

P-999/CI-94-430 ORDER INITIATING INVESTIGATION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm	Chair
Tom Burton	Commissioner
Marshall Johnson	Commissioner
Cynthia A. Kitlinski	Commissioner
Dee Knaak	Commissioner

In the Matter of a Commission Initiated  
Investigation into the Public Interest  
Implications of Maintaining or Eliminating  
Two-Party Service in Minnesota

ISSUE DATE: May 12, 1994

DOCKET NO. P-999/CI-94-430

ORDER INITIATING INVESTIGATION

**PROCEDURAL HISTORY**

In late 1990, the Commission requested that a study group be formed to provide the Commission with information on Minnesota's telecommunications infrastructure and what is required to position Minnesota for the future.

Periodically since its formation, the Minnesota Telecommunications Study Group (MTSG) has reported to the Commission regarding the group's activities and progress.

On November 19, 1993, the study group filed its Final Report, including recommendations, with the Commission.

On December 1, 1993, the Commission issued its ORDER INITIATING AN INVESTIGATION AND ESTABLISHING COMMENT PERIOD in Docket No. P-999/CI-93-1176. In that Order, the Commission initiated a comment and reply process regarding MTSG's Final Report and recommendations, particularly with reference to whether or not the Commission should order implementation of the specific short term, intermediate and long term recommendations contained in the Final Report.

On May 5, 1994, the Commission met to consider this matter.

**FINDINGS AND CONCLUSIONS**

One of the topics addressed by the MTSG Report was the desirability of universal availability of one-party service in Minnesota. The Report recommended that the Commission require all providers of local exchange service to offer single party lines to customers upon request by January 1, 1995.

In its deliberations, the Commission discussed the suggestion that this recommendation be extended to require the elimination of two-party service by a date certain. The Commission noted that in its comments on the Report, the Minnesota Department of Administration (DOA) had cited problems in the operation of the 911 system caused by two-party service, problems which could be cured, according to the DOA, by simply eliminating two-party service.

The Commission is aware of important competing values in this area. Thus far, issues of public

safety, consumer choice, universal service, and the modernity of Minnesota's telecommunications network are among the themes identified as relevant to a decision on this matter. Given the relatively scant development of this issue in the record to-date, it is unclear what weight each should be accorded or whether, in fact, there are other relevant considerations.

Therefore, the Commission will initiate an investigation to develop a record from which it can examine the relevant issues and make a responsible determination. To this end, the Commission will establish a comment and reply period on this subject.

As part of its information gathering, the Commission will direct the local exchange companies to provide basic information on the availability and penetration rates of two-party service in their service areas, the comparative costs involved in providing two-party versus single party service, rate differentials between the two services, and any technical difficulties or timing concerns in converting to one-party service in their service areas.

Commenting parties will also be directed to identify in detail the circumstances in which operation of two-party service presents safety concerns, the known prevalence of those circumstances, and the extent to which two-party service interferes with appropriate deployment of telephone services beyond plain old telephone service (POTS). In addition, the parties should identify any alternate means short of eliminating two-party service to address those concerns.

Finally, the parties should address whether modernization of Minnesota's infrastructure is incompatible with maintaining customer choice of lower-rate two-party service.

### **ORDER**

1. The Commission hereby initiates an investigation into the status of two-party telephone service in Minnesota.
2. Within 30 days of this Order, local exchange companies (LECs) shall fill out and file the form which is attached to this Order. See Attachment A.

3. Within 30 days of this Order, LECs currently offering two-party service shall provide basic information about that service including
  - the penetration rate of two-party service in their service areas
  - the comparative costs involved in providing two-party versus single party service
  - rate differentials between two-party and single party service under their current tariffs
  - any technical difficulties or timing concerns in converting to one-party service in their service areas.
3. Within 30 days of this Order, interested parties shall file comments. In their comments, interested parties shall at least
  - identify issues or values relevant to this matter
  - provide the factual basis relevant to any concern
  - discuss the means, if any, of addressing those concerns in any manner other than eliminating two-party service
  - address whether modernization of Minnesota's infrastructure is incompatible with maintaining customer choice of lower-rate two-party service
4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

(S E A L)

ATTACHMENT A

**A. LOCAL EXCHANGE CARRIER CERTIFICATION REGARDING TWO-PARTY LOCAL EXCHANGE SERVICE**

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_ The above named local exchange carrier no longer offers two-party local exchange service and has current tariffs on file with the Commission which reflect this fact.

\_\_\_ Does, or \_\_\_ does not have a current tariff on file reflecting this fact (companies must submit revised tariff if not current).

\_\_\_ The above named local exchange carrier currently offers two-party local exchange service and has current tariffs on file with the Commission which reflect this fact.

Name (type or print): \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Telephone number: \_\_\_\_\_

