

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of show cause) DOCKET NO. 961459-TI
proceedings against AT&T) ORDER NO. PSC-97-0234-FOF-TI
Communications of the Southern) ISSUED: February 27, 1997
States, Inc. for violation of)
Rules 25-4.118 and 25-24.4701,)
F.A.C.)
_____)

The following Commissioners participated in the disposition of this matter:

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

FINAL ORDER TERMINATING
SHOW CAUSE PROCEEDINGS

BY THE COMMISSION:

On December 9, 1996, we opened Docket No. 961459-TI to investigate complaints that AT&T Communications of the Southern States, Inc. (AT&T) had switched customers to another interexchange carrier without the customers' consent, in violation of Rule 25-4.118, Florida Administrative Code. Initially, we also considered the possibility that AT&T was in violation of Rule 25-24.4701, Florida Administrative Code, Provision of Regulated Telecommunications Service to Uncertificated Resellers Prohibited.

After further investigation, however, we have determined that the problem causing the customer complaints was actually the result of AT&T's billing procedures. AT&T was issuing end-user billing statements on behalf of resale carrier customers. Those bills were labeled with AT&T's logo and not with the logos of the carriers for whom AT&T was billing. The FCC has informed us that it has been in contact with AT&T regarding this matter and that AT&T has agreed to modify its billing procedures to remove the AT&T logo from bills it issues on behalf of its resale carrier customers. (See Attachment A). The FCC considers this a satisfactory resolution of the matter. We agree. We note, however, that AT&T has not completed the implementation of procedures to remove its logo from all bills issued on behalf of resellers. Thus, we hereby order AT&T to submit a report to Commission staff outlining the new billing procedures once those procedures have been implemented.

In this instance, we find that AT&T has not violated the specific provisions of Rule 25-24.4701 or Rule 25-4.118, Florida Administrative Code. In accordance with Rule 25-24.4701, Florida Administrative Code, Provision of Regulated Telecommunications

DOCUMENT NO.
02180-97
2/27/97

ORDER NO. PSC-97-0234-FOF-TI
DOCKET NO. 961459-TI
PAGE 2

Service to Uncertificated Resellers Prohibited, AT&T's tariff includes a statement that customers reselling AT&T's services must be certificated. AT&T has also complied with the requirement to implement procedures to identify and notify us of resellers that it believes are uncertificated. Furthermore, it has complied with all Commission orders directing interexchange companies to refrain from providing service to certain named uncertificated resellers. We, therefore, shall terminate this show cause proceeding.

This docket shall, nevertheless, remain open until AT&T has submitted its report to our staff outlining its new billing procedures and indicating that the new procedures have been implemented. Once the report has been submitted, this docket will be closed administratively.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that show cause proceedings against AT&T Communications of the Southern States, Inc. shall be terminated. It is further

ORDERED that AT&T Communications of the Southern States, Inc. shall submit a report to Commission staff outlining its new billing procedures once those new procedures have been implemented. It is further

ORDERED that, upon AT&T Communications of the Southern States, Inc.'s submission of its report, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission, this 27th day of February, 1997.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay J. [Signature]
Chief, Bureau of Records

(S E A L)

BC

ORDER NO. PSC-97-0234-FOF-TI
DOCKET NO. 961459-TI
PAGE 3

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

ATTACHMENT A



Federal Communications Commission
Washington, D.C. 20554

November 25, 1996

Mr. J. Alan Taylor
Chief, Bureau of Service Evaluation
Division of Communications
State of Florida Public Service Commission
Capitol Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850



Dear Mr. Taylor:

Mary Beth Richards, Deputy Bureau Chief of the Common Carrier Bureau, asked me to respond to your letter of September 19, 1996 inquiring about the FCC staff's views on AT&T's billing arrangements with its resale carrier customers. You stated that AT&T was issuing end-user billing statements on behalf of resale carrier customers labeled with AT&T's logo and not with the logos of the carriers for whom AT&T was performing the billing functions. Accordingly, you state that because of AT&T's billing practices, "subscriber[s] had no way of knowing that the service provider was not AT&T."

As part of your inquiry, you ask: 1) whether AT&T committed to cease billing this way; 2) what date AT&T agreed upon to stop; and, 3) whether the FCC Staff holds AT&T responsible as the carrier claiming the PIC when no other carrier is included on AT&T bills. To provide you with the most up-to-date answers on the first two questions, we asked AT&T's Government Affairs Office in Washington, D.C. to provide an update on AT&T's efforts to modify its billings programs. A copy of AT&T's response is enclosed. As AT&T explains in its letter, it undertook to modify its bills and remove the its brand and logo from these bills issued on behalf of resale carriers because the appearance of the AT&T brand and/or logo on such bills contributed to confusion among the resale carriers' end-user customers about the nature of AT&T's involvement.

AT&T also confirms in its letter that its ACUS product (part of AT&T's Bill Manager Service) was modified to remove the AT&T logo last April in time for the May billing statements. In addition, AT&T expects its modified location billing service (which is associated with its AT&T F.C.C. Tariff Nos. 1 and 2) to become operational on January 1, 1997. AT&T explains that it delayed the operational start of the location billing service in order to accommodate its reseller customer carriers' request for additional time in order to adjust their internal operations consistent with AT&T's modifications.

In order to answer your third and final question, I must first explain that the Commission has the statutory obligation, under Section 208 of the Communications Act of 1934, as amended, to serve complaints it receives about common carriers on all of the carriers that have or could have relevant information about these complaints. Under its rules of practice and procedure set forth in 47 C.F.R. §§1.711-1.718, the Commission ordinarily assesses responsibility or liability for the matters complained of only after the carriers involved have had an opportunity to satisfy the complaint and have failed to do so. It has been the staff's experience that the majority of consumer complaints received by the Commission are usually satisfied once they have been served on the relevant carriers and, therefore, require little or any further investigation by the staff.

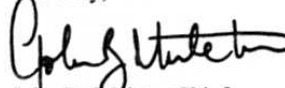
Mr. J. Alan Taylor
November 25, 1996

Page 2 of 2

Given this statutory service requirement and the complaint procedures contained in the Commission's rules, I would like to offer the following clarification of my earlier statement to you regarding AT&T's billing practices on behalf of its resale carrier customers. As you well know, consumers that have problems with their carriers are usually able to identify or track the problem through their carriers bills. In cases where the consumer is unable to identify in its complaint which carrier the consumer believes is at fault, or where the consumer's complaint arises out of the interaction of several carriers, the staff, in preparing the complaint for service as required by Section 208 of the Act, routinely examines the consumer's billing statement to identify and serve all of the relevant carriers that are or could be involved. Thus, my statement to you when we met in September was aimed at describing a process where if the billing statement carried only AT&T's logo and/or brand, the staff would routinely serve the complaint on AT&T (as well as the reseller carrier customer if that information was readily available) as a matter of course. It has been the staff's experience that AT&T subsequently directs these complaints to the appropriate parties and that these complaints are, for the most part, resolved to the consumer's satisfaction. Because this process was cumbersome, confusing and added unacceptable delay to the Commission's resolution of consumers' complaints, however, the staff welcomed AT&T's proposal last winter to modify its billing systems by the spring of this year in order to address and alleviate the confusion among consumers. Needless to say, the staff eagerly awaits the completion of these changes.

I hope that this letter satisfies your inquiry. Please do not hesitate to call me at (202)418-0700 if you have additional questions or comments.

Sincerely,



John B. Mileta, Chief
Enforcement Division

Enclosure

cc: Mary Beth Richards