

Sprint Local Telephone Companies

Tariff F.C.C. No. 3

Transmittal No. 238

Description and Justification

The Sprint local telephone companies (Sprint LTC) hereby submit the following information in support of the accompanying tariff filing, as required by Sections 61.38 and 61.41 through 61.49 of the Federal Communications Commission's Rules and Regulations.

This filing, which is being made on 15 days' notice under the Commission's streamlined filing procedures modifies the regulations governing the payment of deposits.

Sprint LTC proposes to modify its deposit requirements to protect its financial interests and to ensure that adequate security is held as a guarantee of future payment for customers that have no established credit or have a proven history of late payments. In this regard, Sprint LTC is modifying its deposit regulations to define a "proven history of late payments" as two or more occasions within the preceding twelve months in which payment for undisputed charges was not received within three business days following the payment date.

The proposed revisions are consistent with the Commission's guidance on deposit regulations¹ and the effective tariffs of other local exchange carriers,² and Sprint LTC believes the revisions represent a reasonable balance between the telephone company's need to protect itself against non-payment defaults and any potential burden on its late paying customers.

¹ Verizon Petition for Emergency Declaratory and Other Relief, WC Docket No. 02-202, 17 FCC Rcd 26884 (2002) (*Policy Statement*).

² For example, see National Exchange Carriers Association Tariff F.C.C. No. 5, Sections 2.1.8 and 2.4.1.