

Control Number: 45564



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TARIFF CONTROL NO. 45564

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APPLICATION OF INDUSTRY TELEPHONE COMPANY TO WITHDRAW SERVICES, PURSUANT TO 16 TEX. AMIN. CODE § 26.208(h)

PUBLIC UTILITY, COMMISSION 1: 03 OF TEXAS

COMMISSION STAFF'S RECOMMENDATION REGARDING THE SUFFICIENCY OF THE APPLICATION, NOTICE AND PROPOSED PROCEDURAL SCHEDULE

COMES NOW the Staff of the Public Utility Commission of Texas (Staff), representing the public interest, and files this Recommendation Regarding the Sufficiency of the Application, Notice and Proposed Procedural Schedule. In support thereof, Staff shows the following:

I. BACKGROUND

On February 1, 2016, Industry Telephone Company (ITC) filed an application to discontinue Line Status Verification and Busy Interrupt services. ITC did not recommend an effective date. The Notice Docketing and Suspending, issued February 4, 2016, required Staff to file a recommendation on sufficiency and propose a procedural schedule by February 11, 2016. This pleading is therefore timely filed.

II. RECOMMENDATION ON SUFFICIENCY OF APPLICATION

Staff has reviewed the application and proposed notice. As detailed in the attached memorandum of Stephen Mendoza, Rate Regulation Division, Staff finds that the application is sufficient for further review and recommends that the notice be deemed sufficient pursuant to 16 Tex. Admin. Code § 26.208 (TAC).

| Intervention Deadline | March 28, 2016 |
|---|----------------|
| Deadline for Staff to Request a Hearing or Submit | |
| its Final Recommendation | April 4, 2016 |

III. PROPOSED PROCEDURAL SCHEDULE

IV. **CONCLUSION**

Staff respectfully recommends that ITC's application be deemed sufficient for further review and requests that the procedural schedule proposed above be adopted.

Dated: February 11, 2016

Respectfully Submitted,

Margaret Uhlig Pemberton **Division Director - Legal Division**

Karen S. Hubbard Managing Attorney - Legal Division

Alexander Petak Attorney-Legal Division State Bar No. 24088216 (512) 936-7377 (512) 936-7268 (facsimile) Public Utility Commission of Texas 1701 N. Congress Avenue P.O. Box 13326 Austin, Texas 78711-3326

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CERTIFICATE OF SERVICE

I certify that a copy of this document will be served on all parties of record on February 11, 2016, in accordance with 16 TAC § 22.74.

Alexander Petak

PUBLIC UTILITY COMMISSION OF TEXAS

Memorandum

| TO: | Alexander Petak Legal Division |
|-------|--|
| FROM: | Stephen Mendoza Rate Regulation Division |
| DATE: | February 11, 2016 |
| RE: | Tariff Control No. 45564 – Application of Industry Telephone Company Withdraw Services, Pursuant to 16 Tex. Admin. Code § 26.208(h) |

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On February 1, 2016, Industry Telephone Company ("Industry" or "the Company") filed its application to withdraw certain optional operator services from the Long Distance Message Telecommunications Service ("LDMTS") tariff pursuant to the terms of 16 TAC § 26.208(h). Specifically, the Company is proposing to withdraw the following optional operator services: Line Status Verification, and Busy Interrupt. Industry did not recommend an effective date.

16 TAC §26.208(h) requires the following items be addressed when a dominant carrier withdraws a service:

- 1.) the commission docket the application;
- 2.) the commission approve a direct mail notice for customers;
- 3.) the carrier provides the approved direct mail notice to current customers;
- 4.) the number of current customers be provided in the application;
- 5.) the reason for withdrawal be provided in the application;
- 6.) provisions for grandfathering, or competitive alternatives, be provided;
- 7.) annual revenues for the last three years be provided; and,
- 8.) if no current subscribers exist, an affidavit to this effect is provided.

Industry seeks to withdraw the above listed operator services based on lack of customer demand for these services. The Company stated that its underlying operator service provider has indicated its intent to discontinue providing the services listed above on a wholesale basis in the near future based on lack of usage across the nation. Industry noted that it has had zero subscriber usage for these services in the past twelve (12) months. Accordingly, the Company reported no revenue for Line Status Verification and Busy Interrupt over the past thirty-six (36) months. Industry indicated that customers will continue to have access to operator services and emergency

services, which serve as sufficient alternatives to the services proposed to be discontinued. Therefore, the Company has no provisions for grandfathering or competitive alternatives. Staff believes this is sufficient given the fact that the Company reported no subscriber usage for the services listed above.

On February 4, 2016, Notice Docketing and Suspending; Requiring Comments and Procedural Schedule, was issued.

Staff recommends that the application be found sufficient. Because there has been no current subscriber usage of the services, Staff also recommends that, in addition to the notice already sent to all Industry local exchange customers, the Commission provide *Texas Register* Notice and allow any interested parties to comment or intervene within thirty days of the publication of such notice. Staff recommends that its final recommendation regarding the application should be filed no later than five business days after the comment and intervention deadline.

If Staff has determined, by the deadline date for its final recommendation, that this service withdrawal request requires further evaluation or a recommendation for an evidentiary hearing, Staff's final recommendation shall address a joint procedural schedule for the balance of this docket.