

Regulatory Analysis Form

This space for use by IRRC

(1) Agency

Public Utility Commission

(2) I.D. Number (Governor*s Office Use)

L-00060179/57-251

IRRC Number:

2591

RECEIVED
2007 FEB 15 PM 3:27
INDEPENDENT REGULATORY
COMMISSION

(3) Short Title

Proposed Rulemaking Re: Provision of Bundled Service Package Plans at a Single Monthly Rate by Local Exchange Carriers

(4) PA Code Cite

52 Pa. Code §64.24

(5) Agency Contacts & Telephone Numbers

Primary Contact: Holly Frymoyer, 3-1628

Secondary Contact: Elizabeth Lion Januzzi, 2-0696

(6) Type of Rulemaking (check one)

- Proposed Rulemaking
 Final Order Adopting Regulation
 Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- No
 Yes: By the Attorney General
 Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The regulation modifies the current language of Chapter 64 to create an exception to the rule of separate billing requirements for telecommunications carriers offering bundled service package plans, provided certain consumer safeguards are in place.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

Sections 501 and 1501 of the Public Utility Code, 66 Pa. C.S. §§501 and 1501; Sections 201 and 202 of the Act of July 31, 1968, P.L. 769 No. 240, as amended, 45 P.S. §§1201 and 1202, and the associated regulations at 1 Pa. Code §§7.1, 7.2, and 7.5; Section 204(b) of the Commonwealth Attorneys Act, Act of October 15, 1980, P.L. 950, as amended, 71 P.S. 732.204(b); Section 745.5 of the Regulatory Review Act, Act of June 25, 1982, P.L. 633, as amended, 71 P.S. §745.5; Section 612 of the Administrative Code of April 9, 1929, P.L. 177, as amended, 71 P.S. §232, and the associated regulations at 4 Pa. Code §§7.231-7.234.

Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

No.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

Amending Chapter 64 by creating an exception to the separate billing requirements for telecommunications carriers provided certain safeguards are met will enable carriers to offer consumers the desirable feature of bundled service package plans while preserving the customer protections currently in place to maintain basic service.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

Nonregulation is not an issue. This amendment creates an exception to the otherwise more restrictive regulation of separate billing requirements in Chapter 64.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

This amendment will simplify and remove the burdensome review requirements for Commission authorization of waivers of the current Chapter 64 separate billing requirement and results in greater efficiency to the Commission, the telecommunications industry, and consumers. Specifically, the Commission will eliminate the time required for administrative review and Commission deliberation of applications for waiver from Chapter 64's separate billing requirements.

Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

No one will be adversely affected by the regulations.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

All regulated telecommunications carriers offering bundled service package plans will be eligible for the exception.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

N/A.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

Cost studies have not been conducted. However, this amendment will simplify and remove the burdensome administrative review for waiver from the separate billing requirements under Chapter 64, resulting in greater efficiency to the telecommunications industry.

Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Cost studies have not been conducted.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

Cost studies have not been conducted. However, this amendment will simplify the process for offering bundled service package plans and results in greater efficiency to the Commission. Specifically, the Commission will eliminate administrative hours required for review and deliberation of applications for waiver under Chapter 64.

Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings						
COSTS:						
Regulated Community						
Local Government						
State Government						
Total Costs						
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

N/A.

Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

N/A.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No nonregulatory alternatives were considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

The only alternative regulatory scheme considered was the current procedure used by the Commission in its regulation at Chapter 64, which requires telecommunications carriers to maintain separate billing for separate services. This amendment will simplify and remove the burdensome requirements for waiver from the current Chapter 64 obligation of separate billing, allowing telecommunications carriers to offer bundled service packages, resulting in greater efficiency to the Commission, the telecommunications industry, and consumers. Specifically, the Commission will eliminate administrative hours devoted to review and Commission deliberation of waiver applications in connection with bundled service plans.

Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

Pennsylvania typically maintains higher consumer protection standards than most states. This exception will allow for competitive flexibility in provision of bundled service package plans, viewed as desirable to consumers, while maintaining Pennsylvania's high standards for consumer protection.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No, other than amending the Commission's current regulation at 52 Pa. Code 64.24.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No.

Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

By creating an exception to the requirement that telecommunications carriers seek a waiver from Chapter 64 separate billing requirements, this amendment will eliminate the administrative hours the Commission would otherwise devote to review and deliberation of the applications for waiver.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

N/A.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulation will be effective upon final publication in the Pennsylvania Bulletin.

(31) Provide the schedule for continual review of the regulation.

The regulation will be reviewed on an ongoing basis.

**FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU**

(Pursuant to Commonwealth Documents Law)

RECEIVED
2007 FEB 15 PM 3:34
INDEPENDENT REGULATORY
REVIEW COMMISSION
DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General.

BY *Amy M. Elliott*
(DEPUTY ATTORNEY GENERAL)

NOV 08 2006

DATE OF APPROVAL

Check if applicable
Copy not approved. Objections attached

Copy below is hereby certified to be true and correct copy of a document issued, prescribed or promulgated by:

Pennsylvania Public Utility Commission
(AGENCY)

DOCUMENT/FISCAL NOTE NO. L-00060179/57-251

DATE OF ADOPTION June 22, 2006

BY *James J. McNulty*
James J. McNulty

TITLE (SECRETARY)

Copy below is hereby approved as to form and legality. Executive or independent Agencies.

BY *Bohdan R. Pankiw*
Bohdan R. Pankiw
Chief Counsel

6-22-06
DATE OF APPROVAL

Check if applicable. No Attorney General approval or objection within 30 days after submission.

L-00060179/57-251
Proposed Rulemaking
Provision of Bundled Service Package Plans
at a Single Monthly Rate by
Local Exchange Carriers
52 Pa. Code, Chapter 64

The Pennsylvania Public Utility Commission on June 22, 2006, adopted a proposed rulemaking order which permits a limited exception of the application of Chapter 64 billing requirements under certain conditions and authorizes LECs to offer single-priced bundled service packages. The contact persons are Assistant Counsel Elizabeth Lion Januzzi, Law Bureau, 772-0696 and Holly Frymoyer, BCS, 783-1628.

EXECUTIVE SUMMARY

L-00060179/57-251

Proposed Rulemaking

Provision of Bundled Service Package Plans
at a Single Monthly Rate by Local Exchange Carriers,
52 Pa. Code, Chapter 64

By Order entered July 3, 2006, at Docket No. L-00060179, the Commission adopted a Proposed Rulemaking Order to amend Chapter 64 of Commission regulations, 52 Pa. Code §64.1-64.213. The purpose of the proposed rulemaking is to create an exception to the current obligation for separate billing by telecommunications carriers offering bundled service package plans, and to eliminate the necessity of obtaining a waiver of Chapter 64 separate billing regulations at 52 Pa. Code §§64.14(a)(4) and (5), 64.17-18, 64.21(a), and 64.63(1) and (2), where certain consumer safeguards are in place.

Under the current language of Chapter 64, the Commission is required to review and approve or deny a request for waiver from Chapter 64's separate billing requirements. The proposed amendment to Chapter 64 eliminates the need for administrative review and approval of a waiver from separate billing requirements, provided certain consumer safeguards are met, while preserving the Commission's oversight authority. Specifically, the need for administrative hours devoted to review of applications for waiver from Chapter 64 separate billing requirements will be eliminated.

The contact persons for this rulemaking are Holly Frymoyer, Telecommunications Policy and Evaluations Unit Supervisor, Bureau of Consumer Services, 717-783-1628, mfrymoyer@state.pa.us, Joseph Spandra, Bureau of Fixed utility Services, 717-787-6489, jospandra@state.pa.us, and Elizabeth Lion Januzzi, Assistant Counsel, Law Bureau (legal), (717) 772-0696, elionjanuz@state.pa.us.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA. 17105-3265

Public Meeting held June 22, 2006

Commissioners Present:

Wendell F. Holland, Chairman
James H. Cawley, Vice Chairman
Bill Shane
Kim Pizzingrilli
Terrance J. Fitzpatrick

Rulemaking Re: Provision of Bundled Service
Package Plans at a Single Monthly Rate by Local
Exchange Carriers

Docket No. L-00060179

PROPOSED RULEMAKING ORDER

By the Commission:

By our order in *Petition of Trinsic Communications, Inc.*, Docket No. P-00052169, (Order entered Feb. 1, 2006), the Commission ordered Staff's review of Chapter 64 regulations to examine whether an amendment to those regulations may be advisable to adapt to the current trend in the telecommunications industry of offering multiple services together in single-priced billing packages. As we then noted:

...the Commission has consistently granted conditional waivers of various sections of Chapter 64¹ to allow telephone companies to offer

¹ Chapter 64 pertains to "Standards and Billing Practices for Residential Services" and became effective on January 1, 1985. 52 Pa. Code §§ 64.1 – 64.213

bundled services packages.² The purpose of these waivers has been to permit companies to offer bundled services packages while still preserving the customer protections currently in place to enable consumers to maintain basic telephone service as long as they meet their payment obligations regarding basic service. Additionally, in the past year, the General Assembly passed a law to allow telephone companies to “offer and bill to customers on one bill bundled packages of services.” 66 Pa. C.S. § 3016(e)(2).

As technology continues to advance and the desires of consumers change, we need to ensure that our regulatory framework is appropriately structured to recognize these developments. Our regulations should also provide the flexibility needed to better serve consumers while still ensuring that Pennsylvania maintains its high telephone service penetration rate. To that end, it is important for this Commission to reevaluate its current Chapter 64 regulations in light of statutory changes as well as new desires in consumer preferences.

Id at pp.6-7.

Based upon Staff’s evaluation of Chapter 64 and subsequent recommendations, we formally commence this rulemaking to propose certain amendments to Chapter 64 and seek comment from all interested parties on these proposed amendments, hereto set forth in Annex A. At the same time, to eliminate the need to act on repetitive waiver petitions, we will grant a temporary waiver of the applicable provisions of Chapter 64,

² See *Petition of Bell Atlantic – Pa., Inc. for Expedited Modification of Consent Order and Waiver of Certain Chapter 64 Requirements*, Docket No. C-00881727 (Order entered June 12, 1997); *Petition of North Pittsburgh Telephone for Waiver of Certain Billing and Collection Rule Requirements*, Docket No. P-00011899 (Order entered October 15, 2001); *Petition of Commonwealth Telephone Company for Waiver of Certain Billing and Collection Requirements*, Docket No. P-0021982 (Order entered December 20, 2002); *Secretarial Letter to All Competitive Local Exchange Carriers Re: Compliance with 52 Pa. Code § 64.21 Separate Billing for Basic Service*, Docket No. M-00031747 (issued September 23, 2003); *In re: Petition of Marianna and Scenery Hill Telephone Company for Waiver of Certain Billing and Collection Requirements Set Forth at 52 Pa. Code Chapter 64 to Permit Provision of Singly Priced Service Packages to Customers, including Residential Customers*, Docket No. P-00042124 (Order entered November 22, 2004); *Petition of Comcast Phone of Pennsylvania LLC for Waiver of Certain Billing and Collection Rule Requirements Set Forth at 52 Pa. Code Chapter 64 to Permit Provision of Singly Priced Service Packages to Customers, including Residential Customers*, Docket No. P-00042119 (Order entered August 12, 2005); and, *Petition of ACN Communication Services, Inc. for Waiver of Certain Billing and Collection Rule Requirements Set Forth at 52 Pa. Code chapter 64 to Permit Provision of Singly-Priced Service Packages to customers*, Docket No. P-00052173 (Order entered October 28, 2005).

effective until the final adoption of the regulations, provided that the necessary consumer safeguards are satisfied.

In order to ensure that the consumer protections under Chapter 64 are retained, the Commission has set forth certain conditions that local exchange carriers (LECs) offering bundled service packages need to satisfy before a waiver of the applicable Chapter 64 requirements is granted. See the Commission's *Secretarial Letter to all Competitive Local Exchange Carriers* regarding compliance with § 64.21, issued September 23, 2003, at Docket No. M-00031747; and *Petition of North Pittsburgh Telephone for Waiver of Certain Billing and Collection Rule Requirements*, Docket No. P-00011899 (Order entered Oct. 15, 2001).

The September 23, 2003, Secretarial Letter governs billing, disclosure statements, non-payment procedures, and notice of waiver requests for competitive local exchange carriers (CLECs) that offer single-price packages and request a waiver of Chapter 64 requirements. The Secretarial Letter states that the Commission has granted petitions for such waivers previously but that these waivers have been contingent on the satisfaction of certain conditions.³ The Secretarial Letter details the conditions, as follows:

First, the company must agree that failure to pay the package charge will not result in immediate termination of basic service. Instead, the account will be converted to a basic service account which could be subject to future suspension or termination for non-payment in accordance with Commission regulations. Second, the company must provide a disclosure statement to all customers currently subscribed to a bundled service package and to all consumers being offered the opportunity to subscribe to a bundled service package. This disclosure statement, the content of which

³ Citing *Petition of Bell Atlantic-Pa., Inc. for Expedited Modification of Consent Order and Waiver of Certain Chapter 64 Requirements*, C-00881727 (Order entered June 12, 1997); *Petition of North Pittsburgh Telephone for Waiver of Certain Billing and Collection Rule Requirements*, P-00011899 (Order entered Oct. 15, 2001); and *Petition of Commonwealth Telephone Co. for Waiver of Certain Billing and Collection Requirements*, P-00021982 (Order entered Dec. 20, 2001).

is subject to Commission review for consistency with plain language guidelines, notifies the customer of the billing practices that will be implemented in the event of the customer's failure to pay the bundled service package charge in full, informs the customer that they will not lose basic service for failure to pay the bundled service package charge, and identifies the charge that must be paid to maintain basic service.⁴

Secretarial Letter, issued September 23, 2003, at Docket No. M-00031747, p. 2, available through the search function found at www.puc.state.pa.us.

We note that while the Public Utility Code expressly grants local exchange telecommunications companies⁵ (incumbent local exchange carriers or ILECs) permission to offer single-rate package plans, 66 Pa. C.S. § 3016(e)(2), nothing in the Code precludes the Commission from authorizing competitive local exchange carriers (CLECS) to provide single-rate package plans. In fact, we believe that authorizing CLECS to provide such service packages advances two important policy goals: (1) to encourage diversity in services and products; and (2) to promote the provision of competitive services by a variety of service providers without jeopardizing universal service. *See*, 66 Pa. C.S. § 3011(5)(8).

Therefore, we are proposing to amend our regulations to permit a limited exception to the application of the Chapter 64 billing requirements, where the company meets certain conditions regarding protection of basic service and provision of a disclosure statement. In particular, the proposed amendment to Chapter 64 in Annex A, adds Section 64.24 to Chapter 64 which authorizes LECs to offer single-priced bundled service packages and incorporates the same conditions previously established by Commission Order, including: (1) an agreement by the local exchange carrier that basic

⁴ These conditions are consistent with the Federal Communications Commission's ("FCC") Truth-in-Billing standard that carriers identify on customer bills the charges for which failure to pay will not result in disconnection of basic service. *See* CC Docket No. 98-170; FCC 00-111, released July 13, 2000.

⁵ A local exchange telecommunications company is defined at 66 Pa. C.S. § 3012 as "an incumbent carrier authorized by the commission to provide local exchange telecommunications services."

service will not be immediately suspended for failure of a customer to pay in full the monthly charge for the bundled service package; and (2) the provision of a bundled service package disclosure statement to customers who are offered, or who already subscribe to a bundled service package. This amendment creates an exception to the application of Chapter 64, which remains in effect where the circumstances addressed in this order are not at issue.

At the same time, to eliminate the need to act on repetitive waiver petitions, we will grant, by this order, a temporary waiver of Chapter 64 billing requirements to the extent necessary to permit LECs to offer bundled service packages without petitioning the Commission, so long as the conditions previously set forth in the September 23, 2003, Secretarial Letter are met. Compliance with these conditions obviates the requirement that CLECs petition the Commission for a waiver of the applicable Chapter 64 regulations, including 52 Pa. Code §§ 64.14(a)(4) and (5), 64.17-18, 64.21(a), and 64.63(1) and (2). We note that the temporary waiver of these regulations operates only to the extent required to facilitate the offering of bundled service packages. *See, e.g., Petition of North Pittsburgh Telephone for Waiver of Certain Billing and Collection Rule Requirements*, P-00011899 (Order entered Oct. 15, 2001), p.2, fn. 2-4. The temporary waiver granted by this order will remain in effect pending final resolution of this rulemaking.

All interested parties are invited to submit comments on the proposal set forth in Annex A. We propose to amend Chapter 64 of our regulations by adding 52 Pa. Code § 64.24, which will authorize all LECs to offer bundled service packages at a single monthly rate, so long as consumer protections are observed. Accordingly, pursuant to sections 501, 1501, and 1504 of the Public Utility Code, 66 Pa. C.S. § 501, § 1501 and § 1504, and the Commonwealth Documents Law, 45 P.S. §§ 501 *et seq.*, and regulations promulgated thereunder at 1 Pa. Code §§ 7.1 – 7.4, we propose to amend the regulations at 52 Pa. Code Chapter 64 as previously noted and as set forth in Annex A; **THEREFORE,**

IT IS ORDERED:

1. That the proposed amendments to 52 Pa. Code Chapter 64, as set forth in Annex A, be issued for comment.
2. That the Secretary shall submit a copy of this Order and Annex A to the Office of Attorney General for preliminary review as to form and legality.
3. That the Secretary shall submit this Order and Annex A to the Governor's Budget Office for review of fiscal impact.
4. That the Secretary shall submit this Order and Annex A for review and comments by the Independent Regulatory Review Commission and the designated Legislative Standing Committees of both Houses of the General Assembly.
5. That the Secretary shall certify this Order and Annex A and deposit them with the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin*.
6. That a copy of this Order and Annex A shall be posted on the Commission's Web site and served on all jurisdictional local exchange carriers, the Pennsylvania Telephone Association, the Broadband Cable Association of Pennsylvania (BCAP), the Public Utility Law Project, Competitive Telecommunications Association (COMPTEL), the Office of Trial Staff, Office of Consumer Advocate and Office of Small Business Advocate.
7. That interested persons may submit an original and 15 copies of written comments to the Office of the Secretary, Pennsylvania Public Utility Commission, P.O. Box 3265, Harrisburg, PA 17105-3265 within 30 days from the date this order is published in the *Pennsylvania Bulletin*. A paper copy and an electronic copy of filed

comments shall be provided to the Commission contact persons listed in ordering paragraph 8.

8. That the contact persons for this matter are Elizabeth Lion Januzzi, Assistant Counsel, Law Bureau, 717-772-0696, elionjanuz@state.pa.us, and Holly Frymoyer, Telecommunications Policy and Evaluation Unit Supervisor, Bureau of Consumer Services, 717-783-1628, mfrymoyer@state.pa.us. Alternate formats of this document are available to persons with disabilities and may be obtained by contacting Sherri DelBiondo, Regulatory Coordinator, Law Bureau, 717-772-4597, sdelibiondo@state.pa.us.

9. That pending the final resolution of this rulemaking, the Chapter 64 separate billing requirements, including 52 Pa. Code §§ 64.14(a)(4) and (5), 64.17-18, 64.21(a), and 64.63(1) and (2), are temporarily waived to the extent necessary to permit all local exchange carriers (LECs) to offer bundled services packages, provided that the LEC agrees to the conditions set forth in the Secretarial Letter issued September 23, 2003, at Docket No. M-00031747.

BY THE COMMISSION,



James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: June 22, 2006

ORDER ENTERED: JUL 03 2006

ANNEX A
TITLE 52. PUBLIC UTILITIES
PART I. PUBLIC UTILITY COMMISSION
Subpart C. FIXED SERVICE UTILITIES
CHAPTER 64. STANDARDS AND BILLING PRACTICES FOR
RESIDENTIAL TELEPHONE SERVICE
Subchapter B. PAYMENT AND BILLING STANDARDS

* * * * *

§ 64.24. Provision of bundled service packages at a single monthly rate.

A LEC may offer bundled packages of services including nontariffed, competitive, noncompetitive, basic service, or services of an affiliate, combined in a single package plan at a single monthly rate, under the following conditions:

(1) The LEC may not suspend or terminate a customer's basic service when the customer fails to make payment on the bundled service package, in accordance with 64.21(b).

(2) When a customer fails to make payment on a bundled service package, the LEC shall convert the customer's service to a basic service plan, subject to future suspension or termination for non-payment in accordance with Commission regulations at §§ 64.61 - 64.63, 64.71 - 64.74, and 64.101- 64.111 for suspension, and §§ 64.121- 64.123 for termination.

(3) The LEC provides a disclosure statement to customers subscribing to or being offered a bundled service package. The bundled service package disclosure statement shall contain the following:

(i) A statement that a customer's basic service may not be suspended or terminated when the customer fails to make payment in full on the monthly charge for the bundled service package

(ii) A statement that, in the event of nonpayment or partial payment on a bundled service package, a customer shall receive a notice of suspension for the bundled service package advising the customer that the bundled service package will be converted to a basic service plan at the current basic service rate in the LEC's tariff, stated in dollar amount.

(4) The LEC may offer payment agreements for past-due amounts on bundled service packages.

(5) Notices issued by the LEC pertaining to the bundled service package, including the disclosure statement, a suspension or termination notice, or other communication, shall be subject to Commission review and approval for compliance with Commission regulations and consistency with plain language guidelines at § 69.251 (relating to policy statement on plain language guidelines).



PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG, PENNSYLVANIA

February 15, 2007

WENDELL F. HOLLAND
CHAIRMAN

The Honorable John R. McGinley, Jr.
Chairman
Independent Regulatory Review Commission
14th Floor, Harristown II
333 Market Street
Harrisburg, PA 17101

INDEPENDENT REGULATORY
REVIEW COMMISSION

2007 FEB 15 PM 3:34

RECEIVED

Re: L-00060179/57-251
Proposed Rulemaking
Provision of Bundled Service Package
Plans at a Single Monthly Rate by LECs
52 Pa. Code, Chapter 64

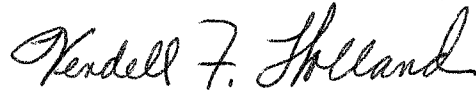
Dear Chairman McGinley:

Enclosed please find one (1) copy of the proposed rulemaking and the Regulatory Analysis Form prepared in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." Pursuant to Section 5(a) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19) (71 P.S. §§745.1-745.15) the Commission is submitting today a copy of the proposed rulemaking and Regulatory Analysis Form to the Chairman of the House Committee on Consumer Affairs and to the Chairman of the Senate Committee on Consumer Protection and Professional Licensure.

The purpose of this proposal is to permit a limited exception of the application of Chapter 64 billing requirements under certain conditions and authorize LECs to offer single-priced bundled service packages. The contact persons are Assistant Counsel Elizabeth Lion Januzzi, Law Bureau, 772-0696 and Holly Frymoyer, BCS, 783-1628.

The proposal has been deposited for publication with the Legislative Reference Bureau.

Very truly yours,

A handwritten signature in cursive script that reads "Wendell F. Holland".

Wendell F. Holland
Chairman

Enclosures

cc: The Honorable Robert M. Tomlinson
The Honorable Lisa Boscola
The Honorable Robert Godshall
The Honorable Joseph Preston, Jr.
Legislative Affairs Director Perry
Chief Counsel Pankiw
Assistant Counsel Januzzi
Ms. Frymoyer
Regulatory Coordinator DelBiondo
Judy Bailets, Governor's Policy Office

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT
TO THE REGULATORY REVIEW ACT

ID Number: L-00060179/57-251

Subject: Provision of Bundled Service Package Plans at a
Single Monthly Rate by Local Exchange Carriers

Pennsylvania Public Utility Commission

TYPE OF REGULATION

- Proposed Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted.
- Final Regulation
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor

FILING OF REPORT

<u>Date</u>	<u>Signature</u>	<u>Designation</u>
<u>2-15-07</u>	<u><i>J. Bauer</i></u>	<u>HOUSE COMMITTEE</u> Consumer Affairs
<u>2-15-07</u>	<u><i>Jim Lappin</i></u>	<u>SENATE COMMITTEE</u> Consumer Protection and Professional Licensure
<u>2-15-07</u>	<u><i>Cheryl John</i></u>	<u>Independent Regulatory Review Commission</u> Attorney General
		Legislative Reference Bureau

INDEPENDENT REGULATORY
REVIEW COMMISSION

2007 FEB 15 PM 3:34

RECEIVED