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Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

May 3, 1999

990547-TL

Re: Docket No. 970882-TI
Proposed Rule 25-24.845, F.A.C., Customer Relations; Rules Incorporated; and
Proposed Amendments to Rules 25-4.003, F.A.C., Definitions; 25-4.110, F.A.C.,
Customer Billing; 25-4.118, F.A.C., Interexchange Carrier Selection; and 25-
24.490, F.A.C., Customer Relations; Rules Incorporated

Dear Ms. Bayo:

Please find enclosed an original and fifteen copies of GTE Florida Incorporated's
Petition for Waiver for filing in the above matter. Service has been made as indicated
on the Certificate of Service. If there are any questions regarding this matter, please
contact me at (813) 483-2617.

Very truly yours,

Kimberly Caswell

KC:tas
Enclosures

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FPSC BUREAU OF RECORDS

ADMINISTRATION
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RECORDED

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

A part of GTE Corporation

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Proposed Rule 25-24.845, F.A.C., Customer Relations; Rules Incorporated; and Proposed Amendments to Rules 25-4.003, F.A.C., Definitions; 25-4.110, F.A.C., Customer Billing; 25-4.118, F.A.C., Interexchange Carrier Selection; and 25-24.490, F.A.C., Customer Relations; Rules Incorporated)
_____)

Docket No. ~~970882-TI~~ 990547-TL
Filed: May 3, 1999

GTE FLORIDA INCORPORATED'S PETITION FOR WAIVER

GTE Florida Incorporated (GTE) asks the Commission to waive the notice placement provision of Rule 25-24.110(13) because strict compliance with this aspect of the Rule would likely diminish customers' ability to identify their service providers.

Rule 25-4.110(13) states:

By January 1, 1999, or six months after the effective date of this rule, whichever is later, 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 provider of local, local toll, or toll service has changed.

This Rule took effect on December 28, 1998. In the absence of a waiver, its provisions must be implemented by June 28, 1999.

GTE already complies with the Rule's directive to notify a customer of any change in his local or toll provider(s). In fact, GTE's current bill message gives the customer even more information than the Rule requires. For each service changed (local, intraLATA toll and/or interLATA toll), it tells the customer who his former provider was, who his current provider is, when the change occurred, and the cost of the change. GTE began, voluntarily, to provide this notice in February of last year. While the message does not today appear in bold, as the Rule requires, GTE will implement this change by June.

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REG-RECORDS/REPORTING

GTE's change notice does not, however, appear on page 1 or 2, as the Rule requires. Instead, GTE places the notice right after the "Total GTE charges" notation, where the other carriers' bill sections start. In other words, the message that a carrier has changed would appear right at the beginning of the section listing the carrier's charges and related information.

GTE believes that moving its existing change notice to page 1 or 2 will undermine, rather than enhance, the effectiveness of the notice for a number of reasons.

First, GTE, like the Commission, wants the notice to be read and understood. As such, before it undertook to implement the change message, GTE carefully considered the optimum location on the bill. It chose the existing location because: (1) the change notice is associated with the services and provider(s) to which it relates; and 2) in GTE's experience, customers will closely scrutinize this summary portion of the bill, increasing the likelihood that they will notice the provider change message. GTE does not believe that simply placing the message at the front of the bill will assure maximum effectiveness. Rather, one must look at the notice placement in the context of a particular bill format. In the case of GTE's bills, the notice already appears in the most logical place.

Second, GTE's change notice has been in place for well over a year. Customers are used to looking for and seeing it in its current location. Changing it after all this time would increase the likelihood of customer questions and confusion.

Third, if GTE has to move the notice, it will likely become shorter and less informative. As explained, today GTE includes a number of items—such as date of change, previous provider, and cost of change—that are not required by the Rule. If GTE must

squeeze the notice onto page 1 or 2, it will have to exclude this additional, useful information.

Fourth, if GTE is forced to move its existing message to page 1 or 2, the more feasible option would probably be page 2, since page 1 is already typically full or near full with account summary information and half of this page is the payment stub. Page 2 is the “About Your Bill” page. It includes various messages, some mandated by regulators, about how to pay your bill, returned check policies, processing of previous payments, and the like. This section does not change from month to month and so customers are not likely to read it every month. In fact, it is probably the most ignored section of the bill.

Because there is now no room on page 1, trying to place the message there would require unacceptable modifications, in terms of bill clarity. Page 1, as noted, is the account summary information—previous and current charges, totals, amount due, and due date. The margin on page 1 also includes information about late payment charges and provides numbers for GTE repair, GTE billing questions, and GTE’s Centro Hispano. Because there is now no space on page 1, moving the notice there would require making the print of the existing information smaller or otherwise squeezing this information into a smaller space, thus reducing the readability of the most important information for the consumer. Such changes would outweigh any potential benefits of placing the change notice on page 1.

Fifth, the Rule does not accommodate multi-line, multi-provider situations. Rather, it contemplates one “provider” for each type of service—local, local toll, and toll. In an increasing number of cases, however, this single-provider scenario no longer holds true.

Customers with several lines can and do presubscribe to toll carriers by line, rather than by account. That is, a customer may have different combinations of intraLATA and interLATA carriers for each line, depending on the calling patterns associated with the line. In these instances, the provider change notice itself may take up several pages because changes are made by line, rather than by account. As such, it will be impossible to put the message on any single page, let alone page 1 or 2. Again, this is something GTE considered when determining the placement of its existing change notice. Most customers do not want to wade through a number of pages listing carrier changes at the very beginning of the bill.

GTE's waiver request meets the standards of Section 120.542, Florida Statutes. The purpose of the underlying statute, 364.604 ("Billing Practices") is, in part, to effectively provide information the consumer can use to better protect himself from being slammed. GTE's waiver will not undermine this purpose. To the contrary, the waiver is necessary to satisfy this objective. As explained above, moving the change notice now, after more than a year, and in the manner specified, would likely decrease the effectiveness of the notice.

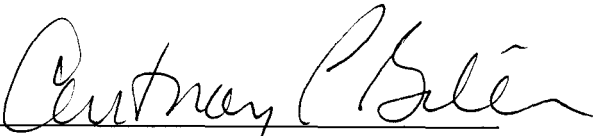

A waiver of the Rule's notice placement provision is also necessary to avoid substantial economic and technological hardship. As noted, page 2 placement is the most likely option if GTE is forced to move the existing notice. Page 2 is entirely "hard-coded." That is, there is currently no functionality to allow month-to-month variations in the information presented. GTE estimates that it would need to spend hundreds of thousands of dollars to modify its system to allow for the carrier change notice to print there.

There are other complications besides expense in this case. Extensive billing system and other process modifications necessitated by the Y2K problem are necessarily very urgent and have taken resources from more routine compliance efforts. In addition, GTE, like other carriers, will institute a moratorium on billing system changes later this year to accommodate Y2K compliance efforts. As such, the extensive system modifications needed to change the placement of the change notice could probably not be done this year in any event.

GTE submits that the equities in this case weigh heavily in favor of granting this waiver. GTE has been aggressive in instituting measures to curb slamming and cramming. Again, GTE implemented the provider change notification on its own, without prompting from this Commission. The notice GTE devised contains even more helpful information than the one the Commission has mandated. Forcing GTE to make extremely costly and burdensome system modifications to change the placement of the notice would, in effect, punish GTE for taking a proactive stance against slamming. GTE will be less likely to take the initiative to implement anti-slamming and anti-cramming measures if it is forced to modify these practices without regard to whether they already meet rule objectives.

For all the foregoing reasons, GTE seeks a permanent waiver of the notice placement provision of Rule 25-24.110(13), so that the Company can keep the message in its current place.

Respectfully submitted on May 3, 1999.

By: 
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Telephone: 813-483-2617

Attorney for GTE Florida Incorporated

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Petition for Waiver in Docket No. 970882-TI were sent via U.S. mail on May 3, 1999, to the parties on the attached list.

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Ba Kimberly Caswell

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