Resolution Regarding Relative Use Data and Studies

WHEREAS, *The separations of many categories of telephone plant are based on the relative usage of the facilities; and*

WHEREAS, *Before divestiture, the industry's usage studies and resulting factors were reviewed and critiqued by AT&T; and*

WHEREAS, *Under the present telecommunications environment, there is little independent verification of the industry's usage studies and models; and*

WHEREAS, *The Federal Communications Commission (FCC) Part 36 Separations manual does not prescribe specific rules that require updating usage data on a timely basis; and*

WHEREAS, *State regulators have concerns about the reliability of current usage-based allocation factors, as evidenced in some telephone companies' current procedures of using 1986 data for the derivation of conversation minutes (CM) and conversation minute miles (CMM); and*

WHEREAS, *Interstate usage is increasing by approximately 12% annually, and the dynamics of relative usage should be reflected in periodic updates of separations usage factors; and*

WHEREAS, *Under a price-cap environment, there must be assurances that usage factors are applied uniformly in order to prevent manipulation of results; now, therefore, be it*

RESOLVED, *That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), assembled at its 1990 Winter Committee Meeting in Washington, D.C., directs its General Counsel to formally petition the FCC to change to its Part 36 Rules to prescribe periodic updates for usage-based separations allocators; and be it further*

RESOLVED, *That NARUC continues to support its Resolution approved its 101st Annual Convention in Boston, Massachusetts, recommending that the Sampled Traffic Analysis and Reports System (STARS) mechanism be maintained by the industry until an acceptable substitute is developed, and that the NARUC petition the FCC to assign this issue to the Federal/State Joint Board.*