

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by MCI WorldCom Communications, Inc. and MCImetro Access Transmission Services, LLC to initiate rule making pursuant to Section 364.01 and 364.603, F.S., to Mandate Use of Electronic Authorization as a Permissible Method for Consumers to Lift Preferred Carrier Freezes.

DOCKET NO. 010810-TP  
ORDER NO. PSC-01-1575-PCO-TP  
ISSUED: July 30, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman  
J. TERRY DEASON  
LILA A. JABER  
BRAULIO L. BAEZ  
MICHAEL A. PALECKI

ORDER GRANTING PETITION TO INITIATE RULEMAKING PROCEEDINGS

BY THE COMMISSION:

On June 5, 2001, MCI WorldCom Communications, Inc. and MCImetro Access Transmission Services, LLC ("WorldCom") petitioned the Commission to initiate rulemaking to amend Rule 25-4.110, Florida Administrative Code, pursuant to section 120.54(7), Florida Statutes, and Rule 28-103.006, Florida Administrative Code. On June 13, 2001, BellSouth Telecommunications, Inc., filed a petition for leave to intervene in this docket. Notice of WorldCom's petition was published in the June 22, 2001, Florida Administrative Weekly. Petitioner waived the 30-day deadline that is provided in section 120.54(7), Florida Statutes, for acting on petitions to initiate rulemaking in order for us to consider the petition at our July 10, 2001, agenda conference.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

WorldCom asks us to initiate rulemaking to amend Rule 25-4.110(16), entitled Customer Billing for Local Exchange Telecommunications Companies. This rule requires companies that bill for local telecommunications service to notify customers that a preferred carrier freeze (PC freeze) is available. A PC freeze allows a customer to freeze or lock in their choice of telecommunications carriers. It is one of the methods provided in order to reduce or eliminate the occurrences of "slamming", which is the unauthorized switching of a customer's preferred carrier for local, local toll, and long distance toll services. The rule does not address the manner in which a PC freeze may be removed.

In its petition, WorldCom asserts that interexchange carriers (IXCs) and alternative local exchange companies (ALECs) do not know whether a particular customer account is frozen and that most customers do not remember that their accounts are frozen. As a result, when a customer chooses a new carrier, the change request is subsequently rejected. This then requires the new carrier to contact the customer again, and requires the customer to write a letter to the local exchange carrier (LEC) or participate in a three-way call with the LEC and the new carrier during LEC business hours.

WorldCom asserts that the freeze removal process should be simpler for consumers. WorldCom has developed a method using voice recordings in the form of .wav files that can be transmitted electronically to the LEC. It asks the Commission to amend 25-4.110(16) to mandate use of electronic authorization as a permissible method for consumers to lift a freeze. The specific language WorldCom proposes is:

25-4.110(16)(b) Methods for lifting PC-freezes may not impose unnecessary burdens on customers or telecommunications companies. The LEC may not base a refusal to honor a customer's request to lift a freeze on the ground that such request is submitted through electronic means, including voice recordings.

We agree that rulemaking should be initiated to address the issue of PC freezes, however, the above language should not be proposed at this time. Instead, a notice of rule development should be published and a workshop should be conducted by staff.

At that workshop, LECs, ALECs, and IXC's may participate and WorldCom's language and other language and rule revisions to improve the PC freeze procedure may be considered. Following the workshop and preparation of a Statement of Estimated Regulatory Cost, staff will submit a recommendation for our consideration. We will address the issue of whether to propose changes to Rule 25-4.110(16) at that time.

As to BellSouth Telecommunications, Inc.'s petition for leave to intervene in this docket, neither the Commission's rules or Chapter 120, Florida Statutes, require interested persons to formally intervene in a rulemaking proceeding. Therefore, it is not necessary to grant BellSouth's petition. BellSouth and any other interested person can participate in these rulemaking proceedings without formally seeking intervention.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the petition to initiate rulemaking filed by MCI WorldCom Communications, Inc. and MCImetro Access Transmission Services, LLC, is hereby granted. It is further

ORDERED that this docket shall remain open to proceed with the rulemaking process.

By ORDER of the Florida Public Service Commission this 30th day of July, 2001.

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

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records and Hearing  
Services

( S E A L )

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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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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 or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.