

**PROPOSED REGULATION OF THE PUBLIC UTILITIES**

**COMMISSION OF NEVADA**

**LCB File No. R044-99**

July 23, 1999

EXPLANATION – Matter in *italics* is new; matter in brackets ~~[omitted material]~~ is material to be omitted.

AUTHORITY: NRS 703.025, 704.040 and 704.210.

**Section 1.** Chapter 704 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 14, inclusive, of this regulation.

**Sec. 2.** *As used in sections 3 to 14, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this regulation, have the meaning ascribed to them in those sections.*

**Sec. 3.** *“Competing local exchange carrier” means a competitive provider of basic service that has received a certificate of public convenience and necessity to provide local exchange telecommunication service in this state.*

**Sec. 4.** *“Eligible contract” means a tariff or a contract for telecommunication service between an incumbent local exchange carrier and a customer that has a period of at least 180 days remaining under the contract, excluding any option to renew or automatic renewal, unless the contract imposes a penalty if the customer elects not to renew the contract.*

**Sec. 5.** *“Incumbent local exchange carrier” means the provider of last resort of basic service as defined in NAC 704.00876.*

**Sec. 6.** *“Interconnection agreement” means an agreement between an incumbent local exchange carrier and a telecommunications carrier that establishes the terms, including*

*compensation, for permitting the telecommunications carrier to interconnect directly or indirectly with the facilities and equipment of the incumbent local exchange carrier pursuant to 47 U.S.C. 251 and NAC 704.6809.*

**Sec. 7.** *“Market” means the local exchange in which a competing local exchange carrier has received a certificate of public convenience and necessity to provide telecommunication service in competition with an incumbent local exchange carrier.*

**Sec. 8.** *“Termination period” means the time during which customers of an incumbent local exchange carrier may terminate eligible contracts pursuant to the provisions of sections 2 to 14, inclusive, of this regulation. The period commences on the date the commission issues an order declaring that a competing local exchange carrier is operational within a local exchange, and ends 1 year after the commission's order is issued, unless a different time is set forth in the order or established by the commission pursuant to section 14 of this regulation.*

**Sec. 9.** *The provisions of sections 2 to 14, inclusive, of this regulation apply to:*

*1. An incumbent local exchange carrier that:*

*(a) Has more than 25,000 access lines in this state; and*

*(b) Is a party to an interconnection agreement with a competing local exchange carrier.*

*2. Those provisions of an eligible contract that relate to local exchange services if such provisions are severable from the provisions that relate to nonlocal exchange services.*

*3. All provisions of an eligible contract if the provisions that relate to local exchange services are not severable from the provisions that relate to nonlocal exchange services.*

**Sec. 10.** *1. As soon as practicable after the commission issues an order declaring that a competing local exchange carrier is operational within a market, the commission will provide*

*a written notice to the customers of the incumbent local exchange carrier that contains a summary of the provisions of sections 2 to 14, inclusive, of this regulation.*

*2. Upon request, the incumbent local exchange carrier shall provide the commission's notice to any customer inquiring about the provisions of sections 2 to 14, inclusive, of this regulation or the consequences of terminating an eligible contract before the expiration of its term. The notice must be sent by United States mail within 5 business days after the receipt of the request. If the incumbent local exchange carrier maintains a website on the Internet, the information must be available at that website.*

*3. Each incumbent local exchange carrier shall designate at least one employee to answer inquiries regarding the termination of an eligible contract before the expiration of its term. All such employees must be knowledgeable about the provisions of sections 2 to 14, inclusive, of this regulation.*

**Sec. 11.** *An incumbent local exchange carrier shall, within 30 days after the commencement of the termination period within a market in which it provides telecommunication service, provide written notice to each of its customers within that market who is a party to an eligible contract with the carrier. The notice must:*

- 1. Contain a summary of the provisions of sections 2 to 14, inclusive, of this regulation; and*
- 2. Be approved in advance by a member of the commission's staff who is designated by the commission.*

**Sec. 12.** *A contract for telecommunication service between an incumbent local exchange carrier and a customer that is entered into on or after the effective date of this regulation must*

*contain language that notifies the customer of the provisions of sections 2 to 14, inclusive, of this regulation.*

**Sec. 13. 1.** *A customer of an incumbent local exchange carrier may, during a termination period that is applicable to that carrier, terminate an eligible contract with that carrier before the expiration of the term of the contract.*

*2. The termination of an eligible contract must be in writing.*

*3. An incumbent local exchange carrier may charge a customer a fee for terminating an eligible contract. The fee charged must not exceed:*

*(a) The amount owed under the contract for terminating the contract before the expiration of its term; or*

*(b) The difference between the amount the customer has paid under the contract and the charges the customer would have paid if the customer had entered into a contract for the term actually used,*

*whichever is less.*

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**Sec. 14. 1.** *Any dispute concerning the termination of an eligible contract before the expiration of its term may be brought to the commission for resolution pursuant to NAC 703.490 to 703.825, inclusive.*

*2. The commission will extend the applicable termination period as necessary for the resolution of the dispute.*