

**R12-14 ADVERTISING BY TELEPHONE COMPANIES**

(a) In ascertaining reasonable operating expenses pursuant to G.S. 62-133, no telephone company shall be permitted to recover from its ratepayers any direct or indirect expenditure made by such utility for political advertising as defined in Rule R12-12 or for nonutility advertising.

(b) Political advertisements as defined by Rule R12-12 and other nonutility advertisements shall be accompanied by the following statement or a statement substantially to the following effect:

THIS MESSAGE IS NOT PAID FOR BY THE CUSTOMERS OF (the telephone company sponsoring the advertisement).

This statement shall be so located and of such size so as to be readily visible or audible to those individuals who may be exposed to the advertisement or communication.

(c) Expenditures made by a telephone company for advertising of a type or nature other than that which may be defined as political or nonutility in nature shall be considered by the Commission on a case-by-case basis in order to determine the extent to which such expenditures may represent reasonable operating expenses for rate-making purposes.

(NCUC Docket No. M-100, Sub 80, 10/14/80.)