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**COMMONWEALTH OF VIRGINIA**  
**STATE CORPORATION COMMISSION**

**AT RICHMOND, JANUARY 28, 1998**

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. PUC870004

Ex Parte: Investigation of  
deregulation of telephone company  
billing and collection services

FINAL ORDER

By its Interim Order entered January 28, 1988, the Commission, among other things, ordered that billing and collection services rendered by local exchange carriers ("LECs") remain as a regulated activity, permitted LECs to file individually negotiated billing agreements, and allowed LECs to continue to terminate service to subscribers who fail to pay for long distance services provided by a certificated interexchange carrier ("IXC") and billed by the LEC.

Since then, the Commission has altered the regulatory treatment of the recording, processing, rendering and inquiry functions of billing and collection service for companies operating under alternative regulatory plans approved pursuant to Section 56-235.5 of the Code of Virginia. Also, the Commission has invited and received additional comments pursuant to its Order Inviting Additional Comments of April 15, 1996. In addition, the Telecommunications Act of 1996, 47 U.S.C. § 151 et seq. ("Act"), became law. In view of these developments, the Commission now finds it necessary to modify and make final its Interim Order of January 28, 1988.

The Act contains requirements for incumbent LECs to provide access to unbundled network elements, which includes "information sufficient for billing and collection," to requesting telecommunications carriers. 47 U.S.C. § 251(c)(3) and § 151(29). Therefore, the Commission finds it is no longer necessary to apply tariff regulation to the recording, processing, rendering and inquiry functions that are involved in billing and collection services of applicable incumbent LECs. Ordering clauses A.(1) and A.(2) of the Interim Order need not remain in force.

By order of July 23, 1997 in Case No. PUC970113, the Commission initiated an investigation of the termination of local service for failure to pay long distance services, which was ordering clause A.(3) of the Interim Order. Comments have been received and that matter is under consideration by the Commission. This clause will remain in effect unless and until changed by subsequent order in Case No. PUC970113.

The other ordering clauses of the Interim Order require only updating and clarification of the language.

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) The recording, processing, rendering and inquiry functions of billing and collection service are no longer subject to tariff regulation.

(2) LECs may continue to terminate service to subscribers who fail to pay for long distance services provided by a certificated IXC and billed by the LEC, but may not do so while the customer has a bona fide dispute with the

IXC for whom the LEC is billing.

(3) LECs shall not discriminate in the quality of like services offered to certificated IXCs, but may offer different pricing and packaging of the services.

(4) LECs may not deny billing and collection service to any requesting, certificated IXC unless authorized by the Commission.

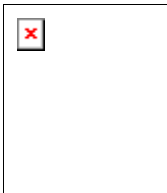
(5) LECs may collect deposits for certificated IXCs only upon criteria established by those IXCs.

(6) There being nothing further to come before the Commission, this matter is dismissed and the record developed herein shall be placed in the file for ended causes.

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