

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

<p>IN RE:</p> <p>AMENDMENTS TO CLARIFY THE STATUS OF REGULATED, DEREGULATED, AND UNREGULATED TELECOMMUNICATIONS SERVICES [199 IAC 22]</p>	<p>DOCKET NO. RMU-08-6</p>
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**ORDER COMMENCING RULE MAKING**

(Issued October 23, 2008)

Pursuant to the authority of Iowa Code §§ 17A.4 and chapter 476, the Utilities Board (Board) proposes to adopt amendments to 199 IAC 22 as described in the "Notice of Intended Action" attached hereto and incorporated by reference.

The proposed amendments reflect a number of relatively minor revisions suggested by various commentors in prior rule making proceedings, a number of minor updates, and a new section that lists all of the services the Board has deregulated. These amendments will help clarify the status of regulated, deregulated, and unregulated telecommunications services.

**DISCUSSION**

In May 2007 Board staff circulated a set of proposed amendments to 199 IAC 22 to members of Iowa's telecommunications community to receive informal comments. Responses were received from Qwest Communications (Qwest), Iowa

Telecommunications Services, Inc., d/b/a Iowa Telecom (Iowa Telecom), Frontier Communications of Iowa (Frontier), Iowa Telecommunications Association (ITA), the Consumer Advocate Division of the Department of Justice (Consumer Advocate), and MCImetro Access Transmission Services LLC, d/b/a Verizon Access Transmission Services, and MCI Communications Services, Inc., d/b/a Verizon Business Services (collectively "Verizon"), along with several other telecommunications carriers.

Consumer Advocate suggested clarifying the terms regulated, deregulated, and unregulated. The Board has proposed amendments for subrule 22.1(6) to provide clarity on the status of regulated, deregulated, and unregulated telecommunications services. Proposed subrule 22.1(6) also includes a list of all services deregulated, while new paragraph 22.1(6)"f" provides a statement on the effect of deregulation. Specifically listing what has been deregulated may help resolve some issues in the industry.

The Board is interested in public comment concerning the emergency operation rules contained in paragraph 22.6(5)"b," which requires utilities to maintain two hours of battery reserve or back-up power in central offices for emergency operations. At the time the rules were adopted, reserve power in the central office would have enabled telephones to function in customer premises during power outages. However, customer equipment, the industry, and networks in general have evolved such that central office power no longer guarantees functioning service. For

example, remote terminals serving fiber to the home and DSL, Voice over Internet Protocol (VoIP) calling, and cordless telephones. Reserve power in the central office no longer assures that telephones in customer premises will function during power outages. At the same time, some customers are installing their own batteries or back-up generators to try to ensure uninterrupted service. The Board is interested in comments from parties on whether the reserve power requirements in paragraph 22.6(5)"b" should be expanded to include the network between the central office and the customer premise or if other measures might be appropriate.

Other commentors proposed substantive changes to Board rules and policies. The Board views this rule making as an opportunity to correct, update, and clarify all of 199 IAC 22. This rule making is not intended as a deregulation proceeding or a means to implement sweeping telecommunications policy changes instead, it is for the purpose of making the existing rules better reflect existing policies.

Finally, there are two proposals that merit additional comment. In Item 36, the Board proposes changes to 199 IAC 22.14(2)"d"(11), relating to access tariffs. In Item 37, the Board proposes changes to 199 IAC 22.14(4)"a," relating to the notice requirements applicable to changes in access tariffs. The Board is currently considering substantive amendments to its rules relating to charges and tariffs for access services, but those changes are beyond the scope of this rule making docket.

**ORDERING CLAUSES**

**IT IS THEREFORE ORDERED:**

1. A rule making proceeding, identified as Docket No. RMU-08-6 is commenced for purposes of receiving public comments upon the proposed rules attached hereto and incorporated by reference in this order.

2. The Executive Secretary is directed to submit for publication in the Iowa Administrative Bulletin a notice in the form attached hereto and incorporated by reference in this order.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 23<sup>rd</sup> day of October, 2008.

## **UTILITIES DIVISION[199]**

### **Notice of Intended Action**

Pursuant to Iowa Code sections 17A.4 and 476.1D, the Utilities Board (Board) gives notice that on October 23, 2008, the Board issued an order in Docket No. RMU-08-6, In re: Amendments to Clarify the Status of Regulated, Deregulated, and Unregulated Telecommunications Services [199 IAC 22], "Order Commencing Rule Making."

The proposed amendments include a section that lists all of the services the Board has deregulated and describes what services currently fall under rate-regulation, service quality regulation, or deregulated by the Board. These amendments will help clarify the status of regulated, deregulated, and unregulated telecommunications services. The Board believes these amendments will provide a better understanding of the current regulatory status of various telecommunications services.

The Board does not find it necessary to propose a separate waiver provision in this rule making. The Board's general waiver provision in 199 IAC 1.3(17A,474,476) is applicable to these amendments.

Pursuant to Iowa Code sections 17A.4(1)"a" and "b," any interested person may file a written statement of position pertaining to the proposed amendments. The statement must be filed on or before December 9, 2008, by filing an original and ten copies in a form substantially complying with 199 IAC 2.2(2). All written statements should clearly state the author's name and address and should make specific reference to this docket.

All communications should be directed to the Executive Secretary, Iowa Utilities Board, 350 Maple Street, Des Moines, Iowa 50319-0069.

These amendments are intended to implement Iowa Code section 476.1D.

The following amendments are proposed:

**Item 1. Amend paragraph 22.1(1)"c" as follows:**

c. To ensure that the ~~regulated rates~~ provision of service of local exchange utilities and the charges of alternative operator services companies for communications service, and regulated services rendered in connection therewith, will be reasonable and just.

Item 2. Amend the following definitions in subrule **22.1(3)** as follows:

"Customer provision" means customer purchase or lease of terminal equipment or ~~new~~ inside station wiring from the telephone company or from any other supplier.

"Tariff" means the entire body of ~~regulated rates, alternative operator services~~ rates, classifications, rules, procedures, policies, etc., adopted and filed with the board by a telephone utility, including an alternative operator services company, in fulfilling its role of furnishing communications services.

Adopt the following new definitions in alphabetical order:

"Competitive Local Exchange Carrier" or "CLEC" means a utility, other than an incumbent local exchange carrier, that provides local exchange service pursuant to an authorized certificate of public convenience and necessity.

"Incumbent Local Exchange Carrier" or "ILEC" means a utility, or successor to such utility, that was the historical provider of local exchange service pursuant to an authorized certificate of public convenience and necessity within a specific geographic area described in maps approved by the board as of September 30, 1992.

Rescind the definitions of "Fully allocated cost study," "Fully distributed cost study," "Regulated rates," and "Wide area service."

Item 3. Amend subrule 22.1(4) as follows:

**22.1(4)** Abbreviations.

AOS—Alternative Operator Services

EAS—Extended Area Service

~~ESS—Electronic Switching System~~

~~FAC—Fully Allocated Cost~~

~~FDC—Fully Distributed Cost~~

PBX—Private Branch Exchange

Item 4. Amend subrule 22.1(6) as follows:

**22.1(6)** ~~Interutility services. Rescinded IAB 12/21/05, effective 1/25/06.~~

Deregulation actions.

a. The board, in the dockets shown below, deregulated the following services.

Persons interested in determining the precise extent of deregulation in each docket should refer to the board dockets identified in this list.

(1) Inside station wiring including provisioning, repair, and maintenance. This included a revised definition of "demarcation point" in subrule 22.1(3). Docket No. RMU-81-19. Effective October 8, 1982.

(2) Terminal equipment including provision, installation, repair, and maintenance of all customer premise equipment. Docket No. RMU-82-1. Effective May 11, 1983.

(3) Centrex, Hi-Lo Capacity Intraexchange, and Hi Capacity Interexchange and Private Line. Docket No. RPU-84-8. Effective July 1, 1984.

(4) Coin-operated telephones. Pay telephones were determined to be a sub-set of deregulated terminal equipment. Docket Nos. RMU-85-6 and INU-84-6. Effective September 18, 1985.

(5) Riser cable (or cable for PBXs on the same premises) was found to be an extension of inside wiring. Ownership was transferred from the telephone utility to the premise owner. The telephone utility was compensated for the cable. Docket No. RMU-85-23. Effective April 30, 1986.

(6) Versanet Alarm Services Equipment. The remote module connecting an alarm panel to the local loop was determined to be deregulated terminal equipment. The Versanet equipment monitoring the signal was found to be competitive and deregulated. Docket No. INU-85-5. Effective May 16, 1986.

(7) Mobile telephone and paging services. Docket No. INU-86-2. Effective August 7, 1986.

(8) Billing and collection services (but not the recording function). Docket Nos. RMU-86-16 and INU-86-10. Effective October 15, 1986.

(9) InterLATA Interexchange Message Telecommunications Service (MTS), Wide Area Telecommunications Service (WATS), Channel Service (Private Line), and Custom Network Service (Software Defined Network Service, Megacom Services, Megacom 800 Service, and AT&T Readyline Service). Docket No. INU-88-2. Effective April 5, 1989 and July 19, 1990.

(10) Speed calling. Docket No. INU 88-8. Effective December 22, 1989.

(11) The recording function of billing and collection services. Docket No. INU-88-9. Effective January 9, 1990.

(12) Competitive IntraLATA Interexchange Services; InterLATA and IntraLATA ISDN; Operator Services; Directory Services; and Voice Messaging Service. Docket No. INU-95-3. Effective June 24, 1996.

(13) Local directory assistance. Docket No. INU-00-3. Effective February 23, 2001.

(14) Local exchange services found to be competitive and deregulated in the following exchanges: Laurens, Mapleton, Spencer, Storm Lake, Whiting, Armstrong, Coon Rapids, Delmar, Forest City, Harlan, Lowden, Oxford, Oxford Junction, Primghar, Saint Ansgar, Solon, Stacyville, Stanwood, Tiffin, and Council Bluffs. Docket No. INU-04-1. Effective December 23, 2004.

b. Deregulation resulting from 2005 Iowa Acts, chapter 9, section 1. Effective July 1, 2005, Iowa Code amended section 476.1D(1) was amended to deregulate the retail rates for most business and residential local exchange services with the exception of single line flat-rated residential and business service rates, at the election of each telephone utility. The affected utilities opted for deregulation as follows:

(1) Approval of Qwest Corporation's replacement tariff. Qwest's replacement tariff removed the rates for most local exchange services from the tariff, with the exception of single line flat-rated residential and business service rates. Docket No. TF-05-167. Effective September 6, 2005.

(2) Approval of Frontier Communications of Iowa, Inc.'s replacement tariff. This replacement tariff removed the rates for most local exchange services from the tariff, with the exception of single line flat-rated residential and business service rates. Docket No. TF-05-181. Effective September 20, 2005.

(3) Approval of Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom's replacement tariff. This replacement tariff removed the rates for most local exchange services with the exception of single line, flat rated residential and business service rates. Docket No. TF-05-182. Effective November 5, 2005.

(4) Single line flat-rated residential and business service rates were found to be competitive and deregulated in the following exchanges: Alta, Belle Plaine, Bennett, Cambridge, Carter Lake, Greene, Grundy Center, Guthrie Center, Hartley, Manning, Marble Rock, Marengo, Onawa, Orange City, Osage, Oyens, Paullina, Reinbeck, Slater, and Wapello. Docket No. INU-05-2. Effective December 5, 2005.

(5) Single line flat-rated residential and business service rates were deregulated pursuant to Iowa Code section 476.1D. Docket NOI-08-1. Effective July 1, 2008.

c. Effect of deregulation. The precise extent of deregulation of any particular service depends upon the specific circumstances prevailing at the time of deregulation, as explained in each deregulation order. As a general statement, however, any service that is completely deregulated should be removed from the tariff of any company offering that service. Any service that is not subject to rate regulation, but remains subject to other forms of regulation, should remain in the company's tariff, but the rate should be removed. Any rate or service that remains in the company's tariff continues to be subject to board jurisdiction, regardless of any deregulation order.

Item 5. Amend subrule 22.2(3) as follows:

**22.2(3)** Tariffs to be filed with the board. The utility, including an alternative operator services company, shall file tariffs with the board, and shall maintain such tariff

filing in a current status. A copy of the same tariff shall also be on file in all business offices of the telephone utility and shall be available for inspection by the public.

~~The schedules of regulated rates and alternative operator services rates shall be filed with the board and~~ tariff shall be classified, designated, arranged, and submitted so as to conform to the requirements of ~~current tariff or rate schedule circulars and special instructions which have been or may from time to time be issued by the board~~ this chapter or board order. Provisions of the schedules shall be definite and so stated as to minimize ambiguity or the possibility of misinterpretation. The form, identification, and content of tariffs shall be in accordance with these rules unless otherwise provided in ~~rule 22.14(476)~~.

Utilities which are not subject to the rate regulation provided for by Iowa Code chapter 476 shall not file schedules of rates unless required by another rule or by board order. Nothing contained in these rules shall be deemed to relieve any utility of the requirement of furnishing any of these same schedules or contracts which are needed by the board in the performance of the board's duties upon request to do so by the board. Every telephone utility shall make the schedule of its rates readily available to customers on the utility's Web site, if the utility has one, or by mail, upon request.

Item 6. Amend paragraphs **22.2(5)"a"** and **"b"** as follows:

a. A table of contents ~~containing a list of regulated rates or alternative operator services rates and other~~ listing tariff sections in the order in which they appear showing the sheet number of the first page of each rate schedule or other section. In the event the utility filing the tariff elects to segregate a section such as general rules from ~~the section containing regulated rates, alternative operator services rates, or other sections,~~

it may at its option prepare a separate table of contents or index for each such segregated section.

b. ~~All regulated rates and alternative operator services rates shall be included in tariffs.~~ Local exchange utilities shall file a map which shall clearly define the base rate boundary and any rural or special zones that are set forth in the tariff. The boundary line location on such maps shall be delineated from fixed reference points.

Item 7. Amend paragraph **22.3(1)"d"** as follows:

d. The directory shall contain such instructions concerning placing local and long distance calls, calls to repair and information services, and location of telephone company business offices as may be appropriate to the area served by the directory. A statement shall be included that the company will verify the condition of a line if requested by a customer and whether any charge will apply. ~~Rates for basic transmission service for residential and business customers available from the utility shall also be included.~~ Each local exchange utility's telephone directory must indicate how to order 900 and 976 blocking and indicate that the first block is without charge. The directory shall contain descriptions of all current N11 services.

Item 8. Amend subrule 22.3(12) as follows:

**22.3(12)** Ordering and transferring of service. ~~Telephone utilities shall permit~~ The terms and conditions for ordering and transferring transmission local exchange service to be accomplished by telephone. ~~A utility shall not volunteer prices or otherwise attempt to promote terminal equipment which is offered by an affiliated company when transmission service is ordered. A utility may not require customers to order~~

~~transmission service through a company affiliated with that utility shall be contained in the telephone utility's tariff.~~

Item 9. Amend subparagraph **22.4(1)"a"(3)** as follows:

(3) Notify customers affected by a change in ~~regulated~~ rates or schedule classification.

Item 10. Amend paragraph **22.4(1)"b"** as follows:

b. Inquiries for information or complaints to a utility shall be resolved promptly and courteously. Employees who receive customer telephone calls and office visits shall be qualified and trained in screening and resolving complaints, to avoid a preliminary recitation of the entire complaint to employees without ability and authority to act. The employee shall provide identification to the customer ~~which will enable the customer to reach that employee again if needed.~~

All local exchange utilities shall notify their customers, by bill insert or notice on the bill form, of the address and telephone number where a utility representative qualified to assist in resolving the complaint can be reached. The bill insert or notice shall also include the following statement: "If (utility name) does not resolve your complaint, the service may be subject to state regulation. You may request assistance from the Iowa Utilities Board, 350 Maple Street, Des Moines, Iowa 50319-0069, (515)281-3839 or toll-free (877)565-4450 or ~~E-mail~~ e-mail [iubcustomer@iub.state.ia.us](mailto:iubcustomer@iub.state.ia.us)."

Item 11. Amend subrule 22.4(2) as follows:

**22.4(2)** Customer deposits. Each utility may require from any customer or prospective customer a deposit intended to guarantee payment of bills for service based on the customer's credit history. ~~The deposit required shall be confirmed in writing to~~

~~the customer not later than the time of the next billing. The confirmation shall, in separate columns, itemize deposits for local exchange service and unregulated services. The confirmation shall state that no No deposit other than for local exchange service is required to obtain local exchange service. The ~~confirmation~~ deposit must also reflect the limits as to low-income customers in 199—subparagraph 39.3(2)"b"(4).~~

Item 12. Amend paragraph **22.4(2)"b"** as follows:

b. Interest on customer deposits. ~~Interest shall be paid on deposits associated with regulated rates. Interest on such deposits shall be computed at 7.5 percent per annum, compounded annually.~~ Interest shall be paid at market rate for the period beginning with the date of deposit to the date of refund or to the date that the deposit is applied to the customer's account, or to the date the customer's bill becomes permanently delinquent. The date of refund is that date on which the refund or the notice of deposit refund is forwarded to the customer's last-known address. The date a customer's bill becomes permanently delinquent, relative to an account treated as an uncollectible account, is the most recent date the account became delinquent.

Item 13. Amend paragraph **22.4(2)"d"** as follows:

d. Each utility shall issue a receipt of deposit to each customer from whom a deposit is received, ~~and~~. An itemized statement on the customer billing may be considered an appropriate receipt. Each utility shall also provide means whereby a depositor may establish claim if the receipt is lost.

Item 14. Amend paragraph **22.4(2)"h"** as follows:

h. A new or additional deposit for local exchange service may be required to cover the amount provided in "a" above when a deposit has been refunded or the customer's

payment history demonstrates a deposit is or continues to be appropriate. Written or verbal notice shall be ~~mailed~~ provided advising the customer of any new or additional deposit requirement. The customer shall have no less than 12 days from the date of ~~mailing~~ written or verbal notice to comply. The new or additional deposit shall ~~may~~ be payable electronically or by cash or check at any of the utility's business offices or local authorized agents. An appropriate receipt shall be provided. No written notice is required to be given of a deposit required as a prerequisite for commencing initial service.

Item 15. Amend subrule 22.4(3) as follows:

**22.4(3)** Customer billing, timely payment, late payment charges, payment and collection efforts. Each utility's tariff rules shall comply with these minimum standards.

a. Billing to customers shall be scheduled monthly except upon mutual agreement of the customer and utility. A utility with unusual circumstances may obtain authority from the board for billing at other than monthly intervals.

b. Rescinded IAB 2/6/91, effective 3/13/91.

c. Paper bills shall be issued and delivered via U.S. mail unless the customer agrees to electronic or other billing pursuant to terms specified by tariff or customer agreement. Except as otherwise noted, the requirements of this subsection apply to both paper and electronic bills. The bill form or a bill insert shall provide the following information:

(1) The ~~dates at the beginning and end of the billing period~~ bill date and the bill due date for transmission services local exchange services, service charges, and other telecommunications services and equipment.

(2) The last date for timely payment shall be clearly shown and shall be not less than 20 days after the bill is rendered. For a paper bill, The the bill shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. For an electronic bill, the bill shall be considered rendered to the customer on the date of transmission to the last known e-mail address. If the delivery of a paper bill is by other than U.S. mail, the bill shall be considered rendered when delivered to the last-known address of the party responsible for payment. If a bill cannot be transmitted electronically, the utility shall issue a paper bill. The utility may charge an appropriate amount for the distribution of a paper bill so long as the same amount is discounted should the customer choose electronic billing.

Item 16. Amend subparagraph **22.4(3)"c"(3)** as follows:

(3) ~~The amount of the net charge, stated by category, for local transmission service, ancillary services and equipment, toll service, information service, sales tax and excise tax, and of any late payment charge together with the gross amount of the bill, with separate entries for total amounts current or in arrears. The utility shall comply with reasonable requests for bill detail.~~ Bills to customers shall be rendered regularly and shall contain a clear listing of all charges. A written itemized listing of the services being subscribed to and their monthly rates shall be provided as part of the initial bill or when service is ordered and subsequently upon reasonable request of the customer.

Item 17. Rescind and reserve paragraph **22.4(3)"d."**

Item 18. Amend paragraph **22.4(3)"e"** as follows:

e. If the customer makes a partial payment in a timely manner, and does not designate the service or product for which payment is made, the payment shall first be

applied to the undisputed balance for basic local exchange service, ~~with the remainder applied on a pro-rata basis to regulated utility services.~~ If an amount remains, it may then be applied to deregulated and nonregulated other services. ~~The late payment charge provision should be applied to only the outstanding balance for utility services, except interstate toll and related taxes.~~

Item 19. Amend paragraph **22.4(3)"h"** as follows:

h. Maximum payment required for ~~initial network access~~ installation and activation of local exchange service shall comply with the total derived in accord with these rules and ~~specified in the filed tariff.~~

Item 20. Amend subparagraph **22.4(3)"h"(1)** as follows:

(1) An applicant for ~~network access~~ local exchange service, who under the tariff credit rules is required to make a deposit to guarantee payment of bills, may be required to pay the service charges and deposit prior to access obtaining service. ~~An applicant not required to make a deposit shall not be billed a service charge earlier than the first regular monthly bill.~~

Item 21. Amend paragraph **22.4(3)"i"** as follows:

I. Overcharges. The time period for which the utility is required to refund or credit the customer's bill shall not exceed five years unless otherwise ordered by the board. ~~Refunds of \$25 or more shall be in the form of checks to current customers. Checks are to be issued to former customers where the refund exceeds \$10. Refunds to current customers of less than \$25 may be in the form of a bill credit.~~ Refunds to current customers may be in the form of bill credits, unless the refund exceeds \$50 and the customer requests a refund in the same manner by which the bill was originally

paid. Refunds to former customers may be made in the same manner by which the bill was originally paid. Refunds for local exchange service may not be applied to unpaid amounts for unregulated services.

Item 22. Amend paragraph **22.4(4)"a"** as follows:

a. Complaints concerning the charges, practices, facilities, or service of the utility shall be investigated promptly and thoroughly. The utility shall keep a record of such complaint showing the name and address of the complainant, the date and nature of the complaint, its disposition, and all other pertinent acts dealing with the complaint, which will enable the utility to review and analyze its procedure and actions. The records maintained by the utility under this rule shall be available for inspection by the board or its staff upon request for a period of two years.

Item 23. Amend subrule 22.4(5) as follows:

**22.4(5)** Refusal or disconnection of service. Notice of a pending disconnection shall be rendered and ~~transmission~~ local exchange service shall be refused or disconnected as set forth in the tariff. The notice of pending disconnection required by these rules shall be a written notice setting forth the reason for the notice, and the final date by which the account is to be settled or specific action taken.

The notice shall be considered rendered to the customer when deposited in the U.S. mail with postage prepaid. If delivery is by other than U.S. mail, the notice shall be considered rendered when delivered to the last-known address of the person responsible for payment for the service. The final date shall be not less than five days after the notice is rendered.

One written notice, including all reasons for the notice, shall be given where more than one cause exists for refusal or disconnection of service. This notice shall include a toll-free or collect number where a utility representative qualified to provide additional information about the disconnection can be reached. The notice shall also state the final date by which the account is to be settled or other specific action taken. In determining the final date, the days of notice for the causes shall be concurrent.

Service may be refused or disconnected for any of the reasons listed below. Unless otherwise stated, the customer shall be provided notice of the pending disconnection and the rule violation which necessitates disconnection. Furthermore, unless otherwise stated, the customer shall be allowed a reasonable time in which to comply with the rule before service is disconnected. Except as provided in 22.4(5)"a," "b," "c," "d," and "e," no service shall be disconnected on the day preceding or day on which the utility's local business office or local authorized agent is closed. Service may be refused or disconnected:

Item 24. Amend subrule 22.4(7) as follows:

**22.4(7)** Insufficient reasons for refusal, suspension, or discontinuance of service.

The following shall not constitute sufficient cause for refusal, suspension, or discontinuance of local exchange service to a present or prospective customer:

Item 25. Amend subrule 22.4(7) by rescinding paragraphs "g" and "h" and renumbering accordingly:

~~**22.4(7)"g"** Use of an auxiliary directory cover.~~

~~**22.4(7)"h"** Failure to pay for information service not regulated by the board.~~

**22.4(7)"i" "g"** Failure to pay for deregulated services other than local exchange service.

Item 26. Amend paragraphs **22.5(2)"a"** and **"b"** as follows:

a. Each local exchange utility, ~~interexchange utility~~, and alternative operator services company shall employ prudent management and engineering practices so that sufficient equipment and adequate personnel are available at all times, including average busy-hour of the busy-season.

b. Each local exchange utility, ~~interexchange utility~~, and alternative operator services company shall conduct traffic studies, employ reasonable procedures for forecasting future service demand, and maintain records necessary to demonstrate to the board that sufficient equipment is in use and that an adequate operating force is provided.

Item 27. Rescind and reserve paragraph **22.5(3)"c."**

Item 28. Amend subrule 22.5(4) as follows:

**22.5(4)** Telecommunication circuits. ~~All local exchange utilities shall provide full metallic, electronic, or lightwave circuits for telecommunication purposes.~~ All circuits shall be properly constructed and maintained to ensure ~~trouble-free~~ quality service.

Item 29. Amend subrule 22.5(5) as follows:

**22.5(5)** Interexchange trunks

~~a. When trunk lines or toll circuits for communication are furnished by one or more telephone utilities between exchanges, the circuits connecting such exchanges shall be nongrounded. No customer's instruments other than toll stations shall be regularly connected to those circuits.~~

~~b. Interexchange trunks~~ Trunks for extended area service shall be provided so that at least 98 percent of telephone calls offered to the group will not encounter an all-trunks-busy condition. ~~For toll-connecting trunks, this figure shall be at least 98 percent. Unless otherwise authorized by the board, a provider of regulated toll services shall maintain sufficient switching and network channel capacity plus other necessary facilities so that 98 percent of properly dialed toll calls are correctly terminated.~~

~~c. All interexchange utilities which use both line and trunk side connections for access shall order sufficient quantities of switched access service from the local exchange utility to maintain acceptable blocking probability for each type of access. Normally, the board shall consider a .01 blocking probability to be acceptable.~~

Item 30. Rescind and reserve paragraph **22.5(10)"d."**

Item 31. Amend subrule 22.5(14) as follows:

**22.5(14)** Information service access blocking. Each local exchange utility shall include in its tariff on file with the board a provision giving its subscribers the option of blocking access, ~~where facilities are available,~~ to all 900 and 976 prefix numbers, without charge for the first block.

~~a. On or before April 1, 1992, each local exchange utility, by form letter and response card, postage prepaid, separate from any other mailing, shall notify all residential customers in exchanges where blocking is available of the availability of the first blocking without charge and that access to 900 and 976 prefix numbers will not be blocked unless the residential customer returns the card or otherwise informs the local exchange utility of the customer's desire to block.~~

~~b. Each local exchange utility with exchanges where facilities to provide blocking are unavailable must file a semiannual report to the board, on or before each April 1 and October 1, identifying the exchanges.~~

~~c. On or before April 1, 1992, each local exchange utility shall notify all residential customers in exchanges where blocking is not available that blocking is not available. Within 30 days after blocking becomes available in an exchange where blocking was not available as of April 1, 1992, the local exchange company will notify the customers of that exchange, pursuant to the provisions of paragraph "a," that blocking has become available.~~

~~d. All local exchange utilities must state in their telephone directories which exchanges listed in the directory offer 900 and 976 prefix access service blocking. For those exchanges where blocking is available, the directory must state the method to order access blocking and that the first blocking is without charge.~~

~~e. At the time of application or within one month of the date service is initiated, local exchange companies must provide or mail the appropriate notice under paragraph "a" or "c" to new residential customers.~~

Item 32. Rescind and reserve paragraphs **22.6(2)"e"** and **"f."**

Item 33. Amend subrule 22.6(4) as follows:

**22.6(4)** Repair—missed appointments. When a utility makes an appointment for installation or repair within a given range of time, and misses that appointment by over an hour, the customer will receive one month's primary local service free of charge. This is applicable to each missed appointment. ~~The expense incurred as a result of a missed appointment in providing free primary local service shall not be included in rates.~~

Item 34. Rescind and reserve subrules **22.12(2)** through **22.12(4)**.

Item 35. Rescind and reserve rule **199—22.13(476)**.

Item 36. Amend subparagraph **22.14(2)"d"(1)** as follows:

(1) ~~Rate-regulated~~ Incumbent local exchange utility carrier intrastate access service tariffs shall include the carrier common line charges approved in the ~~rate-regulated local exchange utility's price-regulation plan~~ tariff or as otherwise approved by the board.

Item 37. Amend paragraph **22.14(4)"a"** as follows:

a. All telephone utilities that file new or changed tariffs relating to access charges, access service, or the recording function associated with billing and collection for access services shall give written notice of the new or changed tariffs to their interexchange utility access customers, the board, and the consumer advocate ~~and to all interexchange utilities registered with the board under paragraph "b" of this subrule.~~ Notice shall be given on or before the date of filing of the tariff. The notice shall consist of ~~a copy of the tariff transmittal letter, a listing of affected tariff pages, and:~~ the file date, the proposed effective date, a description of the proposed changes, and the tariff section number where the service description is located. If two or more local exchange utilities concur in a single tariff filing, the local exchange utilities may send a joint written notice to the board, consumer advocate, and the interexchange utilities.

Item 38. Rescind paragraphs **22.14(4)"b"** and **"c"** and renumbering accordingly:

~~b. To receive notice of new or changed access service tariffs, an interexchange utility shall register with the board. An interexchange utility registers by filing a specific written request for registration, stating its name and the address where notice is to be sent.~~

~~c. Local exchange utilities shall file an affidavit listing all interexchange utilities notified of the proposed filing when the tariff is filed with the board.~~

d b. The board shall not approve any new or changed tariff described in paragraph "a" until after the period for resistance provided in subrule 22.14(5), paragraph "a."

Item 39. Amend subrule 22.15(1) as follows:

**22.15(1)** Interexchange utility service. An interexchange utility may provide interexchange service by complying with the laws of this state and the rules of this board. Any company or other entity accessing local exchange facilities or services in order to provide interexchange communication services to the public shall be considered to be an interexchange utility and subject to the rules herein, unless otherwise exempted. Such utilities are required to file ~~tariffs~~ a registration form, reports, and other items and are subject to service standards as specified in utilities division rules, ~~chapters 7, 16, and 22,~~ unless otherwise exempted.

October 23, 2008

/s/ John R. Norris

John R. Norris  
Chairman