



Public Service Commission

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RECORDS AND REPORTING

DATE: JANUARY 20, 2000

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

FROM: DIVISION OF LEGAL SERVICES (CALDWELL) *due DES AS JW*
DIVISION OF *SAK* AUDITING AND FINANCIAL ANALYSIS (HEWITT, *BA* CAUSSEAU, ROMIG, WRIGHT) *DM*
DIVISION OF CONSUMER AFFAIRS (DURBIN) *SAS RW SS*
DIVISION OF COMMUNICATIONS (MOSES, SIMMONS, KENNEDY) *RK RM*

RE: DOCKET NO. 990994-TP - PROPOSED AMENDMENTS TO RULES 25-4.003, F.A.C., DEFINITIONS; 25-4.110, F.A.C., CUSTOMER BILLING FOR LOCAL EXCHANGE TELECOMMUNICATION COMPANIES; 25-4.113, F.A.C., REFUSAL OR DISCONTINUANCE OF SERVICE BY COMPANY; 25-4.490, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED; AND 25-24.845, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED.

AGENDA: FEBRUARY 1, 2000 - REGULAR AGENDA - RULE PROPOSAL - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\APP\WP\990994.RCM

CASE BACKGROUND

With the development of competition for the provision of telecommunications services, customers began filing complaints relating to questionable billing practices by some companies. Several different types of problems relating to customers' bills have caused concern with regulatory bodies in Florida, other states, and at the federal level.

In 1998, the Florida Legislature created the "Telecommunications Consumer Protection Act" (Act) during its regular session. (See Chapter 98-277, Laws of Florida.) The Act is

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contained in Sections 364.601 through 364.604, Florida Statutes. The Act provides the basis for staff's recommended changes to the Commission's current billing rules.

Section 364.602, Florida Statutes provides definitions for the terms "Billing Party;" "Commission;" "Customer;" "Originating party;" and "Information service." Section 364.603, Florida Statutes, provides for the methodology for changing telecommunications providers and is considered to be the "anti-slamming" section. Finally, Section 364.604, Florida Statutes, provides for the regulation of billing practices.

Section 364.604, Florida Statutes, provides:

(1) Each billing party must clearly identify on its bill the name and toll-free number of the originating party; the telecommunications service or information service billed; and the specific charges, taxes and fees associated with each telecommunications or information service. The originating party is responsible for providing the billing party with all required information. The toll-free number of the originating party or its agent must be answered by a customer service representative or a voice response unit. If the customer reaches a voice response unit, the originating party or its agent must initiate a response to a customer inquiry within 24 hours, excluding weekends and holidays. Each telecommunications carrier shall have until June 30, 1999, to comply with this subsection.

(2) A customer shall not be liable for any charges for telecommunications or information services that the customer did not order or that were not provided to the customer.

(3) Every billing party shall provide a free blocking option to a customer to block 900 or 976 telephone calls.

(4) A billing party shall not disconnect a customer's Lifeline local service if the charges, taxes, and fees applicable to basic local exchange telecommunications service are paid.

(5) Pursuant to Section 120.536, the Commission may adopt rules to implement this section.

The Commission held workshops around the state to gather input from customers about problems customers faced with their telecommunications billing. These workshops were held in West Palm Beach, Ft. Lauderdale, Miami, Tampa, Orlando, Jacksonville, and Tallahassee between February 4 and April 7, 1999. A rule development workshop was held in Tallahassee on September 28, 1999. After the workshop, post workshop comments were filed. Staff reviewed the testimony from the workshops and the comments filed and recommends that the following changes to Commission rules be proposed.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission propose amendments to Rules 25-4.003, Florida Administrative Code, Definitions; Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies; 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company; 25-24.490, F.A.C., Customer Relations; Rules Incorporated; and 25-24.845, F.A.C., Customer Relations; Rules Incorporated?

RECOMMENDATION: Yes. The Commission should propose amendments to Rules 25-4.003, Florida Administrative Code, Definitions; Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies; 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company; 25-24.490, F.A.C., Customer Relations; Rules Incorporated; and 25-24.845, F.A.C., Customer Relations; Rules Incorporated.

STAFF ANALYSIS: Both the Federal Trade Commission (FTC) and Federal Communications Commission (FCC) are engaged in rulemaking to address truth-in-billing, slamming, and cramming¹.

¹ "Cramming" is the term of art that describes the unauthorized billing of unwanted or unauthorized services to a customer's local telephone account by third party vendors or

On May 11, 1999, the FCC released the Truth-in-Billing and Billing Format First Report and Order and Further Notice of Proposed Rulemaking. In doing so, the FCC adopted principles and guidelines to ensure that telephone bills provide consumers with the information needed to make informed decisions in the telecommunications marketplace, as well as with tools to protect themselves against telecommunications-related fraud such as slamming and cramming. The rules were originally directed to take effect on July 26, 1999, however the Office of Management and Budget (OMB) expressed concern that computer programming tasks related to truth-in-billing could hamper small carriers' Y2K remediation efforts. Based on OMB's concerns, the FCC delayed until April 1, 2000, the effective date of the truth-in-billing requirements regarding provider identification, separation by provider, and billing inquiry contact requirements. Any carrier, regardless of size, facing the same compliance problems was granted relief until April 1, 2000. Beginning December 23, 1999, effected carriers are obligated to include billing inserts outlining the carriers' difficulties and their plans for achieving compliance by April 1, 2000.

The FTC has submitted the information collection requirements of its Pay-Per-Call Rule, including certain proposed amendments, to the OMB for review and clearance under the Paperwork Reduction Act (PRA). The deadline for comments was January 14, 2000. The FTC anticipates adoption of the Pay-Per-Call rule prior to Spring 2000.

Staff believes that because of the nationwide nature of billing, federal regulation or uniform guidelines across states would be in the customer's best interest to the extent that the guidelines provide the protections warranted and can be done at a cost less than if regulated state-by-state. However, staff further believes that Florida's population presents unique characteristics that warrant scrutiny by this Commission.

Specifically, staff believes Florida's population of elderly, minors, and visitors are potential targets for certain companies who could defraud these persons through unclear advertising or other marketing schemes that take advantage of particular characteristics of that population. During the Commission Workshops, testimony was heard describing different schemes used to defraud telephone customers.

billing agents.

Staff also believes that most of the telecommunications companies doing business in Florida that intend to stay in business long-term have taken self-governing measures to reduce incidents of cramming and to improve and clarify their billing. For instance, between August 1998 and December 1999, cramming complaints received by the Commission declined, from 302 to 31 per month. Staff understands that this trend is nationwide.

Staff believes the proposed amendments implement the Act, conform to the regulations proposed by the FTC and FCC, and address Florida specific issues, while not over burdening the companies with excessive regulation.

The following is a rule-by-rule description of the amendments staff recommends the Commission propose.

Rule 25-4.003, Definitions

The terms "Billing Party;" "Information Service;" and "Originating Party;" are defined consistent with Section 364.602, F.S. The term "Alternative Local Exchange Company (ALEC)" is clarified to be consistent with subsection 364.402(1), F.S.

Rule 25-4.110, Customer Billing for Local Exchange Telecommunications Companies

The proposed rule amendments require a billing party to clearly identify on its bill the name and toll-free customer service number of the originating party; the telecommunications service or information service billed; and the specific charges, taxes, and fees associated with each telecommunications or information service. The proposed rule amendments require that taxes and fees on the customer's bill be identified by standard and uniform labels for the telecommunications industry in Florida and that the terminology for Federal regulated taxes, fees, and surcharges must be consistent with the FCC's required terminology.

The proposed amendments also include requirements to state the Telecommunications Access System (TASA) surcharge and 911 fee on all bills rendered and to include tax detail in the annual itemized bill. Additionally, the proposed rule amendments require a billing party to provide credit and remove the charge from a customer's bill if the customer notifies the billing party that he did not order an item or was not provided a service appearing on the bill. Originating parties are not prohibited from direct billing customers. The proposed rule amendments will give customers the

right to restrict the types of charges that can be placed on their bills and require billing parties to notify customers of this right.

Bill clarity has always been an issue, but with the proliferation of federal charges, customers are struggling more than ever to understand their increasingly lengthy bills and to verify the authenticity of charges. The proposed rule amendments serve several purposes. First, the proposed rule amendments identify the types of information that billing entities must place on customer's telephone bills. This should enable customers to easily review and understand all the charges that appear on their bills. Terminology for taxes and fees appearing on the bills will be standardized across the telecommunications industries in Florida. This standardization should help consumers, as well as regulatory personnel, in understanding the various components of a customer's bill. In addition, the customer will be provided the name of the originating party and the toll-free telephone number of the originating party or its agent for charges appearing on the bill. This should allow customers to contact the originating parties should there be a billing dispute.

A billing party, upon request from a customer, must restrict charges on its bills to only a) those charges that originate from the billing party itself, a governmental agency, and the customer's presubscribed local-toll and long distance carrier(s), and b) collect calls, third party calls, and calls made using a 10-10-xxx calling pattern. The effect of this proposed amendment is that customers will have an option to be billed only for telecommunications type services; thus, the opportunities for companies fraudulently adding unrelated charges to a customer's telephone bill will be greatly reduced.

Because many unauthorized charges flow directly to consumers' bills, subscribers to LEC telephone services are currently exposed to fraud for various charges from regulated and unregulated services providers. Historically, subscribers could obtain dialing block capability from LECs, such as 900-number blocking, to prevent charges for unwanted, unauthorized services. Today, subscribers have no effective way of blocking many unauthorized charges because information and entertainment providers frequently use service access codes other than 900² numbers and because many providers use

² Staff's investigation of these complaints documents that 900-number blocks no longer offer sufficient consumer protection because other service access codes (800, 888, 887, 700, 311, 511,

various deceptive marketing practices to obtain telephone account numbers for various service fees and charges. Subscribers to local telephone service from the LECs are therefore placed in the position of having to take extraordinary steps to have the unauthorized charges removed from their accounts or from credit bureau records. The Commission has received hundreds of such complaints. In addition, the Commission has received hundreds of complaints from subscribers about unauthorized charges from information and entertainment services providers who appear to evade existing regulations and bill such charges to local telephone accounts without complying with applicable 900-number requirements.

Rule 25-4.113, Refusal or Discontinuance of Service by Company

The proposed amendments prevent telecommunication companies from discontinuing a customer's Lifeline local service if the charges, taxes, and fees applicable to dial tone, local usage, dual tone multi frequency dialing, "911," and relay services are paid. Companies will be able to block outgoing sent paid and incoming collect toll calls if the Lifeline customer has not timely paid for these services. The effect is that Lifeline customers will be protected from disconnection in the event that charges for services or products other than Lifeline local service are not paid by the customer.

Finally, the provision restricting disconnection of a customer's Lifeline local service is designed specifically to implement Section 364.604(4), Florida Statutes.

Rule 25-24.490, Customer Relations; Rules Incorporated

The proposed amendments identify that subsections (2), (14), (15), (17), (18), (19), and (20) of Rule 25-4.110, are applicable to interexchange companies.

711, and international codes) are often advertised to access entertainment and information services instead of the 900-service access code. When such codes are used by minors, visitors or guests without authorization, the calls often result in charges to local telephone accounts in apparent violation of applicable Federal Trade Commission and Federal Communications Commission requirements.

Rule 25-24.845, Customer Relations; Rules Incorporated

The proposed amendments identify that subsections (2), (14), (15), (16), (17), (18), (19), and (20) of Rule 25-4.110, are applicable to ALECs.

Statement of Estimated Regulatory Cost (SERC)

The estimated regulatory costs reported by the telecommunications companies would be very high to comply with all of the proposed rule changes. Companies that responded to the data request stated the following requirements would result in the following costs: to change billing headings would cost \$41,500; to list tax related items would cost approximately \$7.3 million; to make the PIC notification modifications would cost \$3.9 million; to change bill blocking would range in cost from \$4.65 million to \$7.167 million; to change the Lifeline rule would cost about \$653,000 per year; if an additional bill page was required by all the changes, one company would incur an additional \$886,000 per year. Companies stated that customers could have higher bills if the increased costs are passed on in rates. Lower cost regulatory alternatives were offered, including: not having exclusive terminology for Florida and not making any rule changes, because cramming complaints have decreased significantly, and because the rule changes would be anticompetitive.

Staff notes that one provision was cited as costly (allow different billing intervals would cost \$1.575 million). Staff believes that this is a misinterpretation as the provision is an alternative if a company chooses to bill in intervals other than monthly, and is more permissive than the existing rule. Staff believes that no additional costs should be added as a result of the provision.

Staff prepared a draft rule for purposes of developing a statement of estimated regulatory cost and certain labeling language was included in Rule 25-4.110(2)(d)2. as follows:

If the FCC has not developed standard terminology, then the following terms must be used:

- a. Federal Access Fee;
- b. Federal Universal Service Fee;
- c. Federal Number Portability Fee;
- d. Federal Excise Tax

DOCKET NO. 990994-TP
DATE: January 20, 2000

As stated in the attached SERC, the companies stated that to use the Commission rule terminology instead of waiting for FCC standard terminology would cost companies approximately \$22.755 million. Staff believes the FCC will provide a nationwide rule to address this issue, and the interim relief this requirement provides is not sufficient to justify the cost.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no requests for hearing or comments are filed, the rule amendments as proposed should be filed for adoption with the Secretary of State and the docket be closed.

STAFF ANALYSIS: Unless comments or requests for hearing are filed, the rules as proposed may be filed with the Secretary of State without further Commission action. The docket may then be closed.

MEMORANDUM

December 22, 1999

TO: DIVISION OF APPEALS (CALDWELL)

FROM: DIVISION OF AUDITING AND FINANCIAL ANALYSIS (HEWITT) *CH/S DM*

SUBJECT: PROPOSED AMENDMENTS TO RULES: 25-4.003, F.A.C., DEFINITIONS; 25-4.110, F.A.C., CUSTOMER BILLING FOR LOCAL EXCHANGE TELECOMMUNICATIONS COMPANIES; 25-4.113, F.A.C., REFUSAL OR DISCONTINUANCE OF SERVICE BY COMPANY; 25-24.490 & 25-24.845, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED. *1/1/98*

SUMMARY OF THE RULES

Currently, the above referenced rules address the requirements of telecommunications companies for their billing of customers. The billing party is required to clearly identify the name and toll-free customer service number of the originating party, the telecommunications service or information service billed, and the specific charges, taxes, and fees associated with each telecommunications or information service. Rule 25-4.113, F.A.C., delineates conditions under which the telecommunications company may or may not discontinue or refuse service to a customer.

Proposed rule changes would identify the types of information that must be placed on customer bills including the originating party of a charge and its toll-free number. Bills would have to be issued monthly, or six months after the effective date of the rule, customers would be offered a choice of billing intervals, including monthly. Terminology for taxes and fees would be standardized across the telecommunications industries in Florida. Subscribers would have the option to limit their bills to specified allowable charges. Lifeline local service customers would only be disconnected if lifeline charges, taxes and fees are not paid.

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

There are ten incumbent local exchange companies (ILECs) operating in Florida, which send bills to customers. Approximately six hundred interexchange carriers (IXCs) are certificated in Florida and most use ILECs to bill for their services. Over 200 alternative local exchange companies (ALECs) are certified to operate in Florida. The number that bill customers themselves

versus those that use ILECs or some other means to bill is unknown. However, those that do not bill directly would be an originating billing party and the ILECs would require them to submit their billing information to comply with the rule guidelines.

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

The Public Service Commission and other local government entities are not expected to experience implementation costs other than the costs associated with promulgating a proposed rule. Commission staff may be called upon to resolve disputes over bills and answer questions about related matters, but these should be able to be handled with existing staff.

The proposed rule may benefit the Commission and other state and local government entities if it results in them being able to more easily understand their telephone bills and avoid having unauthorized charges appear on their bills. Local governments holding ALEC certificates are expected to face compliance costs that are similar to those reported by other ALECs. They could also be expected to gain the same type of benefits (less customer confusion and complaints) as other ALECs.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

Many of the telecommunications companies responding to a data request estimate high costs to comply with all the proposed rule changes. Because one company requested confidentiality for its cost data, responding entities are each designated by a capital letter.

Terminology 25-4.110(2)(d)2

Special emphasis was drawn to the terminology section of the rule, where FPSC terms would be required if the Federal Communications Commission (FCC) has not developed standard terminology.

Company A estimated that it would be a \$1.1 million one time cost of each system to change to Florida specific terminology for residential customers' bills, and an additional \$1.1 million to change business bills. Company A stated that there were no additional costs or benefits with the proposed rule requirements for 25-4.110(2)(a), (2)(c) or (2)(d)1. Company A also doubted that there

are any standards and uniform labels across the industry. Company B estimated that development costs would be \$6 million and require six to nine months to complete the process. Company C estimated the impact to be \$1,050,000 if industry standards [nationwide] are adopted. If no industry standards are adopted, it would spend \$14,500,000 for its ILEC billing system and \$10,000,000 minimum for its IXC billing system, or \$500,000 per carrier. Company D estimated non-recurring costs for training, etc., at about \$9,300, investment costs of about \$36,000 per year for three years, and recurring costs of about \$10,100 per year. Company E could identify no significant expenses. Company F stated that the terminology requirement would be unduly burdensome and that none should be mandated. Company G stated that it would have to pay for all the development costs for an outside vendor to change its billing system for Florida specific terminology. Company H stated that there would be no real costs. Finally, Company I estimated \$10,000 per year costs to comply.

Billing Intervals 4.110(1)

Company C estimated the costs to modify all systems to meet this requirement would be \$1.575 million.

Billing Headings 4.110(2)(a)

Company H estimated that programming costs would be \$25,500 to change bill headings for originating parties' names. Company J estimated it would cost approximately \$8,000 to add the name to the bill of other companies and \$8,000 to display the name of the originating party.

Tax Related Items 4.110(2) and (4)(j)and (k).

Company C stated that these changes would require significant system enhancements estimated to cost \$2 million. Company C also believes that the level of detail proposed would confuse the customer and result in customer dissatisfaction with bill presentation. For (2)(b), taxes by originating party, separate line item tax, and taxes by assessment base and rate, Company D would have a non-recurring cost of about \$77,000 and recurring costs of about \$5,225,000 per year.

Items for Nonpayment Disconnect(5)

Company D believes that it does state clearly on its bill the items which for nonpayment will result in disconnection. However, if the company had to change its billing notification, it would incur a one-time cost of about \$9,000 and recurring charges of about \$100,000 per year.

PIC Notification(16)

Company A stated that these changes would not be possible until it migrated its customers to a new billing system in 2000 and modifications to the new billing system are estimated to cost \$2 million. It would cost Company A an additional \$1.9 million to make these changes to its long distance billing and customer records systems. Company C stated that this would be anti-competitive and should only be made to customers who have been a victim of slamming.

Bold Conspicuous Type(17)

Company C estimated to change font size would cost \$8,000 and stated that some of the detail being recommended would be more confusing.

Restrict Blocking(19)

For section 25-4.110(19) concerning charge blocking, Company A stated that it is not clear which charges would be required to be blocked by this rule. But, to provide customers with the apparent required billing block, Company A would have to develop a mechanism to screen each billing record, make a determination about the origin and content of the record, check customer records to determine if a billing block exists and return those billing records that do not pass the customer's billing block. Also, interfaces would have to be built and coordinated within all affected systems to produce the appropriate indicators at the customer account level. Company A estimated that this would cost approximately \$2.5 million to \$4.8 million and take about one year to develop. It estimated an additional \$4.1 million would be required if it was necessary to develop and implement a separate method of direct-billing casual users who request a bill block from their local provider, thus limiting the ability to utilize existing LEC billing systems.

Company D estimated the cost to implement the billing block functionality to its system requirements would be approximately \$2 million initially, and \$250,000 per year for customer

notification and ongoing maintenance. Company E estimated that this proposed change would cost between \$150,000 and \$337,500. Company J estimated this change would cost approximately \$30,000.

Discontinuance of Service 4.113(1)(f)

Company D estimated that the cost to comply with the change in the rule about no discontinuance of lifeline local service would be about \$653,000 per year plus a non-recurring cost of about \$59,000.

Overall Changes

Company B estimated that development costs for all the proposed changes to the rules would be \$6 million and require six to nine months to complete the process. However, Company B apparently estimated costs for changes of requirements that are already in the existing rule. Company D assumed that all the changes would require an additional page added to the bill and the recurring charges for one additional page, a move to the next mailing bracket, and additional computer storage would be an estimated \$886,000 per year. Company G has an estimate from its outside vendor that to implement the provisions of Rule 25-4.110 would cost approximately \$50,000. Company I estimated \$10,000 in costs for all changes.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

Small businesses, small cities, and small counties could benefit from the proposed rules by having less confusion about their telecommunications services bills and less possibility of unauthorized charges on their bills. They should not have any additional transaction costs. However, if the estimated high costs of complying with the proposed rule changes materialize, billing companies may pass the costs on to telecommunications services companies customers, many which are small businesses, with increased rates or charges.

REASONABLE ALTERNATIVE METHODS

Lower Cost Regulatory Alternatives (LCRA) were offered by some companies for various sections of the proposed rule changes. Company A offered that instead of the terminology section that would be exclusive for Florida, alternative language that for terminology, “..descriptive terms must be used which are not misleading.” This would save Company A an estimated \$2.2 million. For section 25-4.110(16) of the proposed rule changes that a new presubscribed provider must notify the customer of the change, Company A believes that the current requirement of 364.04(1) F.S. fulfills the statutory objective. Thus, the LCRA would be to avoid changing the rule as proposed, and save Company A \$1.9 million. However, the rule change is merely a language rewording, the current rule requires a customer to be notified by letter or in the first bill after a PIC change.

Company B submitted that the LCRA for terminology is to use the FCC’s terminology when developed. Company B thinks that the proposed rule changes appear unnecessary and significantly expensive. And, since reports of cramming have decreased significantly throughout the year, the proposed rule changes would add only costs to competitors without added benefit to consumers. Company D recommended language that, “If the FCC has not developed standard terminology by January 2001, then...” Company D stated that bill formats should be sufficiently flexible to accommodate other options or customer requests as they arise. Also, Company D thinks that an alternative to section 25-4.110(15)(b) should be considered, because it does not think that it can monitor 900 services provided by others. However, this requirement is currently in the existing rule.

For section 25-4.110(19) concerning charge blocking, Company A is unable to determine a statutory objective being implemented, interpreted, or made specific by this rule [amendment].

The Commission must consider LCRAs, but does not have to adopt them if it determines that they do not substantially accomplish the statutory objectives.

cc: Sally Simmons, CMU
cramserc.cbh

1 **25-4.003 Definitions.**

2 For the purpose of Chapter 25-4, the definitions to the
3 following 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~~ certificated by the commission to
10 provide local exchange telecommunications services in Florida on or
11 after July 1, 1995.

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

14 (4) "Billing Party." Any telecommunications company that
15 bills an end user consumer on its own behalf or on behalf of an
16 originating party.

17 (4 5) "Busy Hour." The continuous one-hour period of the
18 day during which the greatest volume of traffic is handled in the
19 office.

20 (5 6) "Busy Season." The calendar month or period of the
21 year (preferably 30 days but not to exceed 60 days) during which
22 the greatest volume of traffic is handled in the office.

23 (6 7) "Call." An attempted telephone message.

CODING: Words underlined are additions; words in
~~struck through~~ type are deletions from existing law.

1

1 (7 8) "Central Office." A location where there is an
2 assembly of equipment that establishes the connections between
3 subscriber access lines, trunks, switched access circuits, private
4 line facilities, and special access facilities with the rest of the
5 telephone network.

6 (8 9) "Commission." The Florida Public Service
7 Commission.

8 (9 10) "Company," "Telecommunications Company," "Telephone
9 Company," or "Utility." These terms may be used interchangeably
10 herein and shall mean "telecommunications company" as defined in
11 Section 364.02(12), Florida Statutes.

12 (101) "Completed call." A call which has been switched
13 through an established path so that two-way conversation or data
14 transmission is possible.

15 (112) "Disconnect" or "Disconnection." The dissociation
16 or release of a circuit. In the case of a billable call, the end
17 of the billable time for the call whether intentionally terminated
18 or terminated due to a service interruption.

19 (123) "Drop or Service Wire." The connecting link that
20 extends from the local distribution service terminal to the
21 protector or telephone network interface device on the customer's
22 premises.

23 (134) "Exchange." The entire telephone plant and

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~~struck through~~ type are deletions from existing law.

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1 facilities used in providing telephone service to subscribers
2 located in an exchange area. An exchange may include more than one
3 central office unit.

4 (145) "Exchange (Service) Area." The territory of a local
5 exchange company (LEC) within which local telephone service is
6 furnished at the exchange rates applicable within that area.

7 (156) "Extended Area Service." A type of telephone
8 service whereby subscribers of a given exchange or area may
9 complete calls to, and receive messages from, one or more other
10 exchanges or areas without toll charges, or complete calls to one
11 or more other exchanges or areas without toll message charges.

12 (167) "Extension Station." An additional station
13 connected on the same circuit as the main station and subsidiary
14 thereto.

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

19 (19) "Information Service." Telephone calls made to 900 or
20 976 type services, but does not include Internet services.

21 (18 20) "Intercept Service." A service arrangement provided
22 by the telecommunications company whereby calls placed to an
23 unequipped non-working, disconnected, or discontinued telephone

CODING: Words underlined are additions; words in
~~struck through~~ type are deletions from existing law.

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1 number are intercepted by operator, recorder, or audio response
2 computer and the calling party informed that the called telephone
3 number is not in service, has been disconnected, discontinued, or
4 changed to another number, or that calls are received by another
5 telephone. This service is also provided in certain central
6 offices and switching centers to inform the calling party of
7 conditions such as system blockages, inability of the system to
8 complete a call as dialed, no such office code, and all circuits
9 busy.

10 (19 21) "Interexchange Company (IXC)." Any
11 telecommunications company, as defined in Section 364.02(12),
12 Florida Statutes, which provides telecommunications service between
13 local calling areas as those areas are described in the approved
14 tariffs of individual LECs. IXC includes, but is not limited to,
15 MLDA as defined in subsection (~~3735~~) of these definitions.

16 (~~20~~2) "Inter-office Call." A telephone call originating
17 in one central office but terminating in another central office,
18 both of which are in the same designated exchange area.

19 (~~21~~3) "Interstate Toll Message." Those toll messages
20 which do not originate and terminate within the same state.

21 (~~22~~4) "Intertoll Trunk." A line or circuit between two
22 toll offices, two end offices, or between an end office and toll
23 office, over which toll calls are passed.

CODING: Words underlined are additions; words in
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4

1 (235) "Intra-office Call." A telephone call originating
2 and terminating within the same central office.

3 (246) "Intra-state Toll Message." Those toll messages
4 which originate and terminate within the same state.

5 (257) "Invalid Number." A number comprised of an
6 unassigned area code number or a non-working central office code
7 (NXX).

8 (268) "Large LEC." A LEC certificated by the Commission
9 prior to July 1, 1995, that had in excess of 100,000 access lines
10 in service on July 1, 1995.

11 (279) "Local Access and Transport Area (LATA)" or "Market
12 Area." A geographical area, which is loosely based on standard
13 metropolitan statistical areas (SMSAs), within which a LEC may
14 transport telecommunication signals.

15 (~~28~~ 30) "Local Exchange Telecommunications Company (LEC)."
16 Any telecommunications company, as defined in Section 364.02(6),
17 Florida Statutes.

18 (~~29~~ 31) "Local Provider (LP)." Any telecommunications
19 company providing local telecommunications service, excluding pay
20 telephone providers and call aggregators.

21 (~~30~~ 2) "Local Service Area" or "Local Calling Area." The
22 area within which telephone service is furnished subscribers under
23 a specific schedule of rates and without toll charges. A LEC's
24 local service area may include one or more exchange areas or

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1 portions of exchange areas.

2 (343) "Local Toll Provider (LTP)." Any telecommunications
3 company providing intraLATA or intramarket area long distance
4 telecommunications service.

5 (324) "Main Station." The principal telephone associated
6 with each service to which a telephone number is assigned and which
7 is connected to the central office equipment by an individual or
8 party line circuit or channel.

9 (335) "Message." A completed telephone call.

10 (346) "Mileage Charge." A tariff charge for circuits and
11 channels connecting other services that are auxiliary to local
12 exchange service such as off premises extensions, foreign exchange
13 and foreign central office services, private line services, and tie
14 lines.

15 (357) "Multiple Location Discount Aggregator (MLDA)." An
16 entity that offers discounted long distance telecommunications
17 services from an underlying IXC to unaffiliated entities. An
18 entity is a MLDA if one or more of the following criteria applies:

19 (a) It collects fees related to interexchange
20 telecommunications services directly from subscribers,

21 (b) It bills for interexchange telecommunications services in
22 its own name,

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

25 (d) A customer's bill cannot be determined by applying the

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1 tariff of the underlying IXC to the customer's individual usage.

2 (368) "Normal Working Days." The normal working days for
3 installation and construction shall be all days except Saturdays,
4 Sundays, and holidays. The normal working days for repair service
5 shall be all days except Sundays and holidays. Holidays shall be
6 the days which are observed by each individual telephone utility.

7 (379) "Optional Calling Plan." An optional service
8 furnished under tariff provisions which recognizes the need of some
9 subscribers for extended area calling without imposing the cost on
10 the entire body of subscribers.

11 (40) "Originating Party." Any person, firm, corporation, or
12 other entity, including a telecommunications company or a billing
13 clearinghouse, that provides any telecommunications service or
14 information service to a customer or bills a customer through a
15 billing party, except the term "originating party" does not include
16 any entity specifically exempted from the definition of
17 "telecommunications company" as provided in s. 364.02(12).

18 (38 41) "Out of Service." The inability, as reported by the
19 customer, to complete either incoming or outgoing calls over the
20 subscriber's line. "Out of Service" shall not include:

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

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

25 (c) Situations in which a company suspends or terminates

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1 service because of nonpayment of bills, unlawful or improper use of
2 facilities or service, or any other reason set forth in approved
3 tariffs or Commission rules.

4 (39 42) "Outside Plant." The telephone equipment and
5 facilities installed on, along, or under streets, alleys, highways,
6 or on private rights-of-way between the central office and
7 subscribers' locations or between central offices of the same or
8 different exchanges.

9 (403) "Pay Telephone Service Company." Any
10 telecommunications company that provides pay telephone service as
11 defined in Section 364.3375, Florida Statutes.

12 (414) "PC-Freeze." (Preferred Carrier Freeze) A service
13 offered that restricts the customer's carrier selection until
14 further notice from the customer.

15 (425) "Provider." Any telecommunications company providing
16 service, excluding pay telephone providers and call aggregators
17 (i.e. local, local toll, and toll providers).

18 (436) "Service Objective." A quality of service which is
19 desirable to be achieved under normal conditions.

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

24 (458) "Small LEC." A LEC certificated by the Commission
25 prior to July 1, 1995, which had fewer than 100,000 access lines in

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1 service on July 1, 1995.

2 (469) "Station." A telephone instrument consisting of a
3 transmitter, receiver, and associated apparatus so connected as to
4 permit sending or receiving telephone messages.

5 (47 50) "Subscriber" or "Customer." These terms may be used
6 interchangeably herein and shall mean any person, firm,
7 partnership, corporation, municipality, cooperative organization,
8 or governmental agency supplied with communication service by a
9 telecommunications company.

10 (48 51) "Subscriber Line." See "Access Line."

11 (49 52) "Switching Center." Location at which telephone
12 traffic, either local or toll, is switched or connected from one
13 circuit or line to another. A local switching center may be
14 comprised of several central office units.

15 (503) "Toll Connecting Trunk." A trunk which connects a
16 local central office with its toll operating office.

17 (514) "Toll Message." A completed telephone call between
18 stations in different exchanges for which message toll charges are
19 applicable.

20 (525) "Toll Provider (TP)." Any telecommunications
21 company providing interLATA long distance telecommunications
22 service.

23 (536) "Traffic Study." The process of recording usage
24 measurements which can be translated into required quantities of

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1 equipment.

2 (547) "Trouble Report." Any oral or written report from
3 a subscriber or user of telephone service to the telephone company
4 indicating improper function or defective conditions with respect
5 to the operation of telephone facilities over which the telephone
6 company has control.

7 (558) "Trunk." A communication channel between central
8 office units or entities, or private branch exchanges.

9 (569) "Valid Number." A number for a specific telephone
10 terminal in an assigned area code and working central office which
11 is equipped to ring and connect a calling party to such terminal
12 number.

13 **Specific Authority:** 350.127(2) F.S.

14 **Law Implemented:** 364.01, 364.02, 364.32, 364.335, 364.337,
15 364.3375, 364.3376, 364.602 F.S.

16 **History:** Revised 12-1-68, Amended 3-31-76, formerly 25-4.03,
17 Amended 2-23-87, 3-4-92, 12-21-93, 3-10-96, 7-20-98, 12/28/98,
18 2/1/99, XX/XX/XX.

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1 25-4.110 Customer Billing for Local Exchange
2 Telecommunications Companies.

3 (1) Each company shall issue bills monthly or, six months
4 after the effective date of this rule, offer customers a choice
5 of billing intervals that includes a monthly billing interval.

6 (2) Six months after the effective date of this rule, each
7 billing party shall set forth on the bill all charges, fees, and
8 taxes which are due and payable.

9 (a) There shall be a heading for each originating party
10 which is billing to that customer account for that billing
11 period. The heading shall clearly and conspicuously indicate the
12 originating party's name. If the originating party is a
13 certificated telecommunications company, the certificated name
14 must be shown. If the originating party has more than one
15 certificated name, the name appearing in the heading must be the
16 name used to market the service.

17 (b) The toll-free customer service number of the
18 originating party or its agent must be conspicuously displayed in
19 the heading, immediately below the heading, or immediately
20 following the list of charges for that originating party. For
21 purposes of this subparagraph, an agent is a person or entity
22 that acts for any originating party pursuant to the terms of a
23 written agreement. The scope of such agency shall be limited to
24 the terms of such written agreement.

25 (c) Each charge shall be described under the applicable

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1 originating party heading.

2 (d) 1. Taxes, fees, and surcharges related to an
3 originating party heading shall be shown immediately below the
4 charges described under that heading.

5 2. Florida taxes and fees applicable to charges on the
6 customer's bill shall be identified as "Florida gross receipts
7 tax," "Franchise fees," "Municipal utility tax," and "Sales tax."
8 The terminology for Federal Regulated Service Taxes, Fees, and
9 Surcharges must be consistent with any and all FCC required
10 terminology. Taxes and fees should be separately shown for those
11 charges related to local service, long distance service and non-
12 regulated services and charges.

13 (e) If each charge, fee, and tax applicable to local
14 service is not itemized, Each bill shall show the delinquent
15 date, set forth a clear listing of all charges due and payable,
16 and contain the following statement:

17 "Further Wwritten itemization of local billing available
18 upon request."

19 ~~(a)~~ (3) Each LEC shall provide an itemized bill for local
20 service:

21 ~~1-~~ (a) With the first bill rendered after local exchange
22 service to a customer is initiated or changed; and

23 ~~2-~~ (b) To every customer at least once each twelve
24 months.

25 ~~(b)~~ (4) The annual itemized bill shall be accompanied by a

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

- 14 ~~1-~~ (a) Number and types of access lines;
15 ~~2-~~ (b) Charges for access to the system, by type of line;
16 ~~3-~~ (c) Touch tone service charges;
17 ~~4-~~ (d) Charges for custom calling features, separated by
18 feature;
19 ~~5-~~ (e) Unlisted number charges;
20 ~~6-~~ (f) Local directory assistance charges;
21 ~~7-~~ (g) Other tariff charges;
22 ~~8-~~ (h) Other nontariffed, regulated charges contained in
23 the bill;
24 (i) State, federal, or local authority for each tax, fee,
25 and surcharge;

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1 (j) The line items which comprise the assessment base for
2 each percentage based tax, fee, and surcharge; and

3 (k) The rate of each state, federal, or local tax, fee, and
4 surcharge.

5 ~~(e) (5) Each All bills rendered by a local exchange~~
6 ~~company shall clearly+~~

7 ~~1. Separately state the following items:~~

8 ~~a. (a) Any discount or penalty, if applicable The~~
9 ~~originating party is responsible for informing the billing party~~
10 ~~of all such penalties or discounts to appear on the bill;~~

11 ~~b. (b) Past due balance;~~

12 ~~e. (c) Unregulated charges, identified as unregulated~~
13 ~~Items for which nonpayment will result in disconnection of the~~
14 ~~customer's basic local service, including a statement of the~~
15 ~~consequences of nonpayment;~~

16 ~~d. (d) Long-distance monthly or minimum charges, if~~
17 ~~included in the bill;~~

18 ~~e. (e) Franchise fee, if applicable; and Long-distance~~
19 ~~usage charges, if included in the bill;~~

20 ~~f. (f) Taxes, as applicable on purchases of local and~~
21 ~~long distance service; and Usage-based local charges, if included~~
22 ~~in the bill;~~

23 (g) Telecommunications Access System Surcharge, per Rule
24 25-4.160(3);

25 (h) "911" fee per Section 365.171(13), Florida Statutes;

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1 and

2 (i) Delinquent date.

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

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

19 ~~(3)~~ (7)(a) Bills shall not be considered delinquent
20 prior to the expiration of 15 days from the date of mailing or
21 delivery by the company. However, the company may demand
22 immediate payment under the following circumstances:

- 23 1. Where service is terminated or abandoned;
- 24 2. Where toll service is two times greater than the
- 25 subscriber's average usage as reflected on the monthly bills for

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1 the three months prior to the current bill, or, in the case of a
2 new customer who has been receiving service for less than four
3 months, where the toll service is twice the estimated monthly
4 toll service; or

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

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

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

19 ~~(4)~~ (8) Each telephone company shall include a bill insert
20 advising each subscriber of the directory closing date and of the
21 subscriber's opportunity to correct any error or make changes as
22 the subscriber deems necessary in advance of the closing date.
23 It shall also state that at no additional charge and upon the
24 request of any residential subscriber, the exchange company shall
25 list an additional first name or initial under the same address,

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1 telephone number, and surname of the subscriber. The notice
2 shall be included in the billing cycle closest to 60 days
3 preceding the directory closing date.

4 ~~(5)~~ (9) Annually, each telephone company shall include a
5 bill insert advising each residential subscriber of the option to
6 have the subscriber's name placed on the "No Sales Solicitation"
7 list maintained by the Department of Agriculture and Consumer
8 Services, Division of Consumer Services, and the 800 number to
9 contact to receive more information.

10 ~~(6)~~ (10) Where any undercharge in billing of a customer is
11 the result of a company mistake, the company may not backbill in
12 excess of 12 months. Nor may the company recover in a ratemaking
13 proceeding, any lost revenue which inures to the company's
14 detriment on account of this provision.

15 ~~(7)~~ (11) Franchise fees and municipal telecommunications
16 taxes.

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

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

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1 service.

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

8 ~~(8)~~ (12) (a) When a company elects to add the Gross
9 Receipts Tax onto the customer's bill as a separately stated
10 component of that bill, the company must first remove from the
11 tariffed rates any embedded provisions for the Gross Receipts
12 Tax.

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

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

23 (d) All services sold to another telecommunications vendor,
24 provided that the applicable rules of the Department of Revenue
25 are satisfied, must be reduced by an amount equal to the gross

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1 receipts tax liability imposed by Chapter 203, Florida Statutes,
2 unless those services have been adjusted by some other Commission
3 action.

4 (e) When a nonrate base regulated telecommunications
5 company exercises the option of adding the gross receipts tax as
6 a separately stated component on the customer's bill then that
7 company must file a tariff indicating such.

8 ~~(9)~~ (13) Each LEC shall apply partial payment of an end
9 user/customer bill first towards satisfying any unpaid regulated
10 charges. The remaining portion of the payment, if any, shall be
11 applied to nonregulated charges.

12 ~~(10)~~ (14) ~~After January 1, 1999, or six months after the~~
13 ~~effective date of this rule, whichever is later, aAll bills~~
14 produced shall clearly and conspicuously display the following
15 information for each service billed in regard to each company
16 claiming to be the customer's presubscribed provider for local,
17 local toll, or toll service:

18 (a) The name of the certificated company;

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

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

22 ~~(11)~~ (15) This section applies to LECs that provide
23 transmission services or bill and collect on behalf of Pay Per
24 Call providers. Pay Per Call services are defined as switched
25 telecommunications services between locations within the State of

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1 Florida which permit communications between an end use customer
2 and an information provider's program at a per call charge to the
3 end user/customer. Pay Per Call services include 976 services
4 provided by the LECs and 900 services provided by interexchange
5 carriers.

6 (a) Charges for Pay Per Call service (900 or 976) shall be
7 segregated from charges for regular long distance or local
8 charges by appearing separately under a heading that reads as
9 follows: "Pay Per Call (900 or 976) nonregulated charges." The
10 following information shall be clearly and conspicuously
11 disclosed on each section of the bill containing Pay Per Call
12 service (900 or 976) charges:

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

21 (b) Pay Per Call Service (900 and 976) Billing. LECs and
22 IXCs who have a tariff or contractual relationship with a Pay Per
23 Call (900 or 976) provider shall not provide Pay Per Call
24 transmission service or billing services, unless the provider
25 does each of the following:

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1 1. Provides a preamble to the program which states the per
2 minute and total minimum charges for the Pay Per Call service
3 (900 and 976); child's parental notification requirement is
4 announced on preambles for all programs where there is a
5 potential for minors to be attracted to the program; child's
6 parental notification requirement in any preamble to a program
7 targeted to children must be in language easily understandable to
8 children; and programs that do not exceed \$3.00 in total charges
9 may omit the preamble, except as provided in Section (11)(b)3.;

10 2. Provides an 18-second billing grace period in which the
11 end user/customer can disconnect the call without incurring a
12 charge; from the time the call is answered at the Pay Per Call
13 provider's premises, the preamble message must be no longer than
14 15 seconds. The program may allow an end user/customer to
15 affirmatively bypass a preamble;

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

25 4. Promotes its services without the use of an autodialer

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1 or broadcasting of tones that dial a Pay Per Call (900 and 976)
2 number;

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

6 6. In all advertising and promotional materials, displays
7 charges immediately above, below, or next to the Pay Per Call
8 number, in type size that can be seen as clearly and
9 conspicuously at a glance as the Pay Per Call number. Broadcast
10 television advertising charges, in Arabic numerals, must be shown
11 on the screen for the same duration as the Pay Per Call number is
12 shown, each time the Pay Per Call number is shown. Oral
13 representations shall be equally as clear;

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

18 8. Meets internal standards established by the LEC or IXC
19 as defined in the applicable tariffs or contractual agreement
20 between the LEC and the IXC; or between the LEC/IXC and the Pay
21 Per Call (900 or 976) provider which when violated, would result
22 in the termination of a transmission or billing arrangement.

23 (c) Pay Per Call (900 and 976) Blocking. Each LEC shall
24 provide blocking where technically feasible of Pay Per Call
25 service (900 and 976), at the request of the end user/customer at

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

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

14 1. The end user/customer did not receive a price
15 advertisement, the price of the call was misrepresented to the
16 consumer, or the price advertisement received by the consumer was
17 false, misleading, or deceptive;

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

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

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

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

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

8 (f) Credit and Collection. LECs and IXCs billing Pay Per
9 Call (900 and 976) charges to an end user/customer in Florida
10 shall not:

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

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

17 (g) LECs and IXCs billing Pay Per Call service (900 and
18 976) charges to end users/customers in Florida shall implement
19 safeguards to prevent the disconnection of phone service for
20 non-payment of Pay Per Call (900 or 976) charges.

21 ~~(12)~~ (16) ~~The customer must be notified~~ Companies that bill
22 for local service must provide notification with the customer's
23 first bill or via letter, or on the customer's first bill and
24 annually thereafter that a PC Freeze is available. Existing
25 customers must be notified ~~by January 1, 1999, or six months~~

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1 ~~after the effective date of this rule, whichever is later, and~~
2 ~~annually thereafter~~ that a PC Freeze is available.

3 ~~(13)~~ (17) ~~By January 1, 1999, or six months after the~~
4 ~~effective date of this rule, whichever is later, the customer~~
5 ~~must be given notice on the first or second page of the~~
6 ~~customer's next bill in conspicuous bold face type when the~~
7 ~~customer's provider of local, local toll, or toll service has~~
8 ~~changed.~~ When the customer's presubscribed provider of local,
9 local toll, or toll service has changed, the new prescribed
10 provider must notify the customer of the change through its
11 billing party, on the first or second page of the first bill
12 issued after the change. The change shall be shown in
13 conspicuous bold face type.

14 (18) If a customer notifies a billing party that they did
15 not order an item appearing on their bill or that they were not
16 provided a service appearing on their bill, the billing party
17 shall promptly provide the customer a credit for the item and
18 remove the item from the customer's bill, with the exception of
19 the following:

20 (a) Charges that originate from:

21 1. Billing party;

22 2. A governmental agency;

23 3. A customer's presubscribed intraLATA or interLATA
24 interexchange carrier; and

25 (b) Charges associated with the following types of calls:

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- 1 1. Collect calls;
- 2 2. Third party calls; and
- 3 3. Calls using a 10-10-xxx calling pattern.

4 (19) (a) Upon request from any customer, a billing party
5 must restrict charges in its bills to only:

6 1. Those charges that originate from the following:

7 a. Billing party;

8 b. A governmental agency;

9 c. A customer's presubscribed intraLATA or interLATA

10 interexchange carrier; and

11 2. Those charges associated with the following types of
12 calls:

13 a. Collect calls;

14 b. Third party calls; and

15 c. Calls using a 10-10-xxx calling pattern.

16 (b) Customers must be notified of this right by billing
17 parties annually and at each time a customer notifies a billing
18 party that the customer's bill contained charges for products or
19 services that the customer did not order or that were not
20 provided to the customer.

21 (20) Nothing prohibits originating parties from billing
22 customers directly, even if a charge has been blocked from a
23 billing party's bill at the request of a customer.

24 Specific Authority: 350.127, 364.604(5) F.S.

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

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1 364.19, 364.602, 364.604 F.S.

2 History: New 12-1-68, Amended 3-31-76, 12-31-78, 1-17-79, 7-28-
3 81, 9-8-81, 5-3-82, 11-21-82, 4-13-86, 10-30-86, 11-28-89, 3-31-
4 91, 11-11-91, 3-10-96, 7-20-97, 12/28/98, XX/XX/XX.

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1 25-4.113 Refusal or Discontinuance of Service by Company.

2 (1) As applicable, the company may refuse or discontinue
3 telephone service under the following conditions provided that,
4 unless otherwise stated, the customer shall be given notice and
5 allowed a reasonable time to comply with any rule or remedy any
6 deficiency:

7 (a) For noncompliance with or violation of any state or
8 municipal law, ordinance, or regulation pertaining to telephone
9 service.

10 (b) For the use of telephone service for any other property
11 or purpose than that described in the application.

12 (c) For failure or refusal to provide the company with a
13 deposit to insure payment of bills in accordance with the company's
14 regulations.

15 (d) For neglect or refusal to provide reasonable access to
16 the company for the purpose of inspection and maintenance of
17 equipment owned by the company.

18 (e) For noncompliance with or violation of the Commission's
19 regulations or the company's rules and regulations on file with the
20 Commission, provided 5 working days' written notice is given before
21 termination.

22 (f) For nonpayment of bills for telephone service, including
23 the telecommunications access system surcharge referred to in Rule
24 25-4.160(3), provided that suspension or termination of service
25 shall not be made without 5 working days' written notice to the

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1 customer, except in extreme cases. The written notice shall be
2 separate and apart from the regular monthly bill for service. A
3 company shall not, however, refuse or discontinue service for
4 nonpayment of a dishonored check service charge imposed by the
5 company, nor discontinue a customer's Lifeline local service if the
6 charges, taxes, and fees applicable to dial tone, local usage, dual
7 tone multifrequency dialing, emergency services such as "911," and
8 relay service are paid. Companies may, however, block outgoing
9 sent paid and incoming collect toll calls for Lifeline customers if
10 the charges, taxes, and fees for toll services are not timely paid.
11 No company shall discontinue service to any customer for the
12 initial nonpayment of the current bill on a day the company's
13 business office is closed or on a day preceding a day the business
14 office is closed.

15 (g) For purposes of paragraphs (e) and (f), "working day"
16 means any day on which the company's business office is open and
17 the U.S. Mail is delivered.

18 (h) Without notice in the event of customer use of equipment
19 in such manner as to adversely affect the company's equipment or
20 the company's service to others.

21 (i) Without notice in the event of hazardous conditions or
22 tampering with the equipment furnished and owned by the company.

23 (j) Without notice in the event of unauthorized or fraudulent
24 use of service. Whenever service is discontinued for fraudulent
25 use of service, the company may, before restoring service, require

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1 the customer to make, at his own expense, all changes in facilities
2 or equipment necessary to eliminate illegal use and to pay an
3 amount reasonably estimated as the loss in revenues resulting from
4 such fraudulent use.

5 (2) In case of refusal to establish service, or whenever
6 service is discontinued, the company shall notify the applicant or
7 customer in writing of the reason for such refusal or
8 discontinuance.

9 (3) Service shall be initiated or restored when the cause for
10 refusal or discontinuance has been satisfactorily adjusted.

11 (4) The following shall not constitute sufficient cause for
12 refusal or discontinuance of service to an applicant or customer:

13 (a) Delinquency in payment for service by a previous occupant
14 of the premises, unless the current applicant or customer occupied
15 the premises at the time the delinquency occurred and the previous
16 customer continues to occupy the premises and such previous
17 customer shall benefit from such new service.

18 (b) Delinquency in payment for service by a present occupant
19 who was delinquent at another address and subsequently joined the
20 household of the customer in good standing.

21 (c) Delinquency in payment for separate telephone service of
22 another customer in the same residence.

23 (d) Failure to pay for business service at a different
24 location and a different telephone number shall not constitute
25 sufficient cause for refusal of residence service or vice versa.

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1 (e) Failure to pay for a service rendered by the company
2 which is not regulated by the Commission.

3 (f) Failure to pay the bill of another customer as guarantor
4 thereof.

5 (g) Failure to pay a dishonored check service charge imposed
6 by the company.

7 (5) When service has been discontinued for proper cause, the
8 company may charge a reasonable fee to defray the cost of restoring
9 service, provided such charge is set out in its approved tariff on
10 file with the Commission.

11 Specific Authority: 350.127, 427.704(8), F.S.

12 Law Implemented: 364.03, 364.19, 427.704, F.S.

13 History: New 8/1/55, Amended 12/1/68, 3/31/76, 10/25/84, 10/30/86,
14 1/1/91, 9/17/92, 1/11/93, 1/25/95, XX/XX/XX.

1 25-24.490 Customer Relations; Rules Incorporated.

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

4	5	6	7
	<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
6	25-4.110	Customer Billing	Subsections (10) — (11),
7			(12 , and (13) <u>(2), (14),</u>
8			<u>(15), (16), (17), (18),</u>
9			<u>(19), and (20)</u>
10	25-4.111	Customer Complaint	All except
11		and Service Requests	Subsection (2)
12	25-4.112	Termination of Service	All
13		by Customer	
14	25-4.113	Refusal or Discontinuance	All
15		of Service by Company	
16	25-4.114	Refunds	All
17	25-4.117	800 Service	All
18	25-4.118	Local, Local Toll, or	All
19		Toll Provider	
20		Selection	

21 (2) An IXC may require a deposit as a condition of service
22 and may collect advance payments for more than one month of
23 service if it maintains on file with the Commission a bond
24 covering its current balance of deposits and advance payments
25 (for more than one month's service). A company may apply to the

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1 Commission for a waiver of the bond requirement by demonstrating
2 that it possesses the financial resources and income to provide
3 assurance of continued operation under its certificate over the
4 long term.

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

7 (a) any nonrecurring charge,

8 (b) any monthly service charge or minimum usage charge,

9 (c) company deposit practices,

10 (d) any charges applicable to call attempts not answered,

11 (e) a statement of when charging for a call begins and
12 ends, and

13 (f) a statement of billing adjustment practices for wrong
14 numbers or incorrect bills.

15 In addition, the above information shall be included in the first
16 bill, or in a separate mailing no later than the first bill, to
17 all new customers and to all customers presubscribing on or after
18 the effective date of this rule, and in any information sheet or
19 brochure distributed by the company for the purpose of providing
20 information about the company's services. The above information
21 shall be clearly expressed in simple words, sentences and
22 paragraphs. It must avoid unnecessarily long, complicated or
23 obscure phrases or acronyms.

24 **Specific Authority 350.127(2), 364.604(5) F.S.**

25 **Law Implemented 364.03, 364.14, 364.15, 364.603, 364.19, 364.337**

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1 364.602, 364.604 F.S.

2 History: New 2-23-87, Amended 10-31-89, 3-5-90, 3-4-92, 3-13-96,

3 7-20-98, 12/28/98, XX/XX/XX.

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1 **25-24.845 Customer Relations; Rules Incorporated.**

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

5 <u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
6 25-4.110	Customer Billing	Subsections (10) 7 (11) , (12) , and (13) 8 <u>(2)</u> , <u>(14)</u> , <u>(15)</u> , 9 <u>(16)</u> , <u>(17)</u> , <u>(18)</u> , 10 <u>(19)</u> , and <u>(20)</u>
11 24-4.118	Local, Local Toll, or 12 Toll Provider Selection	All

13 **Specific Authority:** 350.127(2) and 364.337(2), 364.604(5) F.S.

14 **Law Implemented:** 364.337(2), 364.602, 364.604.

15 **History:** New 7-20-98, Amended 12/28/98, XX/XX/XX.

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