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EXECUTIVE SECRETAR

Georgia Public Service Commission

344 WASHINGTON STREET S.W.
ATLANTA, GEORGIA 30334-3701
(404) 524-4301 OR 1 (800) 582-5813

LETTER ORDER

RECEIVED

AUG 22 1997

TO: All Incumbent Local Exchange Companies
All Competitive Local Exchange Companies

**EXECUTIVE SECRETARY
G.P.S.C.**

IN RE: Escrow Accounts

The Georgia Public Service Commission ("Commission") has granted several Certificates of Authority to provide pre-paid Local Exchange Service to subscribers whose service has been disconnected by the Incumbent Local Exchange Company for non-payment or failure to meet appropriate credit standards. As a condition precedent to the issuance of certification for providing pre-paid Local Exchange Service, the Commission, by letter order dated February 6, 1997, stated, "[w]hen there is a situation where a company will be offering local exchange service on a pre-paid basis, some safety mechanism should be in place to assure that the consumer who has already paid for that service, get what they paid for."

Pursuant to O.C.G.A. § 46-2-20, the Commission reiterates that its intention in situations where companies will be offering local exchange service on a pre-paid basis that an escrow agreement shall be in place to assure that the consumers who have previously paid for services shall be issued a refund of any monies that he or she has pre-paid if the company subsequently cannot meet its obligations and goes out of business.

WHEREFORE, it is

ORDERED, that the Commission reiterates that in circumstances in which a telecommunications company applies for a Certificate of Authority to Provide Local Exchange Service, regardless if the company has made a request for a waiver of any of the Commission's Utility Rules, an escrow agreement to be approved by this Commission must be filed by the applicant telecommunications company.

ORDERED FURTHER, that such escrow agreement will be equal to one times the proposed monthly service times the number of customers served by the certificated telecommunications carrier.

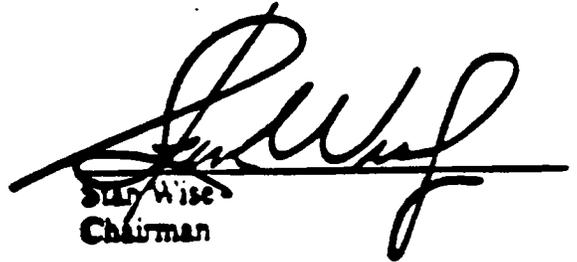
ORDERED FURTHER, that interim certificated local exchange carriers providing pre-paid service without an escrow agreement, shall file an escrow agreement to be approved by this Commission prior to the issuance of regular certification.

ORDERED FURTHER, that a motion for reconsideration, rehearing or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

ORDERED FURTHER, that jurisdiction over this matter is expressly retained for the purpose of entering such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on August 5, 1997.


Terri M Lyndall
Executive Secretary


Stan Wise
Chairman

8/19/97
Date

8-19-97
Date