

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN THE MATTER OF:)	GTA DOCKET 11-05
)	
GTA TELECOM LLC, GENERAL EXCHANGE TARIFF NO. 1, TARIFF TRANSMITTAL NO. 17)	ORDER
)	

INTRODUCTION

1. On May 13, 2011, GTA Telecom LLC ["GTA"] filed Tariff Transmittal No. 17 to General Exchange Tariff No. 1 [Promotional Offering, Vertical Calling Services].¹
2. The promotional offering provides GTA business customers who bundle their telephone services with GTA's Spyder Broadband, GUdtv Digital TV or GTA's MPulse wireless products with vertical calling services.²
3. Business Customers that bundle their services will receive the following Vertical Calling Services for free: Caller ID, Call Waiting, Call Forwarding, Three-Way Calling, and Speed Dialing.³
4. In accordance with 12 GCA §12106 of the Guam Telecommunications Act of 2004, Telecommunications companies such as GTA are required to file new tariffs with the PUC. The proposed tariff cannot go into effect until after thirty (30) days prior notice to the PUC, unless there is prior authorization by the PUC.⁴
5. Since GTA filed Tariff Transmittal No. 17 on May 13, 2011 with the PUC, it went into effect on June 13, 2011.
6. If approved by the PUC, this promotional offering will be in effect for the period from June 13, 2011 through December 31, 2011.

¹ GTA Tariff Transmittal No. 17, GTA Docket 11-05, filed May 13, 2011.

² Id.

³ Id. at p. 2, General Exchange Tariff No. 1, par. XVII. Promotional Offerings B. 3. [Business Bundle].

⁴ 12 GCA §12106(b).

BACKGROUND

7. On June 17, 2011, PUC Counsel issued his initial report herein, which report detailed the background of this docket and recommended PUC approval of GTA's Promotional Offering to Business Customers for the bundling of their telephone services with free Vertical Calling Services.⁵
8. PUC received public comments on this Docket at its regular business meeting of June 20, 2011, and received additional comments relative to issues in this Docket.⁶
9. Upon the recommendation of PUC Counsel, at its June 20, 2011 meeting, the PUC deferred action on this matter pending review of the additional filed comments. PUC Counsel filed his Supplemental Report herein on July 7, 2011.⁷

DETERMINATIONS

10. Promotional offerings such as Tariff Transmittal No. 17, are designed to attract new customers, bundle product offerings, stimulate customer usage, and/or increase existing customer awareness of the telephone company's services and products.⁸
11. GTA General Exchange Tariff #1 is applicable to GTA Telecom LLC. GTA Telecom LLC is required to fully comply with such Tariff.⁹
12. As provided in GET#1, Tariff Transmittal No. 17 is filed as a "promotional" tariff and is designed to attract new customers; bundling of product offerings is one of the specific purposes for which promotional tariffs are authorized.¹⁰
13. The provision of free Vertical Calling Services in Tariff Transmittal No. 17 does not result in "cross-subsidizing an unregulated affiliated operating company" or any violation of PUC Affiliate Transaction Rule #5.¹¹ GTA will not be using revenue

⁵ PUC Counsel Report, GTA Docket 11-05, filed June 17, 2011.

⁶ Tape of PUC Regular Business Meeting on June 20, 2011.

⁷ PUC Counsel Supplemental Report, filed July 7, 2011.

⁸ GTA Tariff Transmittal No. 17, GTA Docket 11-05, General Exchange Tariff No. 1 at p. 71.

⁹ ALJ Report, GTA Docket 11-04, GTA Telecom LLC Individual Case Basis Filing, filed May 13, 2011; PUC Order Docket 11-04, Order Re: PDS Request for Reconsideration/Re-hearing and IT&E Petition for Re-hearing adopted May 16, 2011.

¹⁰ GTA Tariff Transmittal No. 17, GTA Docket 11-05, General Exchange Tariff No. 1 at p. 71.

¹¹ Rule #5 of the Affiliate Transaction Rules provides: "A Dominant Carrier shall not use revenues from regulated services to subsidize the services or products of its Affiliates."

from regulated service to subsidize the services of its affiliates. It is not transferring any revenue from GTA Telecom LLC to any of its affiliates.¹²

14. GTA, by offering free regulated services (Vertical Calling Services) when customers bundle unregulated services, does not violate the “reasonableness” test of 12 GCA §12105(c). The “Promotional Offering” provision in GTA General Exchange Tariff #1 specifically provides that promotional offering may “waive or reduce non-recurring and/or recurring charges.”
15. In accordance with the provisions of 12 GCA §12106(b), the PUC should approve GTA’s Promotional Offering to business customers who bundle their telephone services with free Vertical Calling Services.
16. Tariff Transmittal No. 17 shall be effective during the period of June 13, 2011 through December 31, 2011.
17. Should GTA seek to extend the promotional offering beyond December 31, 2011, it must first obtain the prior approval of the PUC.

ORDERING PROVISIONS

Upon consideration of the record herein, Tariff Transmittal No. 17 filed by GTA on May 13, 2011, the public and written comments filed herein, and the Report and Supplemental Report of PUC Legal Counsel, for good cause shown and on motion duly made, seconded and carried by the affirmative vote of the undersigned Commissioners, the Commission hereby **ORDERS** that:

1. GTA’s Tariff Transmittal No. 17 [Promotional Offering for Vertical Calling Services] was properly filed pursuant to 12 GCA §12106(a), which requires telecommunications companies such as GTA to file tariffs indicating the rates, classifications, and terms and conditions of its telecommunications services.
2. Tariff Transmittal No. 17, including all changes, revisions, and additions therein to GTA’s General Exchange Tariff No. 1, is hereby approved and adopted.
3. The Promotional Offering to Business Customers for Vertical Calling Services shall be effective June 13, 2011 through December 31, 2011.

¹² GTA Reply Comments Re: Pacific Data Systems Public Comments, Tariff Transmittal #17, filed July 1, 2011 at p. 3.

4. A further extension by GTA of the Promotional Offering of Vertical Calling Services to Business Customers beyond December 31, 2011 shall require the prior approval of the PUC.
5. GTA shall provide notice of its Tariff Transmittal No. 17 to its Customers on its website.
6. GTA is ordered to pay for the PUC's regulatory fees and expenses incurred in this Docket, including, without limitations, consulting and counsel fees and expenses. Assessments of the PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §12002(b) and 12024(b), 12104, 12103, the Rules Governing Regulatory fees for Telecommunications Companies, and Rule 40 of the Rules of Practice and Procedure before the PUC.

Dated this 10th day of August, 2011.

Jeffrey C. Johnson
Chairman

Joseph M. McDonald
Commissioner

Rowena E. Perez
Commissioner

Filomena M. Cantoria
Commissioner

Michael A. Pangelinan
Commissioner