

P-3007/NA-89-76 ORDER SETTING IMPLEMENTATION DATE FOR RATES AND
APPROVING REFUND PLAN

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner
Norma McKanna	Commissioner

In the Matter of the
Minnesota Independent Equal
Access Corporation's
Application for a Certificate
of Public Convenience and
Necessity

ISSUE DATE: April 12, 1993

DOCKET NO. P-3007/NA-89-76

ORDER SETTING IMPLEMENTATION
DATE FOR RATES AND APPROVING
REFUND PLAN

PROCEDURAL HISTORY

On January 30, 1992 the Commission issued its ORDER SETTING INTERIM RATES AND ESTABLISHING PROCEDURE TO SET FINAL RATES in this matter.

On January 21, 1993, the Commission issued an Order approving Minnesota Independent Equal Access Corporation's (MIEAC's) compliance filing with some revisions, establishing final rates, initiating an investigation, and requiring that specific information be included in MIEAC's 1993 rate filing. In addition, the Commission stated:

Within 30 days of this Order, MIEAC shall file with the Commission for its review and approval, and serve upon all parties, a proposed effective date for implementing the final rates and a proposed plan for refunding and surcharging to IXCs the difference between the interim and final rates collected during the period the interim rates were in effect, including interest. MIEAC shall also serve a copy of its proposed plan to all affected IXCs.

The Commission directed interested parties to file comments within 10 days of the MIEAC filing.

On February 22, 1993, MIEAC filed its proposed refund plan and a revised tariff page reflecting the final rates approved by the Commission with an effective date of January 26, 1993.

All parties to this proceeding and all IXCs subscribing to MIEAC's CEA service were provided copies of the Company's refund plan. No party filed comments regarding MIEAC's February 22, 1993 filing.

The Commission met on March 30, 1993 to consider this matter.

FINDINGS AND CONCLUSIONS

Refund Plan

MIEAC proposed a refund credit totalling \$179,363.53 to bills of 20 interexchange carriers (IXCs) in the April 1993 billing period. The Commission has reviewed MIEAC's refund plan and will approve it.

MIEAC charges IXCs participating in its CEA system for two services: switching and transport. The final rates approved for switching were lower than interim switching rates and the final rates for transport were higher than interim transport rates. The switching rate decrease exceeded the transport rate increase, however, so refunds are due for the period in which interim rates were in effect: January 30, 1992 through January 25, 1993.

Every interexchange company (IXC) that has subscribed to transport service also subscribed to switching for the centralized equal access (CEA) service and, as such, is entitled to a refund.¹

The amount of each company's refund will be the difference between what it was charged under interim rates and what it would have been charged during that period under final rates, plus interest. The total amount to be refunded is \$179,363.53. Of that amount, \$5,493.38 is interest. The Commission has reviewed the amounts MIEAC proposed to be refunded, including interest, and finds them acceptable.

Effective Date of Final Rates

In its January 21, 1993 Order, the Commission required MIEAC to submit a proposed effective date for the final rates that the

¹ The 20 IXCs that provided long distance service to end users in participating ILEC exchanges during the refund period are: ACI, Allnet, American Sharecom, AT&T, Cable & Wireless, Coast International, LDDS, Long Distance USA, MCI, Metromedia, National Teleservice, Polaris, Schneider, Switch 2000, Telecom USA, Telephone Associates, US Link, US Sprint, USWC, and Wiltel.

Commission had approved in that Order. MIEAC's February 22, 1993 filing proposed January 26, 1993 as the effective date for those final rates. MIEAC's proposed date is reasonable and will be approved. Since the final rates taken together were lower than interim rates, it was appropriate to implement them as soon as feasible to avoid overcollection and incurring greater refund obligations. At the same time, immediate implementation of the final rates (i.e. concurrent with the issuance of the Commission's January 21, 1993 Order) would have been administratively burdensome to MIEAC. MIEAC selected January 26, 1993 because it was the beginning of MIEAC's billing cycle and to begin implementing the final rates on that date would reduce the administrative burden of changing the rates. In the circumstances, this was an appropriate decision which will be approved.

ORDER

1. January 26, 1993 is approved as the effective date for final rates in this matter.
2. MIEAC's proposed refund plan is approved.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)