

The Public Utility Commission of Texas (commission) proposes an amendment to §26.5 relating to Definitions. The proposed amendment seeks to incorporate changes and additions required as a result of rulemakings in Project Number 21155, *Rulemaking to Implement PURA Chapter 58 provisions relating to Customer Specific Contracts, Packaging Flexibility and Promotional Offerings*; Project Number 21156, *Rulemaking to Implement PURA Chapter 58 provisions to Withdrawal of Election, Rate Caps and Rate Adjustments, Packaging Flexibility and Pricing for Non-Basic Services*; and Project Number 21161, *Rulemaking to Establish Process for New Services and Promotional Offerings, Pricing and Packaging Flexibility Tariffs pursuant to PURA Chapters 52, 58 and 59*. This proposed amendment, through the aforementioned integration, will provide continuity with the provisions implemented by the 76th Legislature in Senate Bill 560 and the Public Utility Regulatory Act (PURA). Project Number 21169 is assigned to this proceeding. Project Number 21169 also will be employed to make later changes to the commission's substantive rules related to Senate Bill 560.

The proposed amendment also (1) removes references to Chapter 23 as a result of the commission's reorganization of its rules and the move of the telecommunications-related substantive rules to Chapter 26, and (2) modifies the definition of the term "electric utility" to comply with the new definition of electric utility in PURA and the commission's rules in Chapter 25, *Substantive Rules Applicable to Electric Service Providers*.

Rick Akin, Chief Policy Analyst, Office of Policy Development, has determined that for each year of the first five-year period the proposed amendment is in effect there will be no fiscal implications for state or local government as a result of enforcing or administering the section.

Mr. Akin has determined that for each year of the first five years the proposed amendment is in effect the public benefit anticipated as a result of enforcing the section will be to provide clear definitions for terms employed within the substantive rules that are consistent with the provisions of Senate Bill 560 and the Public Utility Regulatory Act. Such consistency in the definition of terms proposed by this amendment will facilitate understanding of the mandates imposed by Senate Bill 560 and PURA. There will be no effect on small businesses or micro-businesses as a result of enforcing this section. There is no anticipated economic cost to persons who are required to comply with the section as proposed.

Mr. Akin has also determined that for each year of the first five years the proposed section is in effect there should be no effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act §2001.022.

Comments on the proposed amendment (16 copies) may be submitted to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 78711-3326, within 30 days after publication. Reply comments may be submitted within 45 days after publication. The commission invites specific comments regarding the costs associated with, and benefits that will be

gained by, implementation of the proposed section. The commission will consider the costs and benefits in deciding whether to adopt the section. All comments should refer to Project Number 21169.

This amendment is proposed under the Public Utility Regulatory Act, Texas Utilities Code Annotated §14.002 (Vernon 1998 and Supplement 2000) (PURA), which provides the Public Utility Commission with the authority to make and enforce rules reasonably required in the exercise of its powers and jurisdiction.

Cross Reference to Statutes: Public Utility Regulatory Act §14.002.

§26.5. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) **Access customer** — Any user of access services which are obtained from a certificated telecommunications utility. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~
- (2) **Access services** — Certificated telecommunications utility services which provide connections for or are related to the origination or termination of intrastate telecommunications services that are generally, but not limited to, interexchange services. ~~In Chapter 23 of this title (relating to Substantive Rules), this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~
- (3) - (11) (No change.)
- (12) **Basic network services (BNS)** — Those services ~~identified as defined~~ in PURA §58.051, ~~and any other service the commission subsequently categorizes as a basic network service.~~
- (13) - (38) (No change.)
- (39) **Competitive exchange service** — Any of the following services, when provided on an inter- or intrastate basis within an exchange area: central office based PBX-type

services for systems of 75 stations or more; billing and collection services; high speed private line services of 1.544 megabits or greater; customized services; private line and virtual private line services; resold or shared local exchange telephone services if permitted by tariff; dark fiber services; non-voice data transmission service when offered as a separate service and not as a component of basic local telecommunications service; dedicated or virtually dedicated access services; services for which a local exchange company has been granted authority to engage in pricing flexibility pursuant to [§26.211 of this title \(relating to Rate-Setting Flexibility for Services Subject to Significant Competitive Challenges\)](#)~~§23.27 of this title (relating to Rate Setting Flexibility)~~; any service initially provided within an exchange after October 26, 1992, if first provided by an entity other than the incumbent local exchange company (companies) certificated to provide service within that exchange; and any other service the commission declares is not local exchange telephone service.

(40) - (58) (No change.)

(59) **Dedicated signaling transport** — Transmission of out-of-band signaling information between an access customer's common channel signaling network and a certificated telecommunications utility's signaling transport point on facilities dedicated to the use of a single customer. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(60) (No change.)

(61) **Direct-trunked transport** — Transmission of traffic between the serving wire center and another certificated telecommunications utility's office, without intermediate switching. It is charged on a flat-rate basis. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(62) - (70) (No change.)

(71) **Electric utility** — Except as provided in Chapter 25, Subchapter I, Division 1 of this title (relating to Substantive Rules Applicable to Electric Service Providers), an electric utility is:

~~(A)~~—A person or river authority that owns or operates for compensation in this state equipment or facilities to produce, generate, transmit, distribute, sell, or furnish electricity in this state. The term includes a lessee, trustee, or receiver of an electric utility and a recreational vehicle park owner who does not comply with Texas Utilities Code, Chapter 184, Subchapter C, with regard to the metered sale of electricity at the recreational vehicle park. The term does not include:

~~(A)(i)~~ a municipal corporation;

~~(B)(ii)~~ a qualifying facility;

~~(C)~~ a power generation company

~~(D)(iii)~~ an exempt wholesale generator;

~~(E)(iv)~~ a power marketer;

~~(F)(v)~~ a corporation described by Public Utility Regulatory Act §32.053 to the extent the corporation sells electricity exclusively at wholesale and not to the ultimate consumer; ~~or~~

(G) an electric cooperative;

(H) a retail electric provider;

(I) the state of Texas or an agency of the state; or

~~(J)(vi)~~ a person not otherwise an electric utility who:

~~(i)(F)~~ furnishes an electric service or commodity only to itself, its employees, or its tenants as an incident of employment or tenancy, if that service or commodity is not resold to or used by others;

~~(ii)(H)~~ owns or operates in this state equipment or facilities to produce, generate, transmit, distribute, sell or furnish electric energy to an electric utility, if the equipment or facilities are used primarily to produce and generate electric energy for consumption by that person; or

~~(iii)(H)~~ owns or operates in this state a recreational vehicle park that provides metered electric service in accordance with Texas Utilities Code, Chapter 184, Subchapter C.

~~(B) With respect to transmission service and ancillary service, the term includes municipally owned utilities and river authorities that are not otherwise subject to the commission's ratesetting authority.~~

(72) (No change.)

(73) **Eligible telecommunications provider (ETP) service area** — The geographic area, determined by the commission, containing high cost rural areas which are eligible for Texas Universal Service Funds support under ~~§26.403 or §26.404~~~~§23.133 or §23.134~~ of this title (relating to Texas High Cost Universal Service Plan (THCUSP) and Small and Rural Incumbent Local Exchange Company (ILEC) Universal Service Plan).

(74) - (82) (No change.)

(83) **Extended local calling service (ELCS)** — Service provided pursuant to ~~§26.219 and §26.221 of this title (relating to Administration of Expanded Local Calling Requests; and Applications to Establish or Increase Expanded Local Calling Scope Surcharges)~~~~§23.49(e) of this title (relating to Telephone Extended Area Service and Expanded Toll-free Local Calling Areas).~~

(84) - (95) (No change.)

(96) **High cost assistance (HCA)** — A program administered by the commission in accordance with the provisions of ~~§26.403~~~~§23.133~~ of this title (relating to Texas High Cost Universal Service Plan (THCUSP)).

(97) - (99) (No change.)

~~(100)~~ **Informational notice** — That notice required to be filed in connection with nonbasic services, new service offerings, and pricing and packaging flexibility pursuant to PURA Chapters 52, 58, or 59.

~~(101)~~~~(400)~~ **Information sharing program** — Instruction, learning, and training that is transmitted from one site to one or more sites by telecommunications services that are

used by a library predominantly for such instruction, learning, or training, including video, data, voice, and electronic information.

(102)~~(401)~~ **Integrated services digital network (ISDN)** — a digital network architecture that provides a wide variety of communications services, a standard set of user-network messages, and integrated access to the network. Access methods to the ISDN are the Basic Rate Interface (BRI) and the Primary Rate Interface (PRI).

(103)~~(402)~~ **Interactive multimedia communications** — Real-time, two-way, interactive voice, video, and data communications conducted over networks that link geographically dispersed locations. This definition includes interactive communications within or between buildings on the same campus or library site.

(104)~~(403)~~ **Intercept service** — A service arrangement provided by the local exchange carrier whereby calls placed to a disconnected or discontinued telephone number are intercepted and the calling party is informed by an operator or by a recording that the called telephone number has been disconnected, discontinued, changed to another number, or otherwise is not in service.

(105)~~(404)~~ **Interconnection** — Generally means: The point in a network where a customer's transmission facilities interface with the dominant carrier's network under the provisions of this section. More particularly it means: The termination of local traffic ~~(including basic telecommunications service as delineated in §24.32 of this title (Relating to Universal Service)~~ or integrated services digital network (ISDN) as defined in this section and/or extended area service/extended local calling service traffic of a

certificated telephone utility (CTU) using the local access lines of another CTU, as described in section ~~§26.272(d)(4)(A)~~~~§23.97(d)(4)(A)(i)~~ of this title (relating to Interconnection). Interconnection shall include non-discriminatory access to signaling systems, databases, facilities and information as required to ensure interoperability of networks and efficient, timely provision of services to customers without permitting access to network proprietary information or customer proprietary network information, as defined in ~~this section~~~~§23.57 of this title (relating to Telecommunications Privacy)~~, unless otherwise permitted in ~~§26.272~~~~§23.97~~ of this title.

~~(106)~~~~(105)~~ **Interconnector** — A customer that interfaces with the dominant carrier's network under the provisions of ~~§26.271~~~~§23.92~~ of this title (relating to Expanded Interconnection).

~~(107)~~~~(106)~~ **Interexchange carrier (IXC)** — A carrier providing any means of transporting intrastate telecommunications messages between local exchanges, but not solely within local exchanges, in the State of Texas. The term may include a certificated telecommunications utility (CTU) or CTU affiliate to the extent that it is providing such service. An entity is not an IXC solely because of:

- (A) the furnishing, or furnishing and maintenance of a private system;
- (B) the manufacture, distribution, installation, or maintenance of customer premises equipment;
- (C) the provision of services authorized under the FCC's Public Mobile Radio Service and Rural Radio Service rules; or

(D) the provision of shared tenant service.

(108)~~(407)~~ **Interoffice trunks** — Those communications circuits which connect central offices.

(109)~~(408)~~ **IntraLATA equal access** — The ability of a caller to complete a toll call in a local access and transport area (LATA) using his or her provider of choice by dialing "1" or "0" plus an area code and telephone number.

(110)~~(409)~~ **Intrastate** — Refers to communications which both originate and terminate within Texas state boundaries.

(111)~~(410)~~ **Least cost technology** — The technology, or mix of technologies, that would be chosen in the long run as the most economically efficient choice. The choice of least cost technologies, however, shall:

- (A) be restricted to technologies that are currently available on the market and for which vendor prices can be obtained;
- (B) be consistent with the level of output necessary to satisfy current demand levels for all services using the basic network function in question; and
- (C) be consistent with overall network design and topology requirements.

(112)~~(411)~~ **License** — The whole or part of any commission permit, certificate, approval, registration, or similar form of permission required by law.

(113)~~(412)~~ **Licensing** — The commission process respecting the granting, denial, renewal, revocation, suspension, annulment, withdrawal, or amendment of a license.

~~(114)~~~~(413)~~ **Lifeline Service** — A program certified by the Federal Communications Commission to provide for the reduction or waiver of the federal subscriber line charge for residential consumers.

~~(115)~~~~(414)~~ **Line** — A circuit or channel extending from a central office to the customer's location to provide telecommunications service. One line may serve one customer, or all customers served by a multiparty line.

~~(116)~~~~(415)~~ **Local access and transport area (LATA)** — A geographic area established for the provision and administration of communications service. It encompasses one or more designated exchanges, which are grouped to serve common social, economic and other purposes. For purposes of these rules, market areas, as used and defined in the Modified Final Judgment and the GTE Final Judgment, are encompassed in the term local access and transport area.

~~(117)~~~~(416)~~ **Local call** — A call within the certificated telephone utility's toll-free calling area including calls which are made toll-free through a mandatory extended area service (EAS) or expanded local calling (ELC) proceeding.

~~(118)~~~~(417)~~ **Local calling area** — The area within which telecommunications service is furnished to customers under a specific schedule of exchange rates. A local calling area may include more than one exchange area.

~~(119)~~~~(418)~~ **Local exchange company (LEC)** — A telecommunications utility that has been granted either a certificate of convenience and necessity or a certificate of operating authority to provide local exchange telephone service, basic local

telecommunications service, or switched access service within the state. A local exchange company is also referred to as a local exchange carrier.

(120)~~(119)~~ **Local exchange telephone service or local exchange service** — A

telecommunications service provided within an exchange to establish connections between customer premises within the exchange, including connections between a customer premises and a long distance provider serving the exchange. The term includes tone dialing service, service connection charges, and directory assistance services offered in connection with basic local telecommunications service and interconnection with other service providers. The term does not include the following services, whether offered on an intraexchange or interexchange basis:

- (A) central office based PBX-type services for systems of 75 stations or more;
- (B) billing and collection services;
- (C) high-speed private line services of 1.544 megabits or greater;
- (D) customized services;
- (E) private line or virtual private line services;
- (F) resold or shared local exchange telephone services if permitted by tariff;
- (G) dark fiber services;
- (H) non-voice data transmission service offered as a separate service and not as a component of basic local telecommunications service;
- (I) dedicated or virtually dedicated access services;
- (J) a competitive exchange service; or

(K) any other service the commission determines is not a "local exchange telephone service."

~~(121)~~~~(120)~~ **Local message** — A completed call between customer access lines located within the same local calling area.

~~(122)~~~~(121)~~ **Local message charge** — The charge that applies for a completed telephone call that is made when the calling customer access line and the customer access line to which the connection is established are both within the same local calling area, and a local message charge is applicable.

~~(123)~~~~(122)~~ **Local service charge** — The charge for furnishing facilities to enable a customer to send or receive telecommunications within the local calling area. This local calling area may include more than one exchange area.

~~(124)~~~~(123)~~ **Local telecommunications traffic** —

- (A) Telecommunications traffic between a dominant certificated telecommunications utility (DCTU) and a telecommunications carrier other than a commercial mobile radio service (CMRS) provider that originates and terminates within the mandatory single or multi-exchange local calling area of a DCTU including the mandatory extended area service (EAS) areas served by the DCTU; or
- (B) Telecommunications traffic between a DCTU and a CMRS provider that, at the beginning of the call, originates and terminates within the same major trading area.

~~(125)~~~~(124)~~ **Long distance telecommunications service** — That part of the total communication service rendered by a telecommunications utility which is furnished between customers in different local calling areas in accordance with the rates and regulations specified in the utility's tariff.

~~(126)~~~~(125)~~ **Long run** — A time period long enough to be consistent with the assumption that the company is in the planning stage and all of its inputs are variable and avoidable.

~~(127)~~~~(126)~~ **Long run incremental cost (LRIC)** — The change in total costs of the company of producing an increment of output in the long run when the company uses least cost technology. The LRIC should exclude any costs that, in the long run, are not brought into existence as a direct result of the increment of output.

~~(128)~~~~(127)~~ **Mandatory minimum standards** — The standards established by the Federal Communications Commission, outlining basic mandatory telecommunication relay services.

~~(129)~~~~(128)~~ **Meet point billing** — An access billing arrangement for services to access customers when local transport is jointly provided by more than one certificated telecommunications utility. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

~~(130)~~~~(129)~~ **Message** — A completed customer telephone call.

~~(131)~~~~(130)~~ **Message rate service** — A form of local exchange service under which all originated local messages are measured and charged for in accordance with the utility's tariff.

~~(132)~~~~(131)~~ **Minor change** — A change, including the restructuring of rates of existing services, that decreases the rates or revenues of the small local exchange company (SLEC) or that, together with any other rate or proposed or approved tariff changes in the 12 months preceding the date on which the proposed change will take effect, results in an increase of the SLEC's total regulated intrastate gross annual revenues by not more than 5.0%. Further, with regard to a change to a basic local access line rate, a minor change may not, together with any other change to that rate that went into effect during the 12 months preceding the proposed effective date of the proposed change, result in an increase of more than 10%.

~~(133)~~~~(132)~~ **Municipality** — A city, incorporated village, or town, existing, created, or organized under the general, home rule, or special laws of the state.

~~(134)~~~~(133)~~ **National integrated services digital network (ISDN)** — the standards and services promulgated for integrated services digital network by Bellcore.

~~(135)~~~~(134)~~ **Negotiating party** — A certificated telecommunications utility (CTU) or other entity with which a requesting CTU seeks to interconnect in order to complete all telephone calls made by or placed to a customer of the requesting CTU.

~~(136)~~~~(135)~~ **New service** — Any service not offered on a tariffed basis prior to the date of the application relating to such service and specifically excludes basic local telecommunications service including local measured service. If a proposed service could serve as an alternative or replacement for a service offered prior to the date of the new-service application and does not provide significant improvements (other than

price) over, or significant additional services not available under, a service offered prior to the date of such application, it shall not be considered a new service.

(137) **Nonbasic services** — Those services identified in PURA §58.151, including any service reclassified by the commission pursuant to PURA §58.024.

(138)~~(136)~~ **Non-discriminatory** — Type of treatment that is not less favorable than that an interconnecting certificated telecommunications utility (CTU) provides to itself or its affiliates or other CTUs.

(139)~~(137)~~ **Non-dominant certificated telecommunications utility (NCTU)** — A certificated telecommunications utility (CTU) that is not a dominant certificated telecommunications utility (DCTU) and has been granted a certificate of convenience and necessity (CCN) (after September 1, 1995, in an area already certificated to a DCTU), a certificate of operating authority (COA), or a service provider certificate of operating authority (SPCOA) to provide local exchange service.

(140)~~(138)~~ **Nondominant carrier** —

- (A) An interexchange telecommunications carrier (including a reseller of interexchange telecommunications services).
- (B) Any of the following that is not a dominant carrier:
 - (i) a specialized communications common carrier;
 - (ii) any other reseller of communications;
 - (iii) any other communications carrier that conveys, transmits, or receives communications in whole or in part over a telephone system; or

(iv) a provider of operator services that is not also a subscriber.

~~(141)~~~~(139)~~ **Open network architecture** — The overall design of an incumbent local exchange company's (ILEC's) network facilities and services to permit all users of the network, including the enhanced services operations of an ILEC and its competitors, to interconnect to specific basic network functions on an unbundled and non-discriminatory basis.

~~(142)~~~~(140)~~ **Operator service** — Any service using live operator or automated operator functions for the handling of telephone service, such as local collect, toll calling via collect, third number billing, credit card, and calling card services. The transmission of "1-800" and "1-888" numbers, where the called party has arranged to be billed, is not operator service.

~~(143)~~~~(141)~~ **Operator service provider (OSP)** — Any person or entity that provides operator services by using either live or automated operator functions. When more than one entity is involved in processing an operator service call, the party setting the rates shall be considered to be the OSP. However, subscribers to customer-owned pay telephone service shall not be deemed to be OSPs.

~~(144)~~~~(142)~~ **Originating line screening (OLS)** — A two digit code passed by the local switching system with the automatic number identification (ANI) at the beginning of a call that provides information about the originating line.

~~(145)~~~~(143)~~ **Out-of-service trouble report** — An initial customer trouble report in which there is complete interruption of incoming or outgoing local exchange service. On

multiple line services a failure of one central office line or a failure in common equipment affecting all lines is considered out of service. If an extension line failure does not result in the complete inability to receive or initiate calls, the report is not considered to be out of service.

~~(146)~~~~(144)~~ **Partial deregulation** — The ability of a cooperative to offer new services on an optional basis and/or change its rates and tariffs under the provisions of the Public Utility Regulatory Act, §§53.351 - 53.359.

~~(147)~~~~(145)~~ **Pay-per-call-information services** — Services that allow a caller to dial a specified 1-900-XXX-XXXX or 976-XXXX number. Such services routinely deliver, for a predetermined (sometimes time-sensitive) fee, a pre-recorded or live message or interactive program. Usually a telecommunications utility will transport the call and bill the end-user on behalf of the information provider.

~~(148)~~~~(146)~~ **Pay telephone access service (PTAS)** — A service offered by a certificated telecommunications utility which provides a two-way, or optionally, a one-way originating-only business access line composed of the serving central office line equipment, all outside plant facilities needed to connect the serving central office with the customer premises, and the network interface; this service is sold to pay telephone service providers.

~~(149)~~~~(147)~~ **Pay telephone service (PTS)** — A telecommunications service utilizing any coin, coinless, credit card reader, or cordless instrument that can be used by members of the general public, or business patrons, employees, and/or visitors of the premise's

owner, provided that the end user pays for local or toll calls from such instrument on a per call basis. Pay per call telephone service provided to inmates of confinement facilities is PTS. For purposes of this section, coinless telephones provided in guest rooms by a hotel/motel are not pay telephones. A telephone that is primarily used by business patrons, employees, and/or visitors of the premise's owner is not a pay telephone if all local calls and "1-800" and "1-888" type calls from such telephone are free to the end user.

~~(150)(148)~~ **Per-call blocking** — A telecommunications service provided by a telecommunications provider that prevents the transmission of calling party information to a called party on a call-by-call basis.

~~(151)(149)~~ **Per-line blocking** — A telecommunications service provided by a telecommunications utility that prevents the transmission of calling party information to a called party on every call, unless the calling party acts affirmatively to release calling party information.

~~(152)(150)~~ **Percent interstate usage (PIU)** — An access customer-specific ratio or ratios determined by dividing interstate access minutes by total access minutes. The specific ratio shall be determined by the certificated telecommunications utility (CTU) unless the CTU's network is incapable of determining the jurisdiction of the access minutes. A PIU establishes the jurisdiction of switched access usage for determining rates charged to switched access customers and affects the allocation of switched access revenue and costs by CTUs between the interstate and intrastate jurisdictions.

~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

~~(153)~~(151) **Person** — Any natural person, partnership, municipal corporation, cooperative corporation, corporation, association, governmental subdivision, or public or private organization of any character other than an agency.

~~(154)~~(152) **Pleading** — A written document submitted by a party, or a person seeking to participate in a proceeding, setting forth allegations of fact, claims, requests for relief, legal argument, and/or other matters relating to a proceeding.

~~(155)~~(153) **Prepaid local telephone service (PLTS)** — Prepaid local telephone service means:

- (A) voice grade dial tone residential service consisting of flat rate service or local measured service, if chosen by the customer and offered by the dominant certificated telecommunications utility (DCTU);
- (B) if applicable, mandatory services, including extended area service, extended metropolitan service, or expanded local calling service;
- (C) tone dialing service;
- (D) access to 911 service;
- (E) access to dual party relay service;
- (F) the ability to report service problems seven days a week;
- (G) access to business office;
- (H) primary directory listing;

- (I) toll blocking service; and
- (J) non-published service and non-listed service at the customer's option.

(156)~~(154)~~ **Premises** — A tract of land or real estate including buildings and other appurtenances thereon.

(157)~~(155)~~ **Pricing flexibility** — Discounts and other forms of pricing flexibility may not be preferential, prejudicial, or discriminatory. Pricing flexibility includes:

- (A) customer specific contracts;
- (B) volume, term, and discount pricing;
- (C) zone density pricing;
- (D) packaging of services; and
- (E) other promotional pricing flexibility.

(158)~~(156)~~ **Primary interexchange carrier (PIC)** — The provider chosen by a customer to carry that customer's toll calls.

(159)~~(157)~~ **Primary interexchange carrier (PIC) freeze indicator** — An indicator that the end user has directed the certificated telecommunications utility to make no changes in the end user's PIC.

(160)~~(158)~~ **Primary rate interface (PRI) integrated services digital network (ISDN)** — One of the access methods to ISDN, the 1.544-Mbps PRI comprises either twenty-three 64 Kbps B-channels and one 64 Kbps D-channel (23B+D) or twenty-four 64 Kbps B-channels (24B) when the associated call signaling is provided by another PRI in the group.

~~(161)~~~~(159)~~ **Primary service** — The initial provision of voice grade access between the customer's premises and the switched telecommunications network. This includes the initial connection to a new customer or the move of an existing customer to a new premises but does not include complex services.

~~(162)~~~~(160)~~ **Print translations** — The temporary storage of a message in an operator's screen during the actual process of relaying a conversation.

~~(163)~~~~(161)~~ **Privacy issue** — An issue that arises when a telecommunications provider proposes to offer a new telecommunications service or feature that would result in a change in the outflow of information about a customer. The term privacy issue is to be construed broadly. It includes, but is not limited to, changes in the following:

- (A) the type of information about a customer that is released;
- (B) the customers about whom information is released;
- (C) the entity or entities to whom the information about a customer is released;
- (D) the technology used to convey the information;
- (E) the time at which the information is conveyed; and
- (F) any other change in the collection, use, storage, or release of information.

~~(164)~~~~(162)~~ **Private line** — A transmission path that is dedicated to a customer and that is not connected to a switching facility of a telecommunications utility, except that a dedicated transmission path between switching facilities of interexchange carriers shall be considered a private line.

~~(165)(463)~~ **Proceeding** — A hearing, investigation, inquiry, or other procedure for finding facts or making a decision. The term includes a denial of relief or dismissal of a complaint. It may be rulemaking or nonrulemaking; rate setting or non-rate setting.

~~(166)(464)~~ **Promotional rate** — A temporary tariff, fare, toll, rental or other compensation charged by a certificated telecommunications utility (DCTU) to new or new and existing customers and designed to induce customers to test a service. A promotional rate shall incorporate a reduction or a waiver of some rate element in the tariffed rates of the service, or a reduction or waiver of the service's installation charge and/or service connection charges, and shall not incorporate any charge for discontinuance of the service by the customer. Such rates may not be offered for basic local telecommunications service, including local measured service.

~~(167)(465)~~ **Provider of pay telephone service** — The entity that purchases pay telephone access service (PTAS) from a certificated telecommunications utility (CTU) and registers with the Public Utility Commission as a provider of pay telephone service (PTS) to end users.

~~(168)(466)~~ **Public utility or utility** — A person or river authority that owns or operates for compensation in this state equipment or facilities to convey, transmit, or receive communications over a telephone system as a dominant carrier. The term includes a lessee, trustee, or receiver of any of those entities, or a combination of those entities. The term does not include a municipal corporation. A person is not a public utility solely because the person:

- (A) furnishes or furnishes and maintains a private system;
- (B) manufactures, distributes, installs, or maintains customer premise communications equipment and accessories; or
- (C) furnishes a telecommunications service or commodity only to itself, its employees, or its tenants as an incident of employment or tenancy, if that service or commodity is not resold to or used by others.

~~(169)~~(167) **Public Utility Regulatory Act (PURA)** — The enabling statute for the Public Utility Commission of Texas, located in the Texas Utilities Code Annotated, §§11.001 - ~~64.15863-063~~, (Vernon 1998, [Supplement 2000](#)).

~~(170)~~(168) **Qualifying low-income consumer** — A consumer that participates in one of the following programs: Medicaid, food stamps, Supplemental Security Income, federal public housing assistance, or Low-Income Home Energy Assistance Program.

~~(171)~~(169) **Qualifying services** —

- (A) residential flat rate basic local exchange service;
- (B) residential local exchange access service; and
- (C) residential local area calling usage.

~~(172)~~(170) **Rate** — Includes:

- (A) any compensation, tariff, charge, fare, toll, rental, or classification that is directly or indirectly demanded, observed, charged, or collected by a public utility for a service, product, or commodity, described in the definition of utility in the Public Utility Regulatory Act §§31.002 or 51.002; and

(B) a rule, practice, or contract affecting the compensation, tariff, charge, fare, toll, rental, or classification.

~~(173)(171)~~ **Reciprocal compensation** — An arrangement between two carriers in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of local telecommunications traffic that originates on the network facilities of the other carrier.

~~(174)(172)~~ **Reclassification area** — The geographic area within the electing ILEC's territory, consisting of one or more exchange areas, for which it seeks reclassification of a service.

~~(175)(173)~~ **Redirect the call** — A procedure used by operator service providers (OSPs) that transmits a signal back to the originating telephone instrument that causes the instrument to disconnect the OSP's connection and to redial the digits originally dialed by the caller directly to the local exchange carrier's network.

~~(176)(174)~~ **Regulatory authority** — In accordance with the context where it is found, either the commission or the governing body of a municipality.

~~(177)(175)~~ **Relay Texas Advisory Committee (RTAC)** — The committee authorized by the Public Utility Regulatory Act, §56.110 and 1997 Texas General Laws Chapter 149.

~~(178)(176)~~ **Relay Texas** — The name by which telecommunications relay service in Texas is known.

~~(179)~~~~(177)~~ **Relay Texas administrator** — The individual employed by the commission to oversee the administration of statewide telecommunications relay service.

~~(180)~~~~(178)~~ **Repeated trouble report** — A customer trouble report regarding a specific line or circuit occurring within 30 days or one calendar month of a previously cleared trouble report on the same line or circuit.

~~(181)~~~~(179)~~ **Residual charge** — The per-minute charge designed to account for historical contribution to joint and common costs made by switched transport services.

~~(182)~~~~(180)~~ **Retail service** — A telecommunications service is considered a retail service when it is provided to residential or business end users and the use of the service is other than resale. Each tariffed or contract offering which a customer may purchase to the exclusion of other offerings shall be considered a service. For example: the various mileage bands for standard toll services are rate elements, not services; however, individual optional calling plans that can be purchased individually and which are offered as alternatives to each other are services, not rate elements.

~~(183)~~~~(181)~~ **Return-on-assets** — After-tax net operating income divided by total assets.

~~(184)~~~~(182)~~ **Reversal of partial deregulation** — The ability of a minimum of 10% of the members of a partially deregulated cooperative to request, in writing, that a vote be conducted to determine whether members prefer to reverse partial deregulation. Ten percent shall be calculated based upon the total number of members of record as of the calendar month preceding receipt of the request from members for reversal of partial deregulation.

~~(185)~~~~(183)~~ **Rule** — A statement of general applicability that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the commission. The term includes the amendment or repeal of a prior rule but does not include statements concerning only the internal management or organization of the commission and not affecting private rights or procedures.

~~(186)~~~~(184)~~ **Rulemaking proceeding** — A proceeding conducted pursuant to the Administrative Procedure Act, Texas Government Code, §§2001.021 - 2001.037 to adopt, amend, or repeal a commission rule.

~~(187)~~~~(185)~~ **Rural incumbent local exchange company (ILEC)** — An ILEC that qualifies as a "rural telephone company" as defined in 47 United States Code §3(37) and/or 47 United States Code §251(f)(2).

~~(188)~~~~(186)~~ **Selective routing** — The feature provided with 311 service by which 311 calls are automatically routed to the 311 answering point for serving the place from which the call originates.

~~(189)~~~~(187)~~ **Separation** — The division of plant, revenues, expenses, taxes, and reserves applicable to exchange or local service if these items are used in common to provide public utility service to both local exchange telephone service and other service, such as interstate or intrastate toll service.

~~(190)~~~~(188)~~ **Service** — Has its broadest and most inclusive meaning. The term includes any act performed, anything supplied, and any facilities used or supplied by a public utility in the performance of the utility's duties under the Public Utility Regulatory Act to

its patrons, employees, other public utilities, and the public. The term also includes the interchange or facilities between two or more public utilities. The term does not include the printing, distribution, or sale of advertising in a telephone directory.

~~(191)~~~~(189)~~ **Service connection charge** — A charge designed to recover the costs of non-recurring activities associated with connection of local exchange telephone service.

~~(192)~~~~(190)~~ **Service provider** — Any entity that offers a product or service to a customer and that directly or indirectly charges to or collects from a customer's bill an amount for the product or service on a customer's bill received from a billing telecommunications utility.

~~(193)~~~~(191)~~ **Service provider certificate of operating authority (SPCOA) reseller** — A holder of a service provider certificate of operating authority that uses only resold telecommunications services provided by an incumbent local exchange company (ILEC) or by a certificate of operating authority (COA) holder or by a service provider certificate of operating authority (SPCOA) holder.

~~(194)~~~~(192)~~ **Service restoral charge** — A charge applied by the DCTU to restore service to a customer's telephone line after it has been suspended by the DCTU.

~~(195)~~~~(193)~~ **Serving wire center (SWC)** — The certificated telecommunications utility designated central office which serves the access customer's point of demarcation. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

~~(196)~~~~(194)~~ **Signaling for tandem switching** — The carrier identification code (CIC) and the OZZ code or equivalent information needed to perform tandem switching functions.

The CIC identifies the interexchange carrier and the OZZ digits identify the call type and thus the interexchange carrier trunk to which traffic should be routed.

~~(197)~~~~(195)~~ **Small certificated telecommunications utility (CTU)** — A CTU with fewer than 2.0% of the nation's subscriber lines installed in the aggregate nationwide.

~~(198)~~~~(196)~~ **Small local exchange company (SLEC)** — Any incumbent certificated telecommunications utility as of September 1, 1995, that has fewer than 31,000 access lines in service in this state, including the access lines of all affiliated incumbent local exchange companies within the state, or a telephone cooperative organized pursuant to the Telephone Cooperative Act, Texas Utilities Code Annotated, Chapter 162.

~~(199)~~~~(197)~~ **Small incumbent local exchange company (Small ILEC)** — An incumbent local exchange company that is a cooperative corporation or has, together with all affiliated incumbent local exchange companies, fewer than 31,000 access lines in service in Texas.

~~(200)~~~~(198)~~ **Spanish speaking person** — a person who speaks any dialect of the Spanish language exclusively or as their primary language.

~~(201)~~~~(199)~~ **Special access** — A transmission path connecting customer designated premises to each other either directly or through a hub or hubs where bridging, multiplexing or network reconfiguration service functions are performed and includes all

exchange access not requiring switching performed by the dominant carrier's end office switches.

~~(202)~~~~(200)~~ **Specialized Telecommunications Assistance Program (STAP)** — The program described in Substantive Rule §26.415 of this title (relating to Specialized Telecommunications Assistance Program).

~~(203)~~~~(201)~~ **Specialized Telecommunications Assistance Program (STAP) voucher** — A voucher issued by the Texas Commission for the Deaf and Hard of Hearing under the equipment distribution program, in accordance with its rules, that an eligible individual may use to acquire eligible specialized telecommunications devices from a vendor of such equipment.

~~(204)~~~~(202)~~ **Stand-alone costs** — The stand-alone costs of an element or service are defined as the forward-looking costs that an efficient entrant would incur in providing only that element or service.

~~(205)~~~~(203)~~ **Station** — A telephone instrument or other terminal device.

~~(206)~~~~(204)~~ **Study area** — An incumbent local exchange company's (ILEC's) existing service area in a given state.

~~(207)~~~~(205)~~ **Supplemental services** — Telecommunications features or services offered by a certificated telecommunications utility for which analogous services or products may be available to the customer from a source other than a dominant certificated telecommunications utility. Supplemental services shall not be construed to include optional extended area calling plans that a dominant certificated telecommunications

utility may offer pursuant to §26.217 of this title (relating to Administration of Extended Area Service (EAS) Requests) ~~§23.49 of this title (relating to Telephone Extended Area Service (EAS) and Expanded Toll-free Local Calling Area)~~, or pursuant to a final order of the commission in a proceeding pursuant to the Public Utility Regulatory Act, Chapter 53. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(208)~~(206)~~ **Suspension of service** — That period during which the customer's telephone line does not have dial tone but the customer's telephone number is not deleted from the central office switch and databases.

(209)~~(207)~~ **Switched access** — Access service that is provided by certificated telecommunications utilities (CTUs) to access customers and that requires the use of CTU network switching or common line facilities generally, but not necessarily, for the origination or termination of interexchange calls. Switched access includes all forms of transport provided by the CTU over which switched access traffic is delivered. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(210)~~(208)~~ **Switched access demand** — Switched access minutes of use, or other appropriate measure where not billed on a minute of use basis, for each switched access rate element, normalized for out of period billings. For the purposes of this section, switched access demand shall include minutes of use billed for the local switching rate element.

(211)~~(209)~~ **Switched access minutes** — The measured or assumed duration of time that a certificated telecommunications utility's network facilities are used by access customers. Access minutes are measured for the purpose of calculating access charges applicable to access customers. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(212)~~(210)~~ **Switched transport** — Transmission between a certificated telecommunications utility's central office (including tandem-switching offices) and an interexchange carrier's point of presence.

(213)~~(211)~~ **Tandem-switched transport** — Transmission of traffic between the serving wire center and another certificated telecommunications utility office that is switched at a tandem switch and charged on a usage basis. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

(214)~~(212)~~ **Tariff** — The schedule of a utility containing all rates, tolls, and charges stated separately by type or kind of service and the customer class, and the rules and regulations of the utility stated separately by type or kind of service and the customer class.

(215)~~(213)~~ **Tel-assistance service** — A program providing eligible consumers with a 65% reduction in the applicable tariff rate for qualifying services.

(216)~~(214)~~ **Telecommunications relay service (TRS)** — A service using oral and print translations by either live or automated means between individuals who are hearing-

impaired or speech-impaired who use specialized telecommunications devices and others who do not have such devices. Unless specified in the text, this term shall refer to intrastate telecommunications relay service only.

~~(217)~~~~(215)~~ **Telecommunications relay service (TRS) carrier** — The telecommunications carrier selected by the commission to provide statewide telecommunications relay service.

~~(218)~~~~(216)~~ **Telecommunications utility** —

- (A) a public utility;
- (B) an interexchange telecommunications carrier, including a reseller of interexchange telecommunications services;
- (C) a specialized communications common carrier;
- (D) a reseller of communications;
- (E) a communications carrier who conveys, transmits, or receives communications wholly or partly over a telephone system;
- (F) a provider of operator services as defined by §55.081, unless the provider is a subscriber to customer-owned pay telephone service; and
- (G) a separated affiliate or an electronic publishing joint venture as defined in the Public Utility Regulatory Act, Chapter 63.

~~(219)~~~~(217)~~ **Telephones intended to be utilized by the public** — Telephones that are accessible to the public, including, but not limited to, pay telephones, telephones in guest

rooms and common areas of hotels, motels, or other lodging locations, and telephones in hospital patient rooms.

~~(220)~~~~(218)~~ **Telephone solicitation** — An unsolicited telephone call.

~~(221)~~~~(219)~~ **Telephone solicitor** — A person who makes or causes to be made a consumer telephone call, including a call made by an automatic dialing/announcing device.

~~(222)~~~~(220)~~ **Test year** — The most recent 12 months, beginning on the first day of a calendar or fiscal year quarter, for which operating data for a public utility are available.

~~(223)~~~~(221)~~ **Texas Universal Service Fund (TUSF)** — The fund authorized by the Public Utility Regulatory Act, §56.021 and 1997 Texas General Laws Chapter 149.

~~(224)~~~~(222)~~ **Tier 1 local exchange company** — A local exchange company with annual regulated operating revenues exceeding \$100 million.

~~(225)~~~~(223)~~ **Title IV-D Agency** — The office of the attorney general for the state of Texas.

~~(226)~~~~(224)~~ **Toll blocking** — A service provided by telecommunications carriers that lets consumers elect not to allow the completion of outgoing toll calls from their telecommunications channel.

~~(227)~~~~(225)~~ **Toll control** — A service provided by telecommunications carriers that allows consumers to specify a certain amount of toll usage that may be incurred on their telecommunications channel per month or per billing cycle.

~~(228)~~~~(226)~~ **Toll limitation** — Denotes both toll blocking and toll control.

~~(227)~~ **Total element long-run incremental cost (TELRIC)** — The forward-looking cost over the long run of the total quantity of the facilities and functions that are directly attributable to, or reasonably identifiable as incremental to, such element, calculated taking as a given the certificated telecommunications utility's (CTU's) provision of other elements. ~~In Chapter 23 of this title, this term is applicable only to dominant certificated telecommunications utilities when the context clearly indicates.~~

~~(228)~~ **Transport** — The transmission and/or any necessary tandem and/or switching of local telecommunications traffic from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by a carrier other than a dominant certificated telecommunications utility.

~~(229)~~ **Trunk** — A circuit facility connecting two switching systems.

~~(230)~~ **Two-primary interexchange carrier (Two-PIC) equal access** — A method that allows a telephone subscriber to select one carrier for all 1+ and 0+ interLATA calls and the same or a different carrier for all 1+ and 0+ intraLATA calls.

~~(231)~~ **Unauthorized charge** — Any charge on a customer's telephone bill that was not consented to or verified in compliance with §26.32 of this title (relating to Protection Against Unauthorized Billing Charges ("Cramming")).

~~(232)~~ **Unbundling** — The disaggregation of the ILEC's network/service to make available the individual network functions or features or rate elements used in providing an existing service.

~~(235)~~~~(233)~~ **Unit cost** — A cost per unit of output calculated by dividing the total long run incremental cost of production by the total number of units.

~~(236)~~~~(234)~~ **Usage sensitive blocking** — Blocking of a customer's access to services which are charged on a usage sensitive basis for completed calls. Such calls shall include, but not be limited to, call return, call trace, and auto redial.

~~(237)~~~~(235)~~ **Virtual private line** — Circuits or bandwidths, between fixed locations, that are available on demand and that can be dynamically allocated.

~~(238)~~~~(236)~~ **Voice carryover** — A technology that allows an individual who is hearing-impaired to speak directly to the other party in a telephone conversation and to use specialized telecommunications devices to receive communications through the telecommunications relay service operator.

~~(239)~~~~(237)~~ **Volume insensitive costs** — The costs of providing a basic network function (BNF) that do not vary with the volume of output of the services that use the BNF.

~~(240)~~~~(238)~~ **Volume sensitive costs** — The costs of providing a basic network function (BNF) that vary with the volume of output of the services that use the BNF.

~~(241)~~~~(239)~~ **Wholesale service** — A telecommunications service is considered a wholesale service when it is provided to a telecommunications utility and the use of the service is to provide a retail service to residence or business end-user customers.

~~(242)~~~~(240)~~ **Working capital requirements** — The additional capital required to fund the increased level of accounts receivable necessary to provide telecommunications service.

~~(243)~~~~(241)~~ **"0-" call** — A call made by the caller dialing the digit "0" and no other digits within five seconds. A "0-" call may be made after a digit (or digits) to access the local network is (are) dialed.

~~(244)~~~~(242)~~ **"0+" call** — A call made by the caller dialing the digit "0" followed by the terminating telephone number. On some automated call equipment, a digit or digits may be dialed between the "0" and the terminating telephone number.

~~(245)~~~~(243)~~ **311 answering point** — A communications facility that:

- (A) is operated, at a minimum, during normal business hours;
- (B) is assigned the responsibility to receive 311 calls and, as appropriate, to dispatch the non-emergency police or other governmental services, or to transfer or relay 311 calls to the governmental entity;
- (C) is the first point of reception by a governmental entity of a 311 call; and
- (D) serves the jurisdictions in which it is located or other participating jurisdictions.

~~(246)~~~~(244)~~ **311 service** — A telecommunications service provided by a certificated telecommunications provider through which the end user of a public telephone system has the ability to reach non-emergency police and other governmental services by dialing the digits 3-1-1. 311 service must contain the selective routing feature or other equivalent state-of-the-art feature.

~~(247)~~~~(245)~~ **311 service request** — A written request from a governmental entity to a certificated telecommunications utility requesting the provision of 311 service. A 311 service request must:

- (A) be in writing;
- (B) contain an outline of the program the governmental entity will pursue to adequately educate the public on the 311 service;
- (C) contain an outline from the governmental entity for implementation of 311 service;
- (D) contain a description of the likely source of funding for the 311 service (i.e., from general revenues, special appropriations, etc.); and
- (E) contain a listing of the specific departments or agencies of the governmental entity that will actually provide the non-emergency police and other governmental services.

~~(248)~~(246) **311 system** — A system of processing 311 calls.

~~(249)~~(247) **911 system** — A system of processing emergency 911 calls, as defined in Tex.

Health & Safety Code §772.001, as may be subsequently amended.

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's authority to adopt.

**ISSUED IN AUSTIN, TEXAS ON THE 4th DAY OF MAY, 2000 BY THE
PUBLIC UTILITY COMMISSION OF TEXAS
RHONDA G. DEMPSEY**