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February 4, 2002

Ms. Blanca Bayó
Florida Public Service Commission
Division of Records and Reporting
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0872

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RE: Petition of the Citizens of the State of Florida to initiate rulemaking which will require telephone companies to give customers reasonable notice before customers incur higher charges or change in services, and allow them to evaluate competing alternative providers. Docket No. 010774-TP.

Dear Ms. Bayó:

Enclosed are an original and fifteen (15) copies of the Comments of the Citizens of the State of Florida. This document is for inclusion in the Comments of Florida Citizens in the above referenced docket.

Thank you for your attention to this matter. Questions should be directed to the undersigned.

Sincerely,

Stephen M. Presnell
Associate Public Counsel
Enclosures

cc w/enclosure:

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COMMISSION CLERK

February 4, 2002

Docket No. 010774-TP

RE: Petition of the Citizens of the State of Florida to initiate rulemaking which will require telephone companies to give customers reasonable notice before customers incur higher charges or change in services, and allow them to evaluate competing alternative providers.

COMMENTS OF THE CITIZENS OF THE STATE OF FLORIDA

The Citizens of the State of Florida oppose the rule change as proposed by the Staff of the Florida Public Service Commission for the following reasons:

1. The Staff's proposed rule fails to clearly define the requirements of this Commission regarding the specific actions that companies shall be required to take in order to make customers fully aware of price increases prior to the time that they take effect. The use of such terms as "reasonable" and "material" (25-4.1105) merely serve to water down the intended effect of the proposed rule, so that consumers do not have a clear and conclusive means of determining that their rights to receive notice in advance of a price increase have been fulfilled by the company. Therefore, consumers are left to the mercy of company interpretations as to compliance with the rule. Only through the extraordinary, slow and burdensome process of filing a complaint with the FPSC and pursuit through the regulatory process to its conclusion will customers ever be able to achieve positive results of their complaints regarding this proposed rule. These problems can be eliminated by adoption of the Citizens' proposed rule.

2. Staff's proposed rule specifies that the notice shall be clear and conspicuous, but it fails to specify language that would achieve clear and conspicuous notice. The Citizens' proposal provides for clear and conspicuous notice by requiring notice of the price increase on the outside of the mailing envelope, which is a common form of notice used by commercial companies today. The Citizens' proposal, in this regard, assures that customers will achieve clear and conspicuous notice. This is important because the PSC Staff proposal contains no specific language as to the Commission's requirements as to

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01325 FEB-4 2002
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“clear and conspicuous.” The companies are left totally to their own discretion regarding their individual concepts of “clear and conspicuous”. Citizens would point out to the Commission that it is questionable that existing company bills contain any clear and conspicuous contents and that fine print, buried in the multiple pages of their bills, could, and will, be interpreted by the companies as to be clear and conspicuous. This proposed rule is intended to give a customer a decent chance to be made aware of price increases and to make an informed buying decisions in advance. The PSC Staff proposal fails to achieve this objective and it promotes continued charging for services at rates to which customers have not agreed nor accepted.

3. Staff’s proposal provides for notice that has been postmarked 15 days prior to the effective date of the increase in rates and charges. The Citizens agree that written notification that is postmarked, or electronic notification (for those customers that have agreed to electronic billing) that is sent 15 days prior to the increase will achieve the objectives of the proposed rule.

4. The Citizens also support the PSC Staff proposal that allows for notice of price increases to be provided pursuant to the terms of a written contract signed by the customer.

The Citizens urge the Commission to adopt specific and plain language, as we have proposed, in order to provide all customers fair and adequate notice of price increases. This will not only protect customers, it will promote competition.