

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

| | | |
|-----------------------------------|---|----------------------|
| In the Matter of |) | |
| |) | |
| Verizon Telephone Companies |) | WC Docket No. 02-317 |
| Tariff FCC Nos. 1, 11, 14 and 16, |) | |
| Transmittal No. 226 |) | |

ORDER

Adopted: January 21, 2003**Released: January 22, 2003**

By the Commission:

1. On August 21, 2002, the Wireline Competition Bureau (Bureau) released an order that suspended for five months and set for investigation the above-referenced tariff transmittal.¹ This transmittal sought to revise existing security deposit provisions of the Verizon Telephone Companies (Verizon) interstate access tariffs and to shorten the notice period for refusal or discontinuance of service contained in those tariffs. On October 7, 2002, the Bureau designated issues for investigation.²

2. On December 23, 2002, the Commission released a policy statement responding to a petition filed by Verizon asking, among other things, that the Commission permit carriers to revise their tariffs to require advance payments, security deposits, and shorter notice periods to protect against the risk of nonpayment.³ The *Policy Statement* was intended to provide general guidance to incumbent LECs seeking to revise the deposit and payment provisions of their interstate access tariffs. Based on the record developed in that proceeding, the Commission found that the additional deposit revisions that Verizon sought in its petition, which were similar to those proposed by Verizon in its tariffs, were not narrowly tailored to meet the incumbent LECs' need for additional protection against nonpayment without imposing undue burdens on access customers in general.⁴ The Commission was particularly concerned about the

¹ *Verizon Telephone Companies, Tariff FCC Nos. 1, 11, 14 and 16, Transmittal No. 226*, Order, 17 FCC Rcd 16184 (2002).

² *Verizon Telephone Companies, Tariff FCC Nos. 1, 11, 14 and 16, Transmittal No. 226*, WC Docket No. 02-317, Order, 17 FCC Rcd 19472 (2002) (*Designation Order*).

³ *Verizon Petition for Emergency Declaratory and Other Relief*, Policy Statement, WC Docket No. 02-202, FCC 02-337 (rel. Dec. 23, 2002) (*Policy Statement*).

⁴ *Id.* at para. 6.

potential for discriminatory application and the lack of evidence demonstrating that current uncollectibles pose a unique threat warranting the burdensome deposits sought by the incumbent LECs.⁵ The *Policy Statement* also suggested possible tariff provisions to address the risk of nonpayment.⁶

3. Verizon has withdrawn the tariff revisions proposed under Transmittal No. 226 effective January 17, 2003.⁷ This withdrawal rendered moot the investigation of the Verizon tariffs.

4. ACCORDINGLY, IT IS ORDERED that, pursuant to section 204 of the Communications Act of 1934, as amended, 47 U.S.C. § 204, the investigation imposed by the Wireline Competition Bureau in WC Docket No. 02-317 with respect to the Verizon Telephone Companies, Tariff FCC Nos. 1, 11, 14 and 16, Transmittal No. 226, IS TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

⁵ *Id.* at para. 14.

⁶ *Id.* at para. 26.

⁷ *See* Verizon Telephone Companies, Tariff FCC Nos. 1, 11, 14 and 16, Transmittal No. 280, filed January 16, 2003; Verizon Telephone Companies, Tariff FCC Nos. 1, 11, 14 and 16, Transmittal No. 284, filed January 17, 2003.