

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.27. Bill Payment and Adjustments.

- (a) **Dominant certificated telecommunications utility (DCTU).**
- (1) **Bill due date.** The bill provided to the customer shall include the payment due date, which shall not be less than 16 days after issuance.
- (A) The issuance date is the postmark date on the envelope containing the bill or the issuance date on the bill if there is no postmark or envelope.
- (B) Payment for service is delinquent if not received at the DCTU or at the DCTU's authorized payment agency by close of business on the due date.
- (C) If the sixteenth day falls on a holiday or weekend, then the due date shall be the next work day after the sixteenth day.
- (2) **Penalty on delinquent bills for retail service.** A DCTU providing any service to the state, including service to an agency in any branch of government, shall not assess a fee, penalty, interest, or other charge to the state for delinquent payment of a bill.
- (3) **Billing adjustments.**
- (A) Service interruptions. In the event a customer's service is interrupted other than by the negligence or willful act of the customer, and it remains interrupted for 24 hours or longer after being reported and after access to the premises is made available, an appropriate refund shall be made to the customer.
- (i) The amount of refund shall be:
- (I) determined on the basis of the known period of interruption, generally beginning from the time the service interruption is first reported; and
- (II) the refund to the customer shall be the proportionate part of the month's flat rate charges for the period of days and that portion of the service facilities rendered useless or inoperative.
- (ii) The refund may be made by a credit on a subsequent bill.
- (B) Overbilling. If charges are found to be higher than authorized by the DCTU's tariffs or the terms and conditions of service, an appropriate refund shall be made to the customer.
- (i) The refund shall be made for the entire period of the overbilling.
- (ii) If the overbilling is corrected within three billing cycles of the initial bill in error, interest is not required to be paid on the overcharge.
- (iii) If the overbilling is not corrected within three billing cycles of the initial bill in error, interest shall be paid on the amount of the overcharges. The minimum interest to be paid shall be based on the rate set by the commission on or before December 1 of the preceding calendar year, compounded monthly, and accruing from the date of payment or the initial date of the bill in error.
- (iv) The refund may be made by a credit on a subsequent bill, unless the customer requests otherwise.
- (C) Underbilling. If charges are found to be lower than authorized by the DCTU's tariffs or terms and conditions of service, or if the DCTU failed to bill the customer for service, then:
- (i) The customer may be backbilled for the amount that was underbilled for no more than six months from the date the error was discovered unless underbilling is a result of theft of service by the customer.
- (ii) Service may be disconnected if the customer fails to pay charges arising from an underbilling.
- (iii) If the underbilling is \$50 or more, the DCTU shall offer the customer a deferred payment plan option for the same length of time as that of the

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- underbilling. A deferred payment plan need not be offered to a customer whose underpayment is due to theft of service.
- (iv) Interest on underbilled amounts shall:
 - (I) not be charged unless such amounts are found to be the result of theft of service by the customer; and
 - (II) not exceed an amount based on the rate set by the commission on or before December 1 of the preceding calendar year, compounded monthly, and accruing from the day the customer is found to have first tampered with, bypassed, or diverted service.
 - (4) **Disputed bills.** If there is a dispute between a customer and a DCTU about any bill for DCTU service, the DCTU shall:
 - (A) investigate and report the results to the customer; and
 - (B) inform the customer of the complaint procedures of the commission in accordance with §26.30 of this title (relating to Complaints), if the dispute is not resolved.
 - (5) **Notice of alternative payment programs or payment assistance.** When a customer contacts a DCTU and indicates inability to pay a bill or need of assistance with payment, the DCTU shall inform the customer of all alternative payment options and payment assistance programs available from the DCTU, such as payment arrangements, deferred payment plans, and disconnection moratoriums for the ill, as applicable, and of the eligibility requirements and application procedure for each.
 - (6) **Payment arrangement.** A payment arrangement is any agreement between the DCTU and a customer that allows the customer to pay the outstanding bill after its due date but before the due date of the next bill.
 - (A) A payment arrangement may be established in person or by telephone.
 - (B) If the DCTU issued a suspension or disconnection notice before the payment arrangement was made, that suspension or disconnection shall be suspended until after the due date for the payment arrangement.
 - (C) If a customer does not fulfill the obligations of the payment arrangement, the DCTU may suspend or disconnect service after the later of the due date for the payment arrangement or the suspension or disconnection date indicated in the notice in accordance with §26.28 of this title (relating to Suspension or Disconnection of Service), without issuing an additional notice.
 - (7) **Deferred payment plan.** A deferred payment plan is any written agreement between the DCTU and a customer that allows a customer to pay an outstanding bill in installments that extend beyond the due date of the next bill.
 - (A) The terms of a deferred payment plan may be established in person or by telephone, but must be put in writing to be effective.
 - (B) The DCTU shall offer a deferred payment plan to any residential customer, including a guarantor of any residential customer, who has expressed an inability to pay all of the bill, if that customer has not been issued more than two suspension or disconnection notices during the preceding 12 months.
 - (C) Every deferred payment plan shall provide that the delinquent amount may be paid in equal installments over at least three billing cycles.
 - (D) When a residential customer has received service from its current DCTU for less than three months, the DCTU is not required to offer a deferred payment plan if the residential customer lacks:
 - (i) sufficient credit; or
 - (ii) a satisfactory history of payment for service from a previous DCTU.
 - (E) Every deferred payment plan offered by a DCTU:
 - (i) shall state, immediately preceding the space provided for the customer's signature and in boldface type no smaller than 14 point size, the following:

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“THIS IS A BINDING CONTRACT” followed by **“If you are not satisfied with this contract, or if agreement was made by telephone and you feel this contract does not reflect your understanding of that agreement, contact the utility immediately and do not sign this contract. If you do not contact the utility, or if you sign this agreement, you may give up your right to dispute the amount due under the agreement except for the utility’s failure or refusal to comply with the terms of this agreement.”**

- (I) In addition, if the customer and the DCTU representative or agent meet in person, the DCTU representative shall read the preceding statement to the customer.
 - (II) The DCTU shall provide information to the customer as necessary in accordance with §26.26 of this title (relating to Foreign Language Requirements) to make the preceding statement understandable to the customer;
 - (ii) may include a 5.0% penalty for late payment but shall not include a finance charge;
 - (iii) shall state the length of time covered by the plan;
 - (iv) shall state the total amount to be paid;
 - (v) shall state the specific amount of each installment;
 - (vi) shall allow the DCTU to disconnect service if a customer does not fulfill the terms of the deferred payment plan;
 - (vii) shall not refuse a customer participation in such a program on the basis of race, nationality, religion, color, sex, marital status, income level, or source of income and shall not unreasonably refuse a customer participation in such a program on the basis of geographic location;
 - (viii) shall be signed by the customer and a copy of the signed plan shall be provided to the customer; and
 - (ix) shall allow either the customer or the DCTU to renegotiate the deferred payment plan, if the customer’s economic or financial circumstances change substantially during the time of the plan.
- (F) A DCTU may disconnect a customer who does not meet the terms of a deferred payment plan.
- (i) The DCTU may not disconnect service until a disconnection notice in accordance with §26.28 of this title has been issued to the customer indicating that the customer has not met the terms of the plan.
 - (ii) The DCTU may renegotiate the deferred payment plan agreement before disconnection.
 - (iii) No additional notice is required if the customer:
 - (I) did not sign the deferred payment plan;
 - (II) is not otherwise fulfilling the terms of the plan; and
 - (III) was previously provided a disconnection notice for the outstanding amount.
- (8) **Residential partial payments.** Residential service payment shall first be allocated to basic local telecommunications service.
- (b) **Nondominant certificated telecommunications utility (NCTU).**
- (1) **Application:** Only paragraphs (3), (5) and (6) of this subsection apply to a deregulated company holding a certificate of operating authority or to an exempt carrier under PURA §52.154.

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- (2) **Bill due date.** The bill provided to the customer shall include the payment due date, which shall not be less than 16 days after issuance.
- (A) The issuance date is the postmark date on the envelope containing the bill or the issuance date on the bill if there is no postmark or envelope.
 - (B) Payment for service is delinquent if not received at the NCTU or at the NCTU's authorized payment agency by close of business on the due date.
 - (C) If the sixteenth day falls on a holiday or weekend, then the due date shall be the next work day after the sixteenth day.
 - (D) If the due date shown on the bill falls on a holiday or weekend, an NCTU shall include a statement on the bill or in the terms and conditions of service that informs the customer that the due date is extended to the next work day.
- (3) **Penalty on delinquent bills for retail service.** An NCTU providing any service to the state, including service to an agency in any branch of government, shall not assess a fee, penalty, interest, or other charge to the state for delinquent payment of a bill.
- (4) **Billing adjustments.**
- (A) **Overbilling.** If charges are higher than the NCTU's tariff, schedule, or price list terms and conditions of service, or a customer-specific contract, an appropriate refund shall be made to the customer:
 - (i) The refund shall be made for the entire period of the overbilling.
 - (ii) If the overbilling is corrected within three billing cycles of the initial bill in error, interest is not required to be paid on the overcharge.
 - (iii) If the overbilling is not corrected within three billing cycles of the initial bill in error, interest shall be paid on the amount of the overcharges. The minimum interest to be paid shall be based on the rate set by the commission on or before December 1 of the preceding calendar year, compounded monthly, and accruing from the date of payment or the initial date of the bill in error.
 - (iv) The refund may be made by a credit on a subsequent bill, unless the customer requests otherwise.
 - (B) **Underbilling.** If charges are found to be lower than authorized by the NCTU's tariff, schedule, or price list, terms and conditions of service, or a customer-specific contract, or if the NCTU failed to bill the customer for service, then:
 - (i) The customer may be backbilled for the amount that was underbilled for no more than six months from the date the initial error was discovered unless underbilling is a result of theft of service by the customer.
 - (ii) Service may be disconnected if the customer fails to pay charges arising from an underbilling.
 - (iii) If the underbilling is \$50 or more, the NCTU shall offer the customer a payment plan option for the same length of time as that of the underbilling. A payment plan need not be offered to a customer whose underpayment is due to theft of service.
 - (iv) Interest on underbilled amounts shall:
 - (I) not be charged unless such amounts are found to be the result of theft of service by the customer; and
 - (II) not exceed an amount based on the rate set by the commission on or before December 1 of the preceding calendar year, compounded monthly, and accruing from the day the customer is found to have first tampered with, bypassed, or diverted service.

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- (5) **Disputed bills.** If there is a dispute between a customer and an NCTU about any bill for NCTU service, the NCTU shall:
 - (A) investigate and report the results to the customer; and
 - (B) inform the customer of the complaint procedures of the commission in accordance with §26.30 of this title if the dispute is not resolved.
 - (6) **Notice of alternative payment programs or payment assistance.** When a customer contacts an NCTU and indicates inability to pay a bill or need of assistance with payment, the NCTU shall inform the customer of any alternative payment options and payment assistance programs available to the customer.
 - (7) **Residential partial payments.** Residential service payment shall first be allocated to basic local telecommunications service.
- (c) **NCTU implementation.** NCTUs shall implement this section no later than March 1, 2001.