

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Docket No. 6209

Investigation into the Acquisition and Use of )  
Central Office Codes by Local Exchange )  
Carriers in Vermont )  
)

Order entered: 4/16/99

**PREHEARING CONFERENCE MEMORANDUM**  
**AND NOTICE OF STATUS CONFERENCE**

**BACKGROUND**

On April 6, 1999, a prehearing conference was convened in this proceeding. Appearances by the parties were entered by: Sheldon Katz, Esq., for the Vermont Department of Public Service ("Department"), Victor D. Del Vecchio, Esq. and Gregory M. Kennan, Esq., for New England Telephone and Telegraph Company d/b/a Bell Atlantic-Vermont ("BAVT"), John H. Marshall, Esq., for Hyperion Telecommunications of Vermont, Inc., and Paul J. Phillips, Esq. and William B. Piper, Esq., for the eight independent Vermont telephone companies ("Independents")<sup>1</sup>.

Other appearances were filed by: Robert J. Aurigema and Mary E. Burgess, for AT&T Communications of New England, Inc. ("AT&T")<sup>2</sup>; Russell M. Blau, Richard M. Rindler, and Michael W. Fleming, for RCN Telecom Services of Vermont, Inc. ("RCN")<sup>3</sup>; and Zach Chambers and Bryan Mihok, for Together Networks. Hearing no objections, these companies were admitted as parties to the proceeding. The following party representing a Vermont telecommunications provider, while present at the conference, had not yet filed a formal notice

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1. The eight independent telephone companies are: STE/NE Acquisition Corp. d/b/a Northland Telephone Company of Vermont; Perkinsville Telephone Company; Shoreham Telephone Company, Inc.; Waitsfield-Fayston Telephone Company, Inc. d/b/a Waitsfield Telecom & d/b/a Champlain Valley Telecom; Topsham Telephone Company; Franklin Telephone Company; Northfield Telephone Company; and Ludlow Telephone Company.

2. AT&T was represented by Mario Rebello at the prehearing conference.

3. RCN was represented by Paul Gornett at the prehearing conference.

of appearance with the Vermont Public Service Board ("Board"): William Rooney, for Global NAPS, Inc. Mr. Rooney's request for party status was unopposed and, therefore, conditionally granted, based upon the subsequent filing of a formal notice of appearance.

### **MOTIONS**

Prior to the prehearing conference, BAVT and AT&T filed Motions to Waive PSB Rule 2.201(C). Waiver of this Rule would allow BAVT's and AT&T's respective counsel, none of whom is admitted to the bar of the State of Vermont, to serve as counsel of record in this docket. The Motions to Waive were unopposed and, therefore granted.

### **ADDITIONAL MOTIONS**

Any additional motions to intervene in this proceeding shall be filed with the Board no later than April 24, 1999.

### **SCHEDULE FOR DISCOVERY**

The participants agreed to an informal discovery schedule whereby the parties shall file responses to initial discovery requests with the Board and all other parties by May 4, 1999. Any discovery requests shall be propounded by April 14, 1999.

### **NOTICE OF STATUS CONFERENCE**

A status conference shall be held on Tuesday May 11, 1999, commencing at 1:30 P.M., at the Public Service Board Hearing Room, Third Floor, Chittenden Bank Building, 112 State Street, Montpelier, Vermont. The purpose of this status conference will be to further refine the issues in this investigation based upon the information developed in the responses to discovery questions, and to determine the future course of the investigation.

### **DISCOVERY REQUESTS**

The Hearing Officers request responses to the following questions as indicated according to the discovery schedule.

1. For Hyperion and any other carrier providing service using "virtual NXX's", as described on page 1 of the Board's Order Opening Investigation and Notice of Hearing (March 25, 1999), what is the monthly or annual charge to an Internet Service Provider ("ISP") for establishing a "virtual NXX" in a remote local exchange area? Is this change in addition to the change for establishing service in the same location without use of a "virtual NXX"? How many customers are currently utilizing this service offering?

2. For Hyperion and any other carrier providing service using "virtual NXX's", in how many exchanges in the State does the company currently originate and terminate traffic? In how many of these exchanges does the company maintain physical facilities?

3. For Hyperion and any other carrier providing service using "virtual NXX's", how many customers utilize its foreign exchange type service to provide in-coming local calling from exchanges outside of customers' local calling areas? In how many exchanges is this service provided by its own facilities? By "virtual NXXs" ? By other means?

4. For Hyperion and any other carrier providing service using "virtual NXX's", what is the cost per local exchange area of providing a customer with a "virtual NXX" in a remote local exchange area? Please include any costs for programming the LERG, or local exchange routing guide, and any other initial or ongoing costs associated with this service?

5. For Hyperion and any other carrier providing service using "virtual NXX's", please explain how the advent of local number portability will impact upon the deployment and use of "virtual NXX" arrangements?

6. For Hyperion and any other carrier providing service using "virtual NXX's", on average what is the amount of reciprocal compensation received on a monthly or annual basis from other providers in connection with termination of NXX-related traffic to "virtual NXX" numbers?

7. For Hyperion and any other carrier providing service using "virtual NXX's", are any entities, other than ISP's, currently utilizing "virtual NXX" arrangements? If so, please identify. Could any other customer obtain service using these arrangements?

8. For BAVT, describe in detail the Flexpath/ISDN special assembly service. Is this service tariffed? If so, please provide citation to the appropriate tariff section. If not, please explain at what time the Board approved the rates, terms and conditions of service?

9. For BAVT, what is the annual or monthly cost to a customer for offering service in a remote local exchange area through the use of BAVT's Wide Area Flexpath service? How many customers are currently utilizing this service?

10. For BAVT, what is the annual or monthly cost of Foreign Exchange service? How many customers currently utilize this service?

11. For BAVT, how is service provided to interstate ISPs, such as AOL or Compuserve? Dose the foreign ISP simply purchase local business lines and transfer calls at central offices to other facilities owned or controlled by the ISP, or does BAVT also provide

transport service to the ISP's point of presence in Vermont? If transport is provided, what rates are charged for these services?

12. For BAVT, what are the company's most recent cost estimates for providing transport services for "virtual NXX" to Hyperion's point of presence in Burlington? How was BAVT compensated for this service? How much reciprocal compensation was paid by BAVT for transporting these calls? Did Hyperion also pay reciprocal compensation to BAVT?

13. To all parties, do you believe a "bill and keep" arrangement for billing, with regard to NXX traffic, would be more equitable than reciprocal compensation agreements? If not, please explain.

14. For each ISP, please list the towns and cities in which you are currently offering service to customers utilizing a "virtual NXX" arrangement.

15. For each ISP, please list the towns and cities in which you are currently offering service to customers utilizing arrangements other than NXX. Please specify the type of arrangement being used for each town or city.

16. For all parties, please explain the differences in call routing and pricing for the following two scenarios. In each case, assume that the recipient of the call is a customer of a competitive local exchange carrier ("CLEC") that is physically located in Burlington and that actually terminates traffic at that Burlington location.

Scenario 1: Customer obtains a telephone number in an NXX-block that is assigned to the Burlington exchange.

Scenario 2: Customer obtains a telephone number in an NXX-block that is assigned to the Montpelier exchange.

a. Is the call routed in the same manner in both scenarios? If not, please explain the difference.

b. Is the compensation paid by the CLEC to BAVT the same in each scenario? Is the compensation paid by BAVT to the CLEC the same? If not, please explain the differences.

c. If the call originated in Northfield (served by the Northfield Telephone Company), do the answers to the previous questions change?

SO ORDERED.

DATED at Montpelier, Vermont, this 16th day of April, 1999.

s/ Peter B. Meyer  
Peter Meyer  
Hearing Officer

s/ Gregg C. Faber  
Gregg C. Faber  
Hearing Officer

OFFICE OF THE CLERK

FILED: April 16, 1999

ATTEST: s/ Cynthia G. Buska  
Assistant Clerk of the Board

*Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board of any technical errors, in order that any necessary corrections may be made.*