

MINUTES OF THE SENATE UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 20, 2008 in Room 526-S of the Capitol.

Committee members absent:

Committee staff present: Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

David Springe, CURB
Mark Schreiber, Westar Energy

Others in attendance: See enclosed sheet

Chair opened the hearing on:

HB 2681 - Review of regulations and laws with the intent of promoting nuclear industrial development

Revisor noted **HB 2681** would repeal KSA 48-1604 that requires several state agencies to study the need for changes in state law arising from the presence in Kansas of nuclear materials and facilities.

Proponent:

Mark Schreiber, Westar Energy, noted the repeal of K.S.A. 48-1604 will not prevent state agencies from initiating or pursuing these studies. (Attachment 1)

Chair closed the hearing on **HB 2681**.

Chair opened the hearing on:

HB 2919 - CURB: negotiation for contracts for professional services

Revisor noted **HB 2919** would authorize CURB to negotiate contracts for professional services.

Proponent:

David Springe, Consumer Counsel, Citizens' Utility Ratepayers Board, noted the language in **HB 2919** is drawn directly from an existing agency budget proviso; therefore, the agency already follows the procedures in negotiating contracts for professional services. The bill would formalize these procedures.

(Attachment 2)

Chair closed the hearing on **HB 2919**.

Chair continued discussion and possible action on **HB 2637**.

Question was directed to SRS as to how often they provided Lifeline updated information to the utility. SRS indicated updates could be provided as required (once or twice a year) and also noted SRS provides information only on the current customers of the utility.

Moved by Senator Apple, seconded by Senator Taddiken, **HB 2919** be amended into **HB 2637**. Motion carried. "No" vote recorded for Senator Francisco.

Moved by Senator Petersen, seconded by Senator Lee, to amend **HB 2637** on page 10, line 7 to change the date from July 1, 2006 to July 1, 2008. Motion carried (Attachment 3) z2637h2

Moved by Senator Lee, to amend **HB 2637** on page 10, line 7 by changing date to '2010'. Motion failed due to lack of a second. (Attachment 4) z2637h1

CONTINUATION SHEET

MINUTES OF THE Senate Utilities Committee at 9:30 A.M. on March 20, 2008 in Room 526-S of the Capitol.

Moved by Senator Lee, seconded by Senator Apple, to amend **HB 2637** on line 30 by inserting new language with one word change from 'lower' to 'adjust' and to return the stricken language on line 28 to the bill. Motion failed by vote of 3 yes and 5 no (Attachment 5) z2637g1

Moved by Senator Lee, to amend **HB 2637** on page 8, line 28 by changing date to 2010. Motion failed due to lack of a second. (Attachment 6) z2637g2

Moved by Senator Lee, seconded by Senator Apple, to amend **HB 2637**, z2637g1, by adding language to indicate rates could not be adjusted more than 2.5% per year of the CPI-U rate. Motion carried.
(Attachment 5)

Chair asked Revisor staff to bring an updated balloon with the amendments passed in this meeting so that work could be continued on **HB 2637** at the next Senate Utilities meeting on Monday, March 24, 2008.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 6

SENATE UTILITIES COMMITTEE GUEST LIST

DATE: MARCH 20, 2008

Name	Representing
Cyndi Gallagher	ATT
Bruce May	ATT
Ascon Cattin	ATT
DON BROWN	Fleishman-Hillard
Ernst Kufly	UNION
Dan Jacobson	AT + T
Linda Langston	Cox
Deb Vignatelli	AT + T
SUSAN CUMMINGS	AARP
Carolyn Foster	Emery
Mark Schreiber	Westar
Mick Urban	Kansas Gas Service
Pam Sprung	Curb
Tom Gorenberg	AT & T
Shuly Allen	SITH



MARK A. SCHREIBER
Director, Government Affairs

Testimony before the Senate Utilities Committee on HB 2681

March 20, 2008

Chairman Emler and members of the committee, thank you for the opportunity to address you today on House Bill 2681. Westar Energy supports the bill.

K.S.A. 48-1604 directs various state agencies, such as the department of commerce, the state labor department and the department of transportation to initiate and pursue continuing studies as to changes needed in state laws related to the presence of nuclear industrial development in the state.

The repeal of K.S.A. 48-1604 will not prevent state agencies from initiating or pursuing these studies. We believe it is unnecessary and respectfully ask for your support to repeal the statute.

Thank you again. I will answer questions at the appropriate time.

Senate Utilities Committee
March 20, 2008
Attachment 1-1

Citizens' Utility Ratepayer Board

Board Members:

Gene Merry, Chair
Randy Brown, Vice-Chair
Carol I. Faucher, Member
Laura L. McClure, Member
A.W. Dirks, Member



State of Kansas

Kathleen Sebelius, Governor

David Sprunge, Consumer Counsel
1500 S.W. Arrowhead Road
Topeka, Kansas 66604-4027
Phone: (785) 271-3200
Fax: (785) 271-3116
<http://curb.kansas.gov>

SENATE UTILITIES COMMITTEE H.B. 2919

Testimony on Behalf of the Citizens' Utility Ratepayer Board
By David Sprunge, Consumer Counsel
March 20, 2008

Chairman Emler and members of the committee:

Thank you for this opportunity to offer testimony in support of H.B. 2919. HB 2919 authorizes a statutory framework for the Citizens' Utility Ratepayer Board (CURB) to follow when negotiating contracts for professional services. The agency currently follows the procedures set forth in HB 2919 and recommends the committee formalize these procedures through passage of this bill.

CURB is the statutory advocate for residential and small commercial customers in cases before the Kansas Corporation Commission, the Kansas courts and the legislature. The agency is a five member volunteer board appointed by the Governor, composed of one member from each congressional district and one at large appointment. The agency is staffed with three attorneys, one technical analyst and two support staff. The majority of the agency's work in cases is done through the hiring of outside technical experts (accountants, engineers, economists, cost of capital and rate design) who evaluate the utility proposals and serve as expert witnesses on behalf of the agency in trial. The agency is fee funded, paid for by the customers it represents in cases and is not funded through the state general fund.

The agency recommends the committee pass HB 2919 for the following reasons:

- The language in HB 2919 is drawn directly from an existing agency budget proviso. Therefore the agency already follows these procedures in negotiating contracts for professional services.
- This type of standardized practice is more appropriate for statutory treatment, as opposed to annual proviso treatment through the appropriations process.
- The language in HB 2919 mirrors language in K.S.A. 66-1513, which authorizes and sets forth procedures for negotiating contracts for professional services for the Kansas Corporation Commission. Since CURB is a small board, the Kansas Corporation Commission performs a number of administrative and IT services for the agency.

Thank you for the opportunity to support HB 2919.

Senate Utilities Committee
March 20, 2008
Attachment 2-1

HOUSE BILL No. 2637

By Committee on Energy and Utilities

1-17

9 AN ACT concerning telecommunications; relating to pricing flexibility
10 and the lifeline service program; amending K.S.A. 66-2006 and K.S.A.
11 2007 Supp. 66-2005 and repealing the existing sections.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2007 Supp. 66-2005 is hereby amended to read as
15 follows: 66-2005. (a) Each local exchange carrier shall file a network in-
16 frastructure plan with the commission on or after January 1, 1997, and
17 prior to January 1, 1998. Each plan, as a part of universal service protec-
18 tion, shall include schedules, which shall be approved by the commission,
19 for deployment of universal service capabilities by July 1, 1998, and the
20 deployment of enhanced universal service capabilities by July 1, 2003, as
21 defined pursuant to subsections (p) and (q) of K.S.A. 66-1,187, and
22 amendments thereto, respectively. With respect to enhanced universal
23 service, such schedules shall provide for deployment of ISDN, or its tech-
24 nological equivalent, or broadband facilities, only upon a firm customer
25 order for such service, or for deployment of other enhanced universal
26 services by a local exchange carrier. After receipt of such an order and
27 upon completion of a deployment plan designed to meet the firm order
28 or otherwise provide for the deployment of enhanced universal service,
29 a local exchange carrier shall notify the commission. The commission shall
30 approve the plan unless the commission determines that the proposed
31 deployment plan is unnecessary, inappropriate, or not cost effective, or
32 would create an unreasonable or excessive demand on the KUSF. The
33 commission shall take action within 90 days. If the commission fails to
34 take action within 90 days, the deployment plan shall be deemed ap-
35 proved. This approval process shall continue until July 1, 2000. Each plan
36 shall demonstrate the capability of the local exchange carrier to comply
37 on an ongoing basis with quality of service standards to be adopted by
38 the commission no later than January 1, 1997.

39 (b) In order to protect universal service, facilitate the transition to
40 competitive markets and stimulate the construction of an advanced tel-
41 ecommunications infrastructure, each local exchange carrier shall file a
42 regulatory reform plan at the same time as it files the network infrastruc-
43 ture plan required in subsection (a). As part of its regulatory reform plan,

Senate Utilities Committee
March 20, 2008
Attachment 3-1

1 price deregulated exchanges and the change in the number of competitors
2 in price deregulated exchanges. If the commission finds that the
3 weighted, average rate of nonwireless basic local telecommunications
4 service, in exchanges that have been price deregulated pursuant to sub-
5 section (q)(1)(B), (C) or (D) in any one year period is greater than the
6 weighted, statewide average rate of nonwireless basic local telecommu-
7 nications service as of July 1, 2006, multiplied by one plus the percentage
8 increase in the consumer price index for goods and services for the study
9 periods, or the commission believes that changes in state law are war-
10 ranted due to the status of competition, the commission shall recommend
11 to the governor, the legislature and each member of the standing com-
12 mittees of the house of representatives and the senate which are assigned
13 telecommunications issues such changes in state law as the commission
14 deems appropriate.

2008

15 (8) For the purposes of this subsection:

16 (A) "Packages or bundles of services" means the offering of a local
17 telecommunications service with one or more of the following, subscribed
18 together, as one service option offered at one price, one or more call
19 management services, intraLATA long distance service, interLATA long
20 distance service, internet access, video services or wireless services. Pack-
21 ages or bundles of services shall not include only a single residential local
22 exchange access line or up to four business local exchange access lines at
23 one location and intraLATA long distance service or interLATA long dis-
24 tance service, or both;

25 (B) "local telecommunications service" means two-way voice service
26 capable of being originated and terminated within the exchange of the
27 local exchange telecommunications company seeking price deregulation
28 of its services, regardless of the technology used to provision the voice
29 service;

30 (C) "broadband network" means a connection that delivers services
31 at speeds exceeding two hundred kilobits per second in both directions;

32 (D) "prepaid telecommunications service" means a local service for
33 which payment is made in advance that excludes access to operator as-
34 sistance and long distance service;

35 (E) "facilities based carrier" means a telecommunications carrier or
36 entity providing local telecommunications service either wholly or par-
37 tially over its own network. Facilities based carrier shall not include any
38 radio communication services provider licensed by the federal commu-
39 nications commission to provide commercial mobile radio services; and

40 (F) "call management services" means optional telecommunications
41 services that allow a customer to manage call flow generated over the
42 customer's local exchange access line.

43 (r) (1) Upon complaint or request, the commission may investigate

HOUSE BILL No. 2637

By Committee on Energy and Utilities

1-17

9 AN ACT concerning telecommunications; relating to pricing flexibility
 10 and the lifeline service program; amending K.S.A. 66-2006 and K.S.A.
 11 2007 Supp. 66-2005 and repealing the existing sections.
 12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2007 Supp. 66-2005 is hereby amended to read as
 15 follows: 66-2005. (a) Each local exchange carrier shall file a network in-
 16 frastructure plan with the commission on or after January 1, 1997, and
 17 prior to January 1, 1998. Each plan, as a part of universal service protec-
 18 tion, shall include schedules, which shall be approved by the commission,
 19 for deployment of universal service capabilities by July 1, 1998, and the
 20 deployment of enhanced universal service capabilities by July 1, 2003, as
 21 defined pursuant to subsections (p) and (q) of K.S.A. 66-1,187, and
 22 amendments thereto, respectively. With respect to enhanced universal
 23 service, such schedules shall provide for deployment of ISDN, or its tech-
 24 nological equivalent, or broadband facilities, only upon a firm customer
 25 order for such service, or for deployment of other enhanced universal
 26 services by a local exchange carrier. After receipt of such an order and
 27 upon completion of a deployment plan designed to meet the firm order
 28 or otherwise provide for the deployment of enhanced universal service,
 29 a local exchange carrier shall notify the commission. The commission shall
 30 approve the plan unless the commission determines that the proposed
 31 deployment plan is unnecessary, inappropriate, or not cost effective, or
 32 would create an unreasonable or excessive demand on the KUSF. The
 33 commission shall take action within 90 days. If the commission fails to
 34 take action within 90 days, the deployment plan shall be deemed ap-
 35 proved. This approval process shall continue until July 1, 2000. Each plan
 36 shall demonstrate the capability of the local exchange carrier to comply
 37 on an ongoing basis with quality of service standards to be adopted by
 38 the commission no later than January 1, 1997.

39 (b) In order to protect universal service, facilitate the transition to
 40 competitive markets and stimulate the construction of an advanced tel-
 41 ecommunications infrastructure, each local exchange carrier shall file a
 42 regulatory reform plan at the same time as it files the network infrastruc-
 43 ture plan required in subsection (a). As part of its regulatory reform plan,

Senate Utilities Committee
 March 20, 2008
 Attachment 4-1

4-2

1 a local exchange carrier may elect traditional rate of return regulation or
 2 price cap regulation. Carriers that elect price cap regulation shall be ex-
 3 empt from rate base, rate of return and earnings regulation. However,
 4 the commission may resume such regulation upon finding, after a hearing,
 5 that a carrier that is subject to price cap regulation has: violated minimum
 6 quality of service standards pursuant to subsection (1) of K.S.A. 66-2002,
 7 and amendments thereto; been given reasonable notice and an oppor-
 8 tunity to correct the violation; and failed to do so. Regulatory reform plans
 9 also shall include:

10 (1) A commitment to provide existing and newly ordered point-to-
 11 point broadband services to: Any hospital as defined in K.S.A. 65-425,
 12 and amendments thereto; any school accredited pursuant to K.S.A. 72-
 13 1101 et seq., and amendments thereto; any public library; or other state
 14 and local government facilities at discounted prices close to, but not be-
 15 low, long-run incremental cost; and

16 (2) a commitment to provide basic rate ISDN service, or the tech-
 17 nological equivalent, at prices which are uniform throughout the carrier's
 18 service area. Local exchange carriers shall not be required to allow retail
 19 customers purchasing the foregoing discounted services to resell those
 20 services to other categories of customers. Telecommunications carriers
 21 may purchase basic rate ISDN services, or the technological equivalent,
 22 for resale in accordance with K.S.A. 66-2003, and amendments thereto.
 23 The commission may reduce prices charged for services outlined in pro-
 24 visions (1) and (2) of this subsection, if the commitments of the local
 25 exchange carrier set forth in those provisions are not being kept.

26 (c) Subject to the commission's approval, all local exchange carriers
 27 shall reduce intrastate access charges to interstate levels as provided
 28 herein. Rates for intrastate switched access, and the imputed access por-
 29 tion of toll, shall be reduced over a three-year period with the objective
 30 of equalizing interstate and intrastate rates in a revenue neutral, specific
 31 and predictable manner. The commission is authorized to rebalance local
 32 residential and business service rates to offset the intrastate access and
 33 toll charge reductions. Any remaining portion of the reduction in access
 34 and toll charges not recovered through local residential and business serv-
 35 ice rates shall be paid out from the KUSF pursuant to K.S.A. 66-2008,
 36 and amendments thereto. Each rural telephone company shall adjust its
 37 intrastate switched access rates on March 1 of each odd-numbered year
 38 to match its interstate switched access rates, subject to the following:

39 (1) Any reduction of a rural telephone company's cost recovery due
 40 to reduction of its interstate access revenue shall be recovered from the
 41 KUSF;

42 (2) any portion of rural telephone company reductions in intrastate
 43 switched access rates which would result in an increase in KUSF recovery

on or before July 1, 2009,

HOUSE BILL No. 2637

By Committee on Energy and Utilities

1-17

Balloon Amendment

Senate Utilities Committee
March 20, 2008
Attachment 5-1

9 AN ACT concerning telecommunications; relating to pricing flexibility
10 and the lifeline service program; amending K.S.A. 66-2006 and K.S.A.
11 2007 Supp. 66-2005 and repealing the existing sections.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2007 Supp. 66-2005 is hereby amended to read as
15 follows: 66-2005. (a) Each local exchange carrier shall file a network in-
16 frastructure plan with the commission on or after January 1, 1997, and
17 prior to January 1, 1998. Each plan, as a part of universal service protec-
18 tion, shall include schedules, which shall be approved by the commission,
19 for deployment of universal service capabilities by July 1, 1998, and the
20 deployment of enhanced universal service capabilities by July 1, 2003, as
21 defined pursuant to subsections (p) and (q) of K.S.A. 66-1,187, and
22 amendments thereto, respectively. With respect to enhanced universal
23 service, such schedules shall provide for deployment of ISDN, or its tech-
24 nological equivalent, or broadband facilities, only upon a firm customer
25 order for such service, or for deployment of other enhanced universal
26 services by a local exchange carrier. After receipt of such an order and
27 upon completion of a deployment plan designed to meet the firm order
28 or otherwise provide for the deployment of enhanced universal service,
29 a local exchange carrier shall notify the commission. The commission shall
30 approve the plan unless the commission determines that the proposed
31 deployment plan is unnecessary, inappropriate, or not cost effective, or
32 would create an unreasonable or excessive demand on the KUSF. The
33 commission shall take action within 90 days. If the commission fails to
34 take action within 90 days, the deployment plan shall be deemed ap-
35 proved. This approval process shall continue until July 1, 2000. Each plan
36 shall demonstrate the capability of the local exchange carrier to comply
37 on an ongoing basis with quality of service standards to be adopted by
38 the commission no later than January 1, 1997.

39 (b) In order to protect universal service, facilitate the transition to
40 competitive markets and stimulate the construction of an advanced tel-
41 ecommunications infrastructure, each local exchange carrier shall file a
42 regulatory reform plan at the same time as it files the network infrastruc-
43 ture plan required in subsection (a). As part of its regulatory reform plan,

5-2

1 ices shall be price deregulated;

2 (C) in any exchange in which there are fewer than 75,000 local
3 exchange access lines served by all providers, the commission shall price
4 deregulate all business telecommunication services upon a demonstration
5 by the requesting local telecommunications carrier that there are two or
6 more nonaffiliated telecommunications carriers or other entities, that are
7 nonaffiliated with the local exchange carrier, providing local telecom-
8 munications service to business customers, regardless of whether the en-
9 tity provides local service in conjunction with other services in that
10 exchange area. One of such nonaffiliated carriers or entities shall be re-
11 quired to be a facilities-based carrier or entity and not more than one of
12 such nonaffiliated carriers or entities shall be a provider of commercial
13 mobile radio services in that exchange;

14 (D) in any exchange in which there are fewer than 75,000 local
15 exchange access lines served by all providers, the commission shall price
16 deregulate all residential telecommunication services upon a demonstra-
17 tion by the requesting local telecommunications carrier that there are two
18 or more nonaffiliated telecommunications carriers or other entities, that
19 are nonaffiliated with the local exchange carrier, providing local telecom-
20 munications service to residential customers, regardless of whether the
21 entity provides local service in conjunction with other services in that
22 exchange area. One of such nonaffiliated carriers or entities shall be re-
23 quired to be a facilities-based carrier or entity and not more than one of
24 such nonaffiliated carriers or entities shall be a provider of commercial
25 mobile radio services in that exchange;

26 (E) rates for lifeline services shall remain subject to price cap
27 regulation;

28 (F) ~~up to and continuing until July 1, 2008,~~ rates for the initial resi-
29 dential local exchange access line and up to four business local exchange
30 access lines at one location shall remain subject to price cap regulation.
31 Such rates shall not be affected by purchase of one or more of the fol-
32 lowing: Call management services, intraLATA long distance service or
33 interLATA long distance service; and

, except that the local exchange carrier shall be authorized to lower such rates without commission approval provided that such rates shall not be priced below the price floor established in subsection (k)

34 (G) local exchange carriers shall offer a uniform price throughout
35 each such exchange for services subject to price deregulation, under this
36 subsection, including packages or bundles of services, except as provided
37 in subsection (1) or as otherwise approved by the commission.

38 (2) For the purposes of this subsection:

39 (A) Any entity providing voice service shall be considered as a local
40 telecommunications service provider regardless of whether such entity is
41 subject to regulation by the commission;

42 (B) a provider of local telecommunications service that requires the
43 use of a third party, unaffiliated broadband network or dial-up internet

HOUSE BILL No. 2637

By Committee on Energy and Utilities

1-17

9 AN ACT concerning telecommunications; relating to pricing flexibility
10 and the lifeline service program; amending K.S.A. 66-2006 and K.S.A.
11 2007 Supp. 66-2005 and repealing the existing sections.

12
13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2007 Supp. 66-2005 is hereby amended to read as
15 follows: 66-2005. (a) Each local exchange carrier shall file a network in-
16 frastructure plan with the commission on or after January 1, 1997, and
17 prior to January 1, 1998. Each plan, as a part of universal service protec-
18 tion, shall include schedules, which shall be approved by the commission,
19 for deployment of universal service capabilities by July 1, 1998, and the
20 deployment of enhanced universal service capabilities by July 1, 2003, as
21 defined pursuant to subsections (p) and (q) of K.S.A. 66-1,187, and
22 amendments thereto, respectively. With respect to enhanced universal
23 service, such schedules shall provide for deployment of ISDN, or its tech-
24 nological equivalent, or broadband facilities, only upon a firm customer
25 order for such service, or for deployment of other enhanced universal
26 services by a local exchange carrier. After receipt of such an order and
27 upon completion of a deployment plan designed to meet the firm order
28 or otherwise provide for the deployment of enhanced universal service,
29 a local exchange carrier shall notify the commission. The commission shall
30 approve the plan unless the commission determines that the proposed
31 deployment plan is unnecessary, inappropriate, or not cost effective, or
32 would create an unreasonable or excessive demand on the KUSF. The
33 commission shall take action within 90 days. If the commission fails to
34 take action within 90 days, the deployment plan shall be deemed ap-
35 proved. This approval process shall continue until July 1, 2000. Each plan
36 shall demonstrate the capability of the local exchange carrier to comply
37 on an ongoing basis with quality of service standards to be adopted by
38 the commission no later than January 1, 1997.

39 (b) In order to protect universal service, facilitate the transition to
40 competitive markets and stimulate the construction of an advanced tel-
41 ecommunications infrastructure, each local exchange carrier shall file a
42 regulatory reform plan at the same time as it files the network infrastruc-
43 ture plan required in subsection (a). As part of its regulatory reform plan,

Balloon Amendment

Senate Utilities Committee
March 20, 2008
Attachment 6-1

6-2

1 ices shall be price deregulated;

2 (C) in any exchange in which there are fewer than 75,000 local
3 exchange access lines served by all providers, the commission shall price
4 deregulate all business telecommunication services upon a demonstration
5 by the requesting local telecommunications carrier that there are two or
6 more nonaffiliated telecommunications carriers or other entities, that are
7 nonaffiliated with the local exchange carrier, providing local telecom-
8 munications service to business customers, regardless of whether the en-
9 tity provides local service in conjunction with other services in that
10 exchange area. One of such nonaffiliated carriers or entities shall be re-
11 quired to be a facilities-based carrier or entity and not more than one of
12 such nonaffiliated carriers or entities shall be a provider of commercial
13 mobile radio services in that exchange;

14 (D) in any exchange in which there are fewer than 75,000 local
15 exchange access lines served by all providers, the commission shall price
16 deregulate all residential telecommunication services upon a demonstra-
17 tion by the requesting local telecommunications carrier that there are two
18 or more nonaffiliated telecommunications carriers or other entities, that
19 are nonaffiliated with the local exchange carrier, providing local telecom-
20 munications service to residential customers, regardless of whether the
21 entity provides local service in conjunction with other services in that
22 exchange area. One of such nonaffiliated carriers or entities shall be re-
23 quired to be a facilities-based carrier or entity and not more than one of
24 such nonaffiliated carriers or entities shall be a provider of commercial
25 mobile radio services in that exchange;

26 (E) rates for lifeline services shall remain subject to price cap
27 regulation;

28 (F) *up to and continuing until July 1, ~~2008~~* rates for the initial resi-
29 dential local exchange access line and up to four business local exchange
30 access lines at one location shall remain subject to price cap regulation.
31 Such rates shall not be affected by purchase of one or more of the fol-
32 lowing: Call management services, intraLATA long distance service or
33 interLATA long distance service; and

2010

34 (G) local exchange carriers shall offer a uniform price throughout
35 each such exchange for services subject to price deregulation, under this
36 subsection, including packages or bundles of services, except as provided
37 in subsection (1) or as otherwise approved by the commission.

38 (2) For the purposes of this subsection:

39 (A) Any entity providing voice service shall be considered as a local
40 telecommunications service provider regardless of whether such entity is
41 subject to regulation by the commission;

42 (B) a provider of local telecommunications service that requires the
43 use of a third party, unaffiliated broadband network or dial-up internet