

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|                                    |                      |
|------------------------------------|----------------------|
| In Re: Petition of the Attorney )  | DOCKET NO. 910060-TP |
| General and the Public Counsel )   |                      |
| to adopt rules governing 900 )     | ORDER NO. 25252      |
| services (Rule 25-4.110, F.A.C., ) |                      |
| Customer Billing). )               | ISSUED: 10/25/91     |
| _____ )                            |                      |

NOTICE OF ADOPTION OF RULE AMENDMENT

NOTICE is hereby given that the Commission, pursuant to section 120.54, Florida Statutes, has adopted the amendments to Rule 25-4.110, F.A.C., relating to Customer Billing (900 or 976 calls) with changes.

The rule amendment was filed with the Department of State on October 22, 1991, and will be effective on November 11, 1991. A copy of the relevant portions of the certification filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

By Direction of the Florida Public Service Commission, this  
25th day of OCTOBER, 1991.

\_\_\_\_\_  
STEVE TRIBBLE, Director  
Division of Records & Reporting

( S E A L )

RCB  
ADP4110.smj

by: Kay Hagan  
Chief, Bureau of Records

DOCUMENT NUMBER-DATE

10664 OCT 25 1991

FPSC-RECORDS/REPORTING

1 25-4.110 Customer Billing.

2 (1) Each company shall issue bills monthly. Each bill shall  
3 show the delinquent date, set forth a clear listing of all charges  
4 due and payable, and not later than December 1, 1982, contain the  
5 following statement: "Written itemization of local billing  
6 available upon request."

7 (a) Each local exchange company shall provide an itemized  
8 bill for local service:

- 9 1. With the first bill rendered after local exchange  
10 service to a customer is initiated or changed; and  
11 2. to every customer at least once each twelve  
12 months.

13 (b) The annual itemized bill shall be accompanied by a bill  
14 stuffer which explains the itemization and advises the customer to  
15 verify the items and charges on the itemized bill. This bill  
16 stuffer shall be submitted to the Division of Communications for  
17 prior approval. The itemized bill provided to residential  
18 customers and to business customers with less than 10 access lines  
19 per service location shall be in easily understood language. The  
20 itemized bill provided to business customers with 10 or more access  
21 lines per service location may be stated in service order code,  
22 provided that it contains a statement that, upon request, an easily  
23 understood translation is available in written form without charge.  
24 An itemized bill shall include, but not be limited to the following  
25 information, separately stated:

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- 1 1. Number and types of access lines;
- 2 2. Charges for access to the system, by type of
- 3 line;
- 4 3. zone charges;
- 5 4. touch tone service charges;
- 6 5. charges for custom calling features, separated by
- 7 feature;
- 8 6. unlisted number charges;
- 9 7. local directory assistance charges;
- 10 8. other tariff charges;
- 11 9. other nontariffed, regulated charges contained in
- 12 the bill.
- 13 (c) Each bill rendered by a local exchange company shall:
- 14 1. separately state the following items:
- 15 a. any discount or penalty, if applicable,
- 16 b. past due balance,
- 17 c. unregulated charges, identified as unregulated,
- 18 d. long-distance charges, if included in the bill,
- 19 e. franchise fee, if applicable,
- 20 f. taxes as applicable on purchases of local and long
- 21 distance service; and
- 22 2. contain a statement that nonpayment of regulated
- 23 charges may result in discontinuance of service and
- 24 that the customer may contact the business office
- 25 (at a stated number) to determine the amount of

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1 regulated charges in the bill.

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

14 (3) (a) Bills shall not be considered delinquent prior to  
15 the expiration of fifteen (15) days from the date of mailing or  
16 delivery by the utility. However, the company may demand immediate  
17 payment under the following circumstances:

- 18 1. Where service is terminated or abandoned.
- 19 2. Where toll service is two (2) times greater than  
20 the subscriber's average usage as reflected on the  
21 monthly bills for the three (3) months prior to the  
22 current bill or, in the case of a new customer who  
23 has been receiving service for less than four (4)  
24 months, where the toll service is twice the  
25 estimated monthly toll service.

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1           3.   Where the company has reason to believe that a  
2           business subscriber is about to go out of business  
3           or that bankruptcy is imminent for that  
4           subscriber.

5           (b)   The demand for immediate payment shall be  
6           accompanied by a bill which itemizes the charges for which payment  
7           is demanded or, if the demand is made orally, an itemized bill  
8           shall be mailed or delivered to the customer within three (3) days  
9           after the demand is made.

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

16          (4)   Each telephone company shall include a bill insert  
17          advising each subscriber of the directory closing date and the  
18          subscriber's opportunity to correct any error or make such changes  
19          as the subscriber deems necessary in advance of the closing date.  
20          It shall also state that at no additional charge and upon the  
21          request of any residential subscriber, the exchange company shall  
22          list an additional first name or initial under the same address,  
23          telephone number and surname of the subscriber. Such notice shall  
24          be included in the billing cycle closest to sixty (60) days  
25          preceding the directory closing date.

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1 (5) Annually, each telephone company shall include a bill  
2 insert advising each residential subscriber of the option to have  
3 his/her name placed on the "No Sales Solicitation" list maintained  
4 by the Department of Agriculture and Consumer Services, Division of  
5 Consumer Services, and the 800 number to contact to receive more  
6 information.

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

12 (7) Franchise fees and municipal telecommunications taxes.

13 (a) When a municipality charges a company any franchise fee,  
14 or municipal telecommunications tax authorized by Section 166.231  
15 F.S., the company may collect that fee only from its subscribers  
16 receiving service within that municipality. When a county charges  
17 a company any franchise fee, the company may collect that fee only  
18 from its subscribers receiving service within that county.

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

21 (c) This subsection shall not be construed as granting a  
22 municipality or county the authority to charge a franchise fee or  
23 municipal telecommunications tax. This subsection only specifies  
24 the method of collection of a franchise fee if a municipality or  
25 county, having authority to do so, charges a franchise fee or

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1 | municipal telecommunications tax.

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

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

11 |       (c) This subsection shall not be construed as a mandate  
12 | to elect to separately state the Gross receipts Tax. This  
13 | subsection only specifies the method of applying such an election.

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

20 |       (e) When a nonrate base regulated telecommunications  
21 | company exercises the option of adding the gross receipts tax as a  
22 | separately stated component on the customer's bill then that  
23 | company must file a tariff indicating such. No corresponding rate  
24 | reduction is required for nonrate base regulated telephone  
25 | companies.

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1       (9) Each local exchange company shall apply partial payment  
2 of an end user/customer bill first towards satisfying any unpaid  
3 regulated charges. The remaining portion of the payment (if any)  
4 shall be applied to nonregulated charges.

5       (10) This section applies to local exchange companies and  
6 interexchange carriers that provide transmission services and/or  
7 bill and collect on behalf of Pay Per Call providers. Pay Per Call  
8 services are defined as switched telecommunications services  
9 between locations within the State of Florida which permit  
10 communications between an end use customer and an information  
11 provider's program at a per call charge to the end user/customer.  
12 Pay Per Call services include 976 Services provided by the local  
13 exchange companies and 900 services provided by interexchange  
14 carriers.

15       (a) Charges for Pay Per Call service (900 or 976) shall be  
16 segregated from charges for regular long distance or local charges  
17 by appearing separately under a heading that reads as follows:  
18 "Pay Per Call (900 or 976) nonregulated charges". The following  
19 information shall be clearly and conspicuously disclosed on each  
20 section of the bill containing Pay Per Call service (900 or 976)  
21 charges:

- 22           1. Nonpayment of Pay Per Call service (900 or 976)  
23           charges will not result in disconnection of local  
24           service;
- 25           2. End users/customers can obtain free blocking of Pay



1 Per Call service (900 or 976) from the local  
2 exchange telephone company;

3 3. The local or toll-free number the end user/customer  
4 can call to dispute charges;

5 4. With 900 service, the name of the interexchange  
6 carrier providing 900 service; and

7 5. The Pay Per Call service (900 or  
8 976) program name.

9 (b) Pay Per Call Service (900 and 976) Billing. Local  
10 exchange companies and interexchange carriers who have a tariff or  
11 contractual relationship with a Pay Per Call (900 or 976) provider  
12 shall not provide Pay Per Call transmission service and/or billing  
13 services, unless the provider does each of the following:

14 1. Provides a preamble to the program which states the  
15 per minute and total minimum charges for the Pay  
16 Per Call service (900 and 976); child's parental  
17 notification requirement is announced on preambles  
18 for all programs where there is a potential for  
19 minors to be attracted to the program; child's  
20 parental notification requirement in any preamble  
21 to a program targeted to children must be in  
22 language easily understandable to children;  
23 programs that do not exceed \$3.00 in total charges  
24 may omit the preamble, except as provided in  
25 Section (10)(b)3.

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- 1           2.   Provides an 18 second billing grace period in which  
2           the end user/customer can disconnect the call  
3           without incurring a charge; from the time the call  
4           is answered at the Pay Per Call provider's  
5           premises, the preamble message must be no longer  
6           than 15 seconds. The program may allow an end  
7           user/customer to affirmatively bypass a preamble.  
8           3.   Provides on each program promotion targeted at  
9           children (defined as 18 years of age) clear and  
10          conspicuous notification, in language  
11          understandable to children, of the requirement to  
12          obtain parental permission before placing or  
13          continuing with the call. The parental consent  
14          notification shall appear prominently in all  
15          advertising and promotional materials, and in the  
16          program preamble. Children's programs shall not  
17          have rates in excess of \$5.00 per call, and shall  
18          not include the enticement of a gift or premium.  
19          4.   Promotes its services without the use of an  
20          autodialer or broadcasting of tones that dial a Pay  
21          Per Call (900 and 976) number;  
22          5.   Prominently discloses the additional cost per  
23          minute or per call for any other telephone number  
24          that an end user/customer is referred to either  
25          directly or indirectly;

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- 1           6. In all advertising and promotional materials,  
2           displays charges immediately above, below or next  
3           to the Pay Per Call number, in type size that can  
4           be seen as clearly and conspicuously at a glance as  
5           the Pay Per Call number. Broadcast television  
6           advertising charges, in Arabic numerals, must be  
7           shown on the screen for the same duration as the  
8           Pay Per Call number is shown, each time the Pay Per  
9           Call number is shown. Oral representations shall  
10           be equally as clear.
- 11           7. Provides on Pay Per Call services that involve  
12           sales of products or merchandise clear preamble  
13           notification of the price that will be incurred if  
14           the end user/customer stays on the line, and a  
15           local or toll free number for consumer complaints;
- 16           8. Meets internal standards established by the local  
17           exchange company or the interexchange carrier as  
18           defined in the applicable tariffs or contractual  
19           agreement between the LEC and the IXC; or between  
20           the LEC/IXC and the Pay Per Call (900 or 976)  
21           provider which when violated, would result in the  
22           termination of a transmission and/or billing  
23           arrangement.
- 24           (c) Pay Per Call (900 and 976) Blocking. Each local exchange  
25           company shall provide blocking (where technically feasible) of Pay

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1 Per Call service (900 and 976), at the request of the end  
2 user/customer at no charge. Each local exchange company or  
3 interexchange carrier must implement a bill adjustment tracking  
4 system to aid its efforts in adjusting and sustaining Pay Per Call  
5 charges. The carrier will adjust the first bill containing Pay Per  
6 Call charges upon the end user's/customer's stated lack of  
7 knowledge that Pay Per Call service (900 and 976) has a charge. A  
8 second adjustment will be made if necessary to reflect calls billed  
9 in the following month which were placed prior to the Pay Per Call  
10 service inquiry. At the time the charge is removed, the end  
11 user/customer may agree to free blocking of Pay Per Call service  
12 (900 and 976).

13 (d) Dispute resolution for Pay Per Call service (900 and  
14 976). Charges for Pay Per Call service (900 and 976) shall be  
15 automatically adjusted upon complaint that:

- 16 1. The end user/customer did not receive a price  
17 advertisement, the price of the call was  
18 misrepresented to the consumer, or the price  
19 advertisement received by the consumer was false,  
20 misleading, or deceptive;
- 21 2. The end user/customer was misled, deceived, or  
22 confused by the Pay Per Call (900 or 976)  
23 advertisement;
- 24 3. The Pay Per Call (900 or 976) program was  
25 incomplete, garbled, or of such quality as to

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1 render it inaudible or unintelligible, or the end  
2 user/customer was disconnected or cut off from the  
3 service;

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

6 5. The end user/customer terminated the call during  
7 the preamble described in 25-4.110 (10) (b) (2),  
8 but was charged for the Pay Per Call service (900  
9 or 976).

10 e) If the end user/customer refuses to pay a disputed Pay  
11 Per Call service (900 or 976) charge which is subsequently  
12 determined by the LEC to be valid, the LEC or IXC may implement Pay  
13 Per Call (900 and 976) blocking on that line.

14 (f) Credit and Collection. Local exchange companies and  
15 interexchange carriers billing Pay Per Call (900 and 976) charges  
16 to an end user/customer in Florida shall not.

17 1. Collect or attempt to collect Pay Per Call service  
18 (900 or 976) charges which are being disputed or  
19 which have been removed from an end  
20 user's/customer's bill;

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

24 (g) Local exchange companies and interexchange carriers  
25 billing Pay Per Call service (900 and 976) charges to end

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1 users/customers in Florida shall implement safeguards to prevent  
2 the disconnection of phone service for non-payment of Pay Per Call  
3 (900 or 976) charges.

4 Specific Authority: 350.127, F.S.

5 Law Implemented: 364.17, 350.113, 364.03, 364.04, 364.05, F.S.

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

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RULE 25-4.110, F.A.C.  
DOCKET NO. 910060-TP

SUMMARY OF RULE

The proposed rules provide that partial payments by customers be applied by local exchange companies first to satisfying any unpaid regulated charges. The proposed rules provide a definition of pay per call services and change "900/976 services" to "pay per call services (900 or 976)".

The proposed rules provide requirements for pay per call services in the areas of notification, children's parental consent, promotion of children's programs, disclosure of prices for merchandise, meeting internal standards of local exchange companies and interexchange carriers and program promotion which must be met for transmission and or billing services to be provided.

The proposed rules provide for the availability of free blocking of pay per call services and for dispute resolution, including adjustment of certain complaints, rules relating to collection and safeguards against disconnection for failure to pay charges for pay per call (PPC) services.

SUMMARY OF HEARING

The hearing took place on October 8, 1991, at 9:30 a.m. in Room 106 of the Fletcher Building, 101 E. Gaines Street, Tallahassee, Florida. Parties attending were the Public Counsel, Attorney General, Fax Interactive, Inc., Ryder Communications, Inc., Southern Bell Telephone & Telegraph, General Telephone of

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Florida, Central Telephone, American Telephone & Telegraph and the Florida Public Service Commission.

Comments were received concerning standardization of an 18 second grace period and 15 second descriptive preamble, limitation of children's parental consent notice to children's programs and programs with the potential to attract minors and non-deceptive advertising standards.

A broad consensus in favor of adoption of the rule with changes reflecting the above listed comments was achieved and the Commission so ruled from the bench.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

There is a need for increased consumer protection in the area of pay per call (900 or 976) services, with specific reference to notice of charges, notice on bills of relevant information, child's parental consent and dispute resolution.



CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

I do hereby certify:

(1) The time limitations prescribed by paragraph 120.54(11)(a), F.S., have been complied with; and

(2) There is no administrative determination under section 120.54(4), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(11)(b), F.S. They are filed not less than 28 days after the notice required by subsection 120.54(1), F.S., and;

(a) And are filed not more than 90 days after the notice; or

(b) Are filed not more than 90 days after the notice not including days an administrative determination was pending; or

(c) Are filed within 21 days after the adjournment of the final public hearing on the rule; or

(d) Are filed within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

(e) Are filed within 21 days after the date the transcript was received by this agency.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the

9 OCT 22 11 34 AM '91  
STATE DEPARTMENT OF STATE  
TALLAHASSEE, FLORIDA

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undersigned agency by and upon their filing with the Department of State.

| <u>Rule No.</u>  | <u>Rulemaking Authority</u> | <u>Specific Law Being Implemented, Interpreted or Made Specific</u> |
|------------------|-----------------------------|---|
| 25-4.110, F.A.C. | 350.127, F.S.               | 364.17, 350.113, 364.03, 364.04, 364.05, F.S.                       |

Under the provision of paragraph 120.54(13)(a), F.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective: \_\_\_\_\_  
(month) (day) (year)

Kay Hlynn for  
Steve Tribble  
Director, Division of Records & Reporting  
Title

\_\_\_\_\_  
Number of Pages Certified

(S E A L)

**M E M O R A N D U M**

October 24, 1991

TO : STEVE TRIBBLE, DIRECTOR, DIVISION OF RECORDS & REPORTING  
FROM: RICHARD C. BELLAK, ASSOCIATE GENERAL COUNSEL *RCB*  
RE : DOCKET NO. 910060-TP, RULE 25-4.110, CUSTOMER BILLING.

*25252*

Attached please find a Notice of Adoption for distribution by your office.

Industry distribution is:

\_\_\_\_\_ Electric (IOU)  
\_\_\_\_\_ Electric (Muni & Coop)  
\_\_\_\_\_ Electric (Safety)  
\_\_\_\_\_ Gas (IOU)  
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\_\_\_\_\_ Telephone (LEC)  
\_\_\_\_\_ Telephone (IXC)  
\_\_\_\_\_ Telephone (PATS)  
\_\_\_\_\_ Telephone (Shared Tenant)  
\_\_\_\_\_ Water and Sewer  
XX Docket only

This document has the following priority:

\_\_\_\_\_ Must be issued today.  
XX Must be issued within 48 hours.  
\_\_\_\_\_ Must be issued within 5 working days.

This docket will be closed upon issuance of the Notice.

RCB  
Attachment  
cc: File  
Sandy Simmons (w/o attach.)  
W. Terrell  
ADP4110.smj

DOCUMENT NUMBER-DATE  
10664 OCT 24 1991  
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