

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

In the Matter of)	
)	
National Exchange Carrier Association)	WC Docket No. 02-340
Tariff FCC No. 5, Transmittal No. 951)	
)	

ORDER

Adopted: January 23, 2003

Released: January 24, 2003

By the Commission:

1. On September 4, 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 National Exchange Carrier Association (NECA) interstate access tariff and to shorten the notice period for refusal or discontinuance of service contained in that tariff. On October 31, 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 NECA, 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 potential for

¹ National Exchange Carrier Association, Tariff FCC No. 5, Transmittal No. 951, Order, 17 FCC Rcd 16532 (WCB/Pricing, rel. Sept. 4, 2002).

² *National Exchange Carrier Association, Tariff FCC No. 5, Transmittal No. 951*, Order, WC Docket No. 02-340, DA 02-2948 (WCB/Pricing, rel. Oct. 31, 2002).

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.

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. NECA withdrew Transmittal No. 951 on January 14, 2003.⁷ This withdrawal rendered moot the investigation of the NECA tariff.

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. 02-340 with respect to the National Exchange Carrier Association, Tariff FCC No. 5, Transmittal No. 951, IS TERMINATED.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

⁵ *Id.* at para. 14.

⁶ *Id.* at para. 26.

⁷ National Exchange Carrier Association, Tariff FCC No. 5, Transmittal No. 967, filed January 14, 2003.