

**RULES
OF
TENNESSEE REGULATORY AUTHORITY
DIVISION OF PUBLIC UTILITIES**

CHAPTER 1220-4-2

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1220-4-2-.43 AUTHORIZATION REQUIRED TO OPERATE PAY TELEPHONE SERVICE

- (1) Every owner or operator or prospective owner or operator of a pay telephone instrument located in the state of Tennessee and connected to or to be connected to the public network prior to commencing service shall: (a) obtain a certificate from the Authority in accordance with Tenn. Code Ann. § 65-4-201; (b) submit the fee(s) provided for in Tenn. Code Ann. § 65-2-103; and (c) provide the information regarding each pay telephone instrument required in this Chapter.
- (2) Public pay telephone service shall mean the provision of local service and/or intrastate toll telephone service to the general public through pay telephone instruments, which are coin-operated or coinless and whose calls are sent paid or non-sent paid.
- (3) Inmate pay telephone service shall mean the provision of local service and/or intrastate toll service to the inmate population at inmate facilities, through pay telephone instruments, which are coin-operated or coinless and whose calls are sent paid or non-sent paid.

- (4) Pay telephone service shall mean public and inmate pay telephone service.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.44 DATA REQUIRED PRIOR TO AUTHORIZATION.

- (1) In addition to the receipt of a valid petition for authorization, the Authority shall require the submission of relevant data and owner certifications on forms supplied by the Authority concerning the operation of a pay telephone service.
- (2) The following data relating to the entity owning or operating pay telephone instrument(s) shall be submitted as part of a petition for authorization:
 - (a) the name, address and telephone number of the individual owner or operator or the responsible individual with the entity owning the instrument;
 - (b) information about the structure of the business organization of the owner or operator of the instrument(s) and where applicable, a copy of any Articles of Incorporation, Partnership agreement or By Laws of any corporation owning the instrument;
 - (c) a copy of a license to do business in Tennessee;
 - (d) an up-to-date financial statement for the owner or operator of the pay telephone instrument(s), which includes a statement of revenues and expenses;
 - (e) the name, address, and telephone number of a Tennessee contact person responsible for and knowledgeable about the instrument(s);
 - (f) repair and maintenance information including the name, local address, telephone number, and qualifications of the individual or company responsible for servicing the instrument(s) and supplying refunds; and
 - (g) a copy of the display card to be posted on the pay instrument, which contains operating instructions and other required disclosures.
- (3) For each pay telephone instrument, the following data shall be submitted prior to authorization:
 - (a) a description of the instrument(s), including the name and telephone number of the manufacturer, the model and FCC registration number, and the precise location by address and telephone number of the instrument and

- (b) identification of the local exchange carrier, the interexchange carrier or reseller of interexchange service, and the operator service provider serving the instrument.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.45 TERMS AND CONDITIONS OF PAY TELEPHONE SERVICE

To insure uniformity throughout the state of pay telephone service, a owner or operator of a pay telephone instrument seeking authorization shall agree to abide by the following terms and conditions:

- (1) Terms and conditions applicable to owners or operators of public pay telephone instruments:
 - (a) Owners and operators of public pay telephone instruments are required to ensure that all public pay telephone instruments authorized under this chapter offer customers the capability to place the following calls free of charge and without requiring the deposit of monies:
 - 1. calls to the local exchange operator;
 - 2. 911 or emergency numbers;
 - 3. toll-free and 800 service numbers;
 - 4. pay telephone repair and refund numbers; and
 - 5. except as provided for in Rule 1220-4-2-.49(1)(g), interexchange access numbers.
 - (b) Owners and operators of public pay telephone instruments are required to ensure that all public pay telephone instruments authorized under this chapter:
 - 1. impose no time limits on calls;
 - 2. accept nickels, dimes and quarters (coinless phones shall not be required to accept coins);
 - 3. return monies in the event of incomplete calls;
 - 4. provide access to directory assistance;
 - 5. provide access to N11 numbers; and

6. provide two-way calling capability, unless waived by the Authority.
- (c) All public pay telephone instruments installed after July 1, 1990 shall be installed in accordance with the requirements of the American National Standards Institute for Buildings and Facilities – Providing Accessibility and Usability for Physically Handicapped People, ANSI, A.117.1 (1986), Section 4.29, Telephones. Provided, however, that in a given location where an owner or operator has installed more than one instrument, only one pay telephone instrument shall be required to meet those requirements.
- (d) Local telephone directories shall be provided at the location of each public pay telephone instrument upon commencement of service.
- (e) Public pay telephone instruments shall be capable of completing local and long distance calls. A coinless pay telephone instrument is exempt from this requirement as long as it is located in close proximity or next to a pay telephone instrument with local and long distance calling capabilities.
- (f) Except as provided for in Rule 1220-4-2-.49(1)(g), the owner or operator of a public pay telephone instrument agrees to provide customer access to all interexchange carriers certificated to do business in Tennessee in the interexchange carrier's preferred manner.
- (2) Terms and conditions applicable to owners and operators of inmate pay telephone instruments:
 - (a) The maximum rate allowed on an inmate pay telephone local collect call, including the operator surcharge and any other surcharge, is \$1.50 regardless of the duration of the call.
 - (b) Owners and operators of inmate pay telephone instruments shall charge for intrastate toll calls no more than the rates on file with the Authority for the largest intraLATA carrier and interexchange carrier in the state.
 - (c) Each inmate pay telephone instrument shall display on its face a toll-free customer service number.
 - (d) Owners and operators of inmate pay telephone instruments shall ensure that a toll-free customer service number is displayed on all end-user bills that invoice inmate pay telephone calls.
 - (e) Owners and operators of inmate pay telephone instruments shall submit annually to the Authority consumer complaint data, including for each instance of complaint, the name of the person, the date and nature of the complaint and the resolution. This annual report covering the calendar

year shall be submitted to the Authority no later than February 15 of each year.

- (3) Terms and conditions applicable to owners and operators of pay telephone instruments:
 - (a) All pay telephone instruments shall comply with Authority approved telecommunications industry standards and the current National Electric Code.
 - (b) Owners and operators of pay telephone instruments shall read and comply with all Authority rules and regulations governing pay telephone service.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.46 AUTHORITY APPROVAL OF AUTHORIZATION TO OPERATE PAY TELEPHONE SERVICE

- (1) Once petitioner demonstrates full compliance with Authority rules and statutes, the Authority shall grant the petition for authorization and issue an authorization number for each owner or operator of pay telephone instruments. The Authority shall notify the owner or operator of this number.
- (2) The owner or operator of a pay telephone instrument may commence service only after:
 - (a) displaying on the front of each instrument the charge for a local call and any operating instructions;
 - (b) affixing to the front of each instrument in a permanent manner the Authority authorization number;
 - (c) displaying on the front of each instrument a telephone number to be used without charge to report malfunctions and obtain refunds; and
 - (d) displaying on the front of each instrument the name of the owner or operator of the instrument and the name of the toll carrier serving the instrument.
- (3) Previously authorized owners and operators of pay telephone instruments may commence service at new locations or deploy new instruments at existing locations prior to submission of the required data under terms and conditions to be established by the Authority or its designee.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.47 DENIAL OR REVOCATION OF AUTHORIZATION

Authorization to operate pay telephone service may be denied or revoked based on the failure of the owner or operator of a pay telephone instrument to comply with or meet the requirements of applicable Authority rules and statutes or to pay the required fees as provided by Authority rule or statute.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.48 AUTHORIZATION RENEWAL

- (1) Authorization to operate pay telephone service shall expire on July 1 of the year following the year in which initial authorization was obtained from the Authority and authorization renewals shall expire annually on each July 1 thereafter.
- (2) In order to renew an authorization, an application must be filed with the Authority before July 1 of each year on forms prescribed by the Authority. This authorization renewal application shall be accompanied by any annual inspection fee required by statute and such inspection fee shall be based upon the number of pay telephone instruments a pay telephone owner operates as of the preceding May 1.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.49 PAY TELEPHONE SERVICE VIOLATIONS

- (1) The following shall constitute violations of the Authority's rules and requirements for authorized public pay telephone service:
 - (a) Attaching the instrument to any subscribed access line service other than a single public telephone access line directly connected to the local exchange company network or other service providing the same features, functions and level of quality as the line offered by the local exchange company network.
 - (b) Attaching the instrument to an extension instrument without a private cut-off to automatically disconnect when the receiver is lifted for service and operating semi-public additional sets connected to an authorized instrument in violation of the applicable tariff of the local exchange company, with the exception that such extension may have a dial or tone pad.
 - (c) Failure to comply with any of the following:
 1. requirements governing telephone service access by impaired or handicapped persons as required by Authority rule; and

2. all applicable telecommunications industry and electrical safety standards as required by Authority rule.
- (d) Failure to repair the instrument within 72 hours of notification by the Authority of a violation, unless the necessary repairs are the responsibility of the local exchange carrier providing access.
 - (e) Failure to provide refunds in a timely manner.
 - (f) Failure to provide access without charge to all interexchange carriers certificated to do business in Tennessee in the preferred manner designated with the Authority by each interexchange carrier, unless said instrument is owned or operated by an interexchange carrier.
- (2) The following shall constitute violations of the Authority's rules and requirements for authorized inmate pay telephone service:
 - (a) Charging an amount for calls which exceeds the amount authorized by the Authority.
 - (b) Failure to comply with any of the following:
 1. requirements governing telephone service access by impaired or handicapped persons as required by Authority rule; and
 2. all applicable telecommunications industry and electrical safety standards as required by Authority rule.
 - (c) Failure to repair the instrument within 72 hours of notification by the Authority of a violation, unless the necessary repairs are the responsibility of the local exchange carrier providing access.
 - (d) Failure to provide refunds in a timely manner.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.50 INSPECTION OF PAY TELEPHONE SERVICE

- (1) All authorized public pay telephone instruments shall be subject to periodic and random inspections by Authority personnel.
- (2) If upon inspection, a violation is discovered, the Authority inspector shall place an out-of-service sticker on the pay telephone instrument and shall notify the owner or operator of the pay telephone instrument as soon as possible of the violation and the penalties associated with the violation. The sticker shall contain the date and time of the inspection and name of the inspector.

- (3) If the violation is determined by the inspector to be unintentional, the owner or operator of the pay telephone instrument shall have 72 hours to correct the violation. If the violation is uncorrected after this time, the provisions of Rule 1220-4-2-.51 shall apply.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.51 DISCONNECTION FOR VIOLATION

- (1) Upon a determination by the Authority that a violation exists and after a reasonable attempt to notify the owner or operator of the pay telephone instrument, the Authority may, in its discretion, direct the local exchange carrier to disconnect the instrument in violation;
- (2) If the Authority directs the local exchange carrier to disconnect the instrument in violation, the Authority, through its designated representative, shall send a written notice to the local exchange carrier providing access to the instrument, with a copy to the owner operator of the pay telephone instrument, directing the local exchange carrier to disconnect the pay telephone line service at the designated location. The notice shall include an outline of the violations.

Authority: Tenn. Code Ann. §§ 65-4-117, 65-4-120.

1220-4-2-.52 RECONNECTION AFTER VIOLATION

After disconnection of a pay telephone instrument for violation of Authority rules, the following procedures shall apply to reconnection of the instrument to provide service:

- (a) Temporary reconnection to the network may be ordered by the Chief of the Consumer Services and External Affairs Division or his/her designee at the request of the instrument owner or operator for purposes of repair or verification of correction of the violation. Such reconnection may be temporarily maintained pending the filing of a request for reconnection.
- (b) Reconnection may be established upon receipt of request for reconnection which includes a notarized statement verifying correction and accompanied by the fee prescribed by Tenn. Code Ann. § 65-2-103. Up-to-date data already on file with the Authority shall not have to be resubmitted. This request for reconnection shall be filed with the Authority within ten (10) days of notification of the violation to the instrument owner or operator.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.53 PENALTIES FOR VIOLATIONS

- (1) After notice and hearing concerning a violation of any section under this Chapter, the Authority may, in its discretion:
 - (a) refuse to reauthorize any owner or operator of a pay telephone instrument;
 - (b) issue a penalty of fifty dollars (\$ 50.00) per violation per day, pursuant to Tenn. Code Ann. § 65-4-120; or
 - (c) revoke the authorization of the owner or operator of a pay telephone instrument.
- (2) The Authority may refuse to reauthorize any owner or operator of a pay telephone instrument upon a showing of:
 - (a) a willful disregard for Authority rules and statutes;
 - (b) inability to comply with Authority rules and statutes; or
 - (c) circumstances under which public interest requires the refusal.
- (3) Permanent revocation of authorization shall only be ordered by the Authority after opportunity for a hearing is provided in accordance with the provisions of Tenn. Code Ann. § 65-2-106 and all applicable provisions of the Uniform Administrative Procedures Act.

Authority: Tenn. Code Ann. § 65-4-117.

1220-4-2-.54 UNAUTHORIZED PUBLIC PAY TELEPHONE SERVICE

The Authority may order the local exchange carrier to disconnect a pay telephone instrument if the owner or operator of a pay telephone instrument is not authorized to provide service or has otherwise violated Authority rules and statutes.

Authority: Tenn. Code Ann. § 65-4-117.