the telecommunications utility or alternative

1 telecommunications utility has established as of the effective date of this paragraph
2 [LRB inserts date], for some or all of the services performed by the
3 telecommunications utility or alternative telecommunications utility within the
4 state or for any service in connection therewith or performed by any
5 telecommunications utility or alternative telecommunications utility controlled or
6 operated by the telecommunications utility or alternative telecommunications
7 utility.

8 (b) Withdraw or change the rates, terms, or conditions of a tariff on file with
9 the commission, except that the telecommunications utility or alternative
10 telecommunications utility may not increase its switched access rates if it chooses
11 to withdraw its tariff for switched access services.

12 (c) File with the commission new tariffs showing the rates, tolls, and charges
13 that the telecommunications utility or alternative telecommunications utility has
14 established, as provided in the tariff filings, for some or all of the services performed
15 by the telecommunications utility or alternative telecommunications utility within
16 the state or for any service in connection therewith or performed by any
17 telecommunications utility or alternative telecommunications utility controlled or
18 operated by the telecommunications utility or alternative telecommunications
19 utility. If a telecommunications utility or alternative telecommunications utility
20 files a new tariff under this paragraph, all of the following apply:

21 1. The new tariff shall become effective on the date specified in the tariff, unless
22 the commission suspends the operation of the new tariff upon serving a written
23 notice of the suspension on the telecommunications utility or alternative
24 telecommunications utility within 10 days after the date of filing. The notice shall

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include a statement of the reasons ~~under subd. 2.~~ upon which the commission believes the tariff may be modified ~~to~~ under subd 2

2. The commission may modify the new tariff after an opportunity for a hearing, only to the extent permitted by ss. 196.203 and 196.50 (2) (i) and (j) ~~5h~~

3. If the commission does not conduct a hearing under subd. 2., the commission shall issue its final order within 60 days after issuing the notice of suspension under subd. 1. If the commission conducts a hearing, the commission shall issue its final order within 120 days after issuing the notice of suspension under subd. 1. If a final order is not issued within the time limits specified in this subdivision, the new tariff becomes effective as filed.

(2) Nothing in this section shall give the commission jurisdiction over the rates or terms and conditions of any service that is not subject to a tariff under sub. (1).

(3) Every telecommunications utility or alternative telecommunications utility that files a tariff with the commission under ~~this section~~ ^{sub. (1)} shall include all terms and conditions that apply to the services specified in the tariff and the rates charged or to be charged. INSERT 10-16

(4) A telecommunications utility or alternative telecommunications utility may withdraw a tariff for any service by providing notice to the commission.

(5) (a) Except as provided in par. (b), a proposed change in a tariff shall be effective at the time specified in the tariff as filed with the commission ^{under sub. (1)}

(b) No change in a tariff that constitutes an increase in switched access service rates may be made unless the change is consistent with the public interest factors set forth in s. 196.03 (6) and does not violate s. 196.212 and the commission by order, after investigation and opportunity for a hearing, approves the change.

INSERT 10-20

1 (6) Nothing in this chapter prohibits a tariff for a service that permits a
2 telecommunications utility or alternative telecommunications utility to enter into an
3 individual contract with an individual customer for that tariffed service that
4 includes rates, terms, and conditions that are different from those in the tariff.

5 (7) Except as provided in sub. (6), no telecommunications utility or alternative
6 telecommunications utility may charge, demand, collect, or receive more or less
7 compensation for any service for which a tariff is filed under ^{Sub. (1)} ~~this section~~ than is
8 specified in the tariff, as may at the time be in force, or demand, collect, or receive
9 any rate, toll, or charge for such service not specified in the tariff.

10 (8) A copy of the tariffs filed under ^{Sub. (1)} ~~this section~~ shall be made available to
11 consumers in a form and place readily accessible to the public.

#RP; 196.194 (title)

12 SECTION 24. 196.194 (1) of the statutes is repealed.

13 ~~SECTION 25. 196.194 (2) (title) of the statutes is repealed.~~

14 SECTION 26. 196.194 (2) of the statutes is renumbered 196.194 and amended
15 to read:

16 196.194 ~~Public~~ ^{plain} ~~Utilities~~ ^{strike} ~~utility~~ ^{Strike} Gas utility individual contracts. Nothing in ss. 196.03,

17 196.19, 196.20, 196.21, 196.22, 196.37, 196.60, 196.604 and 196.625 prohibits the
18 commission from approving the filing of a tariff which permits a gas utility to enter
19 into an individual contract with an individual customer if the term of the contract
20 is no more than 5 years, or a longer period approved by the commission, and if the
21 commission determines that substitute gas services are available to customers or
22 potential customers of the gas utility and the absence of such a tariff will cause the
23 gas utility to be disadvantaged in competing for business. A tariff filed under this
24 subsection section shall include the condition that any such contract shall be
25 compensatory. The tariff shall include any other condition and procedure required

1 by the commission in the public interest. Within 20 days after a contract authorized
2 under this ~~subsection~~ section or an amendment to such a contract has been executed,
3 the gas utility shall submit the contract to the commission. The commission shall
4 give notice to any person, upon request, that a contract authorized under this
5 ~~subsection~~ section has been received by the commission. The notice shall identify the
6 gas utility that has entered into the contract. Within 6 months after receiving
7 substantial evidence that a contract may be noncompensatory, or upon its own
8 motion, the commission shall investigate and determine whether the contract is
9 compensatory. If the commission determines that the contract is noncompensatory,
10 the commission may make appropriate adjustments in the rates or tariffs of the gas
11 utility that has entered into the contract, in addition to other remedies under this
12 chapter. The dollar amount of the adjustment may not be less than the amount by
13 which the contract was found to be noncompensatory.

14 **SECTION 27.** 196.195 (1) of the statutes is amended to read:

15 196.195 (1) REGULATION IMPOSED. Except as provided in this section and ss.
16 196.202, 196.203, ~~196.215~~ and, [✓] 196.219, and 196.50 (2) (i) and (j), [✓] a
17 telecommunications utility is subject to every applicable provision of this chapter
18 and ch. 201.

19 **SECTION 28.** 196.195 (5) of the statutes is amended to read:

20 196.195 (5) COMMISSION ACTION. If after the proceedings under subs. (2), (3) and
21 (4) the commission has determined that effective competition exists in the market
22 for the telecommunications service which justifies a lesser degree of regulation and
23 that lesser regulation in that market will serve the public interest, the commission
24 may, by order, suspend any of the following provisions of law ch. 201, except as
25 provided under subs. (7) and (8): ~~ch. 201 and s. 196.02 (2); s. 196.05; s. 196.06; s.~~

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~~196.07; s. 196.09; s. 196.10; s. 196.12; s. 196.13 (2); s. 196.19; tariffing requirements under s. 196.194; s. 196.196 (1) or (5); s. 196.20; s. 196.21; s. 196.22; s. 196.26; s. 196.28; s. 196.37; s. 196.49; s. 196.52; s. 196.58; s. 196.60; s. 196.604; s. 196.77; s. 196.78; s. 196.79; and s. 196.805.~~

SECTION 29. 196.195 (12) (a) of the statutes is amended to read:

196.195 (12) (a) To provide incentives for telecommunications utilities to achieve any of the goals listed in par. (b) 1. a., the commission may suspend any of the provisions listed in sub. (5) except ss. ~~196.19, 196.20 (1m), 196.22, 196.26, 196.37, 196.60 and 196.604~~ of ch. 201 or may approve a regulatory method alternative to traditional rate-of-return regulation that does not require suspension of any provisions listed in sub. (5).

SECTION 30. 196.195 (12) (b) 3. of the statutes is amended to read:

196.195 (12) (b) 3. The commission shall regulate telecommunications utilities with the goal of developing alternative forms of regulation. The commission shall, by order, develop and approve an incentive regulatory plan for each telecommunications utility to implement this subdivision. The commission may not increase regulation of a small telecommunications utility in implementing this subdivision. ~~For telecommunications utilities with more than 150,000 access lines in use in this state, s. 196.196 (2) applies to access service rates in any regulatory plan approved under this subdivision.~~

SECTION 31. 196.196 of the statutes is repealed.

SECTION 32. 196.198 (2) (a) of the statutes is renumbered 196.198 (2) and amended to read:

196.198 (2) Except as provided in sub. (3), a telecommunications utility that has more than 150,000 access lines in use in this state or a telecommunications

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1 provider that has more than 150,000 access lines in use in this state may not charge
2 a residential customer for basic local exchange service based on the duration of a call
3 or on the time of day that a call is made. This ~~paragraph subsection~~ does not apply
4 to an extended community telephone service.

5 **SECTION 33.** 196.198 (2) (b) of the statutes is repealed.

6 **SECTION 34.** 196.198 (3) (intro.) of the statutes is amended to read:

7 196.198 (3) (intro.) The commission may suspend the application of sub. (2) (a)
8 in a particular geographical area for a telecommunications utility or a
9 telecommunications provider if, after a contested case hearing, the commission
10 determines that all of the following apply:

11 **SECTION 35.** 196.198 (3) (a) of the statutes is amended to read:

12 196.198 (3) (a) Failure to suspend the application of sub. (2) (a) makes
13 competition in that geographical area impractical.

14 **SECTION 36.** 196.198 (3) (b) (intro.) of the statutes is amended to read:

15 196.198 (3) (b) (intro.) Suspending the application of sub. (2) (a) is beneficial
16 to all of the following groups:

17 **SECTION 37.** 196.20 (1) of the statutes is amended to read:

18 196.20 (1) The rate schedules of any public utility shall include all rules
19 applicable to the rendition or discontinuance of the service to which the rates
20 specified in the schedules are applicable. No change may be made by any public
21 utility in its schedules except by filing the change as proposed with the commission.
22 ~~Except for a telecommunications utility, no~~ No change in any public utility rule which
23 purports to curtail the obligation or undertaking of service of the public utility shall
24 be effective without the written approval of the commission after hearing, except

1 that the commission, by emergency order, may make the rule, as filed, effective from
2 the date of the order, pending final approval of the rule after hearing.

3 **SECTION 38.** 196.20 (1m) of the statutes is repealed.

4 **SECTION 39.** 196.20 (2) (a) (intro.) of the statutes is amended to read:

5 196.20 (2) (a) (intro.) ~~Except for a telecommunications utility, a~~ [∇] proposed
6 change which constitutes a decrease in rates shall be effective at the time specified
7 in the change as filed but not earlier than 10 days after the date of filing the change
8 with the commission, unless any of the following occurs:

9 **SECTION 40.** 196.20 (2) (am) of the statutes is repealed.

10 **SECTION 41.** 196.20 (2m) of the statutes is amended to read:

11 196.20 (2m) Except as provided under sub. (5) and ss. s. 196.193, 196.195 (12)
12 ~~and 196.196~~, no change in schedules which constitutes an increase in rates to
13 consumers may be made except by order of the commission, after an investigation
14 and opportunity for hearing. ~~The commission may waive a hearing under this~~
15 ~~subsection for a proposed change in a telecommunications utility schedule. By rule~~
16 ~~or order, the commission shall specify the notice and procedural requirements~~
17 ~~applicable to a telecommunications utility proposal for which a hearing is waived.~~

18 **SECTION 42.** 196.20 (2r) of the statutes is repealed.

19 **SECTION 43.** 196.20 (3) of the statutes is repealed.

20 **SECTION 44.** 196.20 (5) of the statutes is repealed.

21 **SECTION 45.** 196.20 (6) of the statutes is repealed.

22 **SECTION 46.** 196.203 (1) of the statutes is renumbered 196.203 (1g) and
23 amended to read:

24 196.203 (1g) Alternative telecommunications utilities are exempt from all
25 provisions of ch. 201 and this chapter, except as provided in this section, and except

1 that an alternative telecommunications utility is subject to ~~s. ss.~~ 196.025 (6),
2 196.191, 196.206, and 196.212, and except that an alternative telecommunications
3 utility that is a local government telecommunications utility, as defined in s. 196.204
4 (5) (a) 1., is subject to s. 196.204 (5) ~~(6)~~ ← state

****NOTE: The instructions provide that an alternative telecommunications utility may elect to be subject to s. 196.191. However, s. 196.191 allows, but does not require, an alternative telecommunications utility to do certain things. If an alternative telecommunications utility wants to do those things, it can rely on s. 196.191 to do them and it does not have to elect to subject itself to s. 196.191. As a result, I don't think the election option has any legal significance and is not necessary. See also the NOTE following s. 196.203 (4m) (d).

5 **SECTION 47.** 196.203 (1d) of the statutes is created to read:

6 196.203 (1d) In this section, "local government telecommunications utility"
7 has the meaning given in s. 196.204 (1m) (a).

8 **SECTION 48.** 196.203 (2) of the statutes is renumbered 196.203 (2) (a) and
9 amended to read:

10 196.203 (2) (a) No person may commence providing service as an alternative
11 telecommunications utility unless the person petitions for and the commission issues
12 a ~~determination~~ certification that the person is an alternative telecommunications
13 utility or unless the person is a telecommunications utility for which the commission
14 issues an order under s. 196.50 (2) (j) 1. a.

15 (6) The commission shall maintain information on authorized certified
16 alternative telecommunications utilities and on applicants for alternative
17 telecommunications utility ~~status~~ certification and make that information available
18 to any person, upon request.

19 **SECTION 49.** 196.203 (2) (b) of the statutes is created to read:

20 196.203 (2) (b) Except for an alternative telecommunications utility that is a
21 local government telecommunications utility, certification as an alternative

1 telecommunications utility shall be on a statewide basis and any certification issued
2 by the commission before the effective date of this paragraph [LRB inserts date],
3 to an alternative telecommunications utility that is not a local government
4 telecommunications utility is considered amended to be a statewide certification.

5 **SECTION 50.** 196.203 (2) (c) of the statutes is created to read:

6 196.203 (2) (c) An alternative telecommunications utility may provide notice
7 to the commission to maintain certification as an alternative telecommunications
8 utility but to recertify the alternative telecommunications utility and impose on the
9 alternative telecommunications utility only those provisions of this chapter specified
10 in this paragraph. No later than 30 days after receiving notice under this paragraph,
11 the commission shall issue an order granting recertification and imposing on the
12 alternative telecommunications utility those provisions of this chapter specified in
13 sub. (4m) (a) that are imposed on all alternative telecommunications utilities under
14 sub. (3). An alternative telecommunications utility for which an order of
15 recertification is issued is subject to sub. (1g). The granting of the recertification
16 shall operate to terminate the alternative telecommunications utility's prior
17 certification, and all regulatory requirements related to the prior certification,
18 including all such requirements imposed by the certification and all requirements
19 imposed by the commission, whether by statute or commission rule or order, on the
20 alternative telecommunications utility are terminated on the effective date of the
21 order.

22 **SECTION 51.** 196.203 (2) (d) of the statutes is created to read:

23 196.203 (2) (d) The commission may deny a petition for certification as an
24 alternative telecommunications utility described in s. 196.01 (1d) (f) if the
25 commission finds that the petitioner does not have the financial, managerial, or

1 technical capabilities to provide its proposed services or to comply with conditions
2 that the commission is authorized to impose under sub. (3). ✓

3 SECTION 52. 196.203 (3) (a) of the statutes is renumbered 196.203 (3) and
4 amended to read:

5 196.203 (3) In response to a petition from any interested person, or upon its
6 own motion, the commission shall determine whether the public interest requires
7 that ~~any a~~ provision of ~~ch. 201~~ or this chapter specified in sub. (4m) ✓ be imposed on
8 a person providing or proposing to provide service as an alternative
9 telecommunications utility ~~in a relevant market~~. In making this determination, the
10 commission may consider factors including ~~the quality of service, customer~~
11 ~~complaints, concerns about the effect on customers of local exchange~~
12 ~~telecommunications utilities~~ and the extent to which similar services are available
13 from alternative sources. If the commission imposes a provision of this chapter
14 specified in sub. (4m) (a) ✓ on an alternative telecommunications utility under this
15 subsection, the commission shall impose the same provision at the same level of
16 regulation on all other alternative telecommunications utilities.

17 SECTION 53. 196.203 (3) (b) ✓ of the statutes is repealed.

18 SECTION 54. 196.203 (3) (c) ✓ of the statutes is repealed.

19 SECTION 55. 196.203 (3) (d) ✓ of the statutes is repealed.

20 SECTION 56. 196.203 (3) (dm) ✓ of the statutes is repealed.

21 SECTION 57. 196.203 (3) (e) ✓ of the statutes is repealed.

22 SECTION 58. 196.203 (4) ✓ of the statutes is repealed.

23 SECTION 59. 196.203 (4m) ✓ of the statutes is created to read:

24 196.203 (4m) (a) The commission may impose s. 196.01 ✓, 196.02 (1), (4), or (5), ✓
25 196.04, 196.135, 196.14, 196.197, 196.199, 196.207, 196.208, 196.209, 196.218, ✓

1 196.219 (1), (2) (b), (c), or (d), (2r), (3) (a), (d), (j), (m), (n), or (o), 196.25, 196.26, 196.39,
2 196.395, 196.40, 196.41, 196.43, 196.44, 196.65, 196.66, 196.81, 196.85, 196.858, or
3 196.859 on an alternative telecommunications utility.

4 (b) In addition to the requirements under s. 196.212, the commission may, with
5 respect only to switched access services, impose s. 196.03 (1) or (6) or 196.37 on an
6 alternative telecommunications utility.

7 (c) The commission may, with respect only to wholesale telecommunications
8 service, impose s. 196.03 (1) or (6), 196.219 (4), 196.28, or 196.37 on an alternative
9 telecommunications utility certified under sub. (2) (a) or (c).

10 (d) An alternative telecommunications utility certified pursuant to s. 196.50 (2)

11 (j) 1. a. shall be subject, with respect only to wholesale telecommunications services,
12 to all provisions in pars. (a) and (c).

***NOTE: The instructions include the following par. (e): "An alternative telecommunications utility certified pursuant to s. 196.50 (2) (j) 1. a. shall be subject, with respect only to its switched access services, to s. 196.191. For its services other than switched access services, such an alternative telecommunications utility may elect to be subject to s. 196.191." I did not include par. (e) because I'm not sure what it does. Section 196.191 provides that, notwithstanding anything in ch. 196 to the contrary, an alternative telecommunications utility may (i.e., is allowed but not required to) retain, withdraw, or change tariffs on file with the PSC or file new tariffs. Does the first sentence in par. (e) require an alternative telecommunications utility certified under s. 196.50 (2) (j) 1. a. to take an action specified in s. 196.191 for its switched access rates? As for the

(2nd sentence's reference to an election, see the NOTE following the treatment of s. 196.203 (1g) as renumbered

13 **SECTION 60.** 196.203 (5) of the statutes is amended to read:

14 196.203 (5) The commission may establish a reasonable fee schedule and may
15 assess an alternative telecommunications utility to cover the cost of making a
16 certification or other determination under this section.

17 **SECTION 61.** 196.204 (title) of the statutes is repealed and recreated to read:

18 **196.204 (title) Local government telecommunications utilities.**

19 **SECTION 62.** 196.204 (1) of the statutes is repealed.

1 SECTION 63. 196.204 (2) of the statutes is repealed.

2 SECTION 64. 196.204 (3) of the statutes is repealed.

3 SECTION 65. 196.204 (4) of the statutes is repealed.

4 SECTION 66. 196.204 (5) (ag) of the statutes is renumbered 196.204 (1m), and
5 196.204 (1m) (intro.), as renumbered, is amended to read:

6 196.204 (1m) (intro.) In this subsection section:

7 SECTION 67. 196.204 (5) (ar) of the statutes is renumbered 196.204 (2m), and
8 196.204 (2m) (a), (b) (intro.) and (c) (intro.), as renumbered, are amended to read:

9 196.204 (2m) (a) In addition to the other requirements of this section, each

10 Each telecommunications service, relevant group of services and basic network
11 function offered or used by a local government telecommunications utility shall be
12 priced to exceed its total service long-run incremental cost. ~~The commission may~~
13 ~~waive the applicability of this subdivision to a nongovernmental~~
14 ~~telecommunications utility's basic local exchange service if the commission~~
15 ~~determines that a waiver is consistent with the factors under s. 196.03 (6).~~

16 (b) (intro.) For purposes of subd. 1. par. (a), the total service long-run
17 incremental cost of a local government telecommunications utility shall take into
18 account, by imputation or allocation, equivalent charges for all taxes, pole rentals,
19 rights-of-way, licenses, and similar costs that are incurred by nongovernmental
20 telecommunications utilities. This subdivision paragraph does not apply to a local
21 government telecommunications utility that is subject to the exemption under s.
22 66.0422 (3n). This subdivision paragraph also does not apply to a
23 telecommunications service, relevant group of services, or basic network function if
24 all of the following conditions apply:

1 (c) (intro.) ~~Subdivision 2. Paragraph (b)~~ does not apply to a telecommunications
 2 service, relevant group of services, or basic network function, that is used to provide
 3 broadband service and that is offered by a municipal telecommunications utility, if
 4 all of the following apply:

5 SECTION 68. 196.204 (5) (b) of the statutes is repealed.

6 SECTION 69. 196.204 (6) of the statutes is repealed.

7 SECTION 70. 196.205 of the statutes is repealed.

8 SECTION 71. 196.206 of the statutes is created to read:

9 **196.206 Internet protocol-enabled service. (1) EXEMPTIONS.** (a) Internet
 10 protocol-enabled service is not subject to ch. 201 or this chapter, except as provided
 11 in this section, and except that interconnected voice over Internet protocol service is
 12 subject to ss. 196.025 (6), 196.218 (3), and 196.859. Nothing in this section shall be
 13 construed to require or prohibit the payment of switched access charges or other
 14 intercarrier compensation.

****NOTE: The instructions would remove the phrase, "except as provided in this section," but I retained the phrase because I think it is logically necessary.

15 (b) Except as provided in this section, and notwithstanding any other provision
 16 of law, the commission may not enact, adopt, or enforce, either directly or indirectly,
 17 any order, rule, standard, or other provision having the force or effect of law that
 18 regulates, or has the effect of regulating, the entry of, or rates, terms or conditions
 19 for, Internet protocol-enabled service.

****NOTE: I removed the reference to law, as the PSC does not have the authority to enact a law. Likewise, the PSC does not adopt ordinances, so I deleted the reference to ordinances. Also, in Wisconsin, agencies adopt rules, rather than regulations, so I deleted the reference to regulation.

20 (3) UNIVERSAL SERVICE FUND. An entity that provides interconnected voice over
 21 Internet protocol service in this state and that contributes to the universal service

INSERT 21-14

1 fund based on its revenues from providing such service shall calculate such revenues
2 using direct assignment, a provider-specific traffic study, the inverse of the
3 interstate jurisdictional allocation established by the federal communications
4 commission for the purpose of federal universal service assessments, or any other
5 reasonable assignment. Direct assignment or traffic studies shall be based on the
6 primary physical service address identified by the customer.

7 SECTION 72. 196.212 of the statutes is created to read:

8 **196.212 Switched access rates.** (1) DEFINITIONS. In this section:

9 (a) "Affiliate" means any person, corporation, company, cooperative,
10 unincorporated cooperative association, partnership, association, or other entity
11 that is controlled by, or is under common control with, a telecommunications provider
12 or telecommunications utility.

13 (b) "Large incumbent local exchange carrier" means an incumbent local
14 exchange carrier that, with any affiliates that are incumbent local exchange carriers
15 operating in the state, in total had 150,000 or more access lines in use in this state
16 as of January 1, 2010.

****NOTE: I created the terms "large incumbent local exchange carrier," "small
incumbent local exchange carrier," and "nonincumbent" because I think the terms aid the
reader in understanding the requirements of this section.

17 (c) "Nonincumbent" means a telecommunications provider that is not an
18 incumbent local exchange carrier.

19 (d) "Small incumbent local exchange carrier" means an incumbent local
20 exchange carrier that, with any affiliates that are incumbent local exchange carriers
21 operating in the state, in total had ~~less~~^{fewer} than 150,000 access lines in use in this state
22 as of January 1, 2010.

1 **(2) REDUCTIONS FOR NONINCUMBENTS.** A nonincumbent shall reduce its
2 intrastate switched access rates to no higher than the nonincumbent's rates for
3 interstate switched access services as follows:

4 (a) Beginning on the effective date of this paragraph ... [LRB inserts date], the
5 nonincumbent may not increase its intrastate switched access rates or charge
6 intrastate switched access rates higher than the amount the nonincumbent charged
7 for intrastate switched access services on January 1, 2011.

8 (b) No later than one year after the effective date of this paragraph ... [LRB
9 inserts date], the nonincumbent shall reduce its intrastate switched access rates by
10 an amount equal to 50 percent of the difference between its intrastate switched
11 access rates in effect prior to the reduction and its interstate switched access rates
12 in effect prior to the reduction.

13 (c) No later than ²~~two~~ years after the effective date of this paragraph ... [LRB
14 inserts date], the nonincumbent shall further reduce its intrastate switched access
15 rates by an amount equal to 50 percent of the difference between its intrastate
16 switched access rates in effect prior to the reduction and its interstate switched
17 access rates in effect prior to the reduction.

18 (d) No later than ^{than 3}~~three~~ years after the effective date of this paragraph ... [LRB
19 inserts date], the nonincumbent shall reduce its intrastate switched access rates to
20 mirror its interstate switched access rates in effect prior to the reduction and,
21 beginning no later than that date, [✓] may not charge intrastate switched access rates
22 that are higher than its interstate switched access rates.

23 **(3) REDUCTIONS FOR LARGE INCUMBENT LOCAL EXCHANGE CARRIERS.** A large
24 incumbent local exchange carrier shall reduce its intrastate switched access rates to

1 no higher than the large incumbent local exchange carrier's rates for interstate
2 switched access services as follows:

3 (a) Beginning on the effective date of this paragraph ... [LRB inserts date], the
4 large incumbent local exchange carrier may not increase its intrastate switched
5 access rates or charge intrastate switched access rates higher than the amount it
6 charged for intrastate switched access services on January 1, 2011.

7 (b) No later than one year after the effective date of this paragraph ... [LRB
8 inserts date], the large incumbent local exchange carrier shall reduce its intrastate
9 switched access rates by an amount equal to 25 percent of the difference between its
10 intrastate switched access rates in effect prior to the reduction and its interstate
11 switched access rates in effect prior to the reduction.

12 (c) No later than ²~~two~~ years after the effective date of this paragraph ... [LRB
13 inserts date], the large incumbent local exchange carrier shall further reduce its
14 intrastate switched access rates by an amount equal to ^{33%}~~33~~ percent of the difference
15 between its intrastate switched access rates in effect prior to the reduction and its
16 interstate switched access rates in effect prior to the reduction.

17 (d) No later than ³~~three~~ years after the effective date of this paragraph ... [LRB
18 inserts date], the large incumbent local exchange carrier shall further reduce its
19 intrastate switched access rates by an amount equal to ^{50%}~~50~~ percent of the difference
20 between its intrastate switched access rates in effect prior to the reduction and its
21 interstate switched access rates in effect prior to the reduction.

22 (e) No later than ⁴~~four~~ years after the effective date of this paragraph ... [LRB
23 inserts date], the ^{large incumbent local exchange carrier}~~dominant~~ shall reduce its intrastate switched access rates to
24 mirror its interstate switched access rates in effect prior to the reduction and,

1 beginning no later than that date, may not charge intrastate switched access rates
2 that are higher than its interstate switched access rates.

3 (4) COMMISSION REVIEW LIMITED. (a) Notwithstanding any other provision of
4 this chapter, subs. (2) and (3) govern the rates that nonincumbents and large
5 incumbent local exchange carriers may charge for intrastate switched access
6 services. Except as required to enforce this section, the commission may not review
7 or set the rates for intrastate switched access services of nonincumbents and large
8 incumbent local exchange carriers.

9 (b) During the 3-year period beginning on the effective date of this paragraph
10 [LRB inserts date], if a small incumbent local exchange carrier does not seek to
11 increase its switched access rates, the commission may not order a reduction in the
12 small incumbent local exchange carrier's switched access rates.

* ****NOTE: Is "seek" the correct word to use? How does a small ILEC seek to increase
rates? Do you mean to refer instead to a small ILEC that actually increases its rates?

13 SECTION 73. 196.213 of the statutes is repealed.

14 SECTION 74. 196.215 of the statutes is repealed.

15 SECTION 75. 196.218 (1) (a) of the statutes is created to read:

16 196.218 (1) (a) "Essential telecommunications services" means the services or
17 functionalities listed in 47 CFR 54.101 (a) as of January 1, 2010.

18 SECTION 76. 196.218 (3) (a) 3m. of the statutes is amended to read:

19 196.218 (3) (a) 3m. Contributions under this paragraph may be based only on
20 the gross operating revenues from the provision of broadcast services identified by
21 the commission under subd. 2. and on intrastate telecommunications services
22 provided to end users in this state of the telecommunications providers subject to the
23 contribution. Wholesale services of any type, including wholesale

1 telecommunications services, provided by any telecommunications provider are not
 2 intrastate telecommunications services for purposes of this subdivision.
 3 Contributions based on revenues from interconnected voice over Internet protocol
 4 service shall be calculated as provided under s. 196.206 (3).

5 SECTION 77. 196.218 (3) (f) of the statutes is amended to read:

6 196.218 (3) (f) ~~Notwithstanding ss. 196.196 (1) and (5) (d) 2., 196.20 (2m), (5)~~
 7 ~~and (6), 196.213 and 196.215, a~~ A telecommunications utility that provides local
 8 exchange service may make adjustments to local exchange service rates for the
 9 purpose of recovering its contributions to the universal service fund required under
 10 this subsection. A telecommunications utility that adjusts local exchange service
 11 rates for the purpose of recovering such contributions shall identify on customer bills
 12 a single amount that is the total amount of the adjustment. The public service
 13 commission shall provide telecommunications utilities the information necessary to
 14 identify such amounts on customer bills.

15 SECTION 78. 196.218 (4) of the statutes is repealed and recreated to read:

16 196.218 (4) ESSENTIAL TELECOMMUNICATIONS SERVICES. (a) Each
 17 telecommunications provider that is designated as an eligible telecommunications
 18 carrier pursuant to 47 USC 214 (e) (2) shall make available to its customers all
 19 essential telecommunications services. A telecommunications provider may satisfy
 20 this ~~subsection~~ ^{paragraph} by providing essential telecommunications services itself or through
 21 an affiliate and in either case may provide essential telecommunications services
 22 through the use of any available technology or mode.

23 (b) Notwithstanding par. (a), if a commercial mobile radio service provider is
 24 designated or seeks designation as an eligible telecommunications carrier pursuant
 25 to 47 USC 214 (e) (2) for the purpose of federal universal service funding and not for

1 the purpose of state universal service funding, the commercial mobile radio service
2 provider is not subject to any eligible telecommunications carrier requirements
3 imposed by the commission pursuant to 47 USC 214 (e) that are in addition to the
4 requirements imposed pursuant to 47 USC 214 (e) (2).

5 **SECTION 79.** 196.218 (5r) (a) 4. of the statutes is amended to read:

6 196.218 (5r) (a) 4. An assessment of how successful investments identified in
7 s. ~~196.196 (5) (f)~~, assistance provided by the universal service fund, and price
8 regulation and other alternative incentive regulations of telecommunications
9 utilities designed to promote competition have been in advancing the public interest
10 goals identified under s. 196.03 (6), and recommendations for further advancing
11 those goals.

12 **SECTION 80.** 196.219 (1) (b) of the statutes is amended to read:

13 196.219 (1) (b) "Local exchange service" has the meaning given in s. ~~196.50 (1)~~
14 (b) 1. includes access service, basic local exchange service, and business access line
15 and usage service within a local calling area.

16 **SECTION 81.** 196.219 (2) (a) of the statutes is amended to read:

17 196.219 (2) (a) Notwithstanding any exemptions identified in this chapter
18 except s. ss. 196.202, 196.203, 196.206, and 196.50, a telecommunications utility or
19 provider shall provide protection to its consumers under this section unless
20 exempted in whole or in part by rule or order of the commission under this section.
21 The commission shall promulgate rules that identify the conditions under which
22 provisions of this section may be suspended.

23 **SECTION 82.** 196.219 (2m) of the statutes is repealed.

24 **SECTION 83.** 196.219 (2r) of the statutes is created to read:

1 196.219 (2r) SWITCHED ACCESS SERVICE RATES. Any reduction in switched access
2 - service rates ordered by the commission prior to the effective date of this subsection
3 [LRB inserts date], including any reduction ordered pursuant to s. 196.195, shall
4 remain effective unless modified by the commission in a subsequent order, or unless
5 the ordered reduction is inconsistent with the requirements of s. 196.212.

 ***NOTE: The instructions would add, "in which case the requirements of that
section shall control." That language is not necessary. If the ordered reduction is
inconsistent with s. 196.212, then the ordered reduction does not apply and s. 196.212
would apply. There is no need to reiterate that s. 196.212 applies.

6 **SECTION 84.** 196.219 (3) (h) of the statutes is repealed.

7 **SECTION 85.** 196.26 (1) (a) of the statutes is amended to read:

8 196.26 (1) (a) A complaint filed with the commission that any rate, toll, charge,
9 or schedule, joint rate, regulation, measurement, act, or practice relating to the
10 provision of heat, light, water, or power, ~~or telecommunications service~~ is
11 unreasonable, inadequate, unjustly discriminatory, or cannot be obtained.

12 **SECTION 86.** 196.26 (4) of the statutes is repealed.

13 **SECTION 87.** 196.28 (4) of the statutes is amended to read:

14 196.28 (4) This section does not apply to rates, tolls or charges of a
15 telecommunications cooperative, an unincorporated telecommunications
16 cooperative association, or a small telecommunications utility ~~except as provided in~~
17 ~~s. 196.205 or 196.215 (2).~~

18 **SECTION 88.** 196.31 (1m) of the statutes is amended to read:

19 196.31 (1m) The commission shall compensate any consumer group or
20 consumer representative for all reasonable costs of participating in a hearing under
21 s. ~~196.196 (1) (g) or~~ 196.198.

22 **SECTION 89.** 196.37 (3) of the statutes is amended to read:

1 196.37 (3) Any public utility to which an order under this section applies shall
2 make such changes in schedules on file under s. 196.19 to make the schedules
3 conform to the order. The public utility may not make any subsequent change in
4 rates, tolls or charges without the approval of the commission, ~~except as provided in~~
5 ~~s. 196.205 or 196.215 (2).~~

6 **SECTION 90.** 196.37 (4) of the statutes is amended to read:

7 196.37 (4) This section does not apply to rates, tolls or charges of a
8 telecommunications cooperative, an unincorporated telecommunications
9 cooperative association, or a small telecommunications utility ~~except as provided in~~
10 ~~s. 196.205 or 196.215 (2).~~

11 **SECTION 91.** 196.49 (1) (ag) of the statutes is repealed.

12 **SECTION 92.** 196.49 (3) (b) (intro.) of the statutes is amended to read:

13 196.49 (3) (b) (intro.) ~~Except as provided in par. (d),~~ the The commission may
14 require by rule or special order under par. (a) that no project may proceed until the
15 commission has certified that public convenience and necessity require the project.
16 The commission may refuse to certify a project if it appears that the completion of
17 the project will do any of the following:

18 **SECTION 93.** 196.49 (3) (d) of the statutes is repealed.

19 **SECTION 94.** 196.50 (title) of the statutes is amended to read:

20 **196.50** (title) **Competing public utilities; indeterminate permits,**
21 ~~telecommunications; telecommunications utility certification.~~

22 **SECTION 95.** 196.50 (1) (b) 1. and 2. of the statutes are repealed.

23 **SECTION 96.** 196.50 (1) (b) 3. of the statutes is renumbered 196.50 (1) (b).

24 **SECTION 97.** 196.50 (2) (a) of the statutes is amended to read:

1 196.50 (2) (a) Alternative telecommunications utilities shall be certified under
 2 s. 196.203. ~~All Except as provided in par. (j) 1. a.,~~ all other telecommunications
 3 utilities shall be certified under this subsection.

4 **SECTION 98.** 196.50 (2) (b) of the statutes is amended to read:

5 196.50 (2) (b) A certificate, franchise, license or permit, indeterminate or
 6 otherwise, in effect on September 1, 1994, for a telecommunications utility shall
 7 remain in effect and shall have the effect of a certificate of authority. A
 8 telecommunications utility is not required to apply for a new certificate of authority
 9 to continue offering or providing service to the extent of the prior authorization. Each
 10 telecommunications utility, including telecommunications cooperatives and
 11 unincorporated telecommunications cooperative associations, shall have on file with
 12 the commission ~~under s. 196.19 a tariff that sets forth the rates, terms and conditions~~
 13 ~~for all services provided~~ and a map that defines the geographical limits of the service
 14 territory that the telecommunications utility is obliged to serve.

15 **SECTION 99.** 196.50 (2) (f) of the statutes is amended to read:

16 196.50 (2) (f) The commission shall issue a certificate of authority or an
 17 amended certificate of authority if it finds, after notice and opportunity for hearing,
 18 that the applicant possesses sufficient technical, financial and managerial resources
 19 to provide telecommunications service to any person within the identified geographic
 20 area. In making this determination, the commission shall consider the factors
 21 identified in s. 196.03 (6). ~~The commission may order the applicant to satisfy any~~
 22 ~~conditions that the commission considers to be necessary to protect the public~~
 23 ~~interest, including structural safeguards.~~

24 **SECTION 100.** 196.50 (2) (g) 3. of the statutes is repealed.

25 **SECTION 101.** 196.50 (2) (h) of the statutes is repealed.

INSERT 30-14 ✓

1 **SECTION 102.** 196.50 (2) (i) of the statutes is created to read:

2 196.50 (2) (i) A telecommunications utility certified under this subsection is
3 exempt from all provisions of ch. 201 and is exempt from s. 196.02 (2); s. 196.03,
4 except with respect to wholesale telecommunications services^g; ss. 196.05, 196.06,
5 196.07, 196.09, 196.10, 196.12, 196.13, 196.19, 196.20, 196.21, and 196.22; s. 196.28,
6 except with respect to wholesale telecommunications services^g; s. 196.37, except with
7 respect to wholesale telecommunications services^g; ss. 196.49, 196.52, 196.58, 196.60,
8 and 196.78; and s. 196.79; except that, with respect only to its switched access
9 services, a telecommunications utility certified under this subsection with 50,000 or
10 fewer access lines in this state as of the effective date of this paragraph [LRB
11 inserts date], is not exempt from s. 196.03; and except that, with respect only to its
12 switched access services, a telecommunications utility certified under this
13 subsection with more than 50,000 and fewer than 150,000 access lines in this state
14 as of the effective date of this paragraph [LRB inserts date], is not exempt from
15 ss. 196.03 and 196.37. The intrastate dedicated access service rates of a
16 telecommunications utility with 150,000 or more access lines in this state as of the
17 effective date of this paragraph [LRB inserts date], may not exceed the
18 telecommunications utility's interstate access service rates for similar access
19 services, except that such a telecommunications utility shall not assess an intrastate
20 carrier common line charge or a substitute charge. Except to enforce this paragraph
21 and s. 196.212, the commission may not review or set the access rates for a
22 telecommunications utility with 150,000 or more access lines in this state as of the
23 effective date of this paragraph [LRB inserts date].

****NOTE: The instructions include the following sentence: "Notwithstanding the preceding sentence, the requirements of s. 196.212 govern the rates that telecommunications providers subject to those requirements may charge for switched

access services." Because the instructions also include a similar sentence in s. 196.50 (2) (j) 1. b., I deleted the sentences from the above and s. 196.50 (2) (j) 1. b., and created ~~new~~ language in s. 196.50 (2) (k). ✓

1 **SECTION 103.** 196.50 (2) (j) of the statutes is created to read:

2 196.50 (2) (j) 1. A telecommunications utility certified under this subsection
3 may do any of the following:

4 a. Provide notice to the commission to terminate the certification under this
5 subsection and certify the telecommunications utility as an alternative
6 telecommunications utility under s. 196.203. No later than 30 days after receiving
7 notice under this subd. 1. a., the commission shall issue an order granting a
8 certification under s. 196.203. Except as provided in subds. 4. and 5., the granting
9 of such certification shall operate to terminate the certification under this subsection
10 and all regulatory requirements related to the certification under this subsection,
11 including all such requirements imposed by the certification under this subsection
12 or imposed by order or otherwise by the commission.

13 b. Provide notice to the commission to recertify the telecommunications utility
14 under this subsection and impose on the telecommunications utility only those
15 provisions of this chapter specified in this paragraph. No later than 30 days after
16 receiving notice under this subd. 1. b., the commission shall issue an order granting
17 recertification under this subsection and imposing on the telecommunications utility
18 those provisions of this chapter specified in s. 196.203 (4m) (a) that are imposed on
19 all alternative telecommunications utilities under s. 196.203 (3). The
20 telecommunications utility shall be exempt from all provisions of ch. 201 and this
21 chapter, except ss. 196.025 (6), 196.191, 196.206, and 196.212, and except as provided
22 in subds. 4. and 5., and except as provided in the order under this subd. 1. b.; and
23 except that, if the telecommunications utility has 50,000 or fewer access lines in this

1 state as of the effective date of this subd. 1. b. [LRB inserts date], then, only with
2 respect to its switched access services, the telecommunications utility is not exempt
3 from s. 196.03; and except that, if the telecommunications utility has more than
4 50,000 and fewer than 150,000 access lines in this state as of the effective date of this
5 subd. 1. b. [LRB inserts date], then, only with respect to its switched access
6 services, the telecommunications utility is not exempt from ss. 196.03 and 196.37.
7 Except as provided in subds. 4. and 5., the granting of the recertification shall operate
8 to terminate the telecommunications utility's prior certification, and all regulatory
9 requirements related to the prior certification, including all such requirements
10 imposed by the certification and all requirements imposed by the commission,
11 whether by statute or commission rule or order, on the telecommunications utility
12 are terminated on the effective date of the order.

****NOTE: See the NOTE following s. 196.50 (2) (i). ✓

13 2. Issuance of a commission order under subd. 1. shall operate as a limited
14 waiver of the telecommunications utility's right to an exemption under 47 USC 251
15 (f) (1), which shall apply only to all of the following:

16 a. The requirements of 47 USC 251 (c) (1) and (2).

17 b. The requirements of 47 USC 251 (c) (5), but only with respect to the
18 requirements of 47 CFR 51.325 (a) (1) and (2).

19 3. Issuance of a commission order under subd. 1. shall operate as a limited
20 waiver of the telecommunications utility's right to petition the commission for
21 suspension or modification under 47 USC 251 (f) (2), which shall apply only to all of
22 the following:

23 a. The requirements of 47 USC 251 (b) and (c) (1) and (2).

1 b. The requirements of 47 USC 251 (c) (5), but only with respect to the
2 requirements of 47 CFR 51.325 (a) (1) and (2).

3 4. Regardless of whether a telecommunications utility certified under this
4 subsection takes an action allowed under subd. 1., the telecommunications utility is
5 subject, with respect to its wholesale telecommunications services, to all provisions
6 specified in s. 196.203 (4m) (a) and (c).

7 5. This paragraph does not terminate any order of the commission regarding
8 interconnection, unbundling, collocation, or any other obligation under 47 USC 251,
9 or regarding wholesale telecommunications services.

10 SECTION 104. 196.50 (2) (k) of the statutes is created to read:

11 196.50 (2) (k) Notwithstanding par^s (i) and (j) 1. b., s. 196.212 governs the rates
12 that a telecommunications provider subject to s. 196.212 may charge for intrastate
13 switched access services.

****NOTE: The above replaces the sentences I removed from s. 196.50 (2) (i) and (j) ✓
1. b.

14 SECTION 105. 196.503 of the statutes is created to read:

15 196.503 Telecommunications provider of last resort obligations. (1)

16 DEFINITIONS. In this section, "basic voice service" means the provision to residential
17 customers of 2-way voice communication within a local calling area. "Basic voice
18 service" includes extended community calling and extended area service. "Basic
19 voice service" does not include any discretionary or optional services that are
20 provided to a residential customer, even if provided in a bundle or package with basic
21 voice service.

****NOTE: The instructions add a definition for "universal service fund." However,
that definition is not necessary. When a fund is established in ch. 25, it is not necessary
to create a definition for the fund. (Note that the definition under current law in s.
196.218 (1) (d) is also not necessary.)

1 **(2) INCUMBENT LOCAL EXCHANGE CARRIER OBLIGATIONS.** (a) Notwithstanding any
2 other provision in this chapter, and except as provided in sub. (3), an incumbent local
3 exchange carrier shall make basic voice service available to all residential customers
4 within a local exchange area in which it operates as an incumbent local exchange
5 carrier.

6 (b) An incumbent local exchange carrier may satisfy its obligations under par.
7 (a) through an affiliate and through the use of any available technology or mode.

8 **(3) WAIVERS.** (a) An incumbent local exchange carrier may apply to the
9 commission for a waiver from compliance with sub. (2) (a) in a local exchange area.
10 If a waiver is granted, then the requesting incumbent local exchange carrier shall not
11 be eligible to receive moneys from the universal service fund for the purpose of
12 assisting customers of this state that have relatively high costs of
13 telecommunications service in obtaining affordable access to a basic set of essential
14 telecommunications services, as provided in s. 196.218 (5) (a) 1. The requesting
15 carrier may receive moneys from the universal service fund for any other purpose
16 specified in s. 196.218 (5), including any other purpose specified in s. 196.218 (5) (a)
17 1.

18 (b) The commission shall grant a waiver requested under par. (a) for a local
19 exchange area if any of the following ^{is} ~~are~~ satisfied:

20 1. The commission finds that the incumbent local exchange carrier
21 demonstrates that the waiver is in the public interest or that effective competition
22 exists for basic voice service in the local exchange.

23 2. The commission has made a previous finding of effective competition under
24 s. 196.195 (2) for basic local exchange service in the local exchange. The commission

1 may not grant a waiver under this subdivision until after June 1, 2012, or the
2 effective date of this subdivision ... [LRB inserts date], whichever is later.

3 (c) The commission's review of a waiver requested under par. (a) shall be strictly
4 limited to determining whether any of the criteria specified in par. (b) 1. or 2. is
5 satisfied.

6 (d) 1. Within 120 days of the filing of a waiver request based on par. (b) 1., the
7 commission shall grant or deny the request and, if denied, the commission shall issue
8 a written decision identifying the reasons for its denial. If the commission fails to
9 grant or deny the waiver request within 120 days of its filing, the waiver request is
10 considered granted by operation of law.

11 2. The commission shall grant a waiver based on par. (b) 2. as soon as the
12 commission verifies that the commission has previously made the finding specified
13 in par. (b) 2., but no later than 20 days after the filing of the waiver request. If the
14 commission fails to grant a waiver request based on par. (b) 2. within 20 days of its
15 filing, the waiver request is considered granted by operation of law. If the
16 commission denies a waiver based on par. (b) 2., the commission shall issue a written
17 decision identifying the reasons for its denial.

18 (4) EFFECT ON OTHER REQUIREMENTS. (a) Notwithstanding any other provision
19 of this chapter, a commission decision prior to the effective date of this paragraph ...
20 [LRB inserts date], eliminating an incumbent local exchange carrier's provider of
21 last-resort obligations, by operation of law or otherwise, remains in force and in
22 effect as to the elimination of those obligations.

23 (b) Except to enforce this section, nothing in this section provides the
24 commission with any authority to regulate, or any jurisdiction over, incumbent local

1 exchange carriers and the rates, terms, and conditions of their services that the
2 commission does not otherwise have under this chapter.

3 (5) SUNSET. This section does not apply after April 30, 2013. ✓

4 SECTION 106. 196.52 (3) (b) 1. of the statutes is amended to read:

5 196.52 (3) (b) 1. The requirement for written approval under par. (a) shall not
6 apply to any contract or arrangement if the amount of consideration involved is not
7 in excess of \$25,000 or 5% of the equity of the public utility, whichever is smaller. The
8 requirement under par. (a) also does not apply to a telecommunications utility
9 contract or arrangement or to contracts or arrangements with joint local water
10 authorities under s. 66.0823. Regularly recurring payments under a general or
11 continuing arrangement which aggregate a greater annual amount may not be
12 broken down into a series of transactions to come within the exemption under this
13 paragraph. Any transaction exempted under this paragraph shall be valid or
14 effective without commission approval under this section.

15 SECTION 107. 196.52 (3) (c) (intro.) of the statutes is amended to read:

16 196.52 (3) (c) (intro.) If the value of a contract or arrangement between an
17 affiliated interest and a public utility, other than a telecommunications utility, ✓
18 exceeds \$1,000,000, the commission:

19 SECTION 108. 196.52 (5) (a) of the statutes is renumbered 196.52 (5). ✓

20 SECTION 109. 196.52 (5) (b) ✓ of the statutes is repealed.

21 SECTION 110. 196.52 (6) ✓ of the statutes is amended to read:

22 196.52 (6) If the commission finds upon investigation that a public utility, other
23 than a telecommunications utility, ✓ is giving effect to a contract or arrangement
24 without the commission's approval under this section, the commission shall issue a
25 summary order directing that public utility to cease and desist from making any

1 payments, receiving compensation, providing any service or otherwise giving any
2 effect to the contract or arrangement until the contract or arrangement receives the
3 approval of the commission. The circuit court of Dane County may enforce the order
4 to cease and desist by appropriate process, including the issuance of a preliminary
5 injunction, upon the suit of the commission.

6 **SECTION 111.** 196.52 (9) (e) of the statutes is amended to read:

7 196.52 (9) (e) Notwithstanding sub. (5) (a), the commission may not modify or
8 terminate a leased generation contract approved under sub. (3) except as specified
9 in the leased generation contract or the commission's order approving the leased
10 generation contract.

11 **SECTION 112.** 196.60 (1) (a) of the statutes is amended to read:

12 196.60 (1) (a) ~~Except as provided under sub. (2), no~~ No public utility and no
13 agent, as defined in s. 196.66 (3) (a), or officer of a public utility, directly or indirectly,
14 may charge, demand, collect or receive from any person more or less compensation
15 for any service rendered or to be rendered by it in or affecting or relating to the
16 production, transmission, delivery or furnishing of heat, light, water,
17 telecommunications service or power or for any service in connection therewith, than
18 that prescribed in the published schedules or tariffs then in force, or established
19 under this chapter, or than it charges, demands, collects or receives from any other
20 person for a like contemporaneous service.

21 **SECTION 113.** 196.60 (2) of the statutes is repealed.

22 **SECTION 114.** 196.604 of the statutes is amended to read:

23 **196.604 Rebates, concessions and discriminations unlawful.** No person
24 may knowingly solicit, accept or receive any rebate, concession or discrimination
25 from a public utility for any service in or affecting or relating to the production,

1 transmission, delivery or furnishing of heat, light, water or power or the conveying
2 of telecommunications messages within this state or for any connected service
3 whereby the service is rendered or is to be rendered free or at a rate less than the rate
4 named in the schedules and tariffs in force, or whereby any other service or
5 advantage is received. Any person violating this section shall be fined not less than
6 \$50 nor more than \$5,000 for each offense.

7 SECTION 115. 196.77 of the statutes is repealed.

8 SECTION 116. 196.79 (1) of the statutes is renumbered 196.79 and amended to
9 read:

10 **196.79 Reorganization subject to commission approval.** ~~Except as~~
11 ~~provided in sub. (2), the~~ The reorganization of any public utility shall be subject to
12 the supervision and control of the commission. No reorganization may take effect
13 without the written approval of the commission. The commission may not approve
14 any plan of reorganization unless the applicant for approval establishes that the plan
15 of reorganization is consistent with the public interest.

16 SECTION 117. 196.79 (2) of the statutes is repealed.

17 SECTION 118. 196.805 of the statutes is repealed.

18 SECTION 119. 196.975 (1) of the statutes is renumbered 196.975 (1r) and
19 amended to read:

20 196.975 (1r) One hundred fifty or more consumers, as defined in s. 196.213 (1)
21 (a) 1., who are residents of the same local exchange area for telecommunications
22 service may file with the commission a petition requesting that commission staff, in
23 cooperation with the affected telecommunications utilities and telecommunications
24 carriers, petition the appropriate federal district court to include their local exchange
25 area in a different local access and transport area. The petitioners shall include with

1 the petition information explaining why the current boundaries of the local access
2 and transport area which includes their local exchange area does not adequately
3 reflect areas of common social, economic and other concerns.

4 **SECTION 120.** 196.975 (1g) of the statutes is created to read:

5 196.975 (1g) In this section, "consumer" means a person billed for one or more
6 local telecommunications service access lines not to exceed one person per access
7 line. A person billed for more than one access line may not be considered a consumer
8 for each access line for which he or she is billed.

9 **SECTION 121.** 196.975 (2) of the statutes is amended to read:

10 196.975 (2) After receiving a petition under sub. (1) (1r), the commission shall
11 schedule a public hearing, to be held in the local exchange area of the petitioners,
12 serving to receive testimony on the contents of the petition and any other matters
13 deemed relevant by the commission. The commission shall publish a class 1 notice
14 under ch. 985 in a newspaper serving the local exchange area at least 20 days prior
15 to the hearing.

16 **SECTION 122.** 201.15 of the statutes is repealed.

17 **SECTION 123. Nonstatutory provisions.**

18 (1) In this section:

19 (a) "Commission" means the public service commission.

20 (b) "Price-regulated telecommunications utility" means a telecommunications
21 utility that elected to become a price-regulated telecommunications utility under
22 section 196.196 (1) or (4), 2009 stats.

23 (c) "Telecommunications utility" has the meaning given in section 196.01 (10)
24 of the statutes.

1 (2) Except as provided in section 196.219 (2r) of the statutes, as created by this
2 act, on the effective date of this subsection, any requirement imposed by the
3 commission under section 196.195 (5), 2009 stats., or section 196.196, 2009 stats.,
4 whether by statute or commission rule or order, on a price-regulated
5 telecommunications utility is terminated.

6 (3) Except as provided in section 196.219 (2r) of the statutes, as created by this
7 act, on the effective date of this subsection, any requirement imposed on a
8 telecommunications utility under section 196.203, 2009 stats., or section 196.50,
9 2009 stats., whether by statute or commission rule or order, that is inconsistent with
10 sections 196.203 or 196.50 (2) of the statutes, as affected by this act, is terminated.

11

(END)

2011-2012 DRAFTING INSERT
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LRB-1625/P1ins2
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INSERT 4-10:

SECTION ~~1~~ 196.01 (3s) of the statutes is created to read:

196.01 (3s) "Local exchange carrier" has the meaning given in 47 USC 153 (32). TAM

****NOTE: Because the term "local exchange carrier" is used in the definition of "switched access rates," I think the term should be defined. The definition also alerts readers to distinguish between local exchange carriers and incumbent local exchange carriers. Is that okay?

INSERT 5-14:

****NOTE: Previous versions of the above referred to "end user customers." However, for the sake of consistency with s. 196.01 (3f) and 196.218 (3) (a) 3m., I changed the reference to "end users." S

INSERT 10-16:

****NOTE: Previous versions of the above referred to a tariff that is filed with the commission "under this section." For the sake of consistency with s. 196.191 (2), I changed "under this section" to "under sub. (1)." See similar changes to s. 196.191 (7) and (8).

INSERT 10-20:

****NOTE: For the sake of consistency with s. 196.191 (2) and (3), I referred to a tariff as filed with the commission "under sub. (1)." The phrase "under sub. (1)" is not included in previous versions of the above.

INSERT 12-18:

SECTION ~~1~~ 196.195 (2) (a) (intro.) of the statutes is amended to read:

196.195 (2) (a) (intro.) Except as provided under par. (b), in response to a petition from any interested person or upon its own motion, the commission may hold a hearing to determine whether effective competition exists in a market for a telecommunications service which competition justifies a lesser degree of regulation by suspending the application of one or more provisions of law ch. 201 under sub. (5) and whether competition under a lesser degree of regulation in that market will serve the public interest. In making this determination, the commission shall consider factors including:

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

1 information to determine whether the suspension of the application of any provision
2 of law ch. 201 under sub. (5) is justified at any time after the suspension is ordered.

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change because ch. 201 provisions are the only provisions of law that may be suspended under s. 196.195 (5). However, it appears that the provisions of s. 201.15 are the only provisions of ch. 201 that could apply to telecommunications utilities. Therefore, shouldn't the reference to ch. 201 be changed to s. 201.15? Also, if the provisions of s. 201.15 do not relate to accounting or reporting, the above can be repealed. Please advise. ✓

3 SECTION ~~#~~ 196.195 (10) of the statutes is amended to read:

4 196.195 (10) REVOCATION OF DEREGULATION. If necessary to protect the public
5 interest, the commission, at any time by order, may revoke its order to suspend the
6 applicability of any provision of law ch. 201 suspended under sub. (5).

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change because ch. 201 provisions are the only provisions of law that may be suspended under s. 196.195 (5). However, it appears that the provisions of s. 201.15 are the only provisions of ch. 201 that could apply to telecommunications utilities. Therefore, shouldn't the reference to ch. 201 be changed to s. 201.15?

7 INSERT 13-11:

8 SECTION ~~#~~ 196.195 (12) (b) 1. (intro.) of the statutes is amended to read:

9 196.195 (12) (b) 1. (intro.) Except as provided in subd. 2., after opportunity for
10 hearing, the commission shall determine whether it is in the public interest to
11 suspend any of the provisions ~~identified in par. (a) of ch. 201~~ or to approve an
12 alternative regulatory method. In making this determination, the commission shall
13 identify all of the following:

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change because ch. 201 provisions are the only provisions of law identified in s. 196.195 (12) (a). ✓ However, it appears that the provisions of s. 201.15 are the only provisions of ch. 201 that could apply to telecommunications utilities. Therefore, shouldn't the reference to ch. 201 be changed to s. 201.15?

14 SECTION ~~#~~ 196.195 (12) (b) 2. of the statutes is amended to read:

15 196.195 (12) (b) 2. If the commission suspends the application of any provision
16 ~~identified in par. (a) of ch. 201~~ or approves an alternative regulatory method for any

1 telecommunications utility, the commission may waive the hearing opportunity
2 required under subd. 1., with notice to all known interested parties, for any similarly
3 situated telecommunications utility, if the waiver is in the public interest.

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change because ch. 201 provisions are the only provisions of law identified in s. 196.195 (12) (a). However, it appears that the provisions of s. 201.15 are the only provisions of ch. 201 that could apply to telecommunications utilities. Therefore, shouldn't the reference to ch. 201 be changed to s. 201.15?

4 **INSERT 13-20:**

5 **SECTION ~~10~~** 196.195 (12) (d) 4. of the statutes is amended to read:

6 196.195 (12) (d) 4. A request for authorization under subd. 1. constitutes a
7 request for a hearing on partial deregulation under sub. (2). An order granting such
8 authorization expires on the first day of the 9th month following its issuance or upon
9 the date of the commission order granting or denying suspension of any provision of
10 law ch. 201 under sub. (5), whichever is earlier, unless extended by the commission
11 for good cause pending issuance of a final order.

History: 1985 a. 297; 1987 a. 403 s. 256; 1993 a. 496; 1997 a. 140; 1999 a. 150; 2001 a. 16; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change (5) because ch. 201 provisions are the only provisions of law identified in s. 196.195 (12) (a). However, it appears that the provisions of s. 201.15 are the only provisions of ch. 201 that could apply to telecommunications utilities. Therefore, shouldn't the reference to ch. 201 be changed to s. 201.15?

12 **INSERT 21-14:**

****NOTE: What is "intercarrier compensation"? If the meaning is subject to debate, you may want to define the term or otherwise elaborate on its meaning.

13 **INSERT 30-14:**

14 **SECTION ~~10~~** 196.50 (2) (e) 1. of the statutes is amended to read:

15 196.50 (2) (e) 1. Pending the determination on an application for a certificate
16 of authority or an amended certificate of authority, the commission may issue,
17 without notice and hearing, a temporary license for a period not to exceed one year
18 and may temporarily exempt the applicant from requirements of this chapter

1 ~~identified in s. 196.195 (5) if the exemption is in the public interest.~~ The issuance of
2 a temporary license does not bind the commission in the final determination on the
3 application.

History: 1977 c. 418; 1983 a. 53; 1985 a. 297 ss. 52 to 54, 76; 1993 a. 496; 1995 a. 409; 1999 a. 150 s. 672; 2005 a. 441; 2007 a. 42.

****NOTE: Although not mentioned in the instructions, I made the above change because, as amended, s. 196.195 (5) no longer identifies any requirements under "this chapter," i.e., ch. 196. Instead, s. 196.195 (5) is amended to refer only to provisions under ch. 201.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1625/P1/dn

MDK:.....

Wlj

Date

INSEPT 1A

INSEPT 1B

~~A definition~~
~~"local exchange carrier"~~
~~is also created.~~

Rep. Honadel:

This preliminary draft is based on changes to LRB-0660/P1 that you provided as drafting instructions. The draft is also based on my conversations with David Chorzempa regarding the drafting instructions. I have included NOTES in the text of this draft that either raise questions about your intent or point out differences between my text and the text included in the drafting instructions. After you review this draft, I will finalize the draft so that it may be introduced.

For your information, here are the differences between this draft and LRB-0660/P1:

1. "Telecommunications service" is defined for purposes of s. 182.017. The definition is based on the definition under current law for ch. 196.
2. The definition of "telecommunications service" for purposes of ch. 196 is amended to restrict the definition to voice communication and to include switched access service. ✓
3. Definitions for the following are created in s. 196.01, rather than in certain sections of ch. 196, so that they apply throughout ch. 196: "incumbent local exchange carrier," "Internet protocol-enabled service," "switched access rates," and "switched access services." ✓
4. Section 196.04 (1) (b) 1. is amended to include a reference to a pole attachment. ✓
5. The draft removes a sentence that was added to the end of s. 196.04 (2). ✓
6. Section 196.191 is revised to refer to a telecommunications utility **or** an alternative telecommunications utility, rather than to a telecommunications utility, **including** an alternative telecommunications utility. ✓
7. A prohibition on increasing switched access service rates is included in s. 196.191 (1) (b). ✓
8. The exception clause in s. 196.191 (5) (b) is removed. ✓
9. Section 196.203 (1g) provides that an alternative telecommunications utility is subject to s. 196.191, rather than that such a utility may elect to be subject to s. 196.191. See the NOTE regarding this issue. ✓

^ as renumbered ^

INSEPT 1C

- 10. A reference to s. 196.50 (2) (j) is added to s. 196.195 (1). ✓
- 11. In s. 196.203 (2) (c), the following sentence is removed: "The commission may impose a provision of this chapter specified in sub. (4m) (b) or (c) if required by the public interest." ✓
- 12. Section 196.203 (3) ^{as renumbered} is revised to allow the PSC to consider factors including one factor that is specified (i.e., the extent to which similar services are available). LRB-0660/P1 specifies factors in addition to that one factor. ✓
- 13. In s. 196.203 (4m) (b), the following is added: "In addition to the requirements under s. 196.212 ^{STET}" ✓
- 14. Sections 196.206, 196.212, and 196.218 (3) (a) 3m. have extensive revisions. ✓
- 15. In s. 196.218 (1) (a), the date is changed to 2010. ✓
- 16. Section 196.218 (4) includes new language in s. 196.218 (4) (b). ✓
- 17. Section 196.50 (2) (i) and (j) 1. b. are revised and s. 196.50 (2) (k) is created. ✓
- 18. Two new sentences are added to the end of s. 196.503 (3) (a). ✓

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INSEPT 2A

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1625/P1ins3
MDK:.....

INSERT 1A:

Not

A definition of "local exchange carrier" is also created.

INSERT 1B:

Section 196.01 (12w) (a) 3. refers to "end users" instead of "end user customers."

INSERT 1C:

Section 196.191 (3), (5) (a), (7), and (8) are revised to refer to a tariff filed under s. 196.191 (1). See the NOTES explaining this revision.

INSERT 2A:

Changes are made to the following provisions regarding references to ch. 201, which are explained in the NOTES: ss. 196.195 (2) (a) (intro.), (4) (a) 4., (7), (8), (10), and (12) (b) 1. (intro.) and 2. and (d) 4. and 196.50 (2) (e) 1.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1625/P1dn
MDK:wlj:md

March 17, 2011

Rep. Honadel:

This preliminary draft is based on changes to LRB-0660/P1 that you provided as drafting instructions. The draft is also based on my conversations with David Chorzempa regarding the drafting instructions. I have included NOTES in the text of this draft that either raise questions about your intent or point out differences between my text and the text included in the drafting instructions. After you review this draft, I will finalize the draft so that it may be introduced.

For your information, here are the differences between this draft and LRB-0660/P1:

1. "Telecommunications service" is defined for purposes of s. 182.017. The definition is based on the definition under current law for ch. 196.
2. The definition of "telecommunications service" for purposes of ch. 196 is amended to restrict the definition to voice communication and to include switched access service.
3. Definitions for the following are created in s. 196.01, rather than in certain sections of ch. 196, so that they apply throughout ch. 196: "incumbent local exchange carrier," "Internet protocol-enabled service," "switched access rates," and "switched access services." A definition of "local exchange carrier" is also created.
4. Section 196.01 (12w) (a) 3. refers to "end users" instead of "end user customers."
5. Section 196.04 (1) (b) 1. is amended to include a reference to a pole attachment.
6. The draft removes a sentence that was added to the end of s. 196.04 (2).
7. Section 196.191 is revised to refer to a telecommunications utility *or* an alternative telecommunications utility, rather than to a telecommunications utility, *including* an alternative telecommunications utility.
8. A prohibition on increasing switched access service rates is included in s. 196.191 (1) (b).
9. Section 196.191 (3), (5) (a), (7), and (8) are revised to refer to a tariff filed under s. 196.191 (1). See the NOTES explaining this revision.
10. The exception clause in s. 196.191 (5) (b) is removed.

11. Section 196.203 (1g), as renumbered, provides that an alternative telecommunications utility is subject to s. 196.191, rather than that such a utility may elect to be subject to s. 196.191. See the NOTE regarding this issue.
12. A reference to s. 196.50 (2) (j) is added to s. 196.195 (1).
13. In s. 196.203 (2) (c), the following sentence is removed: "The commission may impose a provision of this chapter specified in sub. (4m) (b) or (c) if required by the public interest."
14. Section 196.203 (3), as renumbered, is revised to allow the PSC to consider factors including one factor that is specified (i.e., the extent to which similar services are available). LRB-0660/P1 specifies factors in addition to that one factor.
15. In s. 196.203 (4m) (b), the following is added: "In addition to the requirements under s. 196.212."
16. Sections 196.206, 196.212, and 196.218 (3) (a) 3m. have extensive revisions.
17. In s. 196.218 (1) (a), the date is changed to 2010.
18. Section 196.218 (4) includes new language in s. 196.218 (4) (b).
19. Section 196.50 (2) (i) and (j) 1. b. are revised and s. 196.50 (2) (k) is created.
20. Two new sentences are added to the end of s. 196.503 (3) (a).
21. Changes are made to the following provisions regarding references to ch. 201, which are explained in the NOTES: ss. 196.195 (2) (a) (intro.), (4) (a) 4., (7), (8), (10), and (12) (b) 1. (intro.) and 2. and (d) 4. and 196.50 (2) (e) 1.

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