

August 30, 2001

**BY HAND DELIVERY**

Ms. Blanca Bayó, Director  
Division of Records and Reporting  
The Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RECEIVED-FPSC  
AUG 30 PM 3:53  
COMMISSION  
CLERK

Re: Docket No. 010774-TP

Dear Ms. Bayó,

Enclosed for filing in the above-referenced docket are the original and 15 copies of WorldCom's Responses to Staff's Pre-Workshop Questions.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance in this matter.

Sincerely,

*Donna Canzano McNulty*  
Donna Canzano McNulty

Enclosures

cc: Mary Anne Helton

- APP 1
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- LEG \_\_\_\_\_
- OPC \_\_\_\_\_
- PAI \_\_\_\_\_
- RGO \_\_\_\_\_
- SEC 1
- SER \_\_\_\_\_
- OTH \_\_\_\_\_

*File Done 8/31/01*

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*RAM*  
FPSC-BUREAU OF RECORDS

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of the Citizens of the	)	Docket No. 010774-TP
State of Florida to Initiate Rulemaking	)	
Which will require Telephone Companies	)	Filed: August 30, 2001
To give customers reasonable notice before	)	
Customers incur higher charges or change	)	
In services, and allow them to evaluate	)	
Offers for service from competing	)	
Alternative providers	)	
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**WORLDCOM, INC.'S RESPONSES  
TO STAFF'S PRE-WORKSHOP QUESTIONS**

WorldCom, Inc. on behalf of its operating subsidiaries in Florida, hereby files its responses to Staff's Pre-Workshop Questions in the above-referenced docket.

**Introduction**

The marketplace is the most effective means for protecting consumer interests. For example, the long distance industry is competitive and consequently, consumers have many choices of providers and switch their providers often. Today's consumers have proven that they are quite capable and ready to evaluate an array of offerings from numerous providers. Simply put, telecommunications companies that do not communicate effectively with their customers will lose those customers.

This Commission must carefully balance appropriate consumer protection against the consumer benefits of a fully competitive market. This Commission is to promote competition without unnecessary regulatory constraints. Moreover, this Commission should not promulgate additional rules that would increase individual carrier's costs -- costs that ultimately would be borne by end users in the form of higher rates.

DOCUMENT NUMBER-DATE

10832 AUG 30 01

FPSC-COMMISSION CLERK

WorldCom believes that it is unnecessary for the Commission to adopt the rule as proposed. If the Commission decides it is necessary to move forward, the proposed rule should apply only to 1+ dialed residential service.

### **Responses to Staff's Questions**

**1. What is the problem that this rule is intended to correct?**

**RESPONSE:** While the rule is intended to provide consumers with a greater amount of information, it assumes a problem that does not exist in any material way. In the competitive market, people actively choose their provider and “vote with their feet” if not satisfied with any aspect of service. Imposing additional burdens on carriers that will likely result in increased costs to consumers is unnecessary.

**2. Does this rule accomplish what it is intended to accomplish?**

**RESPONSE:** No. The proposed rule is overly burdensome as drafted and is not feasible. If adopted as drafted it could increase consumer prices, which clearly is not the purpose of the rule.

**3. Are there any other Commission rules that already address the problems his rule is intended to address?**

**RESPONSE:** WorldCom is unaware of any other Commission rule that specifically addresses this issue.

**4. Are there any other laws (i.e. federal rules, statutes, etc.) which already address the problems this rule is intended to address?**

**RESPONSE:** WorldCom is unaware of any existing federal rules or federal statutes that would require advance notice to customers of in-state rate changes.

**5. What are the costs involved if this rule is adopted?**

**RESPONSE:** Notices sent directly to the customer by first-class mail are very costly especially for companies with a large customer base and would be difficult to manage. Other aspects of the rule, including special envelope markings add to these unnecessary costs.

**6. Are there other noticing mechanisms that would accomplish the same goal at less cost?**

**RESPONSE:** Although noticing should not be required, if the Commission proceeds with this rule, there may be less costly noticing options that would accomplish the same goal, such as web-posting.

**7. Are companies already providing notice to customers in regard to changes in rates? If so, how?**

**RESPONSE:** When WorldCom changes its rates, it files those changes in its tariffs for residential customers and tariffed business products as required by the Commission.

**8. Should customers be notified of a rate decrease?**

**RESPONSE:** No. In a competitive market, customer notification should not be mandatory. In this regard, WorldCom submits that customers would prefer to learn of price decreases through seeing lower rates on their bills rather than risk minimizing or eliminating such decreases because of the costs associated with imposition of additional notice requirements.

**9. How many complaints has your company received from customers when rates are changed without notice?**

**RESPONSE:** Generally, WorldCom does not track customer complaints in this manner; however, there have been 13 customer complaints with this allegation filed with the Commission.

**10. What changes in “terms and conditions” should be subject to the noticing requirements?**

**RESPONSE:** None, because usually terms and conditions rarely change. If this rule is to proceed, the focus of the rule should be price increases for residential customers.

**11. Does “customer” include wholesale customers?**

**RESPONSE:** No, “customer” should not include wholesale customers. If such a rule is proposed, the term “customer” in the context of this rule should apply only to 1+ dialed residential service.

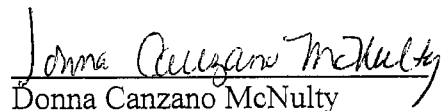
**12. What is meant by “cost of service” and why is that phrase used when the rest of the rule refers to a “price increase”?**

**RESPONSE:** The terms used throughout the proposed rule should be consistent.

**13. Should companies be required to provide a copy of their notices to the Commission?**

**RESPONSE:** No, because it is a competitive market, companies should not be required to provide a copy of their notices to the Commission.

Respectfully submitted this 30<sup>th</sup> day of August, 2001.



Donna Canzano McNulty  
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Attorney for WorldCom, Inc.

**CERTIFICATE OF SERVICE**

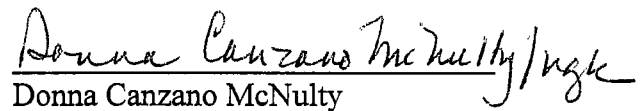
I **HEREBY CERTIFY** that a true and correct copy of the foregoing WorldCom, Inc.'s Responses to Staff's Pre-Workshop Questions has been furnished by (\*) hand delivery or by U. S. Mail on this 30th day of August, 2001, to the following:

(\*) Martha Brown  
Florida Public Service Commission  
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Donna Canzano McNulty