



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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DATE: OCTOBER 22, 1998

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF APPEALS (CALDWELL) *DWC DS*
 DIVISION OF CONSUMER AFFAIRS (DURBIN) *BAP*
 DIVISION OF COMMUNICATIONS (MOSES) *MOSES*
 DIVISION OF RESEARCH AND REGULATORY REVIEW (LEWIS) *KOL PD*

RE: DOCKET NO. 970882-TI - PROPOSED RULE 25-24.845, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED; AND PROPOSED AMENDMENTS TO RULES 25-4.003, F.A.C., DEFINITIONS; 25-4.110, F.A.C., CUSTOMER BILLING; 25-4.118, F.A.C., INTEREXCHANGE CARRIER SELECTION; AND 25-24.490, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED.

AGENDA: NOVEMBER 3, 1998 - REGULAR AGENDA - RULE ADOPTION - PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\APP\WP\970882A.RCM

CASE BACKGROUND

In 1995, the Legislature provided for competition in the local exchange telecommunications market. In 1996, Congress passed the Telecommunications Act of 1996 which provided for the deregulation of the local and intra-LATA toll markets. In the meantime, the provision long distance (toll) service has been competitive since 1984. Increasingly over the years, the Commission has received complaints about unauthorized switching of a customer's long distance carrier from the carrier chosen by the customer, a practice known as "slamming." With the deregulation of the local and intra-LATA toll markets, the opportunity for slamming has the potential to develop and increase as the new markets will

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be vulnerable to the same unscrupulous practices that are occurring in the toll markets.

There is regulation for unauthorized provider changes on the federal level under the Federal Communications Commission's (FCC's) Title 47, Parts 64.1100 and 64.1150, Code of Federal Regulations. These regulations provide for more stringent change requirements than what is currently reflected in Commission Rule 25-4.118, Florida Administrative Code, that prescribes methods for provider changes. Activity to revise current regulations has risen recently on the federal level with the FCC's issuance of a Notice of Proposed Rulemaking through which it intends to amend its current rules. It appears at the time of this writing that the FCC's efforts are on hold, however, as Congress considers HR 3888. HR3888 is a telecommunications bill that includes provisions relating to slamming.

In 1992, the Commission adopted its current rules which were intended to eliminate or reduce the level of slamming complaints in Florida. At that time, the Commission had received 195 complaints. However, beginning in 1995, the Commission saw a significant increase in complaints and in 1996, 2,393 justified complaints were filed with the Commission. These figures do not include complaints filed only with the telecommunications providers nor with the Federal Communications Commission (FCC). As a result, Commission staff initiated rulemaking, filing a Notice of Rule Development and Workshop.

On July 15, 1997, the State Attorney General's Office and the Citizens of the State of Florida by and through the Office of Public Counsel filed a Joint Petition for Initiation of Formal Proceedings to Investigate Slamming with the Florida Public Service Commission. By Order No. PSC-97-1071-PCO-TI issued September 12, 1997, the Commission granted the Petition. The Commission ordered the formal investigation to be a part of the rulemaking. To this end, rule development workshops were held by the Commissioners around the state taking sworn testimony of customers that were slammed. In addition, a full Commission rule hearing consisting of sworn testimony and witness cross-examination was held on February 6, 1998, and continued on February 16, 1998. To facilitate efficiency at the hearing, each proposed or amended rule was treated as a separate issue.

On December 16, 1997, the Commission proposed new Rule 25-24.845, Florida Administrative Code, and proposed amendments to Rules 25-4.003, 25-4.110, 25-4.118, and 25-24.490, Florida Administrative Code, to significantly reduce or eliminate the occurrences of "slamming." The rules were published in the Florida Administrative Weekly on January 2, 1998.

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After the February 6 and 16, 1998, hearing, the Commission voted to adopt rules at its May 19, 1998, agenda conference. Notice of Changes was published in the June 5, 1998, Florida Administrative Weekly. On May 28, 1998, a rule challenge petition was filed at the Division of Administrative Hearings (DOAH) for Determination of Invalidity of Proposed Rules by the Florida Competitive Carriers Association, Inc. (FCCA), Telecommunications Resellers Association, Inc. (TRA), AT&T Communications of the Southern States, Inc. (AT&T), MCI Telecommunications Corporation (MCI), and Sprint Communications Company Limited Partnership (Sprint). Intervenors in support of the Commission's position are the Attorney General, the Office of Public Counsel, and BellSouth Telecommunications, Inc. WorldCom, Inc., also intervened in support of the industry.

As required by the Administrative Procedures Act, a hearing on the Petition was scheduled for June 18-19, 1998. The hearing was continued to August 31, through September 3, 1998. On August 28, 1998, the hearing was again continued to allow parties and intervenors to discuss settlement.

On October 12, 1998, staff and the industry, the parties to the rule challenge, reached a settlement as to modifications and additions to certain provisions of the rules adopted by the Commission. A Motion for Continuance filed October 16, 1998, by the industry and unopposed by staff, Public Counsel and the Attorney General was granted by the Administrative Law Judge (ALJ) pending the outcome of the Commission's decision.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission allow Petitioners and Intervenors participate in the discussion to adopt amendments to the proposed rules?

RECOMMENDATION: Yes. Parties should be allowed to participate.

STAFF ANALYSIS: The Commission should hear the position of the parties and intervenors to the settlement agreement. The issues are complex and open discussion will provide Commissioners with valuable information from which to make a decision.

ISSUE 2: Should the Commission adopt the settlement agreement between staff and the petitioners for a determination of the validity of a rule that amends the changes adopted by the Commission to Rule 25-4.118, Florida Administrative Code?

RECOMMENDATION: Yes. The Commission should accept the settlement agreement and adopt the proposed amendments to subsections (1), (2), (6), (8), and (12) and new subsection (13) of Rule 25-4.118, F.A.C.

STAFF ANALYSIS: Parties to the rule challenge filed at the Division of Administrative Hearing are AT&T, MCI, Sprint, FCCA, TRA and the Commission. WorldCom intervened in support of the industry. The Attorney General, Public Counsel, and BellSouth intervened in support of the Commission. As part of the Prehearing Order by ALJ Stevenson, the parties were required to discuss settlement. Parties and Intervenors participated in negotiations and as a result, a settlement was reached among the parties (AT&T, MCI, Sprint, FCCA, TRA and the Commission). BellSouth has joined in the settlement. The Attorney General and Public Counsel do not support the settlement. As part of that agreement, staff agrees to recommend adoption of certain amendments to subsections of Rule 25-4.118, F.A.C., and a new subsection (13) to that rule. Those changes will be discussed below. A copy of the settlement agreement is attached. (See Attachment "A.")

After the Agenda Conference on May 18, 1998, when the Commission made certain changes and adopted the proposed slamming

ules, staff filed a Notice of Change in the Florida Administrative Weekly. Because of the rule challenge, staff did not file the rules with the Secretary of State to make them effective. If the Commission accepts the settlement and adopts the proposed changes, another Notice of Changes will be published in the Florida Administrative Weekly. Persons substantially affected by those new proposed changes may file a rule challenge under Section 120.56(2), Florida Statutes.¹

If no challenge is filed at DOAH, the rules will be filed with the Secretary of State and become effective 20 days afterward. As part of the settlement agreement, the Petitioners agreed not to challenge the changes if adopted as a whole and, if no additional

¹ If an affected person challenges the changes, the person must allege an invalid exercise of delegated legislative authority. The term "invalid exercise of delegated legislative authority" is defined under Section 120.52(8), Florida Statutes, and means an action which goes beyond the powers, functions, and duties delegated by the Legislature. The section provides in part that a rule is invalid if any one of the following applies:

(a) The agency has materially failed to follow the applicable rulemaking procedures or requirements set forth in this chapter;

(b) The agency has exceeded its grant of rulemaking authority, . . .;

(c) The rule enlarges, modifies, or contravenes the specific provisions of law implemented, . . .;

(d) The rule is vague, fails to establish adequate standards for agency decisions, or vests unbridled discretion in the agency;

(e) The rule is arbitrary or capricious;

(f) The rule is not supported by competent substantial evidence; or

(g) The rule imposes regulatory costs on the regulated person, county, or city which could be reduced by the adoption of least costly alternatives that substantially accomplish the statutory objectives.

challenges are filed, would voluntarily dismiss the rule challenge at DOAH.

Staff recommends that the Commission adopt the following proposed amendments to Rule 25-4.118, F.A.C. (See Attachment "B" - Proposed changes to the rules as adopted by the Commission May 19, 1998.) The amendments and additions were the result of negotiation by staff and Intervenor's Office of Public Counsel, Office of the Attorney General, and BellSouth with the Petitioners MCI, AT&T, Sprint, FCCA and TRA. Information obtained during the discovery process of the hearing as well as open discussions during settlement negotiations provided additional information that identified issues. The following is an explanation of each of the proposed amendments staff recommends the Commission adopt and the rationale for the suggested changes.

Subsection (1): This subsection establishes the scope of the provider selection rules. In part, the rule states the customer or other authorized person may change the residential service. The term "other authorized person" seemed too broad and vague, therefore, staff recommends clarifying the term "other authorized person" to further state that persons 18 years of age or older that reside within the household are authorized to approve a provider change. Spouses, roommates, and adult children of the customer residing in the household are authorized to make provider changes. Unless the company has authorization from these persons, the change will not be authorized and the company has violated the rules. The company must make a good faith effort to make sure the person they are talking to is authorized to make a carrier change.

Subsection (2): This subsection describes the methods by which a company may request the local exchange company to make a provider change. The first method is by letter of agency, the second method is by recording the in-bound customer call, the third method is to have an independent third party verify the customer's requested change, and the fourth method is to receive a signed posted card from the customer.

Discovery showed that audio recording of in-bound calls may not be the most cost-effective method to confirm a change given that the current incidence of unauthorized provider changes for in-bound calls is not alarming to staff. The high incidence of these types of slams occurs within a few companies. The Commission may require those companies to record inbound calls where a problem persists and recording would result in better control.

Staff believes a more prudent method would be to require specific information to be obtained from the customer and requiring the company to retain that information for one year. That information is: the customer's billing name, address, and each telephone number to be changed; a statement clearly identifying the certificated name of the provider and the service to which the customer wishes to subscribe, whether or not it uses the facilities of another company; a statement that the person requesting the change is authorized to request the change; a statement that the customer's change request will apply only to the number on the request and there must only be one presubscribed local, one presubscribed local toll, and one presubscribed toll provider for each number; and a statement that the LEC may charge a fee for each provider change. (See Rule 25-4.118(3)(a)1. through 5., F.A.C.) In addition, the company must also obtain either the customer's date of birth, the last four digits of the customer's social security number or the customer's mother's maiden name. Staff recommends the Commission adopt these changes.

Requiring companies to obtain and retain this information will allow the Commission to determine if the company is legitimately obtaining requests for changes. (See Rule 25-4.118(6), F.A.C.) Where the Commission cannot make that determination or where the Commission finds that companies are not following the rules, the Companies should be penalized through fines and other requirements.

Staff further recommends that companies be given six months to implement recording of outbound calls. This time is necessary for vendor, system, and program set-ups. Staff would have made this recommendation initially had they known additional time was needed by the companies.

Subsection (6): As discussed above, staff recommends amendments to require information obtained through any required method of verification be maintained for one year. This change is necessary with the modification of paragraph (2)(b).

Subsection (8): This subsection provides for refunding and rerating charges to customers whose carrier had been changed without authorization. Staff recommends modification of this provision to clarify that the refund for the first 30 days of all amounts billed for direct-dialed 1+ service will be due a customer if the company failed to follow the verification methods required by the Commission in connection with a provider change. Without this change, it is unclear whether the local exchange charges or other charges the customer ordered would have to be refunded.

Staff recommends adoption of the changes that clarify that companies must refund or rerate a customer upon notice of the customer to the company that an unauthorized change occurred. This change clarifies who must give the notice. The amendments further clarify that a refund or rerate is not required where a customer's claim is false. The situation can occur even if the company has the proper verification and authorization to change the service.

Finally, staff recommends adding a final sentence to this subsection to ensure customers are refunded or rerated notwithstanding new subsection (13). The primary goal of the rules to ensure customers do not get slammed. If they do, the next goal is to make sure the customers are put back in their original position. Finally, the last goal is to make sure companies have no incentive to allow slamming to occur. This provision meets the second goal.

Subsection (12): Staff recommends this subsection be revised to allow for separate toll free numbers to be utilized to answer slamming complaints. This requirement is consistent with Commission Orders Nos. PSC-98-0751-AS-TI and PSC-98-0879-AS-TI, each of which were a settlement of a show cause. The amendments allow six months additional time to set up the number and provides the information must be given to new customers in the informational package or on their first bill. Further amendments to mirror the answer time requirements in the LEC Rule 25-4.073, F.A.C., are recommended. Staff recommends adding a provision to clarify when the timing begins and allow the company six months to implement the provision. Finally, staff recommends modifying the answer time requirement to measure the 60-second answer time from the point the customer selects a menu option to be connected to a live attendant where a call is answered within 15 seconds by a voice response unit (VRU).

Many companies have national call centers that handle calls for all states in which a company does business. Current answer times are deemed proprietary by the companies, but the companies who protested the rules stated that the answer time in the rule would be very expensive to meet. For example, substantial staffing would be required to meet the 60 second answer time requirement. The alternative of setting up a separate center also was deemed costly. Further, companies may be able to staff for planned marketing campaigns, but could not do so when their competitors carried out their own. It appears that when a company offers a new product, customers check with their own company to see if they can get the same or better deal without switching. Such occasions cannot always be anticipated by the companies.

Subsection (13): There are instances in which companies follow all the verification procedures and a customer may still have his service changed without authorization. For instance, a business customer will send in a list of numbers to be changed and within that list is a number belonging to another person. That person gets his service changed. The company relied upon the customer for the information. In certain instances, such reliance is well founded as interexchange carriers do not have access to data bases that allow it to cross-check information. Because another person was changed, a slam occurred. That person should be refunded and put back on his original service. The company, in reliance upon its customer, could not have done more to prevent the slam. Staff recognizes that this type of problem cannot be reduced further by fining the company. Another scenario occurs when a company clerk inputs the information and reverses numbers. The same rationale applies so long as the problem occurs on a random basis.

The Legislature recognized such problems exist and included a provision in a new statute that provides:

The commission shall adopt rules to prevent the unauthorized changing of a subscriber's telecommunications service. Such rules shall . . . allow for a subscriber's change to be considered valid if verification was performed consistent with commission's rules."

Section 364.603(1), Florida Statutes (1998). Staff recommends adoption of paragraph (a) that provides a company shall not be deemed to have committed an unauthorized carrier change infraction if the company, including its agents and contractors, followed the verification procedures under subsection (2) with respect to the person requesting the change, did so in good faith, and complied with the credit procedures of subsection (8). A company would face additional action by the Commission where it did not follow the verification procedures as required, did not comply with the credit procedures, or did not act in good faith.

Companies and staff were concerned where the company followed all provisions of the rules and an unauthorized change still occurred. Staff and the companies agreed that situations arise on a case-by-case basis that may not warrant further action by the Commission. It was unclear from the rules whether such discretion was allowed under the rules. Subsection (b) provides for discretion in determining whether fines or other remedies are appropriate when an unauthorized carrier change infraction occurred. The factors recommended by staff include factors that were considered in actual circumstances that have occurred and are

within the experience of the Commission. In addition, a catch-all factor is included to allow the Commission to consider circumstances that have not yet occurred and make a determination based upon the facts presented.

Staff recommends the Commission adopt the proposed amendments as a whole. The changes were an attempt to balance competition and regulation while foremost protecting the customer by putting him back in the same position he was in prior to the slam. Many of the changes clarified the intended purpose of the rules and the statutes being implemented. Staff believes that the rules as a whole, will provide great protections for the customer, provide much more information to the customer than before, as well as give the companies a framework of regulation that does not bind its ability to compete.

Statement of Estimated Regulatory Cost:

In general, the modifications made to the proposed rule amendments should reduce compliance costs for both small and large providers. For example, removing the requirement to audio record inbound calls should reduce or eliminate many of the implementation and recurring costs identified previously. Substituting a requirement to obtain verification data from customers who place telephone calls to a company should lower costs since such data can be obtained and preserved using existing methods. Also, providing the option of a separate customer service number for slamming complaints and clarifying the answer time requirements will further reduce compliance costs. These modifications should facilitate a prompt response to slamming complaints without imposing excessive costs on companies that already have national customer service centers in place.

DOCKET NO. 970882-TI
DATE: September 24, 1998

ISSUE 3: Should the changes to the proposed rule noticed in the Florida Administrative Weekly, filed for adoption with the Secretary of State, and the docket be closed?

RECOMMENDATION: Yes.

STAFF ANALYSIS: Unless a rule challenge is filed with the Division of Administrative Hearings, the changes to the proposed rule may be filed with the Secretary of State without further Commission action. The docket may then be closed.

MEMORANDUM

October 20, 1998

TO: DIVISION OF APPEALS (CALDWELL)

FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (LEWIS) *KL* *PL* *2/24*

SUBJECT: ADDENDUM TO THE SECOND REVISED STATEMENT OF ESTIMATED REGULATORY COSTS, DOCKET NO. 970882-TL, PROPOSED AMENDMENTS TO RULE 25-4.003, F.A.C., DEFINITIONS; RULE 25-4.110, F.A.C., CUSTOMER BILLING; RULE 25-4.118, F.A.C., INTEREXCHANGE CARRIER SELECTION; RULE 25-24.490, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED. PROPOSED RULE 25-24.845, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED

BACKGROUND

A Statement of Estimated Regulatory Costs (SERC) dated December 1, 1997, accompanied the recommendation to propose the rule amendments filed for the December 16, 1997, agenda conference. A Revised SERC (dated February 6, 1998) was prepared for the Rule Hearing which took place February 6 and 16, 1998. It addressed modifications made to the proposed rule amendments and lower cost regulatory alternatives filed by the Florida Competitive Carrier's Association (FCCA) and Sprint Communications Company Limited Partnership (Sprint). A Second Revised SERC (dated May 6, 1998) was prepared to address post-hearing modifications made to the proposed rule amendments and a lower cost regulatory alternative filed by LCI International Telecom Corporation (LCI). The Second Revised SERC accompanied the recommendation for adoption filed for the May 19, 1998, agenda. This Addendum to the Second Revised SERC addresses costs and benefits for those portions of the rule that have been modified since the rule was filed for adoption with the Department of State on May 27, 1998.

SUMMARY OF MODIFICATIONS MADE TO THE RULE

Language defining the term "other authorized person" was added to proposed Rule 25-4.118(1), F.A.C. Under the proposed amendments to Rule 25-4.118(2)(a)-(b), F.A.C., a LEC shall

accept a change request, and a local provider or interexchange carrier (IXC) may submit such a request only after certain conditions have been fulfilled under one of four options.

Several modifications were made to options (b), (c) and (d). Option (b) no longer requires the provider to make an audio recording of a customer-initiated call. Option (b) has been modified to require the provider to obtain specific information from the customer when it intends to rely upon the customer-initiated call as documentation for the carrier change. Additionally, proposed language was added that will allow providers six months from the effective date of the rule before they are required to obtain such information from customer-initiated calls. Option (c) requires that third-party verification calls be recorded; it was modified by adding language to notify the customer that the call will be recorded and by adding an implementation date of six months after the effective date of the rule. The modification to option (d) clarifies that using the informational package to document consent is not limited to change requests received through telemarketing efforts.

Proposed Rule 24-4.118(6), F.A.C., was modified to require that information obtained under any of the four options must be maintained by the provider for one year.

The proposed amendment to Rule 25-4.118(8), F.A.C., was modified to clarify that only 1+ charges are required to be credited and to clarify that such credit shall not be required if the customer makes a false claim.

A modification that would allow a provider to use either its toll-free customer service number or to designate a separate toll-free number to meet the answer time requirement was added to proposed Rule 25-4.118(12), F.A.C. Provisions for notifying customers of the separate number (if used) were also added to the proposed rules.

According to proposed Rule 25-4.118(12), F.A.C., if a provider uses a recording device to take customer complaints, it must attempt to contact the complainant no later than the next business day following the date of the recording. A modification to this part requires that the provider continue its attempts to contact the customer for up to three subsequent days or send a letter to the customer. Language was also added which allows a provider six months from the effective date of the rule to meet the call completion requirements specified by the proposed rule.

Finally, subsection (13) was added to clarify that a company will not be deemed to have committed an unauthorized carrier change if it followed the procedures outlined in the rule in good

faith. Subsection (13) also enumerates mitigating conditions the Commission shall consider when determining appropriate fines or other remedies in response to unauthorized carrier changes.

ESTIMATED NUMBER OF ENTITIES REQUIRED TO COMPLY AND GENERAL DESCRIPTION OF INDIVIDUALS AFFECTED

Modifications made to the proposed rule and proposed rule amendments since the previous SERCs were completed have not changed the number or type of entities that would be required to comply. However, the number of ALECs and DXCs that hold certificates in Florida has increased slightly since completion of the SERC dated May 6, 1998. At this writing, certificates to provide telecommunications service are held by 10 LECs, approximately 200 ALECs, and over 500 DXCs.

RULE IMPLEMENTATION AND ENFORCEMENT COST AND IMPACT ON REVENUES FOR THE AGENCY AND OTHER STATE AND LOCAL GOVERNMENT ENTITIES

Implementation costs for the Commission and other state and local government entities should not be affected by the modifications made to the proposed rule. Enforcement costs to the Commission should decrease as a result of adding clarifying language to certain sections of the rule, such as: definitions, implementation dates, verification data, billing credits, complaint procedures, and answer time requirements. Clear statements regarding the procedures companies are required to follow will allow staff to more quickly determine whether a company has committed an unauthorized carrier change. According to cost data filed previously, some companies would have requested formal proceedings rather than provide billing credits they believed were unwarranted. Though the right to request formal resolution is preserved, it appears the need for formal proceedings would be reduced by the addition of the clarifying language.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

This section describes how the modifications to the proposed rule amendments will impact the transactional costs to affected entities.

Proposed Rule 25-24.845, F.A.C., Customer Relations; Rules Incorporated

No direct modifications have been made since the rule was filed for adoption with the Department of State on May 27, 1998. Modifications to proposed Rule 25-4.118 (incorporated by reference) are discussed below.

Proposed Amendments to Rule 25-4.003, F.A.C., Definitions

No modifications have been made since the rule was filed for adoption with the Department of State on May 27, 1998.

Proposed Amendments to Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies

No modifications have been made since the rule was filed for adoption with the Department of State on May 27, 1998.

Proposed Amendments to Rule 25-4.118, F.A.C., Interexchange Carrier Selection

The requirement to audio record inbound calls has been removed from the proposed amendments to Rule 25-4.118(2)(b), F.A.C. A requirement that the provider obtain at least one of three types of verification data has been added. These modifications will make rule compliance less costly for all providers. There were significant costs associated with audio recording inbound calls both for implementation (equipment, programming, vendor contracts, and staff training) and on a going-forward basis (maintenance, record retrieval, vendor contracts, and increased staff/customer talk time). Substituting a requirement to obtain verification data will reduce or eliminate many of those costs. Though there may still be a slight increase in the amount of talk time required to obtain the verification data, it should be more than offset by the cost reductions in the areas of equipment purchase and maintenance and record storage and retrieval. Small companies may have been unable to use the audio recording method due to the up-front investment and maintenance costs. These companies should not find it cost prohibitive to obtain and maintain additional verification data, because this can be done using systems (database files) already in place.

This rule modification also means that companies can avoid the costs of making a financial investment to establish a verification method (audio recording inbound calls) that is not required in other states. Though the new method (obtaining additional verification data) also may not be

required in other states, implementation costs will not be nearly as high. Companies already have procedures in place to obtain and save information from customers who call them.

The proposed amendment to Rule 25-4.118(2)(c), F.A.C., would have required a company to obtain a customer's consent prior to audio recording the third party verification (TPV) call. The proposed rule has been modified to allow the option of simply putting the customer on notice that the call is being recording. This modification should decrease transactional costs. Talk-time is expected to be less since no question is being asked, and less talk-time will result in a lower cost per call.

The modification to the proposed amendment to Rule 25-4.118(6), F.A.C., would require companies to retain the information obtained through any of the four verification methods for one year. As originally proposed, only Letters of Agency (LOAs) and audio recordings were subject to retention, because all four verification methods would have produced either an LOA or a recording. Since incoming calls are no longer required to be audio recorded, proposed Rule 25-4.118(6) simply requires that the verification data obtained through the incoming call be preserved for one year. The proposed modification does not specify the method of preservation. Costs are not expected to increase as a result of the one-year storage requirement. It is believed this verification data can be stored using existing methods.

The modification to the proposed amendment to Rule 25-4.118(8), F.A.C., clarifies the type of charges (1+) for which adjustments or refunds would be required in the event of an unauthorized carrier change. The modification also adds the disclaimer "unless the claim is false." Limiting the type of charges for which adjustments are required should result in decreased compliance costs. Clarifying that customers who falsely claim an unauthorized carrier change will not be entitled to a refund may discourage such claims.

As originally proposed, the amendment at subsection (12) would have required a company to answer 95% of all calls placed to its toll-free customer service number within 60 seconds after the last digit was dialed. Some companies utilize a national number to receive customer service calls, and meeting the answer time requirement at this number would have resulted in substantial capital investment and on-going expenditures for staffing, according to the late-filed deposition exhibits of AT&T, MCI, Sprint, and LCI. The proposed rule has been modified to permit a separate customer service number for slamming complaints, to clarify when timing should begin, to provide two

options for notifying customers of the number, and to allow six months for implementation. These modifications should facilitate a prompt response to slamming complaints without imposing excessive costs on companies that use national customer service centers.

Another provision of section (12) deals with how a company should attempt to contact customers who leave messages on its recorder. The modification specifies that the company shall attempt to return the call for up to three subsequent days, whereas the previous language would have required returning the call "until the customer is reached." The modification limiting the number of times a company must attempt to return a customer call would obviously be less costly than the former proposal, which implied the company must attempt to call the customer indefinitely. The modification also specifies that a letter is to be mailed to the customer if the customer cannot be reached within three days. Though costs of paper, postage, and staff time would be incurred through this modification, unlimited costs could have resulted from attempting to return telephone calls to customers in perpetuity.

Proposed Rule 25-4.118, F.A.C., was further modified by the addition of subsection (13). According to this subsection, a company shall not be deemed to have committed an unauthorized carrier change infraction if it follows the procedures referenced in good faith. This subsection also lists certain mitigating factors the Commission would consider when determining whether fines or other remedies are appropriate for unauthorized carrier change infractions. Neither of these modifications should result in increased costs for regulated companies. On the contrary, companies should benefit from knowing in advance what factors the Commission will consider when determining whether an infraction occurred, as well as what remedies might be appropriate.

Proposed Amendment to Rule 25-24.490, F.A.C., Customer Relations; Rules Incorporated

No direct modifications have been made since the rule was filed for adoption with the Department of State on May 27, 1998. Modifications to proposed Rule 25-4.118 (incorporated by reference) have been discussed above.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

The modifications are not expected to result in any direct impacts on small businesses, small cities, or small counties.

REASONABLE ALTERNATIVE METHODS

Section 120.541, F.S., provides for a substantially affected person to submit a good faith, written proposal for a lower cost regulatory alternative to a proposed rule and requires the SERC to either adopt the alternative or give a statement of the reasons for rejecting it in favor of the proposed rule. Lower cost alternatives filed previously were addressed in the Second Revised SERC dated May 6, 1998. This modified version of the proposed rules accomodates several of the previously filed lower cost alternatives, in whole or in part. If this version of the proposed rules is adopted, any new lower cost alternatives must be filed within 21 days after the notice of proposed rulemaking is published in the Florida Administrative Weekly.

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SETTLEMENT AGREEMENT

WHEREAS, the undersigned Petitioners and Intervenor (collectively, Petitioners) have challenged Proposed Rules 25-4.118(2), (8) and (12), Florida Administrative Code as proposed by the Florida Public Service Commission (Commission) and that challenge is currently pending before the Division of Administrative Hearings in Case No. 98-2445-RP; and

WHEREAS, after lengthy negotiations and in a spirit of compromise, Petitioners and the Staff of the Commission (Staff) have agreed on additional and modified rule language which the Petitioners would agree not to challenge and which Staff believes would result in rules that satisfactorily accomplish the purpose of the rules as originally proposed; and

WHEREAS, the Petitioners and Staff believe that each of the proposed modifications or additions is supported by the record of the rulemaking proceeding before the Commission; and

WHEREAS, the Petitioners and Staff desire to avoid the time, expense and risk of further litigation regarding the validity of the rules as proposed; and

WHEREAS, the Petitioners and Staff recognize that the Staff cannot bind the Commission, and that the proposed modifications must be submitted to the Commission for its approval.

NOW, THEREFORE, the Petitioners and the Staff (collectively, the parties) agree as follows:

1. The proposed modifications to Rules 25-4.118(1), (2), (6), (8) and (13) are shown on Attachment A.
2. The Staff agrees to file a recommendation that the Commission adopt the proposed modifications as shown on Attachment A in their entirety and without change. Staff will use its best efforts to file such recommendation for consideration at the Commission's November 3, 1998 agenda conference. The parties acknowledge that such agenda conference constitutes a public hearing on the proposed rules within the meaning of Section 120.54(3)(e)(2), Florida Statutes.

3. If the Commission adopts the proposed modifications shown on Attachment A in their entirety and without change, the Petitioners agree to withdraw their challenge to the proposed rules as so modified. Petitioners additionally will withdraw their challenge to Proposed Rules 25-24.490(1) and 25-24.845. Such withdrawal will be accomplished by the filing of a Notice of Voluntary Dismissal of the Petition in Case No. 98-2445-RP within seven days following publication of the notice of changes referred to in Paragraph 5.

4. If the Commission does not adopt the proposed modifications shown on Attachment A in their entirety and without change, the Petitioners are free to proceed with a challenge to all or any portion of the proposed rules, or the proposed rules as changed by the Commission, as the case may be.

5. If the Commission adopts any or all of the proposed modifications, it will publish a notice of changes pursuant to Section 120.54(3)(d), Fla. Stat.

6. Upon execution of this Settlement Agreement, the Petitioners will promptly file a motion for continuance requesting that the rule challenge hearing be continued as follows:

(a) if the Commission adopts some, but not all, of the proposed modifications, thirty-five days after publication of the notice of changes pursuant to Paragraph 5 (or as soon thereafter as can be scheduled by the Administrative Law Judge), or

(b) if the Commission rejects all of the proposed modifications, fourteen days after the public hearing referred to in Paragraph 2 (or as soon thereafter as can be scheduled by the Administrative Law Judge).

The Petitioners will promptly notify the Administrative Law Judge of the action taken by the Commission at the public hearing referred to in Paragraph 2.

The Staff agrees either to join in the motion for continuance or not to oppose the same. If the requested continuance is not granted, any party may withdraw from this Settlement Agreement without further liability.

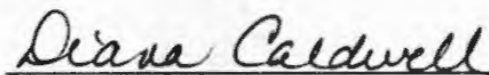
A copy of this Settlement Agreement may be attached to the motion for continuance.

7. This agreement is entered into for purposes of settlement only. In the event that the Commission does not adopt all of the modifications in Attachment A in their entirety and without change, this agreement shall not be admissible in the rule challenge hearing on the validity of any of the proposed rules or in any other forum, and no party waives any position that it could otherwise assert in the rule challenge hearing on the proposed rules as though this agreement had never been made. By way of illustration, but not of limitation: (i) Petitioners do not concede that the Commission has the statutory authority to adopt the proposed rules, even with the modifications identified on Attachment A; and (ii) the Staff and the Commission do not concede that the Commission lacks the statutory authority to adopt the rules as originally proposed.

8. This settlement agreement shall take effect on the date that it has been executed by all of the Petitioners and by the Staff. It may be executed in one or more counterparts.

9. Intervenor BellSouth joins in this agreement. BellSouth thereby agrees (a) to support the Commission's adoption of the modifications and additions contained on Attachment A in their entirety and without change, (b) not to challenge the proposed rules if they are so modified, and (c) to support the motion for continuance referred to in Paragraph 6.

EXECUTED by the undersigned parties on the dates set forth next to their signatures below.



Diana Caldwell
For Staff of the Florida Public
Service Commission

Marsha Rule

Marsha Rule
For AT&T Communications
Of the Southern States, Inc.

Marsha Ward

Marsha Ward
For MCI Telecommunications
Corporation

Monica Barone

Monica Barone
For Sprint Communications
Company Limited Partnership

Vicki Gordon Kaufman

Vicki Gordon Kaufman
For Florida Competitive Carriers
Association and Telecommunications
Resellers Association

Norman H. Horton by mail

Norman H. Horton
For WorldCom Technologies, Inc.

John Marks

John Marks
For BellSouth Telecommunications, Inc.

error within 45 days of notification to the company by the customer, unless the claim is false. After the first 30 days up to 12 months, all 1+ charges over the rates of the preferred company will be credited to the customer by the company responsible for the error within 45 days of notification to the company by the customer, unless the claim is false. Upon notice from the customer of an unauthorized provider change, the LEC shall change the customer back, or to another company of the customer's choice. The change must be made within 24 hours excepting Saturday, Sunday, and holidays, in which case the change shall be made by the end of the next business day. The provisions of this subsection apply whether or not the charge is deemed to be an unauthorized carrier change infraction under subsection (13).

(12) Each provider company shall maintain a toll-free number for accepting complaints regarding unauthorized provider changes, which may be separate from its other customer service numbers, and must be answered 24 hours a day, seven days a week. If the number is a separate toll-free number, beginning six months after the effective date of this rule new customers must be notified of the number in the information package provided to new customers or on their first bill. The number shall provide a live operator to answer incoming calls 24 hours a day, 7 days a week, or shall record end user complaints or shall record end user complaints made to the customer service number to answer incoming calls. A combination of live operators and recorders

may be used. If a recorder is used, the company shall attempt to contact each complainant no later than the next business day following the date of recording and for three each subsequent days unless the customer is reached. If the customer is not reached, the company shall send a letter to the customer's billing address informing the customer as to the best time the customer should call or provide an address to which correspondence should be sent to the company. Beginning six months after the effective date of this rule, a minimum of 95 percent of all call attempts shall be transferred by the system to a live attendant or recording device prepared to give immediate assistance within 60 seconds after the last digit of the telephone number listed as the customer service number for unauthorized provider change complaints was dialed; provided that if the call is completed within 15 seconds to an interactive, menu-driven, voice response unit, the 60-second answer time shall be measured from the point at which the customer selects a menu option to be connected to a live attendant. Station busies will not be counted as completed calls. The term "answer" as used in this subsection means more than an acknowledgment that the customer is waiting on the line. It shall mean the provider is ready to render assistance or accept the information necessary to process the call.

(13) (a) A company shall not be deemed to have committed an unauthorized carrier change infraction if the company, including

its agents and contractors, did the following:

1. Followed the procedures required under subsection (2) with respect to the person requesting the change;

2. Followed these procedures in good faith; and

3. Complied with the credit procedures of subsection (8).

(b) In determining whether fines or other remedies are appropriate for an unauthorized carrier change infraction, the Commission shall consider the actions taken by the company to mitigate or undo the effects of the unauthorized change. These actions include but are not limited to whether the company, including its agents and contractors:

1. Followed the procedures required under subsection (2) with respect to the person requesting the change in good faith;

2. Complied with the credit procedures of subsection (8);

3. Took prompt action in response to the unauthorized change;

4. Reported to the Commission any unusual circumstances that might have adversely affected customers such as system errors or inappropriate marketing practices that resulted in unauthorized changes and the remedial action taken;

5. Reported any unauthorized provider changes concurrently affecting a large number of customers; or

6. Took other corrective action to remedy the unauthorized change appropriate under the circumstances.

1 25-4.003 Definitions.

2 For the purpose of Chapter 25-4, the definitions to the following
3 terms apply:

4 (1) "Access Line" or "Subscriber Line." The circuit or
5 channel between the demarcation point at the customer's premises
6 and the serving end or class 5 central office.

7 (2) "Alternative Local Exchange Telecommunications Company
8 (ALEC)." Any telecommunications company, as defined in Section
9 364.02(1), Florida Statutes.

10 (3) "Average Busy Season-Busy Hour Traffic." The average
11 traffic volume for the busy season busy hours.

12 (4) "Busy Hour." The continuous one-hour period of the day
13 during which the greatest volume of traffic is handled in the
14 office.

15 (5) "Busy Season." The calendar month or period of the year
16 (preferably 30 days but not to exceed 60 days) during which the
17 greatest volume of traffic is handled in the office.

18 (6) "Call." An attempted telephone message.

19 (7) "Central Office." A location where there is an assembly
20 of equipment that establishes the connections between subscriber
21 access lines, trunks, switched access circuits, private line
22 facilities, and special access facilities with the rest of the
23 telephone network.

24 (8) "Commission." The Florida Public Service Commission.

25 (9) "Company," "Telecommunications Company," "Telephone

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1 Company," or "Utility." These terms may be used interchangeably
2 herein and shall mean "telecommunications company" as defined in
3 Section 364.02(12), Florida Statutes.

4 (10) "Completed call." A call which has been switched through
5 an established path so that two-way conversation or data
6 transmission is possible.

7 (11) "Disconnect" or "Disconnection." The dissociation or
8 release of a circuit. In the case of a billable call, the end of
9 the billable time for the call whether intentionally terminated or
10 terminated due to a service interruption.

11 (12) "Drop or Service Wire." The connecting link that extends
12 from the local distribution service terminal to the protector or
13 telephone network interface device on the customer's premises.

14 (13) "Exchange." The entire telephone plant and facilities
15 used in providing telephone service to subscribers located in an
16 exchange area. An exchange may include more than one central
17 office unit.

18 (14) "Exchange (Service) Area." The territory of a local
19 exchange company (LEC) within which local telephone service is
20 furnished at the exchange rates applicable within that area.

21 (15) "Extended Area Service." A type of telephone service
22 whereby subscribers of a given exchange or area may complete calls
23 to, and receive messages from, one or more other exchanges or areas
24 without toll charges, or complete calls to one or more other
25 exchanges or areas without toll message charges.

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1 (16) "Extension Station." An additional station connected on
2 the same circuit as the main station and subsidiary thereto.

3 (17) "Foreign Exchange Service." A classification of LEC
4 exchange service furnished under tariff provisions whereby a
5 subscriber may be provided telephone service from an exchange other
6 than the one from which he would normally be served.

7 (18) "Intercept Service." A service arrangement provided by
8 the telecommunications company whereby calls placed to an
9 unequipped non-working, disconnected, or discontinued telephone
10 number are intercepted by operator, recorder, or audio response
11 computer and the calling party informed that the called telephone
12 number is not in service, has been disconnected, discontinued, or
13 changed to another number, or that calls are received by another
14 telephone. This service is also provided in certain central
15 offices and switching centers to inform the calling party of
16 conditions such as system blockages, inability of the system to
17 complete a call as dialed, no such office code, and all circuits
18 busy.

19 (19) "Interexchange Company (IXC)." Any telecommunications
20 company, as defined in Section 364.02(12), Florida Statutes, which
21 provides telecommunications service between local calling areas as
22 those areas are described in the approved tariffs of individual
23 LECs. IXC includes, but is not limited to, MLDAs as defined in
24 subsection (35) of these definitions.

25 (20) "Inter-office Call." A telephone call originating in one

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1 | central office but terminating in another central office, both of
2 | which are in the same designated exchange area.

3 | (21) "Interstate Toll Message." Those toll messages which do
4 | not originate and terminate within the same state.

5 | (22) "Intertoll Trunk." A line or circuit between two toll
6 | offices, two end offices, or between an end office and toll office,
7 | over which toll calls are passed.

8 | (23) "Intra-office Call." A telephone call originating and
9 | terminating within the same central office.

10 | (24) "Intra-state Toll Message." Those toll messages which
11 | originate and terminate within the same state.

12 | (25) "Invalid Number." A number comprised of an unassigned
13 | area code number or a non-working central office code (NXX).

14 | (26) "Large LEC." A LEC certificated by the Commission prior
15 | to July 1, 1995, that had in excess of 100,000 access lines in
16 | service on July 1, 1995.

17 | (27) "Local Access and Transport Area (LATA)" or "Market
18 | Area." A geographical area, which is loosely based on standard
19 | metropolitan statistical areas (SMSAs), within which a LEC may
20 | transport telecommunication signals.

21 | (28) "Local Exchange Telecommunications Company (LEC)." Any
22 | telecommunications company, as defined in Section 364.02(6),
23 | Florida Statutes.

24 | (29) "Local Provider (LP)." Any telecommunications company
25 | providing local telecommunications service, excluding pay telephone

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1 providers and call aggregators.

2 (30) "Local Service Area" or "Local Calling Area." The area
3 within which telephone service is furnished subscribers under a
4 specific schedule of rates and without toll charges. A LEC's local
5 service area may include one or more exchange areas or portions of
6 exchange areas.

7 (31) "Local Toll Provider (LTP)." Any telecommunications
8 company providing intraLATA or intramarket area long distance
9 telecommunications service.

10 (32) "Main Station." The principal telephone associated with
11 each service to which a telephone number is assigned and which is
12 connected to the central office equipment by an individual or party
13 line circuit or channel.

14 (33) "Message." A completed telephone call.

15 (34) "Mileage Charge." A tariff charge for circuits and
16 channels connecting other services that are auxiliary to local
17 exchange service such as off premises extensions, foreign exchange
18 and foreign central office services, private line services, and tie
19 lines.

20 (35) "Multiple Location Discount Aggregator (MLDA)." An
21 entity that offers discounted long distance telecommunications
22 services from an underlying IXC to unaffiliated entities. An
23 entity is a MLDA if one or more of the following criteria applies:

24 (a) It collects fees related to interexchange
25 telecommunications services directly from subscribers,

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1 (b) It bills for interexchange telecommunications services in
2 its own name,

3 (c) It is responsible for an end user's unpaid interexchange
4 telecommunications bill, or

5 (d) A customer's bill cannot be determined by applying the
6 tariff of the underlying IXC to the customer's individual usage.

7 (36) "Normal Working Days." The normal working days for
8 installation and construction shall be all days except Saturdays,
9 Sundays, and holidays. The normal working days for repair service
10 shall be all days except Sundays and holidays. Holidays shall be
11 the days which are observed by each individual telephone utility.

12 (37) "Optional Calling Plan." An optional service furnished
13 under tariff provisions which recognizes the need of some
14 subscribers for extended area calling without imposing the cost on
15 the entire body of subscribers.

16 (38) "Out of Service." The inability, as reported by the
17 customer, to complete either incoming or outgoing calls over the
18 subscriber's line. "Out of Service" shall not include:

19 (a) Service difficulties such as slow dial tone, circuits
20 busy, or other network or switching capacity shortages;

21 (b) Interruptions caused by a negligent or willful act of the
22 subscriber; and

23 (c) Situations in which a company suspends or terminates
24 service because of nonpayment of bills, unlawful or improper use of
25 facilities or service, or any other reason set forth in approved

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1 | tariffs or Commission rules.

2 | (39) "Outside Plant." The telephone equipment and facilities
3 | installed on, along, or under streets, alleys, highways, or on
4 | private rights-of-way between the central office and subscribers'
5 | locations or between central offices of the same or different
6 | exchanges.

7 | (40) "Pay Telephone Service Company." Any telecommunications
8 | company that provides pay telephone service as defined in Section
9 | 364.3375, Florida Statutes.

10 | (41) "PC-Freeze." (Preferred Carrier Freeze) A service offered
11 | that restricts the customer's carrier selection until further
12 | notice from the customer.

13 | (42) "Provider." Any telecommunications company providing
14 | service, excluding pay telephone providers and call aggregators
15 | (i.e. local, local toll, and toll providers).

16 | (43) "Service Objective." A quality of service which is
17 | desirable to be achieved under normal conditions.

18 | (44) "Service Standard." A level of service which a
19 | telecommunications company, under normal conditions, is expected to
20 | meet in its certificated territory as representative of adequate
21 | services.

22 | (45) "Small LEC." A LEC certificated by the Commission prior
23 | to July 1, 1995, which had fewer than 100,000 access lines in
24 | service on July 1, 1995.

25 | (46) "Station." A telephone instrument consisting of a

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1 transmitter, receiver, and associated apparatus so connected as to
2 permit sending or receiving telephone messages.

3 (47) "Subscriber" or "Customer." These terms may be used
4 interchangeably herein and shall mean any person, firm,
5 partnership, corporation, municipality, cooperative organization,
6 or governmental agency supplied with communication service by a
7 telecommunications company.

8 (48) "Subscriber Line." See "Access Line."

9 (49) "Switching Center." Location at which telephone traffic,
10 either local or toll, is switched or connected from one circuit or
11 line to another. A local switching center may be comprised of
12 several central office units.

13 (50) "Toll Connecting Trunk." A trunk which connects a local
14 central office with its toll operating office.

15 (51) "Toll Message." A completed telephone call between
16 stations in different exchanges for which message toll charges are
17 applicable.

18 (52) "Toll Provider (TP)." Any telecommunications company
19 providing interLATA long distance telecommunications service.

20 (53) "Traffic Study." The process of recording usage
21 measurements which can be translated into required quantities of
22 equipment.

23 (54) "Trouble Report." Any oral or written report from a
24 subscriber or user of telephone service to the telephone company
25 indicating improper function or defective conditions with respect

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1 | to the operation of telephone facilities over which the telephone
2 | company has control.

3 | (55) "Trunk." A communication channel between central office
4 | units or entities, or private branch exchanges.

5 | (56) "Valid Number." A number for a specific telephone
6 | terminal in an assigned area code and working central office which
7 | is equipped to ring and connect a calling party to such terminal
8 | number.

9 | Specific Authority: 350.127(2) F.S.

10 | Law Implemented: 364.01, 364.02, 364.32, 364.335, 364.337 F.S.

11 | History: Revised 12-1-68, Amended 3-31-76, formerly 25-4.03,
12 | Amended 2-23-87, 3-4-92, 12-21-93, 3-10-96, 7-20-98.

13 |
14 | 25-4.110 Customer Billing for Local Exchange Telecommunications
15 | Companies.

16 | (1) Each company shall issue bills monthly. Each bill shall
17 | show the delinquent date, set forth a clear listing of all charges
18 | due and payable, and contain the following statement:

19 | "Written itemization of local billing available upon request."

20 | (a) Each LEC shall provide an itemized bill for local service:

21 | 1. With the first bill rendered after local exchange service
22 | to a customer is initiated or changed; and

23 | 2. To every customer at least once each twelve months.

24 | (b) The annual itemized bill shall be accompanied by a bill
25 | stuffer which explains the itemization and advises the customer to

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1 | verify the items and charges on the itemized bill. This bill
2 | stuffer shall be submitted to the Commission's Division of
3 | Communications for prior approval. The itemized bill provided to
4 | residential customers and to business customers with less than 10
5 | access lines per service location shall be in easily understood
6 | language. The itemized bill provided to business customers with 10
7 | or more access lines per service location may be stated in service
8 | order code, provided that it contains a statement that, upon
9 | request, an easily understood translation is available in written
10 | form without charge. An itemized bill shall include, but not be
11 | limited to the following information, separately stated:

- 12 | 1. Number and types of access lines;
- 13 | 2. Charges for access to the system, by type of line;
- 14 | 3. Touch tone service charges;
- 15 | 4. Charges for custom calling features, separated by feature;
- 16 | 5. Unlisted number charges;
- 17 | 6. Local directory assistance charges;
- 18 | 7. Other tariff charges; and
- 19 | 8. Other nontariffed, regulated charges contained in the bill.

20 | (c) Each bill rendered by a local exchange company shall:

- 21 | 1. Separately state the following items:
 - 22 | a. Any discount or penalty, if applicable;
 - 23 | b. Past due balance;
 - 24 | c. Unregulated charges, identified as unregulated;
 - 25 | d. Long-distance charges, if included in the bill;

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1 e. Franchise fee, if applicable; and

2 f. Taxes, as applicable on purchases of local and long
3 distance service; and

4 2. Contain a statement that nonpayment of regulated charges
5 may result in discontinuance of service and that the customer may
6 contact the business office (at a stated number) to determine the
7 amount of regulated charges in the bill.

8 (2) Each company shall make appropriate adjustments or refunds
9 where the subscriber's service is interrupted by other than the
10 subscriber's negligent or willful act, and remains out of order in
11 excess of 24 hours after the subscriber notifies the company of the
12 interruption. The refund to the subscriber shall be the pro rata
13 part of the month's charge for the period of days and that portion
14 of the service and facilities rendered useless or inoperative;
15 except that the refund shall not be applicable for the time that
16 the company stands ready to repair the service and the subscriber
17 does not provide access to the company for such restoration work.
18 The refund may be accomplished by a credit on a subsequent bill for
19 telephone service.

20 (3) (a) Bills shall not be considered delinquent prior to the
21 expiration of 15 days from the date of mailing or delivery by the
22 company. However, the company may demand immediate payment under
23 the following circumstances:

24 1. Where service is terminated or abandoned;

25 2. Where toll service is two times greater than the

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1 | subscriber's average usage as reflected on the monthly bills for
2 | the three months prior to the current bill, or, in the case of a
3 | new customer who has been receiving service for less than four
4 | months, where the toll service is twice the estimated monthly toll
5 | service; or

6 | 3. Where the company has reason to believe that a business
7 | subscriber is about to go out of business or that bankruptcy is
8 | imminent for that subscriber.

9 | (b) The demand for immediate payment shall be accompanied by
10 | a bill which itemizes the charges for which payment is demanded,
11 | or, if the demand is made orally, an itemized bill shall be mailed
12 | or delivered to the customer within three days after the demand is
13 | made.

14 | (c) If the company cannot present an itemized bill, it may
15 | present a summarized bill which includes the customer's name and
16 | address and the total amount due. However, a customer may refuse
17 | to make payment until an itemized bill is presented. The company
18 | shall inform the customer that he may refuse payment until an
19 | itemized bill is presented.

20 | (4) Each telephone company shall include a bill insert
21 | advising each subscriber of the directory closing date and of the
22 | subscriber's opportunity to correct any error or make changes as
23 | the subscriber deems necessary in advance of the closing date. It
24 | shall also state that at no additional charge and upon the request
25 | of any residential subscriber, the exchange company shall list an

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1 | additional first name or initial under the same address, telephone
2 | number, and surname of the subscriber. The notice shall be
3 | included in the billing cycle closest to 60 days preceding the
4 | directory closing date.

5 | (5) Annually, each telephone company shall include a bill
6 | insert advising each residential subscriber of the option to have
7 | the subscriber's name placed on the "No Sales Solicitation" list
8 | maintained by the Department of Agriculture and Consumer Services,
9 | Division of Consumer Services, and the 800 number to contact to
10 | receive more information.

11 | (6) Where any undercharge in billing of a customer is the
12 | result of a company mistake, the company may not backbill in excess
13 | of 12 months. Nor may the company recover in a ratemaking
14 | proceeding, any lost revenue which inures to the company's
15 | detriment on account of this provision.

16 | (7) Franchise fees and municipal telecommunications taxes.

17 | (a) When a municipality charges a company any franchise fee,
18 | or municipal telecommunications tax authorized by Section 166.231,
19 | Florida Statutes, the company may collect that fee only from its
20 | subscribers receiving service within that municipality. When a
21 | county charges a company any franchise fee, the company may collect
22 | that fee only from its subscribers receiving service within that
23 | county.

24 | (b) A company may not incorporate any franchise fee or
25 | municipal telecommunications tax into its other rates for service.

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1 (c) This subsection shall not be construed as granting a
2 municipality or county the authority to charge a franchise fee or
3 municipal telecommunications tax. This subsection only specifies
4 the method of collection of a franchise fee, if a municipality or
5 county, having authority to do so, charges a franchise fee or
6 municipal telecommunications tax.

7 (8)(a) When a company elects to add the Gross Receipts Tax
8 onto the customer's bill as a separately stated component of that
9 bill, the company must first remove from the tariffed rates any
10 embedded provisions for the Gross Receipts Tax.

11 (b) If the tariffed rates in effect have a provision for gross
12 receipts tax, the rates must be reduced by an amount equal to the
13 gross receipts tax liability imposed by Chapter 203, Florida
14 Statutes, thereby rendering the customer's bill unaffected by the
15 election to add the Gross Receipts Tax as a separately stated tax.

16 (c) This subsection shall not be construed as a mandate to
17 elect to separately state the Gross Receipts Tax. This subsection
18 only specifies the method of applying such an election.

19 (d) All services sold to another telecommunications vendor,
20 provided that the applicable rules of the Department of Revenue are
21 satisfied, must be reduced by an amount equal to the gross receipts
22 tax liability imposed by Chapter 203, Florida Statutes, unless
23 those services have been adjusted by some other Commission action.

24 (e) When a nonrate base regulated telecommunications company
25 exercises the option of adding the gross receipts tax as a

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1 separately stated component on the customer's bill then that
2 company must file a tariff indicating such.

3 (9) Each LEC shall apply partial payment of an end
4 user/customer bill first towards satisfying any unpaid regulated
5 charges. The remaining portion of the payment, if any, shall be
6 applied to nonregulated charges.

7 (10) After January 1, 1999, or six months after the effective
8 date of this rule, whichever is later, all bills produced shall
9 clearly and conspicuously display the following information for
10 each service billed in regard to each company claiming to be the
11 customer's presubscribed provider for local, local toll, or toll
12 service:

13 (a) The name of the certificated company;

14 (b) Type of service provided, i.e., local, local toll, or
15 toll; and

16 (c) A toll-free customer service number.

17 (11) This section applies to LECs that provide transmission
18 services or bill and collect on behalf of Pay Per Call providers.
19 Pay Per Call services are defined as switched telecommunications
20 services between locations within the State of Florida which permit
21 communications between an end use customer and an information
22 provider's program at a per call charge to the end user/customer.
23 Pay Per Call services include 976 services provided by the LECs and
24 900 services provided by interexchange carriers.

25 (a) Charges for Pay Per Call service (900 or 976) shall be

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1 | segregated from charges for regular long distance or local charges
2 | by appearing separately under a heading that reads as follows:
3 | "Pay Per Call (900 or 976) nonregulated charges." The following
4 | information shall be clearly and conspicuously disclosed on each
5 | section of the bill containing Pay Per Call service (900 or 976)
6 | charges:

- 7 | 1. Nonpayment of Pay Per Call service (900 or 976) charges
8 | will not result in disconnection of local service;
- 9 | 2. End users/customers can obtain free blocking of Pay Per
10 | Call service (900 or 976) from the LEC;
- 11 | 3. The local or toll-free number the end user/customer can
12 | call to dispute charges;
- 13 | 4. The name of the IXC providing 900 service; and
- 14 | 5. The Pay Per Call service (900 or 976) program name.

15 | (b) Pay Per Call Service (900 and 976) Billing. LECs and IXCs
16 | who have a tariff or contractual relationship with a Pay Per Call
17 | (900 or 976) provider shall not provide Pay Per Call transmission
18 | service or billing services, unless the provider does each of the
19 | following:

- 20 | 1. Provides a preamble to the program which states the per
21 | minute and total minimum charges for the Pay Per Call service (900
22 | and 976); child's parental notification requirement is announced on
23 | preambles for all programs where there is a potential for minors to
24 | be attracted to the program; child's parental notification
25 | requirement in any preamble to a program targeted to children must

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1 | be in language easily understandable to children; and programs that
2 | do not exceed \$3.00 in total charges may omit the preamble, except
3 | as provided in Section (11)(b)3.;

4 | 2. Provides an 18-second billing grace period in which the end
5 | user/customer can disconnect the call without incurring a charge;
6 | from the time the call is answered at the Pay Per Call provider's
7 | premises, the preamble message must be no longer than 15 seconds.
8 | The program may allow an end user/customer to affirmatively bypass
9 | a preamble;

10 | 3. Provides on each program promotion targeted at children
11 | (defined as younger than 18 years of age) clear and conspicuous
12 | notification, in language understandable to children, of the
13 | requirement to obtain parental permission before placing or
14 | continuing with the call. The parental consent notification shall
15 | appear prominently in all advertising and promotional materials,
16 | and in the program preamble. Children's programs shall not have
17 | rates in excess of \$5.00 per call and shall not include the
18 | enticement of a gift or premium;

19 | 4. Promotes its services without the use of an autodialer or
20 | broadcasting of tones that dial a Pay Per Call (900 and 976)
21 | number;

22 | 5. Prominently discloses the additional cost per minute or per
23 | call for any other telephone number that an end user/customer is
24 | referred to either directly or indirectly;

25 | 6. In all advertising and promotional materials, displays

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1 | charges immediately above, below, or next to the Pay Per Call
2 | number, in type size that can be seen as clearly and conspicuously
3 | at a glance as the Pay Per Call number. Broadcast television
4 | advertising charges, in Arabic numerals, must be shown on the
5 | screen for the same duration as the Pay Per Call number is shown,
6 | each time the Pay Per Call number is shown. Oral representations
7 | shall be equally as clear;

8 | 7. Provides on Pay Per Call services that involve sales of
9 | products or merchandise clear preamble notification of the price
10 | that will be incurred if the end user/customer stays on the line,
11 | and a local or toll free number for consumer complaints; and

12 | 8. Meets internal standards established by the LEC or IXC as
13 | defined in the applicable tariffs or contractual agreement between
14 | the LEC and the IXC; or between the LEC/IXC and the Pay Per Call
15 | (900 or 976) provider which when violated, would result in the
16 | termination of a transmission or billing arrangement.

17 | (c) Pay Per Call (900 and 976) Blocking. Each LEC shall
18 | provide blocking where technically feasible of Pay Per Call service
19 | (900 and 976), at the request of the end user/customer at no
20 | charge. Each LEC or IXC must implement a bill adjustment tracking
21 | system to aid its efforts in adjusting and sustaining Pay Per Call
22 | charges. The LEC or IXC will adjust the first bill containing Pay
23 | Per Call charges upon the end user's/ customer's stated lack of
24 | knowledge that Pay Per Call service (900 and 976) has a charge. A
25 | second adjustment will be made if necessary to reflect calls billed

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1 | in the following month which were placed prior to the Pay Per Call
2 | service inquiry. At the time the charge is removed, the end
3 | user/customer may agree to free blocking of Pay Per Call service
4 | (900 and 976).

5 | (d) Dispute resolution for Pay Per Call service (900 and 976).
6 | Charges for Pay Per Call service (900 and 976) shall be
7 | automatically adjusted upon complaint that:

8 | 1. The end user/customer did not receive a price
9 | advertisement, the price of the call was misrepresented to the
10 | consumer, or the price advertisement received by the consumer was
11 | false, misleading, or deceptive;

12 | 2. The end user/customer was misled, deceived, or confused by
13 | the Pay Per Call (900 or 976) advertisement;

14 | 3. The Pay Per Call (900 or 976) program was incomplete,
15 | garbled, or of such quality as to render it inaudible or
16 | unintelligible, or the end user/customer was disconnected or cut
17 | off from the service;

18 | 4. The Pay Per Call (900 and/or 976) service provided
19 | out-of-date information; or

20 | 5. The end user/customer terminated the call during the
21 | preamble described in 25-4.110(11)(b)2., but was charged for the
22 | Pay Per Call service (900 or 976).

23 | (e) If the end user/customer refuses to pay a disputed Pay Per
24 | Call service (900 or 976) charge which is subsequently determined
25 | by the LEC to be valid, the LEC or IXC may implement Pay Per Call

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1 (900 and 976) blocking on that line.

2 (f) Credit and Collection. LECs and IXC's billing Pay Per Call
3 (900 and 976) charges to an end user/customer in Florida shall not:

4 1. Collect or attempt to collect Pay Per Call service (900 or
5 976) charges which are being disputed or which have been removed
6 from an end user's/customer's bill; or

7 2. Report the end user/customer to a credit bureau or
8 collection agency solely for non-payment of Pay Per Call (900 or
9 976) charges.

10 (g) LECs and IXC's billing Pay Per Call service (900 and 976)
11 charges to end users/customers in Florida shall implement
12 safeguards to prevent the disconnection of phone service for
13 non-payment of Pay Per Call (900 or 976) charges.

14 (12) The customer must be notified via letter or on the
15 customer's first bill and annually thereafter that a PC Freeze is
16 available. Existing customers must be notified by January 1, 1999,
17 or six months after the effective date of this rule, whichever is
18 later, and annually thereafter that a PC Freeze is available.

19 (13) By January 1, 1999, or six months after the effective
20 date of this rule, whichever is later, the customer must be given
21 notice on the first or second page of the customer's next bill in
22 conspicuous bold face type when the customer's provider of local,
23 local toll, or toll service has changed.

24 Specific Authority: 350.127 F.S.

25 Law Implemented: 364.17, 350.113, 364.03, 364.04, 364.05, 364.19,

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1 F.S.

2 History: New 12-1-68, Amended 3-31-76, 12-31-78, 1-17-79,
3 7-28-81, 9-8-81, 5-3-82, 11-21-82, 4-13-86, 10-30-86, 11-28-89,
4 3-31-91, 11-11-91, 3-10-96, 7-20-97.

5

6 25-4.118 Local, Local Toll, or Toll Provider Selection.

7 (1) The provider of a customer shall not be changed without
8 the customer's authorization. The customer or other authorized
9 person may change the residential service. For the purposes of
10 this section, the term "other authorized person" shall mean a
11 person 18 years of age or older within the same household. The
12 person designated as the contact for the local telecommunications
13 company, an officer of the company, or the owner of the company is
14 the person authorized to change business service. A LEC shall
15 accept a provider change request by telephone call or letter
16 directly from its customers; or

17
18 (2) A LEC shall accept a change request from a
19 certificated LP or IXC acting on behalf of the customer. A
20 certificated LP or IXC shall submit a change request only if it has
21 first certified to the LEC that at least one of the following
22 actions has occurred:

- 23 (a) The provider has a letter of agency (LOA), as described in
24 (3), from the customer requesting the change;
25 (b) The provider has received a customer-initiated call, and

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1 beginning six months after the effective date of this rule has
2 obtained the following:

3 1. ~~The customer's consent to record the requested change and~~
4 ~~2. An audio recording of~~ information set forth in (3)(a)1.
5 through 5.; and

6 2. Verification data including at least one of the following:

7 a. The customer's date of birth;

8 b. The last four digits of the customer's social security
9 number; or

10 c. The customer's mother's maiden name.

11 (c) A firm that is independent and unaffiliated with the
12 provider claiming the subscriber has verified the customer's
13 requested change by obtaining the following:

14 1. The customer's consent to record the requested change or
15 the customer has been notified that the call will be recorded; and

16 2. Beginning six months after the effective date of this rule
17 an audio recording of the information stated in subsection (3)(a)1.
18 through 5.; or

19 (d) 1. The provider has received a customer's change request,
20 and has responded by mailing an informational package that shall
21 include the following:

22 a. A notice that the information is being sent to confirm that
23 ~~a telemarketer obtained~~ a customer's request to change the
24
25

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1 | customer's telecommunications provider was obtained;

2 | b. A description of any terms, conditions, or charges that
3 | will be incurred;

4 | c. The name, address, and telephone number of both the
5 | customer and the soliciting company;

6 | d. A postcard which the customer can use to confirm a change
7 | request;

8 | e. A clear statement that the customer's local, local toll, or
9 | toll provider will be changed to the soliciting company only if the
10 | customer signs and returns the postcard confirming the change; and

11 | f. A notice that the customer may contact by writing the
12 | Commission's Division of Consumer Affairs, 2540 Shumard Oak
13 | Boulevard, Tallahassee, Florida 32399-0850, or by calling, toll-
14 | free (TDD & Voice) 1-800-342-3552, for consumer complaints.

15 | 2. The soliciting company shall submit the change request to
16 | the LP only if it has first received the postcard that must be
17 | signed by the customer.
18 |

19 | (3) (a) The LOA submitted to the company requesting a provider
20 | change shall include the following information (each shall be
21 | separately stated):

22 | 1. Customer's billing name, address, and each telephone number
23 | to be changed;

24 | 2. Statement clearly identifying the certificated name of the
25 | provider and the service to which the customer wishes to subscribe,

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1 | whether or not it uses the facilities of another company;

2 | 3. Statement that the person requesting the change is
3 | authorized to request the change;

4 | 4. Statement that the customer's change request will apply
5 | only to the number on the request and there must only be one
6 | presubscribed local, one presubscribed local toll, and one
7 | presubscribed toll provider for each number;

8 | 5. Statement that the LEC may charge a fee for each provider
9 | change;

10 | 6. Customer's signature and a statement that the customer's
11 | signature or endorsement on the document will result in a change of
12 | the customer's provider.

13 | (b) The soliciting company's provider change fee statement, as
14 | described in (a)5. above, shall be legible, printed in boldface at
15 | least as large as any other text on the page, and located directly
16 | above the signature line.

17 | (c) The soliciting company's provider change statement, as
18 | described in (a)6. above, shall be legible, printed in boldface at
19 | least as large as any other text on the page, and located directly
20 | below the signature line.

21 | (4) The LOA shall not be combined with inducements of any kind
22 | on the same document. The document as a whole must not be
23 | misleading or deceptive. For purposes of this rule, the terms
24 | "misleading or deceptive" mean that, because of the style, format
25 | or content of the document or oral statements, it would not be

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1 readily apparent to the person signing the document or providing
2 or 1 authorization that the purpose of the signature or the oral
3 authorization was to authorize a provider change, or it would be
4 unclear to the customer who the new provider would be; that the
5 customer's selection would apply only to the number listed and
6 there could only be one provider for that number; or that the
7 customer's LP might charge a fee to switch service providers. If
8 any part of the LOA is written in a language other than English,
9 then it must contain all relevant information in each language.
10 Notwithstanding the above, the LOA may be combined with checks that
11 contain only the required LOA language as prescribed in subsection
12 (3) of this section and the information necessary to make the check
13 a negotiable instrument. The LOA check shall not contain any
14 promotional language or material. The LOA check shall contain in
15 easily readable, bold-face type on the front of the check, a notice
16 that the consumer is authorizing a primary carrier change by
17 signing the check. The LOA language shall be placed near the
18 signature line on the back of the check.

19 (5) A prospective provider must have received the signed LOA
20 before initiating the change.

21 (6) Information obtained under (2)(a) through (d) LOAs and
22 ~~audio recordings~~ shall be maintained by the provider for a period
23 of one year.

24 (7) Customer requests for other services, such as travel card
25 service, do not constitute a provider change.

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1 (8) Charges for unauthorized provider changes and all 1+
2 charges billed on behalf of the unauthorized provider for the first
3 30 days or first billing cycle, whichever is longer, shall be
4 credited to the customer by the company responsible for the error
5 within 45 days of notification to the company by the customer,
6 unless the claim is false. After the first 30 days up to 12
7 months, all 1+ charges over the rates of the preferred company will
8 be credited to the customer by the company responsible for the
9 error within 45 days of notification to the company by the
10 customer, unless the claim is false. Upon notice from the customer
11 of an unauthorized provider change, the LEC shall change the
12 customer back, or to another company of the customer's choice. The
13 change must be made within 24 hours excepting Saturday, Sunday, and
14 holidays, in which case the change shall be made by the end of the
15 next business day. The provisions of this subsection apply whether
16 or not the change is deemed to be an unauthorized carrier change
17 infraction under subsection (13).

18 (9) The company shall provide the following disclosures when
19 soliciting a change in service from a customer:

20 (a) Identification of the company;

21 (b) That the purpose of the visit or call is to solicit a
22 change of the provider of the customer;

23 (c) That the provider shall not be changed unless the customer
24 authorizes the change; and

25 (d) All information as referenced in Rule 25-24.490(3).

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1 (10) During telemarketing and verification, no misleading or
2 deceptive references shall be made while soliciting for
3 subscribers.

4 (11) A provider must provide the customer a copy of the
5 authorization it relies upon in submitting the change request
6 within 15 calendar days of request.

7 (12) Each provider company shall maintain a toll-free number
8 for accepting complaints regarding unauthorized provider changes,
9 which may be separate from its other customer service numbers, and
10 must be answered 24 hours a day, seven days a week. If the number
11 is a separate toll-free number, beginning six months after the
12 effective date of this rule new customers must be notified of the
13 number in the information package provided to new customers or on
14 their first bill. The number shall provide a live operator to
15 ~~answer incoming calls 24 hours a day, 7 days a week, or shall~~
16 ~~record end user complaints or shall record end user complaints made~~
17 to the customer service number to answer incoming calls. A
18 combination of live operators and recorders may be used. If a
19 recorder is used, the company shall attempt to contact each
20 complainant no later than the next business day following the date
21 of recording and for three each subsequent days unless the customer
22 is reached. If the customer is not reached, the company shall send
23 a letter to the customer's billing address informing the customer
24 as to the best time the customer should call or provide an address
25 to which correspondence should be sent to the company. Beginning

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1 six months after the effective date of this rule, a minimum of 95
2 percent of all call attempts shall be transferred by the system to
3 a live attendant or recording device prepared to give immediate
4 assistance within 60 seconds after the last digit of the telephone
5 number listed as the customer service number for unauthorized
6 provider change complaints was dialed; provided that if the call is
7 completed within 15 seconds to an interactive, menu-driven, voice
8 response unit, the 60-second answer time shall be measured from the
9 point at which the customer selects a menu option to be connected
10 to a live attendant. Station busies will not be counted as
11 completed calls. The term "answer" as used in this subsection
12 means more than an acknowledgment that the customer is waiting on
13 the line. It shall mean the provider is ready to render assistance
14 or accept the information necessary to process the call.

15 (13) (a) A company shall not be deemed to have committed an
16 unauthorized carrier change infraction if the company, including
17 its agents and contractors, did the following:

18 1. Followed the procedures required under subsection (2) with
19 respect to the person requesting the change;

20 2. Followed these procedures in good faith; and

21 3. Complied with the credit procedures of subsection (8).

22 (b) In determining whether fines or other remedies are
23 appropriate for an unauthorized carrier change infraction, the
24 Commission shall consider the actions taken by the company to
25

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1 mitigate or undo the effects of the unauthorized change. These
2 actions include but are not limited to whether the company,
3 including its agents and contractors:

4 1. Followed the procedures required under subsection (2) with
5 respect to the person requesting the change in good faith;

6 2. Complied with the credit procedures of subsection (8);

7 3. Took prompt action in response to the unauthorized change;

8 4. Reported to the Commission any unusual circumstances that
9 might have adversely affected customers such as system errors or
10 inappropriate marketing practices that resulted in unauthorized
11 changes and the remedial action taken;

12 5. Reported any unauthorized provider changes concurrently
13 affecting a large number of customers; or

14 6. Took other corrective action to remedy the unauthorized
15 change appropriate under the circumstances.

16 Specific Authority 350.127(2) F.S.

17 Law Implemented 364.01, 364.19, 364.285 F.S.

18 History: New 3-4-92, Amended 5-31-95, 7-20-98.

19
20
21 25-24.490 Customer Relations; Rules Incorporated.

22 (1) The following rules are incorporated herein by reference
23 and apply to IXCs.

24		Portions	
25	Section	Title	Applicable

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1	25-4.110	Customer Billing	Subsections (10),
2			(11), (12), and (13)
3	25-4.111	Customer Complaint	All except
4		and Service Requests	Subsection (2)
5	25-4.112	Termination of Service	All
6		by Customer	
7	25-4.113	Refusal or Discontinuance	
8		of Service by Company	All
9	25-4.114	Refunds	All
10	25-4.117	800 Service	All
11	25-4.118	Local, Local Toll, or	All
12		Toll Provider	
13		Selection	

14 (2) An IXC may require a deposit as a condition of service
15 and may collect advance payments for more than one month of service
16 if it maintains on file with the Commission a bond covering its
17 current balance of deposits and advance payments (for more than one
18 month's service). A company may apply to the Commission for a
19 waiver of the bond requirement by demonstrating that it possesses
20 the financial resources and income to provide assurance of
21 continued operation under its certificate over the long term.

22 (3) Upon request, each company shall provide verbally or in
23 writing to any person inquiring about the company's service:

- 24 (a) any nonrecurring charge,
- 25 (b) any monthly service charge or minimum usage charge,

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- 1 (c) company deposit practices,
- 2 (d) any charges applicable to call attempts not answered,
- 3 (e) a statement of when charging for a call begins and ends,
- 4 and
- 5 (f) a statement of billing adjustment practices for wrong
- 6 numbers or incorrect bills.

7 In addition, the above information shall be included in the first
 8 bill, or in a separate mailing no later than the first bill, to all
 9 new customers and to all customers presubscribing on or after the
 10 effective date of this rule, and in any information sheet or
 11 brochure distributed by the company for the purpose of providing
 12 information about the company's services. The above information
 13 shall be clearly expressed in simple words, sentences and
 14 paragraphs. It must avoid unnecessarily long, complicated or
 15 obscure phrases or acronyms.

16 Specific Authority 350.127(2) F.S.

17 Law Implemented 364.03, 364.14, 364.15, 364.19, 364.337 F.S.

18 History: New 2-23-87, Amended 10-31-89, 3-5-90, 3-4-92, 3-13-96,
 19 7-20-98.

20
 21 25-24.845 Customer Relations; Rules Incorporated.

22 The following rules are incorporated herein by reference and
 23 apply to ALECs. In the following rules, the acronym 'LEC' should be
 24 omitted or interpreted as 'ALEC'.

25 Section	Title	Portions Applicable
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