

**CHAPTER 10
TELEPHONE**

Authority

N.J.S.A. 48:2-13 et seq. and 48:17-22.

Source and Effective Date

R.1991 d.489, effective September 6, 1991.
See: 23 N.J.R. 2270(a), 23 N.J.R. 3035(a).

Executive Order No. 66(1978) Expiration Date

Chapter 10, Telephone, expires on September 6, 1996.

Chapter Historical Note

Chapter 10, Telephone, was filed and became effective prior to September 1, 1969. Subchapter 4 became effective December 31, 1971 as R.1971 d.183. See: 1 N.J.R. 9(a), 3 N.J.R. 227(c). Revisions to Subchapter 4 became effective August 14, 1975 as R.1975 d. 243. See: 7 N.J.R. 29(a), 7 N.J.R. 437(b). Subchapter 5 became effective September 8, 1986 as R.1986 d.368. See: 18 N.J.R. 2012(a), 18 N.J.R. 1830(b). Pursuant to Executive Order No. 66(1978), Chapter 10, Telephone, was readopted as R.1986 d.368, effective September 8, 1986. See: 18 N.J.R. 2012(a), 18 N.J.R. 1830(b). Subchapter 6, Regulation of Alternative Operator Service (AOS) Providers, was adopted as R.1989 d.463, effective September 5, 1989. See: 20 N.J.R. 3115(a), 21 N.J.R. 2801(d). Pursuant to Executive Order No. 66(1978) Chapter 10, Telephone, was readopted as R.1991 d.489, effective September 6, 1991 with amendments effective October 7, 1991. See: 23 N.J.R. 2270(a), 23 N.J.R. 3035(a). Subchapter 7, Access to Adult-Oriented Information-Access Telephone Service, was adopted as R.1993 d.180, effective May 3, 1993. See: 24 N.J.R. 1238(a), 25 N.J.R. 1882(b). Subchapter 5, Regulation of Competitive Telecommunication services, was adopted as R.1993 d.248, effective June 7, 1993. See: 24 N.J.R. 1868(a), 25 N.J.R. 2492(a).

See section level annotations for specific rulemaking activity.

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R.1978 d.89, effective March 10, 1978.
 See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

SUBCHAPTER 1. SERVICE

14:10-1.1 Service connections

(a) Each telephone utility shall supply, without cost to the customer, at least 150 feet, or more if no pole or structure is involved, of overhead service connection as measured from the curb line nearest to the customer's property to the nearest point of service connection at the customer's building or other structure. Where the customer desires an underground service connection, such facilities shall be provided, installed and maintained at the customer's sole cost and expense.

(b) If the length of service connection exceeds the requirements specified in (a) above, the customer may be required to pay for the cost of such excess.

(c) The provisions of this regulation do not affect "Service Connection Charges" associated with the establishment of telephone service, as provided for in the utility's filed tariff.

Amended by R.1991 d.489, effective October 7, 1991.
 See: 23 N.J.R. 2270(a), 23 N.J.R. 3035(a).
 Stylistic revisions.

14:10-1.2 Rate and special charges information

(a) Upon the request of any customer or applicant, each telephone utility shall provide an explanation of the rates, charges and provisions applicable to the service furnished or available to such customer or applicant, and shall take reasonable steps to provide any information and assistance necessary to enable him to obtain the most economical communications service conforming to his needs. The customer or applicant shall be advised as to alternative services available to meet his communications requirements in accordance with N.J.A.C. 14:11-7.4. Such information may include printed explanations of alternative services and rates. When requested, the telephone utility shall notify the applicant or customer of the minimum installation and service connection charge to be applied to his bill prior to undertaking any action and shall inform him of the estimated initial bill for local service.

(b) The customer shall be provided with an estimate of the charges where special charges not specifically set forth in a telephone utility's tariff are levied on the basis of actual cost for such items as extraordinary construction, maintenance or replacement costs or expenses, overtime work at the customer's request and special installations, equipment and assemblies for which the tariff does not prescribe a rate. This estimate need not be furnished if the customer specifically requests that the special equipment and services be provided before the charges for those services and equipment are available.

14:10-1.3 Business offices

(a) Business offices shall be staffed to provide customers and others with convenient access to qualified personnel, including supervisory personnel where warranted, to provide information relating to services and rates, accept and process applications for service, explain charges on customer's bills, adjust charges made in error and to generally act as the representative of the telephone utility. If one business office serves several communities, toll free calling from such communities will be provided.

(b) Business offices will be open during normal working hours of the telephone utility's normal work week in the area being served and at such other times and such other places as may be warranted by circumstances.

(c) Qualified personnel will be instructed to be courteous, considerate, efficient, and available to promptly serve those who contact the business office.

R.1978 d.89, effective March 10, 1978.
 See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.4 Public information

(a) Access to the following information shall be made available at the business office upon request:

1. Maps showing exchange, base rate area and zone boundaries (if applicable) in sufficient size and detail from which most customer locations can be determined and mileage or zone charges quoted.
2. Information concerning plans for major service changes in the area served by the business office.

R.1978 d.89, effective March 10, 1978.
 See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.5 Directories

(a) Telephone directories shall be published regularly, listing the name, location and telephone number of all customers, except telephone service not published at customer's request and public telephones.

(b) Upon issuance, a copy of each directory shall be distributed to all customers within the service area covered by the directory and a copy of each directory shall be furnished to the board.

(c) The name of the telephone utility, the area included in the directory, and the month and year of issue shall appear on the cover.

Service Measure	Reporting Unit and Minimum Reporting Size
Held Primary Service Orders	Plant Installation District or Business Office
Installation Commitments	Plant Installation District or Business Office
Held Regrade Service Orders	Plant Installation District or Business Office
Toll Assistance Operator Answering Time	Traffic Office handling toll assistance calls—average business day call volume of 2,000 or more
Directory Assistance Operator Answering Time	Traffic Office handling directory assistance calls—average business day call volume of 2,000 or more.
Dialed Local Calls	Central Office entity
Direct Distance Dialing	Toll Recording Center or Area
Customer Trouble Reports	Plant Maintenance Center—Central Office under 1,000 lines need not be included in performance reports.

2. Reports on all service measures except held orders shall set forth the following:

- i. Reporting unit name and further identification if name does not convey geographic location;
- ii. Service measure, level, and months, being reported;
- iii. Cause of performance at the reported level: For installation commitments and customer trouble reports, indicate locations affected if cause is localized within a reporting unit;
- iv. Corrective action and completion date.

3. Reports on held primary and regrade service orders shall set forth the following:

- i. Reporting unit name and further identification if name does not convey geographic location;
- ii. Number of held orders or stations for each month of the quarter.

4. Data shall be compiled monthly and reported quarterly.

Amended by R.1991 d.489, effective October 7, 1991.
See: 23 N.J.R. 2270(a), 23 N.J.R. 3035(a).
Stylistic revisions.

14:10-1.11 Measuring devices

(a) When mechanical and/or electronic measuring and record keeping devices are used at the telephone utility's premises in connection with telecommunication service, the measured data and related customer records from which the customer's bills are prepared shall show:

- 1. Identifying number or means to determine readily the customer's name, address and service classification;
- 2. Measuring device readings;

- 3. Date of reading;
- 4. Multiplier or constant, if used.

(b) As nearly as practicable, measuring devices shall be read at intervals to correspond to customer billing periods.

(c) All measuring and/or record keeping devices used to record data and prepare customers' bills shall be in good mechanical and electrical condition, shall be accurately read and shall not involve approximations. All such devices shall accurately perform the following:

- 1. For message rate service, the device shall accumulate the number of message units used.
- 2. For toll service, when in addition to counting the calls, it is necessary to time the calls, the device shall show the number of calls and the chargeable time involved in each call.
- 3. Where the measuring equipment provides coded information that is used to automatically prepare customer bills, accurate interpretation of such coded information is required.

R.1978 d.89, effective March 10, 1978.
See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.12 Inspections, tests and maintenance

(a) Each telephone utility shall adopt a program of periodic tests, inspections and preventative maintenance aimed at achieving efficient operation of its system and the rendering of safe, adequate and proper service.

(b) The actual transmission performance of the telephone utility's system shall be monitored in order to determine if the established objectives and operating requirements are met. This monitoring function consists of circuit order tests prior to placing trunks in service, routine periodic trunk maintenance tests, tests of actual switched trunk connections, periodic noise tests of a sample of customer loops in each exchange, and special transmission surveys of the system.

(c) Each telephone utility shall maintain or have access to test facilities enabling it to determine the operating and transmission capabilities of all equipment and facilities, both for routine maintenance and for trouble location.

(d) Each telephone utility shall maintain or have access to the necessary facilities, instruments, and equipment for testing its measuring and record keeping equipment and shall adopt appropriate practices for the periodic testing of such equipment.

(e) A record of all measuring device tests and adjustments and data sufficient to allow checking of the results shall be recorded. Such record shall include the identifying number of the device, its type, the data and kind of test, and the results of each test.

(f) Maintenance shall include keeping all plant and equipment in a good state of repair consistent with safety and adequate service performance. Broken, damaged, or deteriorated parts which are no longer serviceable shall be repaired or replaced. Adjustable apparatus and equipment shall be readjusted as necessary when found by preventive routines or fault location tests to be in unsatisfactory operating condition. Electrical faults, such as leakage or poor insulation, noise induction, cross-talk or poor transmission characteristics, shall be corrected to the extent practicable.

(g) A telephone utility shall not connect more customers on any line than are contemplated under the grade of service for which the customers on such line are charged.

(h) Telephone utilities shall, when requested, furnish appropriate information concerning location of underground facilities, in order to prevent any interruption of service to telephone customers. Nothing in this rule is intended to affect the responsibility, liability, or legal rights of any party under applicable laws or statutes.

R.1978 d.89, effective March 10, 1978.
See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.13 Service interruptions

(a) Appropriate measures shall be taken to minimize service interruptions. Each telephone utility shall make provisions to meet emergencies resulting from failure of power, sudden and prolonged increases in traffic, absences of employees or from fire, storm, or similar contingencies. Each telephone utility shall inform its employees as to procedures to be followed in the event of such contingencies in order to prevent or mitigate interruption or impairment of service.

(b) Each central office shall contain sufficient battery reserve to keep the office operational until auxiliary power can be placed into service.

(c) In exchanges exceeding 5,000 lines, a source of permanent auxiliary power shall be installed.

R.1978 d.89, effective March 10, 1978.
See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.14 Construction

(a) Telephone plant shall be designed, constructed, maintained, and operated in accordance with provisions of the current National Electrical Safety Code, the National Electrical Code, and such other appropriate regulations as may be prescribed.

(b) Telephone utilities shall not provide switching service to lines or facilities that do not meet standard technical criteria and shall eliminate nonconforming switching services.

R.1978 d.89, effective March 10, 1978.
See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.15 Preservation of records

All records required to be kept shall be preserved for the period of time specified in the current edition of Part 42 of the Rules and Regulations of the Federal Communications Commission, entitled "Preservation of Records of Communication Common Carriers".

R.1978 d.89, effective March 10, 1978.
See: 9 N.J.R. 130(a), 10 N.J.R. 171(b).

14:10-1.16 Adoption by reference of the Uniform System of Accounts

(a) The Board adopts by reference the Uniform System of Accounts for Telephone Companies that has been promulgated by the Federal Communications Commission in Part 32 of the Commission's Rules and Regulations, as well as all present and subsequent amendments, revisions, deletions and corrections which the Federal Communications Commission may adopt insofar as they relate to telephone utilities subject to the jurisdiction of the Board and are in accordance with the Board's policies and procedures.

(b) For good cause shown, for example, where a telephone company obtains a waiver from the Federal Communications Commission from compliance with that commission's Uniform System of Accounts for Telephone Companies, a telephone company may obtain an exemption from (a) above.

New Rule, R.1988 d.10, effective January 4, 1988.
See: 19 N.J.R. 1789(a), 20 N.J.R. 103(d).

SUBCHAPTER 2. PAYMENTS FOR SERVICE

14:10-2.1 Bills for service

(a) The customer's bill shall include as applicable:

1. The telephone number or other numerical or alphabetical designation;
2. The date of the assigned billing period;
3. Total recurring charges for service and equipment, and the number and total charge for message units, if any;
4. Total charge for calls outside local service area supported by statement;
5. Total nonrecurring charges for service and equipment, supported by statement;
6. Total United States Federal Excise Tax; and
7. Total charge for advertising in telephone directories.

Amended by R.1991 d.489, effective October 7, 1991.
See: 23 N.J.R. 2270(a), 23 N.J.R. 3035(a).
Stylistic revisions.

SUBCHAPTER 5. REGULATION OF
COMPETITIVE TELECOMMUNICATIONS
SERVICES

14:10-5.1 Scope

The rules in this subchapter govern the provision of competitive telecommunications services, as defined below, subject to the jurisdiction of the New Jersey Board of Regulatory Commissioners. The rules will apply to all local exchange carriers and intrastate interexchange carriers offering competitive services.

14:10-5.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context indicates otherwise.

“Competitive telecommunications services” means any telecommunications service determined to be competitive by the Board and/or pursuant to P.L. 1991, c.428.

“Interexchange carrier” means a carrier, other than a local exchange telecommunications company authorized by the Board to provide long-distance telecommunications services.

“Local exchange carrier” means a carrier authorized by the Board to provide local telecommunications services.

14:10-5.3 Informational tariff filings

(a) Unless the Board determines otherwise, tariffs shall be filed for all competitive telecommunications services. Such tariffs shall:

1. Contain specific intrastate usage rates;
2. Contain every intrastate service offered;
3. Clearly and sufficiently provide descriptions and terms and conditions for each intrastate service;
4. Be consistent with all provisions of this subchapter; and
5. Be considered public records.

(b) Cross-references to Federal Communications Commission interstate tariffs are permitted for volume discounts, optional features and other provisions not specifically required to be included in intrastate tariffs pursuant to (a) above.

14:10-5.4 Requirements for tariff revisions to existing services which create increased charges to any customer

(a) Tariff revisions to existing competitive telecommunications services which create increased charges to any customer shall become effective five business days after notice

of the proposed revision as described in (b) below, without the requirement of prior Board approval.

(b) The notice requirement for a tariff revision, as described in (a) above, shall be by direct mail to all affected customers or by publication in newspapers of general circulation throughout the affected service area, within 24 hours of the filing of revised tariff pages with the Board.

(c) Proposed revisions as described in (a) above shall be served on the Division of Rate Counsel within 24 hours of filing with the Board.

14:10-5.5 Requirements for tariff revisions to existing services which do not create increased charges to any customer

(a) Tariff revisions to existing competitive telecommunications services which do not create increased charges to any customer shall become effective one day after the filing of revised tariff pages with the Board, without the requirement of prior Board approval.

(b) Proposed revisions as described in (a) above shall be served on the Division of Rate Counsel within 24 hours of filing with the Board.

14:10-5.6 Requirements for new competitive telecommunications service offerings for existing interexchange carriers

(a) New competitive telecommunications service offerings of existing interexchange carriers shall become effective five business days after filing with the Board, without the requirement of prior Board approval.

(b) Proposed revisions as described in (a) above shall be served on the Division of Rate Counsel within 24 hours of filing with the Board.

(c) The filing requirements for new competitive telecommunications services of existing interexchange carriers are:

1. Interexchange carriers shall submit a letter containing:
 - i. A description of the new service; and
 - ii. Tariff pages with all terms and conditions.
2. The letter must be supplemented by a written schedule, providing, at a minimum, the following additional information:
 - i. The prospective customer base; and
 - ii. An indication of other services that are similarly competitive, through the use of tables or charts describing competitive services and/or alternatives, if applicable.
3. If the supplemental written schedule contains sensitive information that would qualify under law for protec-

tive treatment as proprietary information, such schedule may be provided to the Board as a proprietary document bearing suitable markings, if accompanied by a motion as described at N.J.A.C. 14:10-5.9(d). Until the Board rules on the motion, the supplemental schedule shall not be disclosed to the public.

4. In addition to the requirements contained in (c)1, 2 and 3 above, interexchange carriers shall:

i. Submit documentation related to intraLATA call completion capability and an agreement by the interexchange carrier to block such calls or submit a statement that intraLATA minutes of use will be reported and compensation will be paid to the affected local exchange carrier where appropriate; and

ii. Submit copies of proposed tariffs to the local exchange carrier to be compensated, inclusive of adequate descriptions of services that complete intraLATA calling, if applicable, within 24 hours of filing with the Board.

(d) The Board shall retain its authority to investigate and suspend, if necessary, all aspects of any competitive service if the filing violates any Board rule or is not otherwise in conformance with law.

14:10-5.7 (Reserved)

14:10-5.8 Requirements for interexchange carriers initial tariff filings

Initial tariffs of interexchange carriers that have not previously been authorized by the Board to provide intrastate service in New Jersey, shall go into effect on not less than 30 days notice but in no case prior to Board approval. In addition to all filing requirements contained in N.J.A.C. 14:1-5.11, the petition must include the information required in N.J.A.C. 14:10-5.6(c), as well as financial information necessary for the Board to determine the financial stability of the petitioner and whether it is capable of providing safe, proper and adequate service.

14:10-5.9 Reporting requirements

(a) Every local exchange carrier and interexchange carrier providing competitive intrastate telecommunications services shall provide to the Board information on a quarterly basis which shall include:

1. Total number of customers by service category;
2. Total minutes of use by service category;
3. Total number of calls by service category;
4. A description of each service offering;
5. A summary of complaints by service category; and

6. Any further information deemed necessary by the Board to fulfill the mandates of P.L. 1991, c.428.

(b) In addition to the quarterly information required in (a) above, every local exchange carrier and interexchange carrier providing competitive intrastate telecommunications services shall provide to the Board, on an annual basis, the total change in individual prices for each service category for the preceding 12 month period.

(c) All background and supporting documentation used to develop the information required by (a) above shall be maintained during the pendency of these rules and shall be available for inspection by the Board, its staff or its designees, upon request.

(d) Any carrier is permitted to file with the Board a motion for a protective order to protect any and/or all of the information required by (a) or (b) above from public disclosure. Any such motion shall be supported by affidavit which shall delineate the specific basis for the request for the protective order.

1. In the event the Board issues a protective order, the Board's staff shall take appropriate measures to maintain the confidentiality of the records and access to such records shall be limited to agents, employees, and attorneys of the Board, and, in the discretion of the Board, to any other appropriate governmental agency. All such governmental agencies shall be subject to the confidentiality requirements contained in this subsection. In addition, the Director of the Division of Rate Counsel shall be permitted to receive copies of such reports provided that the Director treats the information contained in the reports in a proprietary and confidential manner.

(e) The annual financial reporting requirement shall remain in full force and effect. Such annual reports shall be filed on or before March 31.

14:10-5.10 Standards for monitoring the competitiveness of services

(a) In monitoring the competitiveness of services, the Board may:

1. Use information collected pursuant to N.J.A.C. 14:10-5.9 to conduct an analysis as to whether services are becoming more or less competitive; specifically, monitor the market shares of carriers as measured by number of calls, minutes of use, number of customers and customer complaints;
2. Consider using an economic measure of concentration or any other appropriate economic indicator to measure market share and the competitiveness of individual services; or
3. Consider using a customer survey to solicit information related to the perception of the level of competition by actual telecommunications users.

(b) The Board may reclassify a service that had previously been found to be competitive, if, after notice and hearing, the Board finds:

1. That the market concentration for an individual carrier results in a service no longer being sufficiently competitive;
2. That significant barriers to market entry exist;
3. That there is a lack of significant presence of competitors;
4. That there is a lack of like or substitute services in the relevant geographic area; or
5. That a carrier is not providing safe, adequate or proper service.

Case Notes

Cable television operator not entitled to emergent relief; television pole attachments not located at reference gain. In Matter of Report on Status of Construction by Shore Cable Company, 92 N.J.A.R.2d (BRC) 37.

14:10-5.11 Discontinuance of service offerings

(a) Any carrier providing competitive services may, upon 30 days notice to the Board and its customers, discontinue any competitive service offering.

(b) Service offerings provided solely by a single carrier, may be discontinued, unless the Board notifies the carrier that it will postpone the discontinuance of the service pending Board review and approval.

SUBCHAPTER 6. REGULATION OF ALTERNATIVE OPERATOR SERVICE (AOS) PROVIDERS

14:10-6.1 Scope

(a) The rules contained in this subchapter shall apply to the provision of Alternative Operator Service (AOS) as defined in N.J.A.C. 14:10-6.3, for any AOS provider or its agent in New Jersey other than a transmission or distribution facilities-based carrier.

(b) Federal regulatory policy in the telecommunications industry, as evidenced by the AT & T divestiture and other FCC decisions, has fostered competition in many segments of the telecommunications industry. New companies and technologies have arisen which were not contemplated when existing utility statutes and regulations were set in place. The Board has authorized competition in areas where it believes the benefits of competition will be flowed through to customers in New Jersey. A new area in which competition has recently arisen is in the provision of operator assistance. These rules may allow the benefits of the com-

petitive marketplace to be more quickly flowed to consumers while ensuring that appropriate Board oversight and regulation is maintained.

14:10-6.2 Construction and amendment

This subchapter shall remain in effect for 24 months. The Board will revisit the matter at the end of 24 months to review and evaluate the effectiveness of these rules to determine if they should be continued, or to make any changes as are deemed necessary, including more stringent regulation.

14:10-6.3 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context indicates otherwise:

“Alternative Operator Service Provider” or “AOS” means any non-traditional telephone company operator service provider. This does not include AT & T, New Jersey Bell or any other tariffed transmission or distribution facilities-based carrier.

“Board” means the New Jersey Board of Public Utilities.

“LEC” means local exchange company.

14:10-6.4 Board regulation of AOS providers

(a) AOS providers may complete intrastate interLATA operator assisted calls over their network.

(b) AOS providers shall be subject to Board regulation on the basis of complaints from their customers. The Board or its staff may investigate the conduct of any AOS provider and take appropriate action as required.

(c) AOS providers and their agents shall not be considered resellers, except for AOS competitors providing intra-LATA service in accordance with the provisions of this subchapter. In those instances, AOS providers are, in addition to the requirements of this subchapter, also subject to all the provisions contained in the Board’s Orders in Docket Nos. 8112-1051 and 823-242.

(d) The AOS provider or its agent is responsible for conformance with all rules and regulations that apply to the provision of this service and the Board may take action against the AOS provider or its agent as is necessary to rectify any non-conformance with such rules, or to protect the general public interest. The Board’s actions may include any necessary restrictions concerning billing and collection activities subject to its regulation.

(e) The AOS provider must place dialing instructions on instruments to which they provide service which detail AOS dialing procedures. These dialing instructions must include and be located in close proximity to dialing instructions for access to the local exchange company (LEC) operator.

(f) The AOS provider is responsible for including written notification of the carrier on or in close proximity to the telephone instrument, and branding must be provided at the beginning of all operator assisted calls prior to connecting the call and the implementation of billing.

14:10-6.5 Access to AOS and other operator service providers

Free access to all other operator service providers must be made available from all instruments connected to an AOS. 10XXX access is to be made available from all Customer Provided Pay Telephone Service (CPPTS) instruments as well as other instruments, where technically capable. Otherwise, other reasonable access codes will be acceptable. The AOS shall have the option of connecting the end user to their carrier of choice at the point of origination of the call, or requesting that the end user hang-up and redial.

14:10-6.6 Emergency call handling

All "0-" calls, that is, calls originated by dialing "0" and no other digits within 4 seconds, are to be sent promptly and directly to the LEC operator serving that area. End users who reach an AOS operator by inadvertently dialing "00" while attempting to reach an LEC operator for an emergency call shall be instructed to hang-up and dial zero (0). In addition, an AOS provider may petition the Board to provide emergency call completion. If an individual AOS can certify that it is capable of handling emergency calls, following a petition to the Board detailing how the service will be provided, it shall be granted permission to do so. Each petition will be reviewed separately on its merits.

14:10-6.7 Completion of intraLATA calls

Completion of intraLATA calls is prohibited unless accomplished by a reseller of intraLATA LEC facilities, and completed entirely over resold intraLATA LEC facilities alone.

14:10-6.8 AOS Acknowledgment Forms

(a) An AOS Acknowledgment Form, similar to that completed by resellers, must be filed with New Jersey Bell (Company). This form shall contain all the rules contained in this subchapter as well as the following statements:

—Authorized Alternate Operator Services (AOS) Provider—Denotes a communications competitor who has applied to the Company, and advises the Company of its intention to provide operator services in the State of New Jersey and via this signed "Letter of Acknowledgment" agrees to abide by the regulations set forth in such "Letter".

—The AOS shall acknowledge that only proper call measurement procedures will be used and that calls will be billed consistent with existing Company practice, that is, calls which are not completed are not billed.

—The AOS shall acknowledge that penalties for violations of the conditions of AOS may result in the imposition of penalties as stated in N.J.S.A. 48:2-42. The law provides that any person who willfully violates a Board of Public Utilities Order shall be guilty of a misdemeanor.

—The AOS shall notify the Company when it is no longer an intrastate AOS provider.

(b) The Company shall formulate an AOS Acknowledgment Form containing all AOS rules contained in this subchapter as outlined in (a) above.

14:10-6.9 Customer billing

LECs that provide billing and collection services to AOS providers shall include a statement on the AOS portion of each customer's bill advising the customer that the competitive operator service provider is not affiliated with the LEC and the charges contained on the pages are not regulated by the Board.

SUBCHAPTER 7. ACCESS TO ADULT-ORIENTED INFORMATION-ACCESS TELEPHONE SERVICE

14:10-7.1 Scope

(a) This subchapter applies only to telephone companies electing to provide a subscriber access to adult-oriented information-access telephone service in the State.

(b) For purposes of this subchapter, telephone companies include local exchange telephone companies (LEC) and interexchange carrier telephone companies (IXC) operating in the State. IXC includes both facilities based carriers and resellers.

(c) The provisions of this subchapter shall apply to both "976" services accessed by a seven digit telephone number of the form NXX-XXXX and "900" or "700" services accessed by a 10 digit telephone number of the form 900-NXX-XXXX or 700-NXX-XXXX as well as any future access arrangement.

14:10-7.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Adult-oriented information-access telephone service" means a class of telephone service where for a charge, in addition to the basic exchange charge, sexually explicit messages are furnished.

"IXC" means interexchange carrier telephone companies or other such providers, both facilities based and resellers.

"Information providers" means those entities who utilize LEC or IXC adult-oriented information-access telephone services to provide sexually explicit messages.

"LEC" means local exchange telephone companies, including competitive access providers or other providers of local or toll services.

"Subscriber" means a telephone customer of an LEC or IXC.

14:10-7.3 Restrictions on access

(a) No telephone company operating in the State shall provide a subscriber access to adult-oriented information-access telephone service in the State without written authorization from the subscriber.

(b) LECs offering seven digit adult-oriented information-access telephone service shall assign all lines providing such service to a specific Central Office code, or codes (NXX), and arrange all lines in the code or codes, to be normally blocked. Unblocked access shall be pursuant to N.J.A.C. 14:10-7.4(a).

(c) LECs and IXCs offering 10 digit adult-oriented information-access telephone service shall assign all lines accessing such service to a specific 900-NXX or 700-NXX code or codes and arrange all lines in the code to be normally blocked. Unblocked access shall be pursuant to N.J.A.C. 14:10-7.4(a).

(d) Alternatively, LECs and IXCs may:

1. Require as a condition of service that information providers utilizing the LEC or IXC intrastate adult-oriented information-access telephone service restrict access to the service as indicated in N.J.A.C. 14:10-7.4(a). Such LECs or IXCs shall be responsible for assurance that information providers restrict access in accordance with this rule; or

2. Require as a condition of service that the information provider offering intrastate adult-oriented information-access service scramble its transmissions and supply audio descramblers to ensure that inadvertent or unauthorized access will not result in intelligent transmission. Descrambler provision shall be pursuant to N.J.A.C. 14:10-7.4(a).

(e) No telephone company operating in the State and offering adult-oriented information-access telephone service originating in the State shall permit access of such service from telephone operators or pay telephones.

(f) Subscribers to local telephone service in the State shall be advised of these rules through inclusion in the informational consumer guide pages in the front of local telephone directories.

14:10-7.4 Subscriber requests for service; charges

(a) Telephone companies or information providers offering intrastate adult-oriented information-access telephone service shall permit access to the service only upon receipt of a written and signed subscriber request.

1. The subscriber request shall include an appropriate means of proof (such as a photocopy of a birth certificate or a valid State driver's license), in the same name as the telephone account of record, that the requesting subscriber is over 18 years of age.

2. The telephone company or information provider offering the adult-oriented information-access telephone service shall maintain the hard copy signed subscriber request with proof of age for the duration that access to the service is unblocked.

(b) The initial subscriber request to unblock access at a given location shall be free of charge to the subscriber.

(c) If an LEC elects to charge for subsequent requests to reblock or unblock, the subscriber shall be charged the then prevailing service order charge for adding service to an existing line and the central office work charge for an existing line.

(d) If an IXC elects to charge for subsequent requests to reblock or unblock, the subscriber shall be charged the then prevailing service order charge for adding service to an existing line and the central office work charge for an existing line charged by the LEC providing the subscriber basic telephone service.

(e) In the event that the serving LEC does not have a tariffed service order charge for adding service to an existing line and for central office work for an existing line, the tariffed charge from the LEC serving the largest number of telephone lines in the State having such a tariffed charge shall be used.

SUBCHAPTERS 8 THROUGH 9. (RESERVED)

SUBCHAPTER 10. INTRALATA TOLL COMPETITION ON A PRESUBSCRIPTION BASIS

Authority

N.J.S.A. 48:2-13 and 48:2-21.20.

Source and Effective Date

R.1996 d.346, effective August 5, 1996.
See: 28 N.J.R. 250(a), 28 N.J.R. 3824(b).

14:10-10.1 Scope

This subchapter applies to the completion of toll calls, as defined below, within Local Access Transport Areas, or LATAs, located within the State of New Jersey. The Board's Order Approving Presubscription and Proposal of Rules dated December 14, 1995, issued in Docket No. TX94090388, provides that presubscription is the policy of the State of New Jersey. These rules are intended to implement that policy as fully set forth in the Order.

14:10-10.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

"Access code" means a code that permits a caller to obtain a connection to the carrier associated with that code, for example, 10XXX or 101XXXX.

"Basic service element", within the context of these rules, means a local exchange carrier network component which is necessary for a competitor to configure its service offering. For example, see FCC's Memorandum Opinion and Order in CC Docket No. 88-2, Phase 1, released December 22, 1988, or as otherwise ordered by the Board.

"Board" means the Board of Public Utilities.

"Full 2-PIC" means a system which allows a consumer to presubscribe to an intraLATA toll carrier that may be different from the consumer's interLATA carrier.

"Interexchange carrier" or "IXC" means a carrier, other than a local exchange carrier, authorized by the Board to provide long-distance telecommunications services.

"InterLATA toll call" means a toll call that originates and terminates in two different LATAs.

"IntraLATA toll call" means a toll call that originates and terminates in a single LATA.

"LATA" means a geographical area which marks boundaries beyond which a Bell Operating Company does not carry telephone calls. (See *United States v. Western Electric*, 569 F. Supp. 990 (D.D.C. 1983).)

"Local exchange carrier" or "LEC" means a carrier authorized by the Board to provide local telecommunications services, in accordance with N.J.A.C. 14:10-5.2.

"Message telecommunications service" or "MTS" means toll service.

"Presubscription" means the pre-selection of a carrier to complete toll calls without the requirement of dialing an access code, that is, dialing parity.

"Primary interexchange carrier" or "PIC" means the carrier chosen by a consumer to carry that consumer's presubscribed calls.

"Slamming" means an unauthorized change of a consumer's primary interexchange carrier.

"Toll call" means any call outside the local calling area as defined in the LEC tariffs filed with and approved by the Board.

14:10-10.3 Implementation of presubscription

(a)-(b) (Reserved)

(c) Limited waivers to the requirement to convert all central offices to provide intraLATA presubscription may be granted on a case-by-case basis. Such waiver requests must include specific justification and information regarding when the office will be converted. Waivers will only be granted for just cause as determined by the Board.

(d) For any waiver granted by the Board, and/or if presubscription capability is not provided from a LEC central office in conformance with the requirements set forth in this section, a 55 percent discount on switched access charges for intraLATA (10XXX) minutes completed from the non-converted central offices shall apply to reflect the inferior access provided from such offices. LECs shall revise their tariffs on file with the Board to reflect the discounted rates by September 4, 1996. No discounts are applicable for 2BESS central offices.

(e) The implementation of intraLATA toll presubscription shall permit consumers to presubscribe to an intraLATA carrier that may be different from the consumer's interLATA PIC. Therefore, "Full 2-PIC", as described in N.J.A.C. 14:10-10.2, shall be implemented.

(f) Balloting for intraLATA presubscription shall not be required except in any LEC central office that has not yet been converted to interLATA equal access. At the time of conversion for those central offices, the interLATA ballot shall include a choice of intraLATA toll carriers as well.

14:10-10.4 Cost recovery

(a) The costs of implementing intraLATA toll presubscription shall be paid by all intraLATA toll providers as follows: IXCs shall be responsible for 70 percent and LECs shall be responsible for 30 percent of the total costs. These costs shall be recovered over a five year period, beginning with the commencement date of intraLATA presubscription as provided for in N.J.A.C. 14:10-10.3(a), through an equal access recovery charge (EARC) assessed on IXCs total intrastate toll minutes of use (including both interLATA and intraLATA) for their portion of the total costs and LECs intrastate toll minutes for use for their portion of the total costs.