

Commissioners:  
SUSAN F. CLARK, CHAIRMAN  
J. TERRY DEASON  
JULIA L. JOHNSON  
DIANE K. KIESLING  
JOE GARCIA



DIVISION OF APPEALS  
DAVID E. SMITH  
DIRECTOR  
(904) 413-6245

# Public Service Commission

February 26, 1996

Mr. Carroll Webb  
Joint Administrative Procedures  
Committee  
120 Holland Building  
Tallahassee, Florida 32399

Re: Docket No. 960029-TL, Proposed Amendment of Rule 25-4.040(4)(f), F.A.C., Telephone Directories; Directory Assistance (Inside Wiring)

Dear Mr. Webb:

Enclosed are an original and two copies of the following materials concerning the above referenced proposed rule:

1. A copy of the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rule.
4. A federal comparison statement.
5. A statement of the impact of the rule on small business.
6. An economic impact statement.
7. A statement that the agency has chosen the regulatory alternative that imposes the lowest net cost to society.

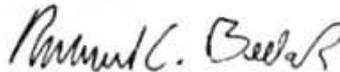
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DOCUMENT NUMBER: 02295  
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 PFCO-REGULATORY REPORTING

Mr. Carroll Webb  
February 26, 1996  
Page -2-

If there are any questions with respect to this rule, please do not hesitate to call on me.

Sincerely,



Richard C. Bellak  
Associate General Counsel

ADM4040.MRD

Enclosures

cc: Division of Records & Reporting

1 25-4.040 Telephone Directories; Directory Assistance.

2 (4) The following information shall appear in the front pages  
3 of the directory, preceding subscriber listings, along with an  
4 index where there are four (4) or more pages of such information:

5 (a) Directions for the use of local exchange and long  
6 distance telephone services and calls to repair and directory  
7 assistance services.

8 (b) Application and amount of directory assistance charges  
9 contained in company tariffs.

10 (c) Application and amount of charges for line busy  
11 verification, emergency interrupt and maintenance/repair services.

12 (d) The location of telephone company public business office  
13 located in the area covered by the directory.

14 (e) Identification of customer payment locations and an  
15 explanation of discontinuance of service procedures for local  
16 service.

17 (f) Policy on customer owned equipment and inside wiring  
18 shall include, but not be limited to the following information,  
19 separately stated:

20 1. A layman's description of inside wiring.

21 2. A layman's description of demarcation point.

22 3. A layman's description of the customer's responsibility  
23 for all wiring on the customer's side of the demarcation point.

24 4. A generic description of the various types of vendors  
25 which sell repair equipment.

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

1        5. A generic list of the types of service vendors providing  
2 maintenance or repair of inside wire, or customer premises  
3 equipment.

4        6. Instructions on how to determine whether the customer or  
5 the telephone company is responsible for needed repairs.

6        7. Instructions for determining when a phone jack is  
7 defective.

8        8. Instructions for determining when a telephone is  
9 defective.

10        (g) Policy on the recording of telephone conversations.

11        (h) Policy on harassing calls and sales solicitations  
12 generated by illegal automatic dialing equipment.

13        (i) Policy on various violations of law arising from the  
14 illegal use of telephone equipment and service.

15        (j) A conspicuous notice of the availability of the "No Sales  
16 Solicitation" list offered through the Florida Department of  
17 Agriculture and Consumer Services, Division of Consumer Services  
18 and the 800 number to contact for further information.

19 Specific Authority: 350.127(2), F.S.

20 Law Implemented: 364.03, F.S.

21 History: New 12/1/68, amended 03/31/76, 01/04/78, 12/10/84,  
22 formerly, 25-4.40, amended 11/28/89, 03/31/91, 02/11/92.

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24  
25  
  
CODING: Words underlined are additions; words in  
~~struck through~~ type are deletions from existing law.

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 960029-TL

RULE TITLE:

RULE NO.:

Telephone Directories; Directory Assistance 25-4.040

PURPOSE AND EFFECT: The purpose and effect of the amendment is to educate customers as to potential problems with their telephone service and the availability of alternatives to the telephone company for the repair of inside wire problems, thus facilitating the competitive market for this service envisioned by the Commission.

SUMMARY: The amendment requires a separate statement on the front pages of telephone directories of information including, but not limited to the following:

1. A layman's description of inside wiring, demarcation point and the customer's responsibility for wiring on the customer's side of the demarcation point.
2. A generic description of types of vendors that sell repair equipment and service or repair inside wire.
3. Instructions on determining whether the customer or telephone company is responsible for needed repairs and determining when a phone jack or telephone is defective.

RULEMAKING AUTHORITY: 350.127(2), F.S.

LAW IMPLEMENTED: 364.03, F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

HEARING: IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE,  
A HEARING WILL BE HELD AT THE DATE AND PLACE SHOWN BELOW:

TIME AND DATE: 9:30 A.M., April 17, 1996

PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade  
Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THIS RULE AND THE ECONOMIC  
IMPACT STATEMENT IS: Director of Appeals, Florida Public Service  
Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399.

THE FULL TEXT OF THE RULE IS:

25-4.040 Telephone Directories; Directory Assistance.

(4) The following information shall appear in the front pages  
of the directory, preceding subscriber listings, along with an  
index where there are four (4) or more pages of such information:

(a) Directions for the use of local exchange and long  
distance telephone services and calls to repair and directory  
assistance services.

(b) Application and amount of directory assistance charges  
contained in company tariffs.

(c) Application and amount of charges for line busy  
verification, emergency interrupt and maintenance/repair services.

(d) The location of telephone company public business office  
located in the area covered by the directory.

(e) Identification of customer payment locations and an  
explanation of discontinuance of service procedures for local  
service.

(f) Policy on customer owned equipment and inside wiring  
shall include, but not be limited to the following information.

separately stated:

1. A layman's description of inside wiring.
  2. A layman's description of demarcation point.
  3. A layman's description of the customer's responsibility for all wiring on the customer's side of the demarcation point.
  4. A generic description of the various types of vendors which sell repair equipment.
  5. A generic list of the types of service vendors providing maintenance or repair of inside wire, or customer premises equipment.
  6. Instructions on how to determine whether the customer or the telephone company is responsible for needed repairs.
  7. Instructions for determining when a phone jack is defective.
  8. Instructions for determining when a telephone is defective.
- (g) Policy on the recording of telephone conversations.
  - (h) Policy on harassing calls and sales solicitations generated by illegal automatic dialing equipment.
  - (i) Policy on various violations of law arising from the illegal use of telephone equipment and service.
  - (j) A conspicuous notice of the availability of the "No Sales Solicitation" list offered through the Florida Department of Agriculture and Consumer Services, Division of Consumer Services and the 800 number to contact for further information.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.03, F.S.

History: New 12/1/68, amended 03/31/76, 01/04/78, 12/10/84, formerly, 25-4.40, amended 11/28/89, 03/31/91, 02/11/92.

NAME OF PERSON ORIGINATING PROPOSED RULE: Michael Reith

NAME OF SUPERVISOR OR PERSON(S) WHO APPROVED THE PROPOSED RULE2:  
Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: February 6, 1996

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

**STATEMENT OF FACTS AND CIRCUMSTANCES  
JUSTIFYING RULE**

The Commission determined that in order to encourage competition in the simple inside wire maintenance and repair market, more customer education was necessary. The amended rule supplies the additional information needed to increase customer education about inside wire repair and maintenance.

**STATEMENT ON FEDERAL STANDARDS**

There is no federal standard on the same subject.

**STATEMENT OF IMPACT ON SMALL BUSINESS**

No direct impact on small businesses is foreseen.

**STATEMENT THAT THE AGENCY HAS CHOSEN THE REGULATORY ALTERNATIVE  
THAT IMPOSES THE LOWEST NET COST ALTERNATIVE TO SOCIETY**

The Commission has chosen the regulatory alternative that imposes the lowest net cost to society.

MEMORANDUM

December 19, 1995

TO: DIVISION OF APPEALS (Bellak)  
FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (Harlow) *9/17/95 JMD*  
SUBJECT: ECONOMIC IMPACT STATEMENT FOR PROPOSED REVISIONS TO RULE 25-4.040(4)(f), FAC, TELEPHONE DIRECTORIES; DIRECTORY ASSISTANCE

SUMMARY OF THE RULE

The proposed rule amendments would require local exchange companies to provide information designed to instruct the customer on how to diagnose whether telephone problems are within the customer's premises or in the company's network. The information would be included in the front pages of the directory and would consist of: (1) a description of inside wiring, the demarcation point, and the customer's responsibility for wiring within the demarcation point; (2) a list of the types of service vendors available; and (3) information on diagnosing whether the problem is within the company's network or the customer's responsibility.

The rule amendment is designed to help educate the customer concerning problems that might arise with their telephone service. The intent is to instruct the customer that there are maintenance and repair alternatives to the telephone company when dealing with inside wiring problems.

DIRECT COSTS TO THE AGENCY AND OTHER STATE OR LOCAL GOVERNMENT ENTITIES

No direct costs to the Commission or other state or local government entities are expected to result from the proposed rule amendments.

COSTS AND BENEFITS TO THOSE PARTIES DIRECTLY AFFECTED BY THE RULE

A data request was sent to the thirteen local exchange companies. Ten of the companies responded. Three of the ten companies (Indiantown Telephone System, Incorporated; United Telephone Company of Florida; and Central Telephone Company of Florida) indicated that the information in the directories currently complies with the proposed rule. Three additional companies (Floral Telephone Company, GTE Florida Incorporated, and BellSouth Telecommunications) indicated

that a substantial portion of the information is currently contained in the directories. GTE estimated it would incur an additional \$50,000 annually to regroup or expand the current information in each directory. GTE also expressed concerns that the rule would add to administrative costs because many of GTE's services are offered nationally; GTE believes that the standardization of service presentation is important to holding down administrative costs. BellSouth estimated that the costs would be minimal to expand the current information provided. However, BellSouth expects to incur some costs to develop the changes and review for accuracy. Florida was unable to quantify the additional costs of providing further information in the directory.

Four of the respondents did not indicate that the information is currently in the directory. Northeast Florida Telephone Company, Incorporated expects the costs of revising the directory to be minimal; while ALLTEL Florida, Incorporated expects no additional costs. Frontier Communications of the South and St. Joseph Telephone and Telegraph could not quantify the additional costs at this time.

The companies may also experience a decrease in revenues if customers elect to no longer use company-provided maintenance and repair programs. However, the extent of this revenue decrease cannot be quantified at this time.

Nine of the ten responding companies expect no measurable benefits to result from the proposed rule amendment. Six of these companies already have all or a substantial part of the required information in the directories. ALLTEL does expect some benefit to result from the increased ease of communicating with better informed customers.

The proposed rule amendment is intended to benefit customers by providing more information on what to do when a telephone failure arises. Better informed customers may be able to choose less costly methods of service repair. However, it is difficult to quantify the benefit that this additional information will have for consumers. An indeterminate number of consumers will rely on the phone book for this type of information. In addition, as noted by BellSouth, "Most basic customers have maintenance plans and will not make use of the information because they figure they pay us to do their trouble determination work, isolate troubles on their side of Network and repair the inside wire and jacks. Most non-basic customers use vendors to do that kind of work for them."

### REASONABLE ALTERNATIVE METHODS

ALLTEL supports the intent of the rule and offered the alternative of providing some generic information in the directory, such as a description of the types of problems customers may experience and the options available to them. However, ALLTEL believes that more technically detailed information concerning self-diagnostics, such as diagrams, types of phones and how to test them, is better offered in a separate brochure that can be obtained from the company's business office on request. ALLTEL noted that "many customers do not read their directories and...there may be more of a variety of scenarios than can be covered in the limited space available in the directory."

GTE responded that any directory rules and revisions must be applied equally to all companies (including alternative local exchange companies) to "further an economically efficient marketplace."

### IMPACT ON SMALL BUSINESSES

No direct impact on small businesses is foreseen as none of the affected utilities qualify as a small business as defined in Section 288.703(1), Florida Statutes (1991). There may be some indirect impact on small business providers of inside wire services if customers respond to additional information in the directory by hiring these service providers to solve telephone problems within the demarcation point.

### IMPACT ON COMPETITION

The impact of the proposed rule amendments on competition is expected to be minimal, primarily because many of the companies already have all or a substantial portion of the information in the directories. However, there may be some increase in competition from outside service providers if customers respond to the additional information by switching to outside vendors to provide telephone repair problems. GTE made the additional point that competition may be affected if alternative local exchange companies are not also required to provide this information in the directory.

### IMPACT ON EMPLOYMENT

No impact on employment has been specifically identified. There may be some additional or redirected effort to format and review the information for

companies not presently providing the information in the directory.

METHODOLOGY

A data request was sent to all local exchange companies. Several meetings were held with other Commission staff for the purposes of discussion of the present rule and the proposed amendment. Standard economic analysis was used to determine the estimated impact.

JGH:tf/e-insidw

MEMORANDUM

February 22, 1996

TO : DIVISION OF RECORDS & REPORTING

FROM : RICHARD C. BELLAK, ASSOCIATE GENERAL COUNSEL *RCB*

RE : DOCKET NO. 960029-TL - PROPOSED AMENDMENT OF RULE 25-4.040(9(4)(f), F.A.C., TELEPHONE DIRECTORIES; DIRECTORY ASSISTANCE (INSIDE WIRING)

*0260-NUR*

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

Industry distribution is:

- Electric (EI)
- Electric (EM)
- Electric (EC)
- Gas (GU)
- Gas (GS)
- Gas Pipeline (GP)
- Telephone (TL)
- Telephone (TI)
- Telephone (TC)
- Telephone (TS)
- Telephone Alternate Access Vendors (TA)
- Water and Wastewater (WAW)

**RECEIVED**

FEB 22 1996

9:10

FPSC-RECORDS/REPORTING

*OK*

This document has the following priority:

- Must be issued today.
- Must be issued within 48 hours.
- Must be issued within 5 working days.

NOR4040.MRD  
 Attachment  
 cc: File  
 W. Terrell

*167*