



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB3437

Introduced 6/28/2016, by Sen. Wm. Sam McCann

SYNOPSIS AS INTRODUCED:

220 ILCS 5/13-506.2

Amends the Public Utilities Act. In a provision concerning market regulation for competitive retail services, makes changes to the definition of "basic local exchange service". Provides that "basic local exchange service" means residential and business lines used for local exchange telecommunications service (rather than either a stand-alone residence network access line and per-call usage or, for any geographic area in which such stand-alone service is not offered, a stand-alone flat rate residence network access line for which local calls are not charged for frequency or duration). Retains within the definition that Extended Area Service shall be included in basic local exchange service. Provides that an Electing Provider shall restore basic local exchange service for the customer within 24 (rather than 30) hours after receiving notice that the customer is out of service. Provides that if an Electing Provider fails to repair an out-of-service condition for basic local exchange service within 24 (rather than 30) hours, the Electing Provider shall provide a credit to the customer. Provides that if the service disruption is for more than 24 (rather than 30) hours, but not more than 48 hours, the credit must be equal to a pro-rata portion of the monthly recurring charges for all basic local exchange services disrupted. Makes related changes to provisions requiring Electing Providers to make quarterly reports to the Illinois Commerce Commission.

LRB099 22209 EGJ 49578 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Utilities Act is amended by changing
5 Section 13-506.2 as follows:

6 (220 ILCS 5/13-506.2)

7 (Section scheduled to be repealed on July 1, 2017)

8 Sec. 13-506.2. Market regulation for competitive retail
9 services.

10 (a) Definitions. As used in this Section:

11 (1) "Electing Provider" means a telecommunications
12 carrier that is subject to either rate regulation pursuant
13 to Section 13-504 or Section 13-505 or alternative
14 regulation pursuant to Section 13-506.1 and that elects to
15 have the rates, terms, and conditions of its competitive
16 retail telecommunications services solely determined and
17 regulated pursuant to the terms of this Article.

18 (2) "Basic local exchange service" means residential
19 and business lines used for local exchange
20 telecommunications service ~~either a stand-alone residence~~
21 ~~network access line and per-call usage or, for any~~
22 ~~geographic area in which such stand-alone service is not~~
23 ~~offered, a stand-alone flat rate residence network access~~

1 ~~line for which local calls are not charged for frequency or~~
2 ~~duration.~~ Extended Area Service shall be included in basic
3 local exchange service.

4 (3) "Existing customer" means a residential customer
5 who was subscribing to one of the optional packages
6 described in subsection (d) of this Section as of the
7 effective date of this amendatory Act of the 99th General
8 Assembly. A customer who was subscribing to one of the
9 optional packages on that date but stops subscribing
10 thereafter shall not be considered an "existing customer"
11 as of the date the customer stopped subscribing to the
12 optional package, unless the stoppage is temporary and
13 caused by the customer changing service address locations,
14 or unless the customer resumes subscribing and is eligible
15 to receive discounts on monthly telephone service under the
16 federal Lifeline program, 47 C.F.R. Part 54, Subpart E.

17 (4) "New customer" means a residential customer who was
18 not subscribing to one of the optional packages described
19 in subsection (d) of this Section as of the effective date
20 of this amendatory Act of the 99th General Assembly and who
21 is eligible to receive discounts on monthly telephone
22 service under the federal Lifeline program, 47 C.F.R. Part
23 54, Subpart E.

24 (b) Election for market regulation. Notwithstanding any
25 other provision of this Act, an Electing Provider may elect to
26 have the rates, terms, and conditions of its competitive retail

1 telecommunications services solely determined and regulated
2 pursuant to the terms of this Section by filing written notice
3 of its election for market regulation with the Commission. The
4 notice of election shall designate the geographic area of the
5 Electing Provider's service territory where the market
6 regulation shall apply, either on a state-wide basis or in one
7 or more specified Market Service Areas ("MSA") or Exchange
8 areas. An Electing Provider shall not make an election for
9 market regulation under this Section unless it commits in its
10 written notice of election for market regulation to fulfill the
11 conditions and requirements in this Section in each geographic
12 area in which market regulation is elected. Immediately upon
13 filing the notice of election for market regulation, the
14 Electing Provider shall be subject to the jurisdiction of the
15 Commission to the extent expressly provided in this Section.

16 (c) Competitive classification. Market regulation shall be
17 available for competitive retail telecommunications services
18 as provided in this subsection.

19 (1) For geographic areas in which telecommunications
20 services provided by the Electing Provider were classified
21 as competitive either through legislative action or a
22 tariff filing pursuant to Section 13-502 prior to January
23 1, 2010, and that are included in the Electing Provider's
24 notice of election pursuant to subsection (b) of this
25 Section, such services, and all recurring and nonrecurring
26 charges associated with, related to or used in connection

1 with such services, shall be classified as competitive
2 without further Commission review. For services classified
3 as competitive pursuant to this subsection, the
4 requirements or conditions in any order or decision
5 rendered by the Commission pursuant to Section 13-502 prior
6 to the effective date of this amendatory Act of the 96th
7 General Assembly, except for the commitments made by the
8 Electing Provider in such order or decision concerning the
9 optional packages required in subsection (d) of this
10 Section and basic local exchange service as defined in this
11 Section, shall no longer be in effect and no Commission
12 investigation, review, or proceeding under Section 13-502
13 shall be continued, conducted, or maintained with respect
14 to such services, charges, requirements, or conditions. If
15 an Electing Provider has ceased providing optional
16 packages to customers pursuant to subdivision (d)(8) of
17 this Section, the commitments made by the Electing Provider
18 in such order or decision concerning the optional packages
19 under subsection (d) of this Section shall no longer be in
20 effect and no Commission investigation, review, or
21 proceeding under Section 13-502 shall be continued,
22 conducted, or maintained with respect to such packages.

23 (2) For those geographic areas in which residential
24 local exchange telecommunications services have not been
25 classified as competitive as of the effective date of this
26 amendatory Act of the 96th General Assembly, all

1 telecommunications services provided to residential and
2 business end users by an Electing Provider in the
3 geographic area that is included in its notice of election
4 pursuant to subsection (b) shall be classified as
5 competitive for purposes of this Article without further
6 Commission review.

7 (3) If an Electing Provider was previously subject to
8 alternative regulation pursuant to Section 13-506.1 of
9 this Article, the alternative regulation plan shall
10 terminate in whole for all services subject to that plan
11 and be of no force or effect, without further Commission
12 review or action, when the Electing Provider's residential
13 local exchange telecommunications service in each MSA in
14 its telecommunications service area in the State has been
15 classified as competitive pursuant to either subdivision
16 (c) (1) or (c) (2) of this Section.

17 (4) The service packages described in Section 13-518
18 shall be classified as competitive for purposes of this
19 Section if offered by an Electing Provider in a geographic
20 area in which local exchange telecommunications service
21 has been classified as competitive pursuant to either
22 subdivision (c) (1) or (c) (2) of this Section.

23 (5) Where a service, or its functional equivalent, or a
24 substitute service offered by a carrier that is not an
25 Electing Provider or the incumbent local exchange carrier
26 for that area is also being offered by an Electing Provider

1 for some identifiable class or group of customers in an
2 exchange, group of exchanges, or some other clearly defined
3 geographical area, the service offered by a carrier that is
4 not an Electing Provider or the incumbent local exchange
5 carrier for that area shall be classified as competitive
6 without further Commission review.

7 (6) Notwithstanding any other provision of this Act,
8 retail telecommunications services classified as
9 competitive pursuant to Section 13-502 or subdivision
10 (c)(5) of this Section shall have their rates, terms, and
11 conditions solely determined and regulated pursuant to the
12 terms of this Section in the same manner and to the same
13 extent as the competitive retail telecommunications
14 services of an Electing Provider, except that subsections
15 (d), (g), and (j) of this Section shall not apply to a
16 carrier that is not an Electing Provider or to the
17 competitive telecommunications services of a carrier that
18 is not an Electing Provider. The access services of a
19 carrier that is not an Electing Provider shall remain
20 subject to Section 13-900.2. The requirements in
21 subdivision (e)(3) of this Section shall not apply to
22 retail telecommunications services classified as
23 competitive pursuant to Section 13-502 or subdivision
24 (c)(5) of this Section, except that, upon request from the
25 Commission, the telecommunications carrier providing
26 competitive retail telecommunications services shall

1 provide a report showing the number of credits and
2 exemptions for the requested time period.

3 (d) Consumer choice safe harbor options.

4 (1) Subject to subdivision (d)(8) of this Section, an
5 Electing Provider in each of the MSA or Exchange areas
6 classified as competitive pursuant to subdivision (c)(1)
7 or (c)(2) of this Section shall offer to all residential
8 customers who choose to subscribe the following optional
9 packages of services priced at the same rate levels in
10 effect on January 1, 2010:

11 (A) A basic package, which shall consist of a
12 stand-alone residential network access line and 30
13 local calls. If the Electing Provider offers a
14 stand-alone residential access line and local usage on
15 a per call basis, the price for the basic package shall
16 be the Electing Provider's applicable price in effect
17 on January 1, 2010 for the sum of a residential access
18 line and 30 local calls, additional calls over 30 calls
19 shall be provided at the current per call rate.
20 However, this basic package is not required if
21 stand-alone residential network access lines or
22 per-call local usage are not offered by the Electing
23 Provider in the geographic area on January 1, 2010 or
24 if the Electing Provider has not increased its
25 stand-alone network access line and local usage rates,
26 including Extended Area Service rates, since January

1 1, 2010.

2 (B) An extra package, which shall consist of
3 residential basic local exchange network access line
4 and unlimited local calls. The price for the extra
5 package shall be the Electing Provider's applicable
6 price in effect on January 1, 2010 for a residential
7 access line with unlimited local calls.

8 (C) A plus package, which shall consist of
9 residential basic local exchange network access line,
10 unlimited local calls, and the customer's choice of 2
11 vertical services offered by the Electing Provider.
12 The term "vertical services" as used in this
13 subsection, includes, but is not limited to, call
14 waiting, call forwarding, 3-way calling, caller ID,
15 call tracing, automatic callback, repeat dialing, and
16 voicemail. The price for the plus package shall be the
17 Electing Provider's applicable price in effect on
18 January 1, 2010 for the sum of a residential access
19 line with unlimited local calls and 2 times the average
20 price for the vertical features included in the
21 package.

22 (2) Subject to subdivision (d)(8) of this Section, for
23 those geographic areas in which local exchange
24 telecommunications services were classified as competitive
25 on the effective date of this amendatory Act of the 96th
26 General Assembly, an Electing Provider in each such MSA or

1 Exchange area shall be subject to the same terms and
2 conditions as provided in commitments made by the Electing
3 Provider in connection with such previous competitive
4 classifications, which shall apply with equal force under
5 this Section, except as follows: (i) the limits on price
6 increases on the optional packages required by this Section
7 shall be extended consistent with subsection (d) (1) of this
8 Section and (ii) the price for the extra package required
9 by subsection (d) (1) (B) shall be reduced by one dollar from
10 the price in effect on January 1, 2010. In addition, if an
11 Electing Provider obtains a competitive classification
12 pursuant to subsection (c) (1) and (c) (2), the price for the
13 optional packages shall be determined in such area in
14 compliance with subsection (d) (1), except the price for the
15 plus package required by subsection (d) (1) (C) shall be the
16 lower of the price for such area or the price of the plus
17 package in effect on January 1, 2010 for areas classified
18 as competitive pursuant to subsection (c) (1).

19 (3) To the extent that the requirements in Section
20 13-518 applied to a telecommunications carrier prior to the
21 effective date of this Section and that telecommunications
22 carrier becomes an Electing Provider in accordance with the
23 provisions of this Section, the requirements in Section
24 13-518 shall cease to apply to that Electing Provider in
25 those geographic areas included in the Electing Provider's
26 notice of election pursuant to subsection (b) of this

1 Section.

2 (4) Subject to subdivision (d)(8) of this Section, an
3 Electing Provider shall make the optional packages
4 required by this subsection and stand-alone residential
5 network access lines and local usage, where offered,
6 readily available to the public by providing information,
7 in a clear manner, to residential customers. Information
8 shall be made available on a website, and an Electing
9 Provider shall provide notification to its customers every
10 6 months, provided that notification may consist of a bill
11 page message that provides an objective description of the
12 safe harbor options that includes a telephone number and
13 website address where the customer may obtain additional
14 information about the packages from the Electing Provider.
15 The optional packages shall be offered on a monthly basis
16 with no term of service requirement. An Electing Provider
17 shall allow online electronic ordering of the optional
18 packages and stand-alone residential network access lines
19 and local usage, where offered, on its website in a manner
20 similar to the online electronic ordering of its other
21 residential services.

22 (5) Subject to subdivision (d)(8) of this Section, an
23 Electing Provider shall comply with the Commission's
24 existing rules, regulations, and notices in Title 83, Part
25 735 of the Illinois Administrative Code when offering or
26 providing the optional packages required by this

1 subsection (d) and stand-alone residential network access
2 lines.

3 (6) Subject to subdivision (d)(8) of this Section, an
4 Electing Provider shall provide to the Commission
5 semi-annual subscribership reports as of June 30 and
6 December 31 that contain the number of its customers
7 subscribing to each of the consumer choice safe harbor
8 packages required by subsection (d)(1) of this Section and
9 the number of its customers subscribing to retail
10 residential basic local exchange service as defined in
11 subsection (a)(2) of this Section. The first semi-annual
12 reports shall be made on April 1, 2011 for December 31,
13 2010, and on September 1, 2011 for June 30, 2011, and
14 semi-annually on April 1 and September 1 thereafter. Such
15 subscribership information shall be accorded confidential
16 and proprietary treatment upon request by the Electing
17 Provider.

18 (7) The Commission shall have the power, after notice
19 and hearing as provided in this Article, upon complaint or
20 upon its own motion, to take corrective action if the
21 requirements of this Section are not complied with by an
22 Electing Provider.

23 (8) On and after the effective date of this amendatory
24 Act of the 99th General Assembly, an Electing Provider
25 shall continue to offer and provide the optional packages
26 described in this subsection (d) to existing customers and

1 new customers. On and after July 1, 2017, an Electing
2 Provider may immediately stop offering the optional
3 packages described in this subsection (d) and, upon
4 providing two notices to affected customers and to the
5 Commission, may stop providing the optional packages
6 described in this subsection (d) to all customers who
7 subscribe to one of the optional packages. The first notice
8 shall be provided at least 90 days before the date upon
9 which the Electing Provider intends to stop providing the
10 optional packages, and the second notice must be provided
11 at least 30 days before that date. The first notice shall
12 not be provided prior to July 1, 2017. Each notice must
13 identify the date on which the Electing Provider intends to
14 stop providing the optional packages, at least one
15 alternative service available to the customer, and a
16 telephone number by which the customer may contact a
17 service representative of the Electing Provider. After
18 July 1, 2017 with respect to new customers, and upon the
19 expiration of the second notice period with respect to
20 customers who were subscribing to one of the optional
21 packages, subdivisions (d)(1), (d)(2), (d)(4), (d)(5),
22 (d)(6), and (d)(7) of this Section shall not apply to the
23 Electing Provider. Notwithstanding any other provision of
24 this Article, an Electing Provider that has ceased
25 providing the optional packages under this subdivision
26 (d)(8) is not subject to Section 13-301(1)(c) of this Act.

1 Notwithstanding any other provision of this Act, and
2 subject to subdivision (d)(7) of this Section, the
3 Commission's authority over the discontinuance of the
4 optional packages described in this subsection (d) by an
5 Electing Provider shall be governed solely by this
6 subsection (d)(8).

7 (e) Service quality and customer credits for basic local
8 exchange service.

9 (1) An Electing Provider shall meet the following
10 service quality standards in providing basic local
11 exchange service, which for purposes of this subsection
12 (e), includes both basic local exchange service and any
13 consumer choice safe harbor options that may be required by
14 subsection (d) of this Section.

15 (A) Install basic local exchange service within 5
16 business days after receipt of an order from the
17 customer unless the customer requests an installation
18 date that is beyond 5 business days after placing the
19 order for basic service and to inform the customer of
20 the Electing Provider's duty to install service within
21 this timeframe. If installation of service is
22 requested on or by a date more than 5 business days in
23 the future, the Electing Provider shall install
24 service by the date requested.

25 (B) Restore basic local exchange service for the
26 customer within 24 ~~30~~ hours after receiving notice that

1 the customer is out of service.

2 (C) Keep all repair and installation appointments
3 for basic local exchange service if a customer premises
4 visit requires a customer to be present. The
5 appointment window shall be either a specific time or,
6 at a maximum, a 4-hour time block during evening,
7 weekend, and normal business hours.

8 (D) Inform a customer when a repair or installation
9 appointment requires the customer to be present.

10 (2) Customers shall be credited by the Electing
11 Provider for violations of basic local exchange service
12 quality standards described in subdivision (e) (1) of this
13 Section. The credits shall be applied automatically on the
14 statement issued to the customer for the next monthly
15 billing cycle following the violation or following the
16 discovery of the violation. The next monthly billing cycle
17 following the violation or the discovery of the violation
18 means the billing cycle immediately following the billing
19 cycle in process at the time of the violation or discovery
20 of the violation, provided the total time between the
21 violation or discovery of the violation and the issuance of
22 the credit shall not exceed 60 calendar days. The Electing
23 Provider is responsible for providing the credits and the
24 customer is under no obligation to request such credits.
25 The following credits shall apply:

26 (A) If an Electing Provider fails to repair an

1 out-of-service condition for basic local exchange
2 service within 24 ~~30~~ hours, the Electing Provider shall
3 provide a credit to the customer. If the service
4 disruption is for more than 24 ~~30~~ hours, but not more
5 than 48 hours, the credit must be equal to a pro-rata
6 portion of the monthly recurring charges for all basic
7 local exchange services disrupted. If the service
8 disruption is for more than 48 hours, but not more than
9 72 hours, the credit must be equal to at least 33% of
10 one month's recurring charges for all local services
11 disrupted. If the service disruption is for more than
12 72 hours, but not more than 96 hours, the credit must
13 be equal to at least 67% of one month's recurring
14 charges for all basic local exchange services
15 disrupted. If the service disruption is for more than
16 96 hours, but not more than 120 hours, the credit must
17 be equal to one month's recurring charges for all basic
18 local exchange services disrupted. For each day or
19 portion thereof that the service disruption continues
20 beyond the initial 120-hour period, the Electing
21 Provider shall also provide an additional credit of \$20
22 per calendar day.

23 (B) If an Electing Provider fails to install basic
24 local exchange service as required under subdivision
25 (e)(1) of this Section, the Electing Provider shall
26 waive 50% of any installation charges, or in the

1 absence of an installation charge or where
2 installation is pursuant to the Link Up program, the
3 Electing Provider shall provide a credit of \$25. If an
4 Electing Provider fails to install service within 10
5 business days after the service application is placed,
6 or fails to install service within 5 business days
7 after the customer's requested installation date, if
8 the requested date was more than 5 business days after
9 the date of the order, the Electing Provider shall
10 waive 100% of the installation charge, or in the
11 absence of an installation charge or where
12 installation is provided pursuant to the Link Up
13 program, the Electing Provider shall provide a credit
14 of \$50. For each day that the failure to install
15 service continues beyond the initial 10 business days,
16 or beyond 5 business days after the customer's
17 requested installation date, if the requested date was
18 more than 5 business days after the date of the order,
19 the Electing Provider shall also provide an additional
20 credit of \$20 per calendar day until the basic local
21 exchange service is installed.

22 (C) If an Electing Provider fails to keep a
23 scheduled repair or installation appointment when a
24 customer premises visit requires a customer to be
25 present as required under subdivision (e)(1) of this
26 Section, the Electing Provider shall credit the

1 customer \$25 per missed appointment. A credit required
2 by this subdivision does not apply when the Electing
3 Provider provides the customer notice of its inability
4 to keep the appointment no later than 8:00 pm of the
5 day prior to the scheduled date of the appointment.

6 (D) Credits required by this subsection do not
7 apply if the violation of a service quality standard:

8 (i) occurs as a result of a negligent or
9 willful act on the part of the customer;

10 (ii) occurs as a result of a malfunction of
11 customer-owned telephone equipment or inside
12 wiring;

13 (iii) occurs as a result of, or is extended by,
14 an emergency situation as defined in 83 Ill. Adm.
15 Code 732.10;

16 (iv) is extended by the Electing Provider's
17 inability to gain access to the customer's
18 premises due to the customer missing an
19 appointment, provided that the violation is not
20 further extended by the Electing Provider;

21 (v) occurs as a result of a customer request to
22 change the scheduled appointment, provided that
23 the violation is not further extended by the
24 Electing Provider;

25 (vi) occurs as a result of an Electing
26 Provider's right to refuse service to a customer as

1 provided in Commission rules; or

2 (vii) occurs as a result of a lack of
3 facilities where a customer requests service at a
4 geographically remote location, where a customer
5 requests service in a geographic area where the
6 Electing Provider is not currently offering
7 service, or where there are insufficient
8 facilities to meet the customer's request for
9 service, subject to an Electing Provider's
10 obligation for reasonable facilities planning.

11 (3) Each Electing Provider shall provide to the
12 Commission on a quarterly basis and in a form suitable for
13 posting on the Commission's website in conformance with the
14 rules adopted by the Commission and in effect on April 1,
15 2010, a public report that includes the following data for
16 basic local exchange service quality of service:

17 (A) With regard to credits due in accordance with
18 subdivision (e) (2) (A) as a result of out-of-service
19 conditions lasting more than 24 ~~30~~ hours:

20 (i) the total dollar amount of any customer
21 credits paid;

22 (ii) the number of credits issued for repairs
23 between 24 ~~30~~ and 48 hours;

24 (iii) the number of credits issued for repairs
25 between 49 and 72 hours;

26 (iv) the number of credits issued for repairs

1 between 73 and 96 hours;

2 (v) the number of credits used for repairs
3 between 97 and 120 hours;

4 (vi) the number of credits issued for repairs
5 greater than 120 hours; and

6 (vii) the number of exemptions claimed for
7 each of the categories identified in subdivision
8 (e) (2) (D).

9 (B) With regard to credits due in accordance with
10 subdivision (e) (2) (B) as a result of failure to install
11 basic local exchange service:

12 (i) the total dollar amount of any customer
13 credits paid;

14 (ii) the number of installations after 5
15 business days;

16 (iii) the number of installations after 10
17 business days;

18 (iv) the number of installations after 11
19 business days; and

20 (v) the number of exemptions claimed for each
21 of the categories identified in subdivision
22 (e) (2) (D).

23 (C) With regard to credits due in accordance with
24 subdivision (e) (2) (C) as a result of missed
25 appointments:

26 (i) the total dollar amount of any customer

1 credits paid;

2 (ii) the number of any customers receiving
3 credits; and

4 (iii) the number of exemptions claimed for
5 each of the categories identified in subdivision
6 (e) (2) (D).

7 (D) The Electing Provider's annual report required
8 by this subsection shall also include, for
9 informational reporting, the performance data
10 described in subdivisions (e) (2) (A), (e) (2) (B), and
11 (e) (2) (C), and trouble reports per 100 access lines
12 calculated using the Commission's existing applicable
13 rules and regulations for such measures, including the
14 requirements for service standards established in this
15 Section.

16 (4) It is the intent of the General Assembly that the
17 service quality rules and customer credits in this
18 subsection (e) of this Section and other enforcement
19 mechanisms, including fines and penalties authorized by
20 Section 13-305, shall apply on a nondiscriminatory basis to
21 all Electing Providers. Accordingly, notwithstanding any
22 provision of any service quality rules promulgated by the
23 Commission, any alternative regulation plan adopted by the
24 Commission, or any other order of the Commission, any
25 Electing Provider that is subject to any other order of the
26 Commission and that violates or fails to comply with the

1 service quality standards promulgated pursuant to this
2 subsection (e) or any other order of the Commission shall
3 not be subject to any fines, penalties, customer credits,
4 or enforcement mechanisms other than such fines or
5 penalties or customer credits as may be imposed by the
6 Commission in accordance with the provisions of this
7 subsection (e) and Section 13-305, which are to be
8 generally applicable to all Electing Providers. The amount
9 of any fines or penalties imposed by the Commission for
10 failure to comply with the requirements of this subsection
11 (e) shall be an appropriate amount, taking into account, at
12 a minimum, the Electing Provider's gross annual intrastate
13 revenue; the frequency, duration, and recurrence of the
14 violation; and the relative harm caused to the affected
15 customers or other users of the network. In imposing fines
16 and penalties, the Commission shall take into account
17 compensation or credits paid by the Electing Provider to
18 its customers pursuant to this subsection (e) in
19 compensation for any violation found pursuant to this
20 subsection (e), and in any event the fine or penalty shall
21 not exceed an amount equal to the maximum amount of a civil
22 penalty that may be imposed under Section 13-305.

23 (5) An Electing Provider in each of the MSA or Exchange
24 areas classified as competitive pursuant to subsection (c)
25 of this Section shall fulfill the requirements in
26 subdivision (e) (3) of this Section for 3 years after its

1 notice of election becomes effective. After such 3 years,
2 the requirements in subdivision (e)(3) of this Section
3 shall not apply to such Electing Provider, except that,
4 upon request from the Commission, the Electing Provider
5 shall provide a report showing the number of credits and
6 exemptions for the requested time period.

7 (f) Commission jurisdiction over competitive retail
8 telecommunications services. Except as otherwise expressly
9 stated in this Section, the Commission shall thereafter have no
10 jurisdiction or authority over any aspect of competitive retail
11 telecommunications service of an Electing Provider in those
12 geographic areas included in the Electing Provider's notice of
13 election pursuant to subsection (b) of this Section or of a
14 retail telecommunications service classified as competitive
15 pursuant to Section 13-502 or subdivision (c)(5) of this
16 Section, heretofore subject to the jurisdiction of the
17 Commission, including but not limited to, any requirements of
18 this Article related to the terms, conditions, rates, quality
19 of service, availability, classification or any other aspect of
20 any competitive retail telecommunications services. No
21 telecommunications carrier shall commit any unfair or
22 deceptive act or practice in connection with any aspect of the
23 offering or provision of any competitive retail
24 telecommunications service. Nothing in this Article shall
25 limit or affect any provisions in the Consumer Fraud and
26 Deceptive Business Practices Act with respect to any unfair or

1 deceptive act or practice by a telecommunications carrier.

2 (g) Commission authority over access services upon
3 election for market regulation.

4 (1) As part of its Notice of Election for Market
5 Regulation, the Electing Provider shall reduce its
6 intrastate switched access rates to rates no higher than
7 its interstate switched access rates in 4 installments. The
8 first reduction must be made 30 days after submission of
9 its complete application for Notice of Election for Market
10 Regulation, and the Electing Provider must reduce its
11 intrastate switched access rates by an amount equal to 33%
12 of the difference between its current intrastate switched
13 access rates and its current interstate switched access
14 rates. The second reduction must be made no later than one
15 year after the first reduction, and the Electing Provider
16 must reduce its then current intrastate switched access
17 rates by an amount equal to 41% of the difference between
18 its then current intrastate switched access rates and its
19 then current interstate switched access rates. The third
20 reduction must be made no later than one year after the
21 second reduction, and the Electing Provider must reduce its
22 then current intrastate switched access rates by an amount
23 equal to 50% of the difference between its then current
24 intrastate switched access rate and its then current
25 interstate switched access rates. The fourth reduction
26 must be made on or before June 30, 2013, and the Electing

1 Provider must reduce its intrastate switched access rate to
2 mirror its then current interstate switched access rates
3 and rate structure. Following the fourth reduction, each
4 Electing Provider must continue to set its intrastate
5 switched access rates to mirror its interstate switched
6 access rates and rate structure. For purposes of this
7 subsection, the rate for intrastate switched access
8 service means the composite, per-minute rate for that
9 service, including all applicable fixed and
10 traffic-sensitive charges, including, but not limited to,
11 carrier common line charges.

12 (2) Nothing in paragraph (1) of this subsection (g)
13 prohibits an Electing Provider from electing to offer
14 intrastate switched access service at rates lower than its
15 interstate switched access rates.

16 (3) The Commission shall have no authority to order an
17 Electing Provider to set its rates for intrastate switched
18 access at a level lower than its interstate switched access
19 rates.

20 (4) The Commission's authority under this subsection
21 (g) shall only apply to Electing Providers under Market
22 Regulation. The Commission's authority over switched
23 access services for all other carriers is retained under
24 Section 13-900.2 of this Act.

25 (h) Safety of service equipment and facilities.

26 (1) An Electing Provider shall furnish, provide, and

1 maintain such service instrumentalities, equipment, and
2 facilities as shall promote the safety, health, comfort,
3 and convenience of its patrons, employees, and public and
4 as shall be in all respects adequate, reliable, and
5 efficient without discrimination or delay. Every Electing
6 Provider shall provide service and facilities that are in
7 all respects environmentally safe.

8 (2) The Commission is authorized to conduct an
9 investigation of any Electing Provider or part thereof. The
10 investigation may examine the reasonableness, prudence, or
11 efficiency of any aspect of the Electing Provider's
12 operations or functions that may affect the adequacy,
13 safety, efficiency, or reliability of telecommunications
14 service. The Commission may conduct or order an
15 investigation only when it has reasonable grounds to
16 believe that the investigation is necessary to assure that
17 the Electing Provider is providing adequate, efficient,
18 reliable, and safe service. The Commission shall, before
19 initiating any such investigation, issue an order
20 describing the grounds for the investigation and the
21 appropriate scope and nature of the investigation, which
22 shall be reasonably related to the grounds relied upon by
23 the Commission in its order.

24 (i) (Blank).

25 (j) Application of Article VII. The provisions of Sections
26 7-101, 7-102, 7-104, 7-204, 7-205, and 7-206 of this Act are

1 applicable to an Electing Provider offering or providing retail
2 telecommunications service, and the Commission's regulation
3 thereof, except that (1) the approval of contracts and
4 arrangements with affiliated interests required by paragraph
5 (3) of Section 7-101 shall not apply to such telecommunications
6 carriers provided that, except as provided in item (2), those
7 contracts and arrangements shall be filed with the Commission;
8 (2) affiliated interest contracts or arrangements entered into
9 by such telecommunications carriers where the increased
10 obligation thereunder does not exceed the lesser of \$5,000,000
11 or 5% of such carrier's prior annual revenue from
12 noncompetitive services are not required to be filed with the
13 Commission; and (3) any consent and approval of the Commission
14 required by Section 7-102 is not required for the sale, lease,
15 assignment, or transfer by any Electing Provider of any
16 property that is not necessary or useful in the performance of
17 its duties to the public.

18 (k) Notwithstanding other provisions of this Section, the
19 Commission retains its existing authority to enforce the
20 provisions, conditions, and requirements of the following
21 Sections of this Article: 13-101, 13-103, 13-201, 13-301,
22 13-301.1, 13-301.2, 13-301.3, 13-303, 13-303.5, 13-304,
23 13-305, 13-401, 13-401.1, 13-402, 13-403, 13-404, 13-404.1,
24 13-404.2, 13-405, 13-406, 13-407, 13-501, 13-501.5, 13-503,
25 13-505, 13-509, 13-510, 13-512, 13-513, 13-514, 13-515,
26 13-516, 13-519, 13-702, 13-703, 13-704, 13-705, 13-706,

1 13-707, 13-709, 13-713, 13-801, 13-802.1, 13-804, 13-900,
2 13-900.1, 13-900.2, 13-901, 13-902, and 13-903, which are fully
3 and equally applicable to Electing Providers and to
4 telecommunications carriers providing retail
5 telecommunications service classified as competitive pursuant
6 to Section 13-502 or subdivision (c) (5) of this Section subject
7 to the provisions of this Section. On the effective date of
8 this amendatory Act of the 98th General Assembly, the following
9 Sections of this Article shall cease to apply to Electing
10 Providers and to telecommunications carriers providing retail
11 telecommunications service classified as competitive pursuant
12 to Section 13-502 or subdivision (c) (5) of this Section:
13 13-302, 13-405.1, 13-502, 13-502.5, 13-504, 13-505.2,
14 13-505.3, 13-505.4, 13-505.5, 13-505.6, 13-506.1, 13-507,
15 13-507.1, 13-508, 13-508.1, 13-517, 13-518, 13-601, 13-701,
16 and 13-712.

17 (Source: P.A. 98-45, eff. 6-28-13; 99-6, eff. 6-29-15.)