

R746-349-6. CLEC and ILEC Subject to Pricing Flexibility Exemptions

A. Unless otherwise ordered by the Commission either in the CLEC's or ILEC's certificate proceeding or in a proceeding instituted by the Commission or other party, a CLEC or ILEC subject to pricing flexibility pursuant to 54-8b-2.3 is exempt from the following statutes and rules. All other rules of the Commission and all other duties of public utilities not specifically exempted by these rules apply to a CLEC or ILEC subject to pricing flexibility pursuant to 54-8b-2.3. All powers of the Commission not specifically altered by these rules apply to a CLEC or ILEC subject to pricing flexibility pursuant to 54-8b-2.3.

1. Exemptions from Title 54:

- 54-3-8, 54-3-19 -- Prohibitions of discrimination
- 54-7-12 -- Rate increases or decreases
- 54-4-21 -- Establishment of property values
- 54-4-24 -- Depreciation rates
- 54-4-26 -- Approval of expenditures

2. Exemptions from Commission rules:

- R746-340-2 (D) -- Uniform System of Accounts (47 CFR 32)
- R746-340-2 (E) (1) -- Tariff filings required
- R746-340-2 (E) (2) -- Exchange Maps
- R746-341 -- Lifeline (CLEC with ETC status)
- R746-344 -- Rate case filing requirements
- R746-401 -- Reporting of construction, acquisition and disposition of assets
- R746-405 -- Tariff formats
- R746-600 -- Accounting for post-retirement benefits

3. The CLEC will be exempted from the Lifeline rule, R746-341, only until the Commission establishes Lifeline rules that may include the CLEC or until the CLEC begins to provide residential local exchange service. The ILEC will not be exempted from the R746-341. Lifeline Rule.

B. All LECs shall be exempt from the requirements of sections 54-4-28, 54-4-29, and 54-4-30

1. upon the LEC filing notice with the Commission that a proposed transaction otherwise subject to one or more of those sections is solely for the purpose of undertaking restructuring, reorganization, internal transfer, or other change in form of the LEC; or

2. unless otherwise notified by the Commission pursuant to subsection B(2)(c), on the 31st day after the LEC files an application with the Commission subject to the following procedures:

a. The LEC shall submit an application consisting of a reasonably detailed description of the transaction for which

exemption is sought and a copy of any filing required by the Federal Communications Commission in connection a transaction

i. The LEC also shall provide copies of any notices, correspondence or orders from any federal agency reviewing the transaction subject to the application.

b. Upon receipt of the LEC's application, the Commission will issue public notice stating that the application has been received for filing, and that any interested party may submit comments within 14 days, and may submit reply comments within 21 days following public notice.

c. At any time before 31 days following public notice, the Commission may issue another public notice stating (i) that the LEC has been denied exemption, (ii) the reasons for the denial, which may include failure to qualify for streamlined treatment from a federal agency and (iii) the expected timeframe for the Commission to determine whether it will approve the proposed transaction. The Commission may require further proceedings as necessary to determine whether the proposed transaction is in the public interest but in the absence of extraordinary circumstances, the Commission will take final action on the application no later than 90 days from the date the application was filed.