

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the matter of)	
)	
Ameritech Operating Companies)	Transmittal No. 1430
Tariff FCC No. 2)	
Nevada Bell Telephone Company)	Transmittal No. 84
Tariff FCC No. 1)	
Pacific Bell Telephone Company)	Transmittal No. 187
FCC Tariff No. 1)	
Southern New England Telephone Company)	Transmittal No. 843
Tariff FCC No. 39)	
Southwestern Bell Telephone Company)	Transmittal No. 3022
FCC Tariff No. 73)	

ORDER

Adopted: December 27, 2004

Released: December 27, 2004

By the Chief, Pricing Policy Division:

I. INTRODUCTION

1. Pursuant to section 204(a)(3) of the Communications Act of 1934, as amended,¹ the Ameritech Operating Companies (Ameritech), the Nevada Bell Telephone Company (Nevada Bell), the Pacific Bell Telephone Company (Pacific Bell), the Southern New England Telephone Company (SNET), and the Southwestern Bell Telephone Company (SWBT) filed Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, revising certain provisions of their interstate access tariffs, FCC Nos. 2, 1, 1, 39, and 73, respectively, to become effective December 28, 2004.² Because these telephone companies are all part of SBC Communications, Inc., they will be referred to collectively throughout this order as “SBC.” SBC’s tariff transmittals revise the refusal and discontinuance of service and security deposit provisions of its current interstate access tariffs.

2. SBC’s current tariffs allow it to require security deposits from a customer that has a late payment history or lacks established credit. SBC’s tariff transmittals state that a customer has a late payment history “if [it] has failed to pay the undisputed amount of a monthly bill by the billed due date in any two of the most recent twelve months, provided that both the past due period and the amount of the delinquent payment are more than de minimus [sic]. A de minimus [sic] late payment is construed to mean either 1) the payment received was deficient in balance by 5% or less of the original billed undisputed amount or 2) the payment received was late by one day as compared to the required bill payment date.”³ SBC’s tariff transmittals permit it to base the amount of the security deposit on the “total

¹ 47 U.S.C. § 204(a)(3).

² Ameritech Operating Companies, Nevada Bell Telephone Company, Pacific Bell Telephone Company, Southern New England Telephone Company, and Southwestern Bell Telephone Company, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, Tariffs FCC Nos. 2, 1, 1, 39, and 73, respectively, (filed December 13, 2004).

³ See, e.g., Ameritech Operating Companies Transmittal No. 1430, 2nd Revised Page 40.1, Section 2.4.1 (A).

charges billed and rendered by the Telephone Company for the most recent two months of service.”⁴ SBC’s tariff transmittals also define “established credit” as, “within the past 12 months . . . pa[y]ing all undisputed billed amounts within required bill payment dates to this telephone company or another telecommunications carrier or an electric utility.”⁵ SBC’s tariff transmittals also shorten from 30 to 15 calendar days the notice period for refusal and discontinuance of service for nonpayment, provided it has sent the unpaid bill to the customer within seven business days of the bill date, or more than 30 calendar days before giving notice of refusal or discontinuance.⁶ SBC’s tariff transmittals state that it will not initiate refusal and discontinuance of service procedures for disputed amounts if the customer has not paid the disputed amount by the due date and SBC has not “rendered a decision on the dispute.”⁷

3. In its Description and Justification SBC asserts that it is filing these revisions “[c]onsistent with the guidance provided from the Commission’s December 23, 2002, Policy Statement” and “to make additional changes . . . [to] standardize SBC’s existing separate deposit provisions for each company/state”⁸

4. On December, 20, 2004, AT&T Corp. (AT&T), Sprint Corporation (Sprint), and VarTec Telecom, Inc. (VarTec) filed petitions to reject, or, in the alternative, to suspend and investigate the SBC tariffs.⁹ On the same date, MCI filed a petition to suspend and investigate the SBC tariffs.¹⁰ On December 23, 2004, SBC filed its reply.¹¹ In this Order we grant the petition of MCI, and the petitions of AT&T, Sprint, and VarTec so far as they ask us to suspend and investigate SBC’s tariffs, and we suspend for five months and set for investigation SBC’s tariff transmittals revising the refusal and discontinuance of service and security deposit provisions of its interstate access Tariffs FCC Nos. 2, 1, 1, 39, and 73.

II. DISCUSSION

5. We find that petitioners raise substantial questions regarding the lawfulness of SBC’s tariff transmittals that require further investigation. They question whether SBC’s tariff transmittals are unjust, unreasonable, and discriminatory in violation of sections 201(b) and 202(a) of the Act, and whether the language of the revisions is vague and ambiguous in violation of sections 61.2 and 61.54 of the Commission’s rules.¹² Sprint further questions whether SBC has demonstrated substantial cause for a

⁴ See, e.g., *id.*

⁵ See, e.g., *id.*

⁶ See, e.g., *id.* at 6th Revised Page 27, section 2.1.8.

⁷ See, e.g., *id.* at 3rd Revised Page 28.1, section 2.1.8(A)(2).

⁸ See, e.g., *id.* at Description and Justification, pp. 1-2 (citing *Verizon Petition for Emergency Declaratory and Other Relief*, WC Docket No. 02-202, Policy Statement, 17 FCC Rcd 26884 (2002)).

⁹ Ameritech Operating Companies, Nevada Bell Telephone Company, Pacific Bell Telephone Company, Southern New England Telephone Company, and Southwestern Bell Telephone Company, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, Tariffs FCC Nos. 2, 1, 1, 39, and 73, respectively, Petition of AT&T Corp. (AT&T Petition); Petition of Sprint to Reject Or Alternatively Suspend and Investigate (Sprint Petition); Petition to Reject, or, In the Alternative, To Suspend and Investigate (VarTec Petition) (Dec. 20, 2004).

¹⁰ Ameritech Operating Companies, Nevada Bell Telephone Company, Pacific Bell Telephone Company, Southern New England Telephone Company, and Southwestern Bell Telephone Company, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, Tariffs FCC Nos. 2, 1, 1, 39, and 73, respectively, MCI Petition to Suspend and Investigate (MCI Petition) (Dec. 20, 2004).

¹¹ Ameritech Operating Companies, Nevada Bell Telephone Company, Pacific Bell Telephone Company, Southern New England Telephone Company, and Southwestern Bell Telephone Company, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, Tariffs FCC Nos. 2, 1, 1, 39, and 73, respectively, SBC Opposition to Petitions to Reject or, in the Alternative, Suspend and Investigate (Dec. 23, 2004).

¹² 47 U.S.C. § 201(b) and 202(a); 47 C.F.R. §§ 61.2, 61.54. See also Sprint Petition at 2; VarTec Petition at 1.

material change by a dominant carrier in a provision of a term plan.¹³ For these reasons, we conclude that substantial questions regarding the lawfulness of SBC's FCC Tariffs Nos. 2, 1, 1, 39 and 73, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, require further investigation, and we suspend them for five months. The specific issues that will be the subject of the investigation will be identified in an upcoming designation order and may include, but not be limited to, the issues identified in this paragraph. We may also, by order, identify discrete issues that do not warrant further investigation.

III. *EX PARTE* REQUIREMENTS

6. This investigation is a permit-but-disclose proceeding and is subject to the requirements of section 1.1206(b) of the Commission's rules, 47 C.F.R. § 1.1206(b), as revised. Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one- or two-sentence description of the views and arguments presented is generally required.¹⁴ Other rules pertaining to oral and written presentations are also set forth in section 1.1206(b).

IV. ORDERING CLAUSES

7. ACCORDINGLY, IT IS ORDERED that, pursuant to section 204(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 204(a), and through the authority delegated pursuant to sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91 and 0.291, Transmittal Nos. 1430, 84, 187, 843, and 3022, respectively, Tariffs FCC Nos. 2, 1, 1, 39, and 73, respectively, of the Ameritech Operating Companies, the Nevada Bell Telephone Company, the Pacific Bell Telephone Company, the Southern New England Telephone Company, and the Southwestern Bell Telephone Company ARE SUSPENDED for five months and an investigation IS INSTITUTED.

8. IT IS FURTHER ORDERED that the Ameritech Operating Companies, the Nevada Bell Telephone Company, the Pacific Bell Telephone Company, the Southern New England Telephone Company, and the Southwestern Bell Telephone Company SHALL FILE a supplement within five business days from the release date of this order reflecting the suspension. They should cite the "DA" number on the instant order as the authority for the filing.

9. IT IS FURTHER ORDERED that the petition of MCI, Inc. to suspend and investigate IS GRANTED, and the petitions to reject, or, in the alternative, to suspend and investigate filed by AT&T Corp.; Sprint Corporation; and VarTec Telecom, Inc. ARE GRANTED to the extent indicated herein and otherwise ARE DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Tamara L. Preiss
Chief, Pricing Policy Division
Wireline Competition Bureau

¹³ See Sprint Petition at 5-6.

¹⁴ See 47 C.F.R. §1.1206(b)(2), as revised.