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April 19, 1991

Mr. Steven Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32399-0850

RE: ~~Docket No. 913860-PP~~

Dear Mr. Tribble:

Enclosed for filing with the Commission are an original and fifteen (15) copies of US Telecom, Inc.'s, Comments in the above-referenced matter. Please date-stamp the extra copy of this filing and return it for our files. Thank you.

Sincerely,

Helen M. Hall
Helen M. Hall
Attorney

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CAF _____
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DOCUMENT NUMBER
03846 APR 22 1991
REC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition of the Attorney General)
and the Public Counsel to)
initiate Rulemaking Proceedings)
Governing 900 Service)

Docket No. 910060-TP

COMMENTS OF US TELECOM, INC.

NOW COMES US Telecom, Inc. d/b/a Sprint Gateways ("Sprint Gateways") and respectfully submits its Comments concerning Staff's proposed 900 and 976 rules. Sprint Gateways has been providing 900 service to information providers on an interstate basis since April 1989, and on an intrastate basis in the state of Florida since February 15, 1990. Provision of 900 services has grown rapidly since Sprint Gateways entered the market. Most 900 services are legitimate and provide valuable services to consumers. Unfortunately, a small minority of 900 programs have misled consumers causing public concern. Sprint Gateways has worked closely with many consumer and government agencies to resolve concerns and cooperate with government investigations. The problems addressed by the Florida Attorney General are not simply a Florida problem; they are a national problem. The FCC is currently investigating 900 services and has proposed rules governing the provision of interstate 900 services. Sprint Gateways suggests that any regional solution be considered in conjunction with the FCC's proposed rules.

Sprint Gateways has many consumer safeguards in place, several of which are included in the Staff's proposal. Sprint Gateways believes these safeguards are effective in controlling the improper use of 900 numbers by unscrupulous information

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providers. In fact, Sprint Gateways recently added several program-specific safeguards to address problems associated with certain types of programs. Staff's proposed 900 rules incorporate several of the safeguards proposed by the FCC, including preambles, blocking and no disconnection of local service for non-payment of 900 charges. Care must be taken, however, to create 900 rules that do not discourage legitimate 900 programs while eliminating non-legitimate 900 programming. Sprint Gateways therefore provides the following comments on Staff's proposal.

1. Section 25-4.110(9)(a)1. - Disclosure to be placed on bill that nonpayment of 900 or 976 charges will not result in disconnection of local service.

Sprint Gateways opposes placement of this statement on consumer bills. Most 900 services are legitimate and valuable services. Such a statement, while accurate, will encourage non-payment for valid charges. If the Commission is concerned with customer awareness, a bill insert may be more appropriate. Sprint Gateways would not be opposed to such a statement being placed in a bill insert on a periodic basis.

2. Section 25-4.110(9)(a)2. - Disclosure to be placed on bill that customers can obtain free blocking from the local exchange company.

Sprint Gateways believes this information is more appropriately placed in a periodic bill insert. Additionally, Sprint Gateways does not believe end-user requested 900 blocking

is universally available from all central offices. Sprint Gateways proposes the following bill insert language: "Free blocking of 900 or 976 service may be available from the local exchange telephone company. Please dial XXX-XXX-XXXX for more information on 900 or 976 blocking."

3. Section 25-4.110(9)(b)1. - Billing prohibition on calls without preambles providing an introduction describing the nature of the message and its price.

Sprint Gateways is opposed to a blanket requirement of introductory messages on all 900 calls. Sprint Gateways does, however, support the use of introductory messages in some instances. Sprint Gateways requires introductory messages on all children's programming and on all other programs which exceed \$5.00 per minute or \$10.00 per call. While Sprint Gateways prohibits "GAB," obscene or indecent programming on its network, it is not opposed to introductory messages on these types of programs. An introductory message should include an opportunity for callers to hang up after the conclusion of the disclosure message, and thereby not incur any charges for the call.

For general audience programs, the primary function of an introductory message would be to inform the consumer of the charges they are about to incur. This is redundant with other safeguards such as those associated with advertising guidelines. Sprint Gateways places a strong emphasis on advertising guidelines and believes these are sufficient to inform the consumer of the costs of the call and the type of programming. Although Sprint Gateways supports introductory messages for some

of its services, there is a cost involved for the information provider in the form of per minute usage charges and programming charges. Should the Commission determine that introductory messages are required for some services, the Commission should forgo such a mandatory requirement on services where the costs of compliance outweigh consumer benefit. For general audience programs, Sprint Gateways recommends mandatory introductory messages only on programs priced above \$5.00 per minute or \$10.00 per call. This will provide consumers with the awareness necessary to make an informed decision based upon advertised rates, provide extra protection for higher priced calls via an introductory message, and help information providers to remain cost competitive on lower priced calls.

4. Section 25-4.110(9)(b)2. - Billing prohibition on calls without delayed billing notifying the customer of the option of disconnecting the call within 20 seconds without incurring a charge.

Delayed billing is the exclusion of 900 calls of short duration. The function of this safeguard is to allow consumers the ability to disconnect prior to incurring a charge in cases of mistaken or inadvertent use. Sprint Gateways supports delayed billing, but the time period should not be excessively long. Sprint Gateways recommends that the delayed billing period be three seconds beyond the end of the introductory message. In addition, Sprint Gateways is opposed to "negative selling" or phrases which encourage consumers to disconnect. Sprint Gateways prefers a positive introductory statement which states the

charges, the program content and asks the consumer to stay on the line if he/she wants to receive the information. Sprint Gateways suggests the following substitute language for paragraph (b)2: "Fail to allow the customer to disconnect without incurring a charge within three seconds of the end of the introductory message."

5. Section 25-4.110(9)(b)3. - Billing prohibition on calls which fail to inform children that parental consent is needed prior to placing a call.

Sprint Gateways supports introductory messages on all children's programs. A children's warning is not appropriate, however, on all programs. Sprint Gateways suggests the following alternative language for this paragraph: "Fail to provide a statement in the introduction to their message that parental consent is needed prior to placing a call if the program is directed to children (defined as 16 years and younger)."

6. Section 25-4.110(9)(b)6. - Billing prohibition on calls requesting marketing information.

Sprint Gateways is opposed to this rule and is unclear on its intent. If a customer voluntarily consents to provide information, then these restrictions should not apply. To the extent the customer has the option not to provide this voluntary information, requests for it should be allowed. Paragraph (b)6 should be changed to allow requests, but not requirements, for marketing information.

7. Section 25-4.110(9)(b)10. - Billing prohibition on products and services not delivered or deliverable in the message itself.

Sprint Gateways understands this paragraph to mean that carriers are prohibited from billing for 900 calls if the promised product or service is not delivered or if information is not delivered in the message itself. This paragraph would be clearer if it is amended to read: "Purport to supply products or merchandise that are not actually delivered or do not provide information deliverable in the message itself."

8. Section 25-4.110(10)(d) - Dispute resolution

Sprint Gateways believes the principles outlined in this section are reasonable and are being implemented today. Sprint Gateways urges caution in developing rules governing dispute resolution. If detailed rules for dispute resolution are necessary, Sprint Gateways suggests the following alternative language for paragraph (d): "Dispute resolution for 900 and 976 Calls. Charges for 900 and 976 calls may be disputed. If, however, the LEC or IXC subsequently determines that the charges are valid, the charges will be reinstated to the customer's bill. Charges may be disputed for the following reasons: ..."

9. Section 25-4.110(10)(d)4. - Call may be disputed for disconnection during the introductory message, i.e. during the 20 second message, but charges were incurred.

Sprint Gateways recommended in 25-4.110(9)(b)2. that the delayed billing period be three seconds longer than the introductory message. This paragraph should thus be changed to read: "The Customer hung up early in the call, i.e., within 3 seconds after the introduction message described in 25-4(a), but was charged for the 900 or 976 call."

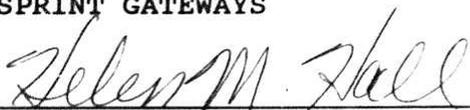
10. Section 25-4.110(10)(d)6. - Customers whose bills are adjusted for 900 charges may not be reported to a collection bureau for non-payment of 900 charges.

Sprint Gateways opposes a restriction on the collection method used in connection with valid 900 charges. Sprint Gateways believes standard collection methods should be available for collection of 900 charges.

Respectfully submitted,

US TELECOM, INC. d/b/a
SPRINT GATEWAYS

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Dated: April 19, 1991

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Sprint Telecom, Inc's Comments in Docket No. 91-00-60-TP has been served by U.S. Mail to the following parties of record on this 19th day of April 1991:

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