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Via Overnight Delivery

October 25, 2001

Mr. K. David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

RE: Rulemaking Amendments of Regulations for Telephone Service Providers, Docket  
No. 00-00873

Dear Mr. Waddell:

The Association of Communications Enterprises ("ASCENT"), on behalf of its members and pursuant to the Tennessee Regulatory Authority's ("Authority") August 16, 2001 *Notice of Filing* in the above-captioned proceeding, hereby submits this letter in lieu of comments regarding the Commission's proposed telephone service provider rules. ASCENT has joined in comments filed by an *ad hoc* group of industry representatives, including BellSouth Telecommunications, Inc., the Southeastern Competitive Carriers Association, and others proposing amendments to the draft rule. ASCENT writes separately, however, to address additional provisions not included in those joint comments, governing technical network standards, online postings, credit card payments, and customer deposits.

Technical Network Standards: Of particular concern to the Association are provisions that would render non-facilities based carriers responsible for compliance with technical network standards. ASCENT urges the Authority to ensure that the regulations are equitable in their implementation by ensuring that non-facilities based service providers are not held to a standard of compliance with technical network standards over which the service provider exerts no control. This is of particular concern when a service problem is caused by an underlying carrier network failure. Underlying carriers alone should be required to comply with technical network standards affecting their facilities.

Online Rate and Term Posting, Credit Card Payments, and Customer Deposits: Further, ASCENT remains concerned over regulations requiring all carriers to post rates and terms online, those requiring companies to accept credit card payments, and those setting a fixed interest rate for all customer deposits. Regulations governing Internet postings should be consistent with federal Internet posting obligations, requiring only those companies that maintain Web sites to post rate information online. Similarly, whether to accept credit card payments, and the inherent administrative and financial responsibilities associated with such payments, should be left to the discretion of the individual carrier. Finally, interest rates on customer deposits should be tied to a fluctuating market interest rate, rather than set as a flat rate in perpetuity.

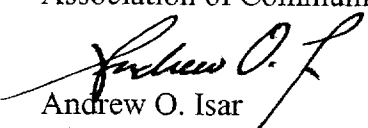
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In November 2000, ASCENT filed comments in this proceeding which address the aforementioned issues in greater detail. ASCENT incorporates herein by reference its November 2000 comments, a copy of which is attached for your convenience. ASCENT reiterates its request that the Authority amend its rules further regarding the foregoing provisions, as originally proposed by ASCENT in its November 2000 comments.

Sincerely,

Association of Communications Enterprises



Andrew O. Isar  
Director—State Affairs