

**BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Commission, ) **RULE AND REGULATION NO. 172**  
on its own motion, seeking to amend )  
Title 291, Chapter 5, ) **SUPPLEMENTAL COMMENTS OF**  
Telecommunications Rules and ) **VERIZON TO SECOND SET OF**  
Regulations, to add rules regarding ) **RULES**  
customer billing practices. )

Verizon<sup>1</sup> submits these supplemental comments on the Commission's second set of proposed rules pertaining to customer billing practices as set forth in the Commission's order issued on September 1, 2009.

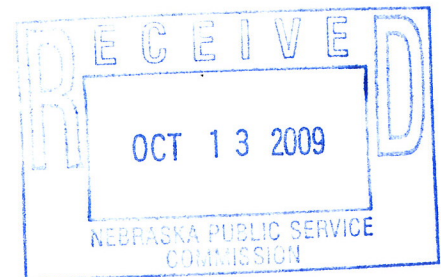
**INTRODUCTION**

The Commission's second set of proposed rules adopts several of Verizon's recommendations addressing when a carrier may impose penalties for delinquent payment<sup>2</sup>, the definition of "prompt and accurate" billing and an exception to the prompt and accurate billing requirement for service obtained by fraud or other customer misconduct.<sup>3</sup> However, the Commission did not adopt Verizon's recommendations that: (i) the Commission adopt the federal Truth-in-Billing Rules; (ii) the proposed rules not apply when service is provided under a contract that specifies billing arrangements and (iii) the proposed rules not apply to interexchange carriers. Verizon incorporates by reference and supplements below its initial comments explaining why such recommendations are appropriate, and respectfully requests that the Commission adopt them.

<sup>1</sup> The Verizon entities submitting these comments are: MCImetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services; MCI Communications Services, Inc. d/b/a Verizon Business Services; TTI National, Inc.; Teleconnect Long Distance Services and Systems Co. d/b/a Telecom USA; Verizon Select Services Inc.; Verizon Enterprise Solutions LLC and Verizon Long Distance LLC.

<sup>2</sup> See proposed Rule 002.17A of Second Set of Rules.

<sup>3</sup> See proposed Rule 002.17A1 of Second Set of Rules.



## SUPPLEMENTAL COMMENTS

1. **The Commission Should Simply Adopt the Truth-in-Billing Rules of the Federal Communications Commission.**

As a threshold matter, Verizon reiterates its position that the Commission should not pursue the proposed revisions to the existing customer billing practices, and instead follow and incorporate by reference the Truth-in-Billing rules adopted by the Federal Communications Commission (“FCC Rules”). As discussed in Verizon’s initial comments, adopting the FCC Rules would allow the Commission to: (i) promote uniform nationwide billing requirements; (ii) minimize confusion, carrier errors and conflicts between the federal rules and unique state-specific billing rules and (iii) limit disparate regulatory treatment between carriers.

2. **The Commission Should Clarify That The Proposed Rules Do Not Apply to Carriers With Contracts Specifying Billing Arrangements.**

There was uniform agreement at the August 6<sup>th</sup> workshop that the rules regarding customer billing practices should not apply when service is provided under a contract that specifies billing practices. In fact, the Hearing Commissioner stated to the effect several times during the workshop that the billing requirements would not apply to any carrier who had a signed contract with a customer specifying billing arrangements. Thus, it may be the Commission’s view that the proposed rules do not apply to carrier agreements with billing procedures. It is important enough of an issue, though, that Verizon respectfully requests that the Commission make that point clear either through a statement in a Commission order or in the proposed rules themselves.

It is a matter of common sense that rules on billing procedures should not apply when a carrier has negotiated those procedures in customer contracts to reflect particular

business relationships. Indeed, imposing one-size-fits-all billing requirements in such situations might conflict with the customer's own needs and interests. Customers who enter into contracts that specify billing arrangements do not require additional, and perhaps conflicting, protections that the billing rules would prescribe. Many of Verizon's business customers operate on a multi-state, national or international level; they desire uniformity in billing policies and procedures that application of the proposed rules would not permit.

3. **The Proposed Customer Billing Requirements Should Not Apply to Interexchange Carriers.**

The extremely competitive nature of the interexchange market dictates that Interexchange carriers ("IXCs") should be exempt from any state-specific customer billing rules. As noted in Verizon's initial comments, the presence of a large number of competitors in this market<sup>4</sup> ensures that market forces sufficiently protect consumers on billing issues without the need for the additional state-specific regulation.

Unlike local exchange carriers that typically bill a monthly rate for services in advance, interexchange services are billed on a per-minute basis in Nebraska after the service has been provided. Requiring IXCs to pro rate final bills "for the period of days remaining in a billing period after termination," as provided in the proposed rules, is not compatible with the way IXCs typically provide service because the billed services have already been used. During the workshop, there appeared to be agreement that Rule 002.17C addressing Final Bills should only apply to local exchange carriers for these reasons.

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<sup>4</sup> <http://www.psc.state.ne.us/home/NPSC/communication/ixc.html>.

In addition, as Verizon pointed out, Verizon and other IXCs offer long distance pricing plans that do not lend themselves to billing on a prorated basis based upon the number of days the customer used the service. That is so because many of these plans are developed based on anticipated usage in minutes, not on the number of days in a billing period.

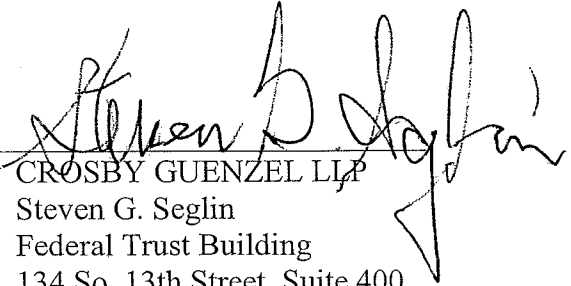
Accordingly, Verizon renews its request that a sentence be added to Proposed Rule 002.17C stating: “This subsection does not apply to interexchange carriers.”

### **CONCLUSION**

Verizon continues to recommend that the Commission simply adopt and incorporate the federal Truth-in-Billing Rules for the reasons stated in its initial comments. If, however, the Commission chooses to adopt unique billing rules for Nebraska carriers, then the proposed customer billing procedures should be modified or interpreted so that they do not apply to carriers who have entered into written, signed contractual agreements with customers that address billing practices. And the Commission should not impose the billing procedure provisions stated in proposed rule 002.17(c) on interexchange carriers.

Dated: October 12, 2009

By

  
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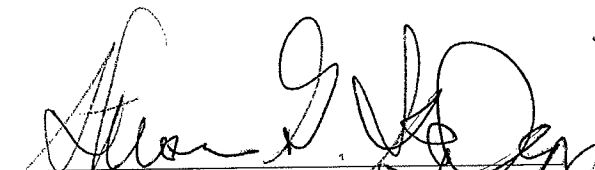
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## CERTIFICATE OF SERVICE

I hereby certifies that on the 13th day of October 2009, I mailed by United States mail, first class postage thereon prepaid, a true and correct copy of the foregoing in the above-captioned action to the following at their last known addresses, to-wit:

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