



ADMINISTRATIVE RULES OF MONTANA



38.5.4115 EQUAL ACCESS PRESUBSCRIPTION COST RECOVERY

- (1) Each local exchange carrier may recover through its switched access rates the additional costs it incurs to provide intraLATA equal access presubscription. Such charge shall be calculated on an annual basis by dividing the intraLATA equal access presubscription costs incurred by the local exchange carrier by the projected annual total of all switched intraLATA originating minutes of use (including the local exchange carrier's) to arrive at a per minute of use rate. The per minute of use rate can be recovered on switched intraLATA minutes carried by interexchange carriers through the local exchange carrier's switched access rates. Local exchange carriers must impute the equal access implementation costs attributable to its own intraLATA minutes of use in its end user rates. Costs recoverable by the local exchange carrier for the implementation of intraLATA equal access presubscription include initial incremental expenditures for hardware and software related to the provision of equal access presubscription that would not be required to upgrade the switching capabilities of the office absent the provision of equal access presubscription. Those costs also may include administrative costs incurred in the approved customer education and presubscription efforts, training costs related to intraLATA dialing parity, modifications to information billing systems to accomplish intraLATA dialing parity, and the cost of capital for the duration of the recovery period.
- (2) The costs of intraLATA equal access presubscription implementation shall be recovered over a three-year period, or at the option of the local exchange carrier and approval of the commission, some costs may be recovered over the three-year period and some costs may be expensed in the current year if they can be reasonably expected to occur only in the first year.
- (3) The costs of intraLATA equal access presubscription implementation shall be recovered from all providers of intraLATA toll service in the exchange(s) through a charge and imputation of such charge applicable to all switched intraLATA minutes of use originating in the exchange(s) which are subject to intraLATA presubscription.
- (4) The cost recovery process shall use periodic true-ups, based upon actual local exchange carrier incurred presubscription implementation costs and actual traffic volumes subject to the presubscription surcharge, to ensure against either overcollection or undercollection of recoverable costs.

Authorizing statute(s): 69-3-103, 69-3-822, MCA

Implementing statute(s): 69-3-102, 69-3-201, 69-3-834, MCA

History: NEW, 1998 MAR p. 983, Eff. 4/17/98.