

UTILITIES DIVISION [199]

Adopted and Filed

Pursuant to Iowa Code sections 17A.4 and 476.2, the Utilities Board (Board) gives notice that on September 15, 2015, the Board adopted amendments to 199 IAC 22 as described in Docket No. RMU-2014-0003, In re: Amendments to Telephone Service Regulations [199 IAC 22]. The adopted rules address changes to various sections of Iowa Code sections 476 and 477, resulting from the enactment of SF 2195 on April 25, 2014, which eliminates retail tariff requirements for local exchange carriers (LECs). This new law, codified in Iowa Code section 476.4(2), became effective on July 1, 2014, and no longer requires telephone utilities to file retail tariffs after January 1, 2015. The Board's rules governing the provision of telecommunications services are found at 199 IAC 22 and contain multiple references to retail tariffs and retail tariff requirements. The amended rules are necessary to eliminate outdated provisions and to implement the new provisions of Iowa Code section 476.4(2).

To develop the amendments, the Board sought early input from stakeholders. On May 30, 2014, the Board issued an "Information Order and Order Requesting Responses" in this docket to initiate the process of amending its administrative rules to address the requirements of SF 2195. The Information Order provided initial instructions to LECs for the withdrawal of retail tariffs prior to January 1, 2015. The Information Order also explained the Board's intent to update its rules in Chapter 22 that

contain references to retail tariffs, require changes due to the enactment of SF 2195, or are no longer relevant. The Board requested responses from all interested stakeholders. The Board received three responses to the Information Order. Generally, the responses agreed that the rules need to be revised and offered preliminary suggestions as to how the rules could be amended.

A Notice of Intended Action was published in the Iowa Administrative Bulletin at IAB Vol. XII, No. 23 (04/15/2015) p. 1841, as ARC 1957C. Written comments were filed on or before April 27, 2015, by the following participants: Qwest Corporation, d/b/a CenturyLink QC (CenturyLink); the Iowa Communications Alliance (ICA); AT&T Corp. and Teleport Communications America, LLC (collectively AT&T); Sprint Communications Company, L.P. (Sprint); MCImetro Access Transmission Services, LLC, d/b/a Verizon Access Transmission Services (Verizon); Windstream Iowa Communications, Inc. (Windstream); and Office of Consumer Advocate, a division of the Iowa Department of Justice (OCA).

A public hearing to receive oral comments on the proposed amendments was held on June 2, 2015.

Additional written comments were filed by OCA generally restating its previously filed comments and stating its continued support of the proposed rule changes.

Based on the comments submitted in this proceeding, the Board determined that the proposed amendments to 199 IAC 22 should be adopted with some modifications, as described here.

SUMMARY OF COMMENTS AND DESCRIPTION OF AMENDMENTS ADOPTED

1. Proposed changes to subrule 22.1(3) – Definitions.

Bill-and-keep

AT&T, CenturyLink, ICA, and Sprint all advocated for either the removal or the modification of the proposed definition of “bill-and-keep.” AT&T suggested some changes to the proposed language so that the Board’s definition would mirror the federal definition found in 47 C.F.R. § 51.713. Similarly, CenturyLink, ICA, and Sprint all recommended that the Board eliminate the definition of “bill-and-keep” entirely because the term is already defined in corresponding federal regulations.

The Board agrees with the concerns raised by the commenters regarding the proposed definition of “bill-and-keep.” The proposed rules attempted to define the term because it is used in another subrule, 22.14(2), regarding intrastate access tariffs. Amending 22.14(2) eliminates the need for a definition of the term “bill-and-keep” in this subrule. Therefore, the Board will not adopt a definition for “bill-and-keep” in subrule 22.1(3).

“Tariff” and “Wholesale services”

AT&T, CenturyLink, Verizon, and ICA provided comments regarding the Board’s proposed definitions of “Tariff” and “Wholesale Services.” All of these participants indicated concern that the Board’s proposed definitions inadvertently include arrangements and contracts for services that are not generally subject to wholesale tariffs or interconnection agreements, such as contracts with underlying carriers and other matters generally subject to competitive contract agreements that are not subject to Board approval. These commenters suggested that the Board amend these

definitions to more appropriately clarify the scope of the tariffing requirements for wholesale services.

The Board agrees with the commenters that the proposed definition may be ambiguous regarding the inclusion of arrangements and contracts that are not generally subject to wholesale tariffs or interconnection agreements. The Board will adopt the definitions for “Tariff” and “Wholesale Services” recommended by AT&T, which appear to provide appropriate clarification to the terms.

“Transitional intrastate access service”

ICA filed comments suggesting that the proposed definition of the term “transitional intrastate access services” should be modified to mirror the FCC’s definition in 47 C.F.R. § 51.903.

The Board agrees and will amend its proposed definition of the term “transitional intrastate access services” to match the FCC’s definition.

Other comments

ICA filed comments suggesting that the terms “communications services,” “telecommunications services,” and “telephone services” should be clarified. ICA noted that the Board did not propose any changes to these definitions in its Notice of Intended Action, but ICA suggests that it may be an appropriate time to redefine these terms.

ICA also proposed that the Board consider redefining the term “demarcation point” as part of this proceeding to reflect the evolution of telecommunications networks from copper to fiber. ICA suggested that the definition of the term should be modified so that it is based on the function of the equipment and should be defined as the point where the facilities owned by the company connect with facilities owned by the user.

At the June 2, 2015, comment proceeding, AT&T addressed ICA's proposed definition of "demarcation point" and suggested that it is a significant issue that should be deferred to a comprehensive review of 199 IAC chapter 22 to allow for more substantive comment and discussion. (Transcript p. 19).

With respect to ICA's request to clarify the terms "communications services," "telecommunications services," and "telephone services" in the rules, the Board notes that these three terms also appear throughout Iowa Code chapter 476. If clarity regarding the definitions of these terms is necessary, legislative involvement may be required to ensure compatibility between the statutory provisions and the Board's rules implementing those provisions. Therefore, the Board will not make changes to the definition of these terms at this time.

In addition, while the Board agrees that the definition of "demarcation point" may be in need of updating, eventual changes to the term will likely result from additional rule changes addressing different telecommunications technologies, such as Voice over Internet Protocol services. The Board will not make any changes to the definition of "demarcation point" at this time, but will consider changes to this definition in a more comprehensive review of 199 IAC chapter 22.

2. Proposed changes to 22.1(5) – Basic Utility Operations

CenturyLink filed comments suggesting that the Board may have overlooked a reference to retail tariffs in this rule and suggested that the proposed rule be modified to remove the reference. CenturyLink recommended that the rule should provide that a utility would not provide service in accordance with its tariffs, but instead under a retail catalog or other format that is not subject to board approval.

The Board agrees with CenturyLink that modifications should be made and will rescind the “Basic Utility Obligations” rule. CenturyLink’s proposed modification implies that the Board has no authority over a utility’s provision of telecommunications service. Senate File 2195 intended to relieve retail tariff filing requirements for local exchange utilities, but it did not intend to relieve local exchange utilities from other applicable statutes and administrative rules. Amending the rule to state that telephone utilities must still follow applicable statutes and rules is not necessary. The rule will be rescinded.

3. Proposed changes to 22.1(6)(c) – Deregulated Actions

AT&T filed comments suggesting that the language of the proposed amendment, which identifies the regulation changes brought about by SF 2195, is not entirely consistent with similar references in 22.1(6). AT&T suggested that the Board further modify the proposed rule to make it consistent with the other references to SF 2195 in this chapter. AT&T noted that the list of deregulated actions identified in this subrule includes the recording function of billing and collection services. This service is also referenced in 22.14(2)(d)(5) and should be removed from that paragraph as well.

The Board agrees with AT&T’s comments and will modify the proposed paragraph 22.1(6)(c) to make it consistent with all other references to SF 2195. The Board will also modify 22.14(2)(d)(5) to remove the reference to the recording function of billing and collection services as suggested.

4. Proposed changes to 22.2(3) – Tariffs to be filed with the board,

CenturyLink filed comments suggesting that the Board may have overlooked a reference to retail tariffs in this rule and recommended that the rule be clarified to relate only to required tariffs.

The Board agrees with CenturyLink's comments and will amend its proposed rule as recommended by CenturyLink.

5. Proposed changes to 22.2(5) – Content of tariffs.

ICA filed comments suggesting that the proposed rule should be modified by adding the phrase "included in the tariff" to the end of the sentence. ICA stated that the addition of this phrase clarifies the services that should be included in the tariff.

The Board agrees with ICA's comment regarding clarification of this proposed rule and will modify it as recommended.

6. Proposed changes to 22.3(1) – Directories.

CenturyLink and ICA filed comments recommending that the Board consider eliminating the need for this rule. Both CenturyLink and ICA suggested that the competitive telecommunications marketplace provides consumers with alternatives to the traditional paper directory for listing information including web-based directory searches and wireless or other devices to store numbers. According to CenturyLink and ICA, changing customer preferences have led to a continued decrease in the usefulness of printed directories and some concern has been raised regarding the environmental impact of unused directories. ICA suggested that an alternative to eliminating this rule entirely would be to modify the rule so that carriers are required to

provide customers with access to an electronic or printed directory via an opt-in mechanism instead of the current requirement of a delivered paper directory.

The Board recognizes that with changes in telecommunications technologies comes changes in customer preferences regarding printed directories. However, elimination of the printed directories requirement is not appropriate at this time. Modifications, or possible removal, of this rule is best considered in a more comprehensive review of 199 IAC chapter 22.

7. Proposed changes to 22.4(1) – Customer information

In the Notice of Intended Action, the Board proposed to add new paragraphs to the rule that required local exchange utilities to develop a catalog or service guide, make the utility's retail rates available on the utility's web site, and disclose the availability of the schedule of retail rates, catalog, and service guide.

Windstream and AT&T filed comments suggesting that the Board's proposed amendments to this rule extend beyond the scope of SF 2195. Windstream argued that the proposed changes to this rule, specifically those changes that require each local exchange carrier to post its retail rates (and any related requirements), is tantamount to an electronic tariffing requirement and should be rejected. Windstream stated that its customers are aware of their rates at the time they agree to service and will be notified in advance of any changes to their rates so there is no need for an electronic "tariff" of retail rates.

Similarly, AT&T asserted that the Board should not dictate the information that must be included in service guides and customer catalogs. At the June 2, 2015, comment proceeding, AT&T restated its written position that requiring carriers to list in a service

guide all the information that was previously contained in a tariff effectively defeated the intent of SF 2195. (Transcript pp. 11-12)

The Board has considered the arguments raised by Windstream and AT&T regarding the perception that these requirements exceed the intended scope of SF 2195. The Board will not adopt any of its proposed changes to 22.4(1) at this time.

8. Proposed changes to 22.14(2)(a) – Filing of intrastate access service tariffs.

ICA filed submitted comments suggesting that the proposed definition of the term “bill-and-keep” in 22.14(2)(a) should be withdrawn. ICA recommended that the proposed paragraph be modified to replace the term “bill-and-keep” with the phrase “removed from tariff.” In addition, ICA suggested that the first sentence of the proposed paragraph be modified to clarify that there are not separate tariffs for intrastate access service and transitional intrastate access service.

AT&T filed comments recommending modifications to the proposed language of this paragraph to distinguish between the timing of annual access tariff filings for incumbent local exchange carriers and certain competitive local exchange carriers. Specifically, AT&T noted that a competitive local exchange carrier that benchmarks its rates to an incumbent local exchange carrier may not be able to file its annual access tariff rate changes at the same time as the incumbent carrier because it may not know what the incumbent carrier’s rate changes will be.

CenturyLink also filed comments recommending changes to this paragraph. CenturyLink suggested modifications to the proposed language to clarify that transitional intrastate access services are “switched” access services and that they involve “terminating” rates.

The Board has considered the comments and suggestions presented by ICA, AT&T, and CenturyLink and has modified the proposed paragraph to incorporate the commenters' recommendations.

9. Proposed changes to 22.14(2)(b) – Filing of intrastate access service tariffs.

Sprint filed comments recommending that the Board modify this proposed paragraph to clarify that access tariff concurrence does not apply in situations involving high volume access services. ICA also filed comments questioning whether the proposed paragraph language would allow more concurrences with access tariffs when a utility is in the same exchange area. AT&T filed similar comments proposing additional qualifications to the concurrence rule be added to the proposed paragraph that would make the rule consistent with the federal access concurrence rules under 47 C.F.R. § 61.26.

At the June 2, 2015, comment proceeding, AT&T explained that under the federal rules, a CLEC must qualify as a rural CLEC prior to having the ability to concur in another rural telephone company's access tariff. (Transcript p. 18).

The Board has considered the comments and suggestions of Sprint, ICA, and AT&T and agrees that modifications should be made to the proposed paragraph. The Board will amend the proposed paragraph to incorporate the language suggested by AT&T as it appears that the suggested language satisfies the concerns of all commenters.

10. Proposed changes to 22.14(2)(d)(1) – Carrier Common Line Charge

CenturyLink, AT&T, and Sprint filed comments suggesting modifications to this proposed paragraph to remove the reference to the carrier common line charge (CCLC) of three cents per access minute. Sprint argued that the Board should eliminate not

only the terminating CCLC, but also the originating CCLC. Sprint further argued that the Board's decade long review of the applicability of the CCLC and has acknowledged that the FCC arguably preempts state authority for continuing to allow the CCLC as it is currently specified in the Board's rules.

AT&T and CenturyLink offer some suggestions to modify the rule language that directly references any rate as would be set as the result of any potential transitional access service reductions.

The Board's current CCLC rules reference a three cents per minute CCLC rate for both originating and terminating intrastate access services. The proposed rule eliminates the terminating CCLC because the FCC has preempted state authority to set specific terminating access rates. Sprint appears to be recommending a flash cut elimination of the CCLC since Sprint does not propose language incorporating a phase down of the originating charge. The Board has considered Sprint's comments and finds that amending the proposed rule to reflect a flash cut or phase down elimination of the originating CCLC should be discussed in a comprehensive review of 199 IAC chapter 22.

11. Proposed changes to 22.16 – Discontinuance of Service

Sprint filed comments expressing concern regarding the specific detail for how access billing disputes are to be handled when there is a discontinuation of service. Sprint stated that while 22.16, as proposed, requires notice to be given of an intended discontinuance of service "to the board and consumer advocate," there is no explicit requirement that the customer whose service will be discontinued will be given notice. Sprint argued that the 2 days' notice for discontinuance of nonpayment as provided in

the proposed rule is too short of a time frame to be meaningful. Sprint suggested that the Board modify the proposed rule to allow for 30 days' notice of discontinuance for nonpayment.

The Board has considered Sprint's comments and suggestions, and will adopt the proposed rule without modification. The proposed two business day notice for a discontinuance of service pertains only in cases of nonpayment of account, violation of rules and regulations, or violation of Board orders. The notice period for all other discontinuance of service situations remains at 30 to 90 days depending on whether customers are impacted.

The proposed rules consider that cases of nonpayment of account, violation of rules and regulations, or violation of Board orders are exceptions to the 30 to 90 day notice period for a typical notice for discontinuance of service. In the past, there have been situations where little or no advance notice was provided to the Board or OCA when a local exchange carrier intended to discontinue service to an interexchange carrier over the nonpayment of access charges. A two business day notice will allow time for the Board and OCA to review a filed notice of discontinuance of service and still issue an emergency order docketing the billing dispute for investigation or staying the discontinuance of service, if necessary.

12. Proposed changes to 26.5(1)(b) – Notification of customers.

AT&T filed comments suggesting that the Board's proposed changes to this paragraph, which requires telephone utilities to file copies of rate change notices with the Board, is outside the scope of SF 2195. AT&T recommended that the proposed rule

be modified to eliminate language that requires companies to file rate change notices with the Board.

Pursuant to the proposed rule, telephone utilities exempt from filing retail tariffs would not need to follow the specific rate increase notice requirements identified in 199 IAC chapter 26. However, telephone utilities would need to file with the Board copies of the rate increase notices that they send to their retail customers. The intent of the proposed rule language was not to subject the rate increases notices to Board jurisdiction but instead provide information to the Board staff for the purpose of addressing customer complaints or inquiries regarding retail rate increases.

The Board has considered AT&T's comments and determines that the proposed language requiring the filing of rate increase notices exceeds the scope of SF 2195. Therefore, the Board will not adopt the proposed changes to 26.5(1)(b).

These amendments are intended to implement Iowa Code sections 17A.4 and 476.2.

The following amendments are adopted.

ITEM 1. Adopt **199—Chapter 22**, title, as follows:

SERVICE SUPPLIED BY TELEPHONE UTILITIES

ITEM 2. Adopt subrule 22.1(1), introductory paragraph, as follows:

22.1(1) *Application and purpose of rules.* The rules shall apply to any telephone utility operating within the state of Iowa subject to Iowa Code chapter 476, and shall supersede all conflicting rules of any telephone utility which were in force and effect prior to the adoption of their superseding rules. Unless otherwise indicated, “telephone utility” or “utility” shall mean local exchange utility, interexchange utility, or alternative

operator services company. These rules shall be construed in a manner consistent with their intent.

ITEM 3. Adopt subrule **22.1(3)**, definitions of “Customer provision,” “Local exchange utility” and “Tariff,” as follows:

“Customer provision” means customer purchase or lease of terminal equipment or inside station wiring from the telephone utility or from any other supplier.

“Local exchange utility” means a telephone utility that provides local exchange service under an authorized certificate of public convenience and necessity. The utility may also provide other services and facilities such as access services.

“Tariff” means the entire body of rates, classifications, rules, procedures, policies, etc., adopted and filed with the board by a local exchange utility for wholesale services, not governed by an interconnection agreement or commercial agreement, or by an alternative operator services company for retail services, in fulfilling its role of furnishing communications services.

ITEM 4. Rescind the definitions of “Base rate area,” “Message rate service,” “Rate zone,” “Rural service,” “Special rate area” and Toll rate” in subrule **22.1(3)**.

ITEM 5. Adopt the following new definitions in subrule 22.1(3):

“Retail services” means those communications services furnished by a telephone utility directly to end-user customers. For an alternative operator services company, the terms and conditions of its retail services are addressed in an approved intrastate tariff. For a local exchange utility, the terms and conditions of its retail services are typically addressed in a retail catalog or other format, which is not subject to board approval.

“Transitional intrastate access service” means terminating end office access service that was subject to intrastate access rates as of December 31, 2011; terminating tandem-switched transport access service subject to intrastate access rates as of December 31, 2011; and originating and terminating dedicated transport access service subject to intrastate access rates as of December 31, 2011.

“Wholesale services” means those communications services furnished by one telephone utility to another provider of communications services. The terms and conditions of wholesale services may be addressed in a telephone utility’s approved intrastate access tariff, local interconnection tariff, interconnection agreement reached under Sections 2351 and 252 of the federal Telecommunications Act, or in a commercial agreement reached between the providers.

ITEM 6. Rescind subrule 22.1(5) *“Basic utility obligations”*.

ITEM 7. Adopt subrule 22.1(6) as follows:

22.1(6) *Deregulation actions.*

c. Deregulation resulting from the passage of 2014 Iowa Acts, chapter 1099, section 4. Effective July 1, 2014, Iowa Code section 476.4 was amended to require that telephone utilities should only file wholesale tariffs with the board. Amended section 476.4 required local exchange utilities to withdraw their retail tariffs between July 1, 2014, and January 1, 2015. Docket No. RMU-2014-0003.

ITEM 8. Adopt 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 all required tariffs with the board, and shall

maintain such tariff filings in a current status. A copy of the same tariffs shall be available upon request.

The tariff shall be classified, designated, arranged, and submitted so as to conform to the requirements of this chapter or board order. Provisions of the schedules shall be definite and so states 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.

ITEM 9. Adopt subrule 22.2(4) as follows:

22.2(4) *Form and identification.* All tariffs shall conform to the following rules.

a. The tariff shall be printed so as to result in a clear and permanent record. The sheets of the tariff should be ruled or spaced to set off a border on the left side. In the case of utilities subject to regulation by any federal agency, the format of sheets of tariff as filed with the board may be the same format as is required by the federal agency, provided that the rules of the board as to title page; identity of superseding, replacing or revising sheets; identity of amending sheets; identity of the filing utility, issuing official, date of issue and effective date; and the words "Filed with the board" shall be applied to modify the federal agency format for the purposes of filing with this board.

b. and c. No change.

d. All sheets except the title page shall have, in addition to the above-stated requirements, the following further information:

(1) and (2) No change.

(3) Effective date.

EXHIBIT A

..... Telephone Tariff
 (Name of Company)
 Filed with board.

Part No.
 Sheet No.
 Canceling (or revising)..... Sheet No.
 Amending Sheet No.

EXAMPLE

Issued Effective.....
 (Date) (Date)

By

ITEM 10. Adopt subrule 22.2(5) as follows:

22.2(5) Content of tariffs.

- a. No change.
- b. The period during which the billed amount may be paid before the account becomes delinquent shall be specified. Where net and gross amounts are billed, the difference between net and gross is a late payment charge and the amount shall be specified.
- c. Forms of standard contracts required of customers for the various types of service available other than those which are defined elsewhere in the tariff.
- d. Rules with which prospective customers must comply as a condition of receiving service.
- e. Notice by customer required for having service discontinued.
- f. Rules on billing periods, bill issuance, notice of delinquency, refusal of service, service disconnection and reconnection and customer account termination for nonpayment of bill.

g. Customer deposit rules which cover when deposits are required, how the amounts of required deposits are calculated, requests for additional deposits, interest on deposits, records maintained, issuance of receipts to customers, replacement of lost receipts, refunds, and unclaimed deposit disposition.

h. A separate glossary of all acronyms and trade names used.

i. A general explanation of each service offering included in the tariff.

ITEM 11. Adopt subrule 22.3(1) as follows:

22.3(1) Directories. All directories published after the effective date of these rules shall conform to the following:

a. to c. No change.

d. The directory shall contain such instructions concerning placing local and long distance calls, calls to repair and information services, and location of telephone utility business offices as may be appropriate to the area served by the directory. A statement shall be included that the utility will verify the condition of a line if requested by a customer and whether any charge will apply. The 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.

e. No change.

f. In the event of an error or omission, in the name or number listing of a customer, that customer's correct name and telephone number shall be furnished to the calling party either upon request to or interception by the telephone utility.

g. to i. No change.

ITEM 12. Adopt subrule 22.3(5) as follows:

22.3(5) *Pay telephone services and facilities.* All telephone utilities shall make available to customers provisions for the interconnection of pay telephone equipment. A separate access line shall not be required for pay telephone equipment.

ITEM 13. Adopt subrule 22.3(12) as follows:

22.3(12) *Ordering and transferring of service.* All local exchange utilities shall establish terms and conditions for ordering and transferring local exchange service.

ITEM 14. Adopt subrule 22.3(14) as follows:

22.3(14) *Adjacent exchange service.* All local exchange utilities shall allow customers to establish adjacent exchange service.

a. The customer shall pay the full cost of establishing and maintaining the adjacent exchange service.

b. In addition, the local exchange utility may include all or part of the following service provisions:

(1) The customer shall subscribe to local exchange service in the primary exchange in addition to the adjacent exchange service.

(2) to (4) No change.

(5) Failure of the customer to comply with the utility's provisions related to adjacent exchange service shall subject the customer to discontinuance of service after appropriate notice.

c. No change.

ITEM 15. Adopt subrule 22.4(1) as follows:

a. Each local exchange utility shall:

(1) to (4) No change.

b. No change.

ITEM 16. Adopt subrule 22.4(3) as follows:

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

a. and b. No change.

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

(1) to (6) No change.

d. to g. No change.

h. Maximum payment required for installation and activation of local exchange service shall comply with the total derived in accord with these rules.

(1) An applicant for local exchange service who is required to make a deposit to guarantee payment of bills may be required to pay the service charges and deposit prior to obtaining services.

(2) No change.

i. Maximum payments required by an active account or inactive account, for restoration of service of the same class and location as existed prior to disconnection, shall be the total of charges derived for reconnection and must comply with 22.4(2), 22.4(5), and 22.4(7).

j. to l. No change.

ITEM 17. Adopt subrule 22.4(4) as follows:

22.4(4) *Customer complaints.*

- a. No change.
- b. Each utility shall develop a concise, fully informative procedure for the resolution of all customer complaints.
- c. The utility shall take reasonable steps to ensure that customers shall not be denied the right to be heard.
- d. The final step in the resolution of a complaint shall be a filing for board resolution of the complaint issues pursuant to 199—Chapter 6.

ITEM 18. Adopt subrule 22.4(5) as follows:

22.4(5) *Refusal or disconnection of service.* Notice of a pending disconnection shall be rendered and local exchange service shall be refused or disconnected as set forth in these rules. 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 the day on which the utility’s local business office or local authorized agent is closed. Service may be refused or disconnected:

a. to d. No change.

e. For violation of or noncompliance with the board’s rules, the requirements of municipal ordinances or law pertaining to the service.

f. For failure of the customer or prospective customer to furnish service equipment, permits, certificates or rights-of-way specified by the utility as conditions for obtaining service, or for the withdrawal of that same equipment or the termination of those permissions or rights, or for the failure of the customer or prospective customer to fulfill the contractual obligations imposed as conditions of obtaining service.

g. No change.

h. For nonpayment of bill or deposit, except as restricted by 22.4(7), provided that the utility has made a reasonable attempt to effect collection and:

(1) and (2) No change.

(3) In the event of a dispute concerning the bill, the utility may require the customer to pay a sum of money equal to the amount of the undisputed portion of the bill. Following payment of the undisputed amount, efforts to resolve the complaint shall continue and for not less than 45 days after the rendering of the disputed bill, the service shall not be disconnected for nonpayment of the disputed amount. The 45 days may be extended by up to 60 days if requested of the utility by the board in the event the customer files a written complaint with the board.

ITEM 19. Adopt subrule 22.5(14) as follows:

22.5(14) *Information service access blocking.* Each local exchange utility shall provide its customers the option of blocking access to all 900 and 976 prefix numbers, without charge for the first block.

ITEM 20. Adopt subrule 22.6(6) as follows:

22.6(6) *Business offices.*

a. Each local exchange utility shall have one or more business offices or customer service centers staffed to provide customer access to qualified personnel, including supervisory personnel where warranted, to provide information relating to services and rates, accept and process applications for service, explain charges on customers' bills, adjust charges made in error, and, generally, to act as representatives of the local exchange utility. If one business office serves several exchanges, toll-free calling from those exchanges to that office shall be provided.

b. No change.

ITEM 21. Adopt rule 199—22.10(476), introductory paragraph, as follows:

199—22.10(476) Unfair practices. All unfair or deceptive practices related to customer provision of equipment are prohibited. Any failure to provide information to customers or to deal with customers who provide their own terminal equipment or inside station wiring or an alteration of the charges for or availability of equipment or services on that ground, unless specifically authorized by board order or rule, shall constitute unfair or deceptive practices. In cases of equipment in compliance with Federal Communications Commission registration requirements, telephone utility personnel are prohibited from making any statement, express or implied, to, or which will reach, a customer or prospective customer that terminal equipment in compliance with Federal Communications Commission registration requirements cannot properly be attached to the telephone network. This does not apply to good-faith efforts to amend the Federal Communications Commission requirements.

ITEM 22. Adopt subrule 22.11(1) as follows:

22.11(1) Construction by user limitation. A user shall not be allowed to construct inside station wiring from a demarcation point or between two or more buildings on the same premises to obtain service from an exchange other than that by which the user would normally be served, excluding users being provided adjacent exchange service or foreign exchange service. Existing inside wiring obtaining local exchange service within another exchange boundary shall be disconnected by the user within ten days after receipt of written notification from the local exchange company.

ITEM 23. Adopt rule 199—22.12(476) as follows:

199—22.12(476) Content of wholesale tariff filings proposing rate changes.

22.12(1) *Construction of rule.* This rule shall be construed in a manner consistent with its purpose to expedite informed consideration of wholesale tariff filings that propose rate changes by ensuring the availability of relevant information on a standardized basis. Unless a waiver is granted prior to the filing of a wholesale tariff, this rule shall apply to all wholesale tariff filings by telephone utilities proposing rate changes, except the retail tariff filings of AOS utilities that propose rates at or below the corresponding rates for similar services of utilities whose rates have been approved by the board in a rate case or set in a market determined by the board to be competitive.

22.12(2) to 22.12(4) No change.

ITEM 24. Adopt subparagraph **22.14(1) “b”(3)** as follows:

(3) This rule shall be inapplicable to administrative communications made by or to a telephone utility.

ITEM 25. Adopt subrule 22.14(2) as follows:

22.14(2) *Filing of intrastate access service tariffs.*

a. Tariffs providing for intrastate switched access services shall be filed with the board by a local exchange utility which provides such services. A local exchange utility whose tariff or concurring tariff does not contain automatic reductions to implement the applicable transitional intrastate access service reductions shall file revised transitional intrastate access services rates with the board to become effective on or about July 1 of each year until such terminating rates are removed from the tariff. A competitive local exchange carrier that is required to benchmark its intrastate access service rates to the

rates of an incumbent local exchange carrier shall file revised transitional intrastate access rates with the board to become effective on or about August 1 of each year until such terminating rates are removed from the tariff. Unless otherwise provided, the filings are subject to the applicable rules of the board.

b. Except in situations involving HVAS, a local exchange utility may concur in the intrastate access tariff filed by another local exchange utility serving the same exchange area. However, a competitive local exchange carrier may not concur in the intrastate access tariff of an incumbent local exchange carrier that qualifies as a rural telephone company pursuant to 47 U.S.C. § 153(44) unless the competitive local exchange carrier also is a rural CLEC pursuant to 47 C.F.R. § 61.26(a)(6).

(1) Alternatively, a local exchange utility may voluntarily elect to join another local exchange utility or utilities in forming an association of local exchange utilities. The association may file intrastate access service tariffs.

(2) No change.

c. No change.

d. All intrastate access service tariffs shall incorporate the following:

(1) Carrier common line charge. The rate for the intrastate carrier common line charge shall be three cents per access minute or fraction thereof for the originating segments of the communication, unless a lower rate is required by the transitional intrastate access service reductions, or if numbered paragraphs “1” and “2” are applicable. The carrier common line charge shall be assessed to exchange access made by an interexchange telephone utility, including resale carriers. In lieu of this charge, interconnected private systems shall pay for access as provided in 22.14(1)“b.”

1. No change.

2. A competitive local exchange carrier shall deduct the carrier common line charge from its intrastate access service tariff.

(2) to (4) No change.

(5) Rescind.

(6) to (8) No change.

e. No change.

ITEM 26. Adopt the following new subrule 22.14(7):

22.14(7) *Access billing disputes and discontinuation of service.* The provisions of subparagraph 22.4(5)“h”(3) also apply to intrastate access billing disputes. The provisions of rule 199—22.16(476) shall be followed before a utility discontinues providing intrastate access service to another utility.

ITEM 27. Rescind and reserve subrule **22.15(3)**.

ITEM 28. Adopt rule 199—22.16(476) as follows:

199—22.16(476) Discontinuance of service. Except in the case of emergency, no local exchange utility or interexchange utility may discontinue providing intrastate service to any local exchange or part of a local exchange without providing notice to the board and the consumer advocate.

In cases of nonpayment of account, violation of rules and regulations, or violation of board orders, no utility shall discontinue service without providing at least two business days' notice to the board and the consumer advocate.

In all other cases, the utility shall file with the board and the consumer advocate a notice of intent to discontinue service at least 90 days prior to the proposed date of

discontinuance. However, if the utility shows it has no customers for the service it proposes to discontinue, the utility need only file such notice 30 days prior to discontinuance.

22.16(1) The notice of discontinuance of service shall include the following:

1. to 6. No change.

22.16(2) If after 30 days of the filing of such notice no action is taken by the board, the discontinuance may take place as proposed.

22.16(3) The board, on its own motion or at the request of the consumer advocate or affected customer, may hold a hearing on such discontinuance.

ITEM 29. Adopt subrule 22.19(3) as follows:

22.19(3) *Blocking.* AOS companies shall not block the completion of calls which would allow the caller to reach a long distance telephone utility different from the AOS company. All AOS company contracts with contracting entities must prohibit call blocking by the contracting entity. The contracting entity shall not violate that contract provision.

ITEM 30. Adopt paragraph **22.20(3)**“a,” introductory paragraph, as follows:

a. If a utility files a paper boundary map, the map shall be on a scale of one inch to the mile. If a utility files a boundary map in an electronic format, the relevant scale shall be noted in the filing. Boundary maps shall include information equivalent to the county maps which are available from the Iowa department of transportation, showing all roads, railroads, waterways, plus township and range lines outside the municipalities. A larger scale shall be used where necessary to clarify areas. All map details shall be clean-cut and readable.

ITEM 31. Rescind subrule 22.20(4) and adopt the following **new** subrule in lieu thereof:

22.20(4) Certificate modifications. Two local exchange utilities may transfer the service territory boundaries and customers from one utility to another after notice to affected persons and the opportunity for hearing. A certificate modification shall be approved if the board finds that the transfer will result in adequate service to affected customers, the transfer is in the public interest, and the provisions of 199 IAC 22.23(2)“e” have been followed. If the certificate modification involves an ILEC, the ILEC shall file revised boundary maps.

After July 1, 2014, a local exchange utility may expand its service territory by filing a notice with the board and by providing notice to affected utilities. The notice shall list the exchanges where the utility currently provides ILEC and CLEC service, and the notice shall provide the names of the exchanges where the utility proposes to expand its competitive service area.

a. Filing instructions. The notice shall be filed using the board's electronic filing system in accordance with 199—14.9. The filing shall be titled, "Proposed Expansion of Competitive Service Area" with a reference to the year for which the notice is filed. The board's records and information center will assign each filing an ES docket number, signifying "Expansion of Service Areas." Unless docketed by the Board for further investigation, a letter approving the notice and modifying the utility's certificate will be issued within 30 days of the filing. ES dockets are not subject to protection from public disclosure.

b. Conservation of numbering resources. A utility proposing to expand its competitive service area shall not apply for numbering resources in those exchanges until its provision of local exchange service to customers becomes imminent.

ITEM 32. Adopt paragraph **26.5(1)“b”** as follows:

b. Notification of customers. All public utilities, except those exempted from rate regulation by Iowa Code section 476.1 which propose to increase rates or charges, shall mail or deliver a written notice pursuant to paragraph 26.5(1) “c” or “d” to all customers in all affected rate classifications. The written notice shall be mailed or delivered before the application for increase is filed, but not more than 62 days prior to the filing. Any public utility exempt from rate regulation by Iowa Code section 476.1, which proposes to increase rates or charges, shall mail or deliver, not less than 30 days prior to the proposed effective date, a written notice pursuant to paragraph 26.5(1) “c” or “d” of the rate or charge increase to all customers in all affected rate classifications.

The notice requirements above are not applicable to the rate changes of a telephone utility exempt from filing retail tariffs pursuant to Iowa Code section 476.4.

September , 2015

Geri D. Huser, Chair