(SEE ALSO PROPOSED 1ST SUB)

Declares that in determining whether a service is competitive, the commission may consider the number and size of alternative providers of services, including those not subject to commission jurisdiction.

Provides that the commission may also classify as competitive: (1) Any telecommunications service or class of service that it finds not to be an essential service; or

(2) Any package or bundle of services where each essential service in the package or bundle is readily and separately available to customers at fair, just, and reasonable prices, and the price of the bundle or package is equal to or greater than the cost for tariffed services plus the cost of any competitive service.

Recognizes that the term "essential service" includes but is not limited to: (1) Voice grade access to the public switched network;

- (2) Local usage;
- (3) Dual tone multifrequency signaling or its functional equivalent;
 - (4) Single-party service or its functional equivalent;
- (5) Access to: (a) emergency services; (b) operator services; (c) local directory assistance; (d) telephone relay services; (e) interexchange service; and
- (6) Toll limitation and lifeline service for qualifying low-income consumers.