

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed amendment of
Rules 25-4.110, Customer Billing
for Local Exchange
Telecommunications Companies;
25-24.490, Customer Relations,
Rules Incorporated; 25-24.585,
Rules Incorporated; and 25-
24.845, Customer Relations;
Rules Incorporated, F.A.C.

DOCKET NO. 030415-TP
ORDER NO. PSC-03-1221-FOF-TP
ISSUED: October 28, 2003

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

NOTICE OF ADOPTION OF RULE AMENDMENTS

NOTICE is hereby given that the Florida Public Service
Commission, pursuant to Section 120.54, Florida Statutes, has
adopted the amendments to Rules 25-4.110, 25-24.490, 25-24.585, and
25-24.845, Florida Administrative Code, to reflect the tax
structure changes implemented by Chapter 202, Florida Statutes, on
customer bills and to delete rule implementation deadlines that are
no longer relevant without changes.

The rule amendments were filed with the Department of State on
October 27, 2003 and will be effective on November 16, 2003. A
copy of the rules as filed with the Department is attached to this
Notice.

This docket is closed upon issuance of this notice.

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FPSC-COMMISSION CLERK

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By ORDER of the Florida Public Service Commission, this 28th
day of October, 2003.



BLANCA S. BAYO, Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

SMC

25-4.110 Customer Billing for Local Exchange Telecommunications Companies.

(1) Each company shall issue bills monthly or may offer customers a choice of billing intervals that includes a monthly billing interval.

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

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

(b) The toll-free customer service number for the service provider or its customer service agent must be conspicuously displayed in the heading, immediately below the heading, or immediately following the list of charges for the service provider. For purposes of this subparagraph, the service provider is defined

as the company which provided the service to the end user. If the service provider has a customer service agent, the toll-free number must be that of the customer service agent and must be displayed with the service provider's heading or with the customer service agent's heading, if any. For purposes of this subparagraph, a customer service agent is a person or entity that acts for any originating party pursuant to the terms of a written agreement. The scope of such agency shall be limited to the terms of such written agreement.

(c) Each charge shall be described under the applicable originating party heading.

(d) 1. Taxes, fees, and surcharges related to an originating party heading shall be shown immediately below the charges described under that heading. The terminology for Federal Regulated Service Taxes, Fees, and Surcharges must be consistent with all FCC required terminology.

2. The billing party shall either:

a. Identify Florida taxes and fees applicable to charges on the customer's bill ~~as (including but not limited to) "Florida gross receipts tax," "Franchise fees," "Municipal utility tax," and~~

~~"Sales tax,"~~ and identify the assessment base and rate for each percentage based tax, fee, and surcharge, or

b.(i) Provide a plain language explanation of any line item and applicable tax, fee, and surcharge to any customer who contacts the billing party or customer service agent with a billing question and expresses difficulty in understanding the bill after discussion with a service representative.

(ii) If the customer requests or continues to express difficulty in understanding the explanation of the authority, assessment base or rate of any tax, fee or surcharge, the billing party shall provide an explanation of the state, federal, or local authority for each tax, fee, and surcharge; the line items which comprise the assessment base for each percentage based tax, fee, and surcharge; or the rate of each state, federal, or local tax, fee, and surcharge consistent with the customer's concern. The billing party or customer service agent shall provide this information to the customer in writing upon the customer's request.

(e) If each recurring charge due and payable is not itemized, each bill shall contain the following statement:

"Further written itemization of local billing available upon request."

(3) Each LEC shall provide an itemized bill for local service:

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

(b) To every customer at least once each twelve months.

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

(a) Number and types of access lines;

(b) Charges for access to the system, by type of line;

- (c) Touch tone service charges;
 - (d) Charges for custom calling features, separated by feature;
 - (e) Unlisted number charges;
 - (f) Local directory assistance charges;
 - (g) Other tariff charges;
 - (h) Other nontariffed, regulated charges contained in the bill;
- (5) All bills rendered by a local exchange company shall clearly state the following items:
- (a) Any discount or penalty. The originating party is responsible for informing the billing party of all such penalties or discounts to appear on the bill, in a form usable by the billing party;
 - (b) Past due balance;
 - (c) Items for which nonpayment will result in disconnection of the customer's basic local service, including a statement of the consequences of nonpayment;
 - (d) Long-distance monthly or minimum charges, if included in the bill;
 - (e) Long-distance usage charges, if included in the bill;

(f) Usage-based local charges, if included in the bill;

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

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

(i) Delinquent date.

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

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

1. Where service is terminated or abandoned;
2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill, or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service; or
3. Where the company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

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

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

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

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

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

(11) Local Communications Services Tax Franchise fees and municipal telecommunications taxes.

(a) The Local Communications Services Tax is comprised of the discretionary communications services tax levied by the governing authority of each municipality and county authorized by Chapter 202, Florida Statutes.

(~~b~~a) When a municipality or county levies charges a company any franchise fee, or municipal telecommunications the Local Communications Services Tax authorized by Chapter 202 Section ~~166.231~~, Florida Statutes, the local exchange company may collect that tax fee only from its subscribers receiving service within that municipality or county. ~~When a county charges a company any franchise fee, the company may collect that fee only from its subscribers receiving service within that county.~~

(~~b~~) A local exchange company may not incorporate any portion of the Local Communications Services Tax franchise fee or municipal telecommunications tax into its other rates for service.

(~~c~~) ~~This subsection shall not be construed as granting a municipality or county the authority to charge a franchise fee or municipal telecommunications tax. This subsection only specifies the method of collection of a franchise fee, if a municipality or~~

~~county, having authority to do so, charges a franchise fee or municipal telecommunications tax.~~

(12) State Communications Services Tax.

(a) The State Communications Services Tax is comprised of
~~When a company elects to add the Gross Receipts Tax imposed by Chapter 203, Florida Statutes, the communications services sales tax imposed by Chapter 202, Florida Statutes, and any local option sales tax. onto the customer's bill as a separately stated component of that bill, the company must first remove from the tariffed rates any embedded provisions for the Gross Receipts Tax.~~

(b) A local exchange company may not incorporate any portion of the State Communications Services Tax into its other rates for service. ~~If the tariffed rates in effect have a provision for gross receipts tax, the rates must be reduced by an amount equal to the gross receipts tax liability imposed by Chapter 203, Florida Statutes, thereby rendering the customer's bill unaffected by the election to add the Gross Receipts Tax as a separately stated tax.~~

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

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

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

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

(14) All bills produced shall clearly and conspicuously display the following information for each service billed in regard to each company claiming to be the customer's presubscribed provider for local, local toll, or toll service:

- (a) The name of the certificated company;
- (b) Type of service provided, i.e., local, local toll, or toll; and
- (c) A toll-free customer service number.

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

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

1. Nonpayment of Pay Per Call service (900 or 976) charges will not result in disconnection of local service;
2. End users/customers can obtain free blocking of Pay Per Call service (900 or 976) from the LEC;
3. The local or toll-free number the end user/customer can call to dispute charges;

4. The name of the IXC providing 900 service; and
5. The Pay Per Call service (900 or 976) program name.

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

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

2. Provides an 18-second billing grace period in which the end user/customer can disconnect the call without incurring a charge; from the time the call is answered at the Pay Per Call provider's premises, the preamble message must be no longer than 15

seconds. The program may allow an end user/customer to affirmatively bypass a preamble;

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

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

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

6. In all advertising and promotional materials, displays charges immediately above, below, or next to the Pay Per Call number, in type size that can be seen as clearly and conspicuously at a glance as the Pay Per Call number. Broadcast television

advertising charges, in Arabic numerals, must be shown on the screen for the same duration as the Pay Per Call number is shown, each time the Pay Per Call number is shown. Oral representations shall be equally as clear;

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

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

(c) Pay Per Call (900 and 976) Blocking. Each LEC shall provide blocking where technically feasible of Pay Per Call service (900 and 976), at the request of the end user/customer at no charge. Each LEC or IXC must implement a bill adjustment tracking system to aid its efforts in adjusting and sustaining Pay Per Call charges. The LEC or IXC will adjust the first bill containing Pay Per Call charges upon the end user's/customer's stated lack of knowledge that Pay Per Call service (900 and 976) has a charge. A

second adjustment will be made if necessary to reflect calls billed in the following month which were placed prior to the Pay Per Call service inquiry. At the time the charge is removed, the end user/customer may agree to free blocking of Pay Per Call service (900 and 976).

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

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

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

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

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

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

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

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

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

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

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

(16) Companies that bill for local service must provide notification with the customer's first bill or via letter, and annually thereafter that a PC Freeze is available. Existing customers must be notified annually that a PC Freeze is available.

(17) The customer must be given notice on the first or second page of the customer's next bill in conspicuous bold face type when the customer's presubscribed provider of local, local toll, or toll service has changed.

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

(a) Charges that originate from:

1. Billing party or its affiliates;
2. A governmental agency;
3. A customer's presubscribed intraLATA or interLATA interexchange carrier; and

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

1. Collect calls;
2. Third party calls;

3. Customer dialed calls for; and
4. Calls using a 10-10-xxx calling pattern.

(19) (a) ~~Upon~~ ~~Within one year of the effective date of this rule and upon~~ request from any customer, a billing party must restrict charges in its bills to only:

1. Those charges that originate from the following:
 - a. Billing party or its affiliates;
 - b. A governmental agency;
 - c. A customer's presubscribed intraLATA or interLATA interexchange carrier; and

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

- a. Collect calls;
- b. Third party calls;
- c. Customer dialed calls; and
- d. Calls using a 10-10-xxx calling pattern.

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

(c) Small local exchange telecommunications companies as defined in Section 364.052(1), F.S., are exempted from this subsection.

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

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

Law Implemented: 364.17, 350.113, 364.03, 364.04, 364.05, 364.052, 364.19, 364.602, 364.604, F.S.

History: New 12-01-68, Amended 03-31-76, 12-31-78, 01-17-79, 07-28-81, 09-08-81, 05-03-82, 11-21-82, 04-13-86, 10-30-86, 11-28-89, 03-31-91, 11-11-91, 03-10-96, 07-20-97, 12-28-98, 07-05-00, 11/16/03.

25-24.490 Customer Relations; Rules Incorporated.

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

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections, <u>(11)</u> , <u>(12)</u> , (14), (15), (17), (18), and (20)

25-4.111	Customer Complaint and Service Requests	All except Subsection (2)
25-4.112	Termination of Service by Customer	All
25-4.113	Refusal or Discontinuance of Service by Company	All
25-4.114	Refunds	All
25-4.117	800 Service	All
25-4.118	Local, Local Toll, or Toll Provider Selection	All

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

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

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

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

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

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

Law Implemented: 364.03, 364.14, 364.15, 364.603, 364.19, 364.337
364.602, 364.604, F.S.

History: New 02-23-87, Amended 10-31-89, 03-05-90, 03-04-92, 03-
13-96, 07-20-98, 12-28-98, 07-05-00, 11/16/03.

25-24.585 Rules Incorporated.

(1) The following rules are incorporated herein by reference and apply to shared tenant service companies:

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.019	Records and Reports in General	All
25-4.020	Location and Preservation of Records	All except (1) and (3)
25-4.036	Design and Construction of Plant	All
25-4.043	Response to Commission Staff Inquiries	All
25-4.0161	Regulatory Assessment Fees; Telecommunication Companies	All
<u>25-4.110</u>	<u>Customer Billing</u>	<u>Subsections (11)</u> <u>and (12)</u>
25-4.160	Operation of Telecommunications Relay Service	All

(2) Each shared tenant service company shall file with the Commission's Division of Competitive Markets and Enforcement updated information for the following items within ten days after either such change occurs.

(a) The mailing address of the certificate holder.

(b) Name, title, and phone number of individual responsible for Commission contacts.

Specific Authority: 350.127(2), 427.704(8), F.S.

Law Implemented: 350.113, 364.016, 364.17, 364.18, 364.183, 364.185, 364.339, F.S.

History--New 1/28/91, Amended 12/29/91, 11/13/95, 7/29/97, 04/08/98, 11/16/03.

25-24.845 Customer Relations; Rules Incorporated.

The following rules are incorporated herein by reference and apply to CLECs. In the following rules, the acronym 'LEC' should be omitted or interpreted as 'CLEC'.

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections <u>(11)</u> , <u>(12)</u> , (14), (15), (16), (17), (18), and (20)
24-4.118	Local, Local Toll, or Toll Provider Selection	All

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

Law Implemented: 364.337(2), 364.602, 364.604, F.S.

History: New 07-20-98, Amended 12-28-98, 07-05-00, 11/16/03.