

**Resolution Concerning Revenue Accounting
6620 Other Billing And Collection**

WHEREAS, The Federal Communications Commission's (FCC) Chief of the Common Carrier Bureau issued an Order released January 29, 1991, concerning the National Exchange Carriers Association (NECA) Transmittal No. 425 in which NECA was found to not have met the burden of allocating more than 5 percent of Other Billing and Collection (OB&C) expense to the Common Line Element in the NECA Access Common Line Annual Filing; and

WHEREAS, The NECA has adopted a resolution, issued a subsequent letter to all Exchange Carriers Settling on Cost that "NECA shall not allow OB&C expense in excess of 5 percent to be reported to the Common Line Pool retroactive to February 1989", and "to comply with this resolution it has begun to collect from all exchange carriers who have reported amounts in excess of the 5 percent for 1989 and 1990, to remove these amounts from the NECA Common Line Pool"; and

WHEREAS, The effect of the order is to move interstate costs from the interstate Common Line Element to the intrastate jurisdiction; and

WHEREAS, During its Winter 1991 Meeting, the National Association of Regulatory Utility Commissioners (NARUC) was assured by the Common Carrier Bureau staff that the order would affect only the allocation of costs among interstate rate elements and would neither alter any separations procedure nor have any effect on the amount of costs assigned to intrastate; and

WHEREAS, The Common Carrier Bureau staff has now determined that there will be a jurisdictional shift to the state; now, therefore, be it

RESOLVED, That the Executive Committee of the NARUC, convened at its Summer Meeting in San Francisco, California, asks the FCC to refer this matter to the Federal/State Joint Board in CC Docket 80-286 for resolution of this Other Billing and Collection issue; and be it further

RESOLVED, That the FCC direct NECA not to collect monies retroactively from the exchange carriers who reported amounts in excess of the 5 percent for 1989 and 1990.

Sponsored by the Committee on Communications
Adopted July 24, 1991