

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.29. Prepaid Local Telephone Service (PLTS).

- (a) **Applicability.** The provisions of this section shall apply to all dominant certificated telecommunications utilities (DCTUs) unless specifically indicated otherwise. A DCTU shall provide prepaid local telephone service (PLTS) as required by this section and shall not refuse to provide PLTS to an applicant for such service because the applicant is indebted to any DCTU or other telecommunications carrier for telecommunication services, including the carriage charges of interexchange carriers where the DCTU bills those charges under tariffs or contracts.

- (b) **Eligible customers.**
 - (1) **Former customers.** In cases where a DCTU would refuse to provide service to an applicant for residential telephone service because of indebtedness to any DCTU or other telecommunications carrier, the applicant is eligible to receive PLTS as required by this section.
 - (2) **Current customers.** A current residential customer who has not been disconnected but who has received a notice following suspension of service for non-payment for services is eligible to receive PLTS as required by this section.
 - (3) **Applicant previously disconnected from PLTS by a DCTU.** Any applicant who was previously disconnected from PLTS by a DCTU, pursuant to subsection (e)(6) of this section, does not have the right to receive PLTS from that DCTU again.
 - (4) Business customers shall not be eligible for PLTS.

- (c) **Requirements for notifying customers about PLTS.** A DCTU shall provide notice to its customers about PLTS as required by this subsection.
 - (1) **Timing of notice.**
 - (A) If the DCTU's standard practice is to suspend a customer's service for non-payment of charges before disconnecting service, it shall notify the customer of the availability of PLTS in the suspension notice.
 - (B) If the DCTU's standard practice is to disconnect a customer's service without suspension, the DCTU shall notify such customer of the availability of PLTS within three days after disconnection.
 - (2) **Content of notice.** The notice provided by a DCTU offering PLTS shall be reviewed in the DCTU's compliance filing and shall notify customers of the rates, terms, and conditions of PLTS, as described in subsection (e) of this section, including:
 - (A) a customer's eligibility to enter into the PLTS plan;
 - (B) a description of the PLTS plan including its features, charges, and options;
 - (C) a customer's responsibility to make an initial payment for PLTS and any applicable service connection charges, as defined in subsection (e)(2)(A) of this section;
 - (D) a customer's responsibility to make the initial deferred payment, if applicable, in the third billing cycle and every month thereafter, for up to 12 months;
 - (E) a customer's responsibility not to incur additional charges for calls, including long distance or other usage-sensitive services that will be charged on the local telephone bill, nor to subscribe to any services other than those included in PLTS, as defined in §26.5 of this title (relating to Definitions);
 - (F) a customer's violation of the terms and conditions of the PLTS plan may result in disconnection;
 - (G) if a customer is disconnected for violation of the terms and conditions of the PLTS plan, a DCTU has the right to retain and apply any credit in the PLTS account to the customer's outstanding balances for telecommunications services;

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.29(c)(2) continued

- (H) If a customer is disconnected for violation of the terms and conditions of the PLTS plan, that customer does not have the right to receive PLTS from that DCTU again;
 - (I) the customer's responsibility to subscribe to PLTS within a certain time period in order to defer service restoration or connection charges as described in subsection (e)(1)(B) of this section; and
 - (J) the customer's right to receive basic local telephone service without entering PLTS if the customer does not owe for basic local telephone charges. (This right shall be prominently displayed on the notice and shall be communicated to a customer anytime the utility notifies a customer of the rates and conditions of PLTS).
- (d) **Subscription to PLTS.**
- (1) **Customer request to subscribe to PLTS.** To subscribe to PLTS, an eligible customer must contact the DCTU during regular business hours to request PLTS.
 - (2) **Confirmation letter.** Within 24 hours after a customer requests PLTS, the DCTU shall mail the customer a confirmation letter in English or Spanish as necessary, explaining the PLTS plan, including the customer's rights and responsibilities upon enrollment and information about the rates, terms, and conditions of service under the PLTS plan.
- (e) **Rates, terms, and conditions of PLTS.** A DCTU shall offer PLTS under the following terms and conditions:
- (1) **Rates for PLTS.**
 - (A) The monthly rate for PLTS shall include only:
 - (i) the applicable residential tariffed rate (or lifeline rates, if applicable) for services included in the PLTS definition in §26.5 of this title;
 - (ii) tariffed charges for non-listed and non-published service, if requested by the customer; and
 - (iii) surcharges and fees authorized by a governmental entity that are billed by the DCTU, including 911, subscriber line charges, sales tax, and municipal fees.
 - (B) Non-recurring rates.
 - (i) If a DCTU does not suspend basic local service before disconnection, the DCTU must defer service connection charges until the customer returns to basic local telecommunications service. However, if a customer does not subscribe to PLTS within ten days from the date the DCTU mailed a termination notice containing notice of PLTS eligibility, the DCTU may charge service connection charges when subscribing to PLTS.
 - (ii) If a DCTU suspends basic local service prior to disconnection, the DCTU must defer service restoration charges until the subscribing customer returns to basic local telecommunications service.
 - (C) Late charges. The DCTU shall not assess late charges on a PLTS customer.
 - (2) **Payments under PLTS.**
 - (A) A DCTU may require the residential PLTS customer to make an initial payment for service, which shall not exceed:
 - (i) the rates as described in paragraph (1)(A) of this subsection for up to two months of service; and
 - (ii) applicable non-recurring service connection charges.

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.29(e)(2) continued

- (B) A DCTU shall not require subsequent monthly payments that exceed the rates for one month of PLTS. The due date of monthly payments shall be based on the DCTU's regular monthly billing cycle.
- (C) A customer may be required to make payments under the deferred payment plan according to paragraph (4) of this subsection.
- (3) **Toll blocking.** PLTS subscribers shall have mandatory toll blocking and usage sensitive blocking placed on the telephone lines.
 - (A) Customer responsibility. A customer subscribing to PLTS shall not place or receive calls, including long distance or other usage-sensitive services, for which additional charges are billed to the customer's telephone number, nor subscribe to any services other than those included in PLTS.
 - (B) DCTU responsibility. The DCTU shall notify the customers of their responsibilities under PLTS when the customer inquires about the service in the confirmation letter.
- (4) **Deferred payment plan under PLTS.** As a condition of subscribing to PLTS, the DCTU may require an applicant to enter into a deferred payment plan for any outstanding debt owed to the DCTU for basic local telephone service. The DCTU shall not require an applicant to enter into a deferred payment plan to pay any outstanding debt for any services that the customer cannot use under PLTS including long distance services. If the DCTU is unable to determine the amount of outstanding debt, the DCTU shall not require an applicant to enter into a deferred payment plan.
 - (A) Determination of deferred payment plan amount. To determine the deferred payment plan amount, the DCTU shall:
 - (i) determine the amount the customer owes for basic local telephone service;
 - (ii) apply any undesignated partial payment made by the customer before subscribing to PLTS to past debt for local telecommunications service; and
 - (iii) not reallocate any undesignated partial payments assigned under clause (ii) of this subparagraph to amounts not yet incurred for basic local telecommunications service.
 - (B) Monthly payments under the deferred payment plan.
 - (i) A deferred payment plan for past due charges shall not require the applicant to make monthly payments which exceed \$10 per month or one-twelfth of the outstanding debt as determined in subparagraph (A) of this paragraph, whichever is greater.
 - (ii) If the DCTU and PLTS customer enter into a deferred payment, the initial deferred payment shall be billed beginning with the third billing cycle after initiation of service and on a monthly basis thereafter.
- (5) **Customer deposit.** No deposit shall be required from any residential applicant for PLTS.
- (6) **Disconnection of PLTS.**
 - (A) Disconnection with notice. A DCTU may disconnect PLTS after notice for any of the following reasons:
 - (i) failure to comply with the terms of a deferred payment plan for PLTS;
 - (ii) upon conclusion of all periods for which an advance payment has been applied to the PLTS account and when the customer's PLTS account has a zero balance; or
 - (iii) violation of the DCTU's rules on using PLTS in a manner which interferes with the service of others or the operation of nonstandard equipment, if a reasonable attempt has been made to notify the customer and the customer has a reasonable opportunity to remedy the situation.

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.29(e)(6) continued

- (B) Disconnection without notice. A DCTU may immediately disconnect PLTS without notice:
 - (i) if the customer accrues new charges for toll or other services on the telephone bill as described in paragraph (3) of this subsection;
 - (ii) where a known dangerous condition exists for as long as the condition exists; or
 - (iii) where service is connected without authority by a person who has not applied for the service or who has reconnected service without authority after termination.
 - (C) Notice after disconnection. If a PLTS customer is disconnected under subparagraph (A) or (B) of this paragraph, a DCTU shall send a final notice stating that the customer is permanently disconnected from PLTS and that the customer shall not be eligible for PLTS from that DCTU. That notice shall also state the terms and conditions that the customer must satisfy before the customer can return to basic local telecommunications service.
- (f) **Return to basic local telecommunications service.**
- (1) A customer subscribing to PLTS may return to basic local telecommunications service if the customer has paid:
 - (A) all outstanding debt to the DCTU, including the carriage charges of interexchange carriers where the DCTU bills those charges pursuant to tariffs or contracts; and
 - (B) bills for PLTS.
 - (2) When a customer completes the obligations identified in paragraph (1) of this subsection, a DCTU shall notify the customer of the:
 - (A) eligibility requirements for returning to basic local telecommunications services;
 - (B) option of receiving basic local telecommunications service with toll blocking and/or usage sensitive blocking; and
 - (C) requirement to contact the DCTU if the customer wants to return to basic local telecommunications service.
 - (3) If the customer is eligible to return to basic local telecommunications service, the customer shall:
 - (A) request basic local telecommunications service from the DCTU; and
 - (B) pay the service restoration fee, if applicable.
- (g) **Customer education.**
- (1) The commission shall provide information about the PLTS plan to customers.
 - (2) A DCTU subject to the requirements of this section shall provide information about the PLTS plan annually in customers' bills. This information shall be subject to review during the DCTU's compliance filing.
 - (3) A DCTU or its affiliate publishing a white pages directory on behalf of the DCTU shall disclose in clear language the availability, terms, and conditions of the PLTS plan in the section of the directory stating the rights of a customer.
- (h) **Toll and usage sensitive blocking capability.**
- (1) The DCTU shall provide toll blocking and usage sensitive blocking to its maximum technical capability.
 - (A) If the DCTU's tariffs reflect its maximum technical capability, it shall provide toll blocking and usage sensitive blocking as stated in those tariffs.

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.29(h)(1) continued

- (B) If the DCTU's tariffs do not reflect its maximum technical blocking capability, it shall inform the commission of the maximum level of blocking it is required to provide under PLTS in its compliance filings.
 - (C) If the DCTU does not have a tariff for toll or usage sensitive blocking but has such technical capability, it shall inform the commission of the maximum level of blocking it is required to provide under PLTS in its compliance filings.
 - (D) As the DCTU's blocking capability increases, it shall notify the commission and provide such enhanced blocking under PLTS.
- (2) Where technically capable, toll blocking shall not deny access to toll-free numbers.
 - (3) When imposing a toll or usage sensitive services block, the DCTU shall do so in a manner that is not unreasonably preferential, prejudicial, or discriminatory.
- (i) **Waiver request.**
 - (1) A DCTU may request exemption from the requirements of this section, on a wire-center by wire-center basis, if it cannot meet the toll blocking and/or usage sensitive requirements.
 - (2) A DCTU requesting a waiver shall fully document in its compliance filings the technical reasons for its inability to toll and/or usage sensitive block and indicate when such technical capability will be available in the wire center.
 - (3) A waiver shall expire when the DCTU acquires the capability to block toll and/or usage sensitive services or when the DCTU is required to acquire the capability to toll and/or usage sensitive block by federal or state law or regulations, whichever comes first. The DCTU shall notify the commission in writing within 30 days of acquiring or being required to acquire the capability.
 - (j) **Interexchange carrier (IXC) notification.** A DCTU serving 31,000 or more access lines and that is not a cooperative corporation shall:
 - (1) Within 24 hours after a customer subscribes to PLTS, include a notice in the Customer Access Record Exchange (CARE) or similar report if developed by the DCTU, and the Line Identification Database (LIDB) indicating that the customer is subscribed to PLTS and any number changes;
 - (2) Make access to the information contained in LIDB available to all IXCs serving the customer's area; and
 - (3) If CARE, or similar report if developed by the DCTU, and LIDB are not available, the DCTU shall specify in its tariffs a comparable method of providing such notice to IXCs serving the area indicating a customer's subscription to PLTS; and
 - (4) This subsection should not be interpreted as expanding access to CARE, or similar report if developed by the DCTU, to IXCs other than the customers' presubscribed carriers.
 - (k) **Tariff compliance.** A DCTU subject to this section shall file tariffs in compliance with this section, and pursuant to §26.207 of this title (relating to Form and Filing of Tariffs) and §26.208 of this title (relating to General Tariff Procedures).