BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into unauthorized) connections and marketing practices of) interexchange companies)

DOCKET NO. 910320-TI ORDER NO. 24403 ISSUED: 4-22-91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman J. TERRY DEASON BETTY EASLEY GERALD L. GUNTER MICHAEL MCK. WILSON

ORDER DIRECTING THAT RULEMAKING BE INITIATED

BY THE COMMISSION:

By Order No. 24037, issued January 28, 1991, we directed our Staff to investigate the problems of unauthorized connections and improper marketing practices of interexchange companies (IXCs). Such unauthorized changing of a customer's primary interexchange carrier (PIC) without the customer's consent is commonly referred to as "slamming" in the industry. Slamming complaints have increased markedly in recent years. The IXC market is experiencing increased competition. Additionally, IXCs are employing many different methods of marketing their services, including multilevel sales programs. Our investigation has demonstrated that a large number of complaints are the result of such marketing programs.

We do not intend to micro-manage the IXCs or regulate multilevel sales organizations. However, we do wish to send the message to the IXCs that slamming and other questionable marketing practices will not be tolerated in this state. As a result of our investigation, we believe that adopting specific rules governing the practices of the IXCs is the proper way to address this problem, and to protect the customers in this state. Accordingly, we hereby direct our Staff to initiate rulemaking proceedings addressing the problems of unauthorized connections and marketing practices of IXCs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that a rulemaking proceeding shall be opened to address the problems of unauthorized connections and improper marketing practices of interexchange carriers. It is further

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ORDER NO. 24403 DOCKET NO. 910320-TI PAGE 2

ORDERED that this docket be closed.

By ORDER of the Florida Public Service Commission, this 22nd day of April , 1991 .

> STEVE TRIBBLE, Director Division of Records and Reporting

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by: Kay Hum Chief, Bureau of Records

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