

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Amendment of Rules	)	DOCKET NO. 890359-TP
25-4.0345, Customer Premises	)	
Equipment and Inside Wire;	)	ORDER NO. 22745
25-4.034, Tariffs; 25-4.069,	)	
Maintenance of Plant and	)	ISSUED: 3-28-90
Equipment; and 25-22.004,	)	
<u>Commission Forms, F.A.C.</u>	)	

NOTICE OF ADOPTION OF RULE AMENDMENTS

NOTICE is hereby given that the Commission, pursuant to Section 120.54, Florida Statutes, has adopted the amendments to Rule 25-4.0345, F.A.C., relating to customer premises equipment and inside wire with change, and has adopted the amendment of Rules 25-4.034 and 25-4.069, F.A.C., relating to tariffs and maintenance of plant and equipment, respectively, without change.

The rule amendments were filed with the Secretary of State on March 27, 1990, and will be effective on April 16, 1990. A copy of the relevant portions of the certification filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

By Direction of the Florida Public Service Commission,  
this 28th day of MARCH, 1990.

\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records & Reporting

( S E A L )

WJB  
3930G

by: Kay Flynn  
Chief, Bureau of Records

DOCUMENT NUMBER-DATE

02735 MAR 28 1990

PSC-RECORDS/REPORTING

CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

I do hereby certify:

(1) The time limitations prescribed by paragraph 120.54(11)(a), F.S., have been complied with; and

(2) There is no administrative determination under section 120.54(4), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(11)(b), F.S. They are filed not less than 28 days after the notice required by subsection 120.54(1), F.S., and;

(a) And are filed not more than 90 days after the notice; or

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; or

(c) Are filed within 21 days after the adjournment of the final public hearing on the rule; or

(d) Are filed within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

(e) Are filed within 21 days after the date the transcript was received by this agency.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

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<u>Rule No.</u>	<u>Specific Rulemaking Authority</u>	<u>Law Being Implemented, Interpreted or Made Specific</u>
25-4.0345	350.127(2), P.S.	364.03, P.S.
25-4.034	350.127(2), P.S.	364.04, P.S.
25-4.069	350.127(2), P.S.	364.03, 364.15, P.S.

Under the provision of paragraph 120.54(12)(a), P.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective: \_\_\_\_\_  
 (month) (day) (year)

\_\_\_\_\_  
 Steve Tribble

\_\_\_\_\_  
 Director, Division of Records & Reporting  
 Title

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 Number of Pages Certified

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1 25-4.0345 Customer Premises Equipment and Inside Wire.

2 (1) Definitions: For purposes of definition under this rule

3 (a) "CPE" includes terminal equipment intended for use on the  
4 customer's premises such as telephone sets, teletypewriters, data  
5 terminal equipment, mobile telephone terminal equipment, private  
6 branch exchange equipment, key system equipment, dialers and other  
7 supplemental equipment. CPE does not include 911 public safety  
8 answering point equipment (ALI, ANI, ACD equipment), local  
9 exchange company paystations, or telecommunications devices  
10 required by hearing or speech impaired subscribers.

11 (b) "Demarcation point" is the point of physical  
12 interconnection (connecting block, terminal strip, jack,  
13 protector, ~~standard~~ optical network interface, or remote  
14 isolation device between the telephone network and the customers  
15 premises wiring. Unless otherwise ordered by the Commission for  
16 good cause shown the location of this point is:

17 1. Single Line/Single Customer Building - Either at the  
18 point of physical entry to the building or a  
19 junction point as close as practicable to the point  
20 of entry.

21 2. Single Line/Multi Customer Building - Within the  
22 customer's premises at a point easily accessed by  
23 the customer.

24 3. Multi Line Systems/Single or Multi Customer Building  
25 - At a point within the same room and within 25 feet  
26 of the FCC registered terminal equipment or cross  
27 connect field.

28 ~~4. Non-BEG-Pay-Telephone-Subscriber-Premises---At-a~~  
29 ~~structure-within-75-feet-of-the-local-exchange~~  
30 ~~company's-easement-with-a-secure-weatherproof~~  
31 ~~terminal-with-safety-ground.~~

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4.5 Temporary Accommodations Subscriber Premises with Inadequate Grounding (e.g. some mobile homes, trailers, houseboats, construction modules.) - On a permanent stake, pole or structure with a suitable safety ground.

(c) "Complex Equipment wire:" premises wiring owned by the local exchange company which may be used as station wiring and to connect off-premise extensions and is beyond the normal demarcation points.

(d) "Inside wire" is all wire or cable other than complex equipment wire located on the customer's side of the demarcation point.

(e) "Customer Premises" is the discrete real property owned, leased or controlled by a customer for the customer's own business or residential purposes.

(2) The provision and maintenance of Customer Premises Equipment (CPE) and inside wire:

(a) The provision and maintenance of CPE and inside wire, but not complex equipment wire, is deregulated for intrastate purposes.

(b) Companies using accounting allocation procedures in lieu of a fully separate subsidiary for the provision and maintenance of CPE and inside wire shall submit annual audit results and a formal opinion, rendered by an independent certified public accountant or auditor, on the reasonableness and accuracy of the allocation procedures employed. The expense of this audit shall be separately identified and shall not be chargeable to expense for ratemaking purposes. The Commission may, upon sufficient showing by a telephone company, modify or waive these requirements.

(3) Network facilities up to and including the demarcation point are part of the telephone network, provided and maintained by the telephone company under tariff.

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1 (4) CPE Network Responsibility. No CPE may harm the network  
2 by introducing signals that interfere or affect other subscribers  
3 or network operations.

4 Specific Authority: 350.127(2), F.S.

5 Law Implemented: 364.03, F.S.

6 History: New 12/13/82, Amended 9/30/85, formerly 25-4.345.  
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25-4.034 Tariffs.

(i) Each telephone utility shall maintain on file with the Commission tariffs which set forth all rates and charges for customer services, the classes and grades of service available to subscribers, the conditions and circumstances under which service will be furnished and all general rules and regulations governing the relation of customer and utility. Such tariff filings shall be in compliance with the requirements of Chapter 25-9 of the Commission rules entitled "Construction and Filing of Tariffs by Public Utilities."

(a) Each company shall file, as an integral part of its tariff, maps defining the exchange service areas and base rate area. These maps shall delineate the boundaries in sufficient detail that they may be located in the field and shall embrace all territory included in the certificate of convenience and necessity unless portions of such territory are included in toll station areas.

(b) Each telephone company having toll station areas which are beyond its exchange service area boundaries but within its certificate of convenience and necessity shall file only with the Commission as an integral part of its tariff a toll station area map for each toll station area. These maps shall show the toll station area boundaries in sufficient detail that they may be located in the field.

(c) Where zone rate differentials are applicable, the zone boundaries shall be designated on the appropriate filed maps unless the language in the tariff is sufficient to identify the boundary locations.

(2) Intrastate toll message and WATS rates shall be fixed by Commission Order. The Commission may limit the amount of variation between any two companies' rates.



(3) Each telephone company shall maintain on file in each of its business offices, available for public inspection upon request, a copy of the local exchange tariff for exchanges under the administration of that office, the general exchange tariff and a schedule of intrastate toll rates for the entire State of Florida. Each business office shall likewise make available a copy of Chapter 25-4 of the Florida Public Service Commission Rules and Regulations for public inspection upon request.

~~(4)(a) Tariffs filed for residential and business local exchange service shall list separate rates for the following elements:~~

~~(i) The telephone instrument or instruments; and~~

~~(ii) The local exchange access line~~

~~No tariff may provide credits to customers who supply their own instruments.~~

~~(b) Those companies whose tariffs do not comply with subsection (a) shall file within 90 days of the effective date of this rule a revised tariff that reflects the following charges:~~

~~(i) For each telephone instrument under subsection (a)(i), the rate shall be an amount equal to the existing residential extension charge~~

~~(ii) For the local exchange access line under sub-subsection (a)(ii), the rate shall be an amount equal to the combined rate under the existing tariff less the amount equal to the combined rate under the existing tariff less the amount determined under subsection (b)(i).~~

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.04, F.S.

History: Revised 12/1/68, Amended 3/31/76, 11/29/82, formerly 25-4.34, Amended 9/12/88.

CODING: Words underlined are additions; words in struck-through type are deletions from existing law.



25-4.069 Maintenance of Plant & Equipment.

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(1) Each telephone utility shall adopt and pursue a maintenance program aimed at achieving efficient operation of its system so as to permit the rendering of safe, adequate and continuous service at all times.

(2) Maintenance shall include keeping all plant and equipment in a good state of repair consistent with safety and adequate service performance. Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced. Adjustable apparatus and equipment shall be readjusted as necessary when found by preventive routines or fault location tests to be in unsatisfactory operating condition. Electrical faults, such as leakage or poor insulation, noise induction, crosstalk, or poor transmission characteristics, shall be corrected to the extent practicable within the design capability of the plant affected.

~~(3)(a) -- Each telephone company shall disaggregate and separately tariff the charges for installation and maintenance of embedded GPB and inside wire.~~

~~(b) -- Each telephone company shall make provision for sufficient parts, supplies and personnel to meet the requirements of this subsection and paragraphs 25-4.0345-(2)(b).~~

~~(c) -- Maintenance for inside wire shall be offered to customers as specified below. However, if the Commission has approved the deregulation of maintenance of inside wire for a company, that company is not required to maintain inside wire under tariff.~~

~~iv At the customer's option:~~

~~av A-tariffed, recurring monthly maintenance service charge, if the company installed the inside wire, or~~

~~bv A-tariffed, nonrecurring quarter-hour maintenance-~~

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~~premises-work-charge-plus-a-charge-for-materials;~~

~~2r At-the-company's-option,-a-tariffed-recurring  
 monthly-maintenance-service-charge-for-inside-wire  
 the-company-did-not-install;~~

~~td)--Unless-the-company's-embedded-SPB-has-been-deregulated,  
 maintenance-for-all-SPB-shall-be-offered-to-customers-under-the  
 following-two-options:~~

~~1r A-tariffed,-recurring-monthly-maintenance-service  
 charge-plus-a-charge-for-parts-as-required,-or~~

~~2r A-tariffed,-nonrecurring-quarter-hour-maintenance  
 service-charge-plus-a-charge-for-parts-as-required;~~

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.03, 364.15, F.S.

History: Revised 12/1/68, amended 12/13/82, 9/30/85, formerly  
 25-4.69.

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Rule 25-4.0345, 25-4.034,  
and 25-4.069, F.A.C.  
Docket No. 890359-TP

SUMMARY OF RULES

Rules 25-4.0345, F.A.C., Customer Premises Equipment and Inside Wire; 25-4.034, F.A.C., Tariffs; and 25-4.069, F.A.C., Maintenance of Plant and Equipment; as well as the (embedded) CPE Monthly Sales Report required by Rule 25-22.004, F.A.C., Commission Forms (which is discussed in a separate notice), were adopted to achieve final intrastate deregulation of customer premises equipment (CPE) and the associated inside wiring. The current rules removed the regulated company's responsibility for providing and maintaining equipment or wire located on the customer's side of the demarcation point as of December 31, 1987. The proposed revisions to these rules are mostly technical changes intended to reflect the current practices in deregulation of CPE and the associated wire. Proposed changes would remove obsolete language and reporting requirements, would clarify the definition of demarcation point, and would allow local exchange companies (LECs) desiring to offer CPE and/or inside wire to do so without using a fully separate affiliate.

Proposed amendments to Rule 25-4.0345, F.A.C., would delete Sections (1)(b), (2)(b), (2)(c), (3), (4)(a)(b)(c), and (5) that require LECs to provide and maintain embedded CPE under tariff until December 31, 1987, and to only offer provision and maintenance of new CPE using a fully separate affiliate. The amendments would also delete Section 4(3) which specifies information that utilities are currently required to submit with requests for waivers or modification of the separate affiliate requirements. The proposed amendments to Rule 25-4.034, F.A.C., would delete Section (4) which requires LECs to list separate rates for a telephone instrument or instruments. The proposed amendment to Rule 25-4.069, F.A.C., would delete Section (3) which requires LECs to disaggregate and separately tariff the charges for installation and maintenance of embedded CPE and inside wire.

Further revisions to Rule 25-4.0345 would be minor technical

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changes intended to incorporate current policy into Commission rules and current Federal Communications Commission (FCC) standards. The definition of CPE in paragraph (1)(a) of Rule 25-4.0345 would be amended to exempt LEC paystations from the definition so that they will remain subject to regulation. The definition of demarcation point would be clarified by adding the phrase "optical network interface" to define the demarcation point for fiber optic systems. Also, the location of the demarcation point would be amended to include definitions for temporary accommodations subscriber premises and includes grounding requirements. These additions are made to conform with the current use of technology and FCC standards.

Paragraph (1)(c) would be added to Rule 25-4.0345 to define complex equipment wire as wiring beyond the normal demarcation point owned by the LEC. Section (2)(a), would be amended to comply with current practice that provision and maintenance of CPE and inside wire (but not complex equipment wire) are deregulated for intrastate purposes.

Finally, Section (4) of Rule 25-4.0345 would be amended to delete the requirement that companies maintain a fully separate affiliate to offer CPE and/or inside wire. However, companies are still required to provide proposals for separate accounting systems designed to allocate common costs between CPE and/or inside wire and other telephone operations.

#### SUMMARY OF HEARINGS ON THE RULES

At the rule hearing on December 4, 1989, interested parties and Commission staff resolved that no changes were needed with regard to Rules 25-4.034, 25-4.069, or 25-22.004, F.A.C. However, two issues were presented for resolution regarding Rule 25-4.0345, which pertains to customer premises equipment and inside wire. Both issues involved the definition of "demarcation point" in subsection (1)(b). The first issue was the appropriateness of the descriptive phrase "standard optical network interface" as applied to the term "physical interconnection." The hearing revealed

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that there is no standard at the present time. The second issue was whether the proposed requirement that the demarcation point for non-LEC pay telephones be within 75 feet of a LEC's easement should remain in the rule in subparagraph (1)(b) 4. The parties agreed that the requirement was not necessary and only created confusion.

At the agenda conference held on March 6, 1990, the Commission voted to approve the hearing officer's recommendation to delete the word "standard" and subparagraph 4 from the definition of demarcation point and to adopt Rules 25-4.034, 25-4.069, and 25-22.004 without change.

#### FACTS AND CIRCUMSTANCES JUSTIFYING THE RULES

There is obsolete language in the current rules which were written prior to deregulation of CPE and inside wire. The proposed changes remove obsolete requirements. Also, the location of demarcation points for non-local exchange company pay phones and for temporary accommodations subscriber premises is needed to avoid confusion. Also, revisions are needed to reflect new FCC policies.