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-M-E-M-O-R-A-N-D-U-M- COMMISSION CLERK

DATE: March 18, 2004

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Samantha M. Cibula, Senior Attorney, General Counsel *SMC.*

RE: Docket No. 040167-TP - Proposed adoption of Rules 25-4.082, F.A.C., Number Portability, and 25-4.083, F.A.C., Preferred Carrier Freeze; and proposed amendment of Rules 25-4.003, F.A.C., Definitions; 25-24.490, F.A.C., Customer Relations; Rules Incorporated; and 25-24.845, F.A.C., Customer Relations; Rules Incorporated.

Please place the attached post-workshop comments into the above-referenced docket file.

AUS _____
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FPSC-COMMISSION CLERK



Sandra A. Khazraee
Manager
Florida

Regulatory Affairs
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May 30, 2003

Mr. Ray Kennedy
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32309

2003 JUN -3 AM 10:21
DIVISION OF
COMPETITIVE SERVICES

RE: Proposed PC Freeze and Number Portability Rules

Dear Mr. Kennedy:

Per our previous phone conversations and our input at the previous workshops on these proposed rules, Sprint – Florida and Sprint Communications Company, LLP, has two issues with the draft rules as currently proposed. The following are Sprint’s comments on these two issues.

Rule 25-4.083 (13) Violates the Federal Slamming Rules

All local exchange providers that administer preferred carrier freeze services are bound by the Federal Communication Commission's Slamming Rules which maintains the requirement that only subscribers can implement or lift a preferred carrier freeze through contact with their local carrier. In its Third Report and Order (CC 94-129), the FCC stated that, "the essence of a preferred carrier freeze is that a subscriber must specifically communicate his or her intent to request or lift a freeze and it is this limitation on lifting preferred carrier freezes that gives the freeze mechanism its protective effect." Under the Federal Rules the subscriber has access to several methods of lifting a preferred carrier freeze; e.g., a local exchange carrier must accept a subscriber's oral authorization stating his or her intent to lift a freeze and must offer a mechanism that allows a submitting carrier to conduct a three-way conference call with the carrier administering the freeze and the subscriber in order to lift a freeze. Sprint Local Telephone Company fully complies with these requirements, and upon receipt of the customer's authority to lift the freeze, a switch change request would be completed. Until the preferred carrier freeze is lifted by the customer, the Federal Rules demand that the old local service provider reject the service order. In addition, the old service provider cannot unilaterally hold a local service order when a preferred carrier freeze exists on an account. The old service provider has no visibility to the fact that the freeze may at some future time be lifted.

Based on the Federal Rules regarding the administration of preferred carrier freeze services, Sprint believes that Rule 25-4.0083(13) should be deleted.

25-4.082 (2) Number Portability Encourages Consumer Fraud

(2) A working number or a number in Temporary Disconnect status shall be ported regardless if a balance is owed.

Sprint proposes that the Commission allow local service providers to deny a customer's request to port their number when the customer has failed to pay all charges due. Sprint has long supported the position that the local service provider should be permitted to collect all charges due prior to a delinquent customer moving on to another provider. Customers do not own numbers. Numbers of customers that have been suspended for non-pay have been disconnected and are considered unassigned numbers.

If Sprint is required to port customers with a number in Temporary Disconnect status, we will be negatively impacted systematically, operationally, and financially. Currently, Sprint's systems are not equipped to port numbers that are in delinquent status and system enhancements would be required. Please refer to the comments Sprint provided on May 23, 2002 regarding this proposed rule.

Sprint respectfully requests the Commission consider preserving the local service provider's authority to refuse to port the number of a delinquent customer.

If you have any questions regarding Sprint's position on these two issues, please contact me at (850) 847-0173.

Sincerely,

A handwritten signature in cursive script that reads "Sandy Khazraee". The signature is written in black ink and is positioned above the printed name.

Sandra A. Khazraee

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Rule Development for Proposed Adoption of Rules 25-4.082, 25-4.083, and Proposed Amendment of Rules 25-4.003, 25-24.490 and 25-24.845, F.A.C.

Undocketed

COMMENTS OF VERIZON FLORIDA INC.

Verizon Florida Inc. (Verizon) hereby submits its comments on the Notice of Proposed Rule Development, issued April 16, 2003, regarding the adoption and amendment of rules addressing number portability and preferred carrier (PC) freezes.

I. INTRODUCTION

On November 25, 2002, Staff held an undocketed workshop to solicit industry input on number portability and PC freeze rules. Verizon generally agrees with the proposed rules that were issued in the wake of that workshop. These comments focus only on the few (albeit important) rules that require modification.

If Staff accepts Verizon's proposed modifications, it is not necessary to conduct further workshops before the Commission takes further action on the proposed rules. However, if Staff rejects Verizon's proposed modifications, Staff should conduct further workshops to develop acceptable alternatives to the modifications suggested herein.

II. RECOMMENDATIONS

A. Section 25-4.082 Number Portability.

Verizon recommends a single minor modification to the proposed number portability rules. Subsection (3) provides that "A local provider shall not disconnect a subscriber's service for a working number . . . upon receiving a local service request from another local provider." This subsection should be modified to provide that "A local

provider shall not disconnect a subscriber's working number . . . upon receiving a local service request from another local provider." This minor modification simplifies the rule and makes it easier to understand.

B. Section 25-4.083 Preferred Carrier Freeze.

Verizon recommends three substantive changes to the proposed PC freeze rules.

Subsection (10) provides that "A PC Freeze shall not prohibit a LP from changing its wholesale customer's services when serving the same end user." This subsection should be modified to permit any telecommunications carrier, relying on the facilities of an underlying carrier for the provision of any type of service (i.e., local, intraLATA toll and/or interLATA toll), to migrate its end users to a new underlying carrier. This modification is necessary because carriers rely on the facilities of underlying carriers to provision more than just local service (e.g., "switchless resellers" rely on the facilities of underlying long distance carriers to provide intraLATA or interLATA toll services). In light of the foregoing, Verizon recommends that subsection (10) be modified to read as follows: "A PC Freeze shall not prohibit a telecommunications carrier, relying on the facilities of an underlying carrier for the provision of any type of service (i.e., local, intraLATA toll and/or interLATA toll), to migrate some or all of its end users to a new underlying carrier."

Subsection (12) provides that "Local providers shall make available the ability for the subscriber's new local provider to initiate a local PC Freeze using the local service request." This subsection should be modified in two respects. First, it should be revised to limit the types of carriers that can request or lift a PC freeze on an end user's

behalf. Only ALECs that rely on the facilities of an underlying carrier to provide service, such as switchless resellers, should be permitted to submit freeze implementation and lift requests directly with their underlying network providers. Even then, the ALECs should be required to verify all end-user freeze implementation requests in accordance with Federal Communications Commission (FCC) rules, and ALECs should be allowed to request freeze lifts only on the end user's explicit instruction. Under no circumstance should interexchange carriers (IXCs) be permitted to initiate freezes or request freeze lifts from a local exchange carrier (LEC) because such a practice would violate subsections (1) and (6) of this Commission's proposed PC freeze rules as well as the FCC's PC freeze rules, see 47 C.F.R. Section 64.1190, and it would undermine the very purpose of such freezes. Second, subsection (12) should be revised to permit the ALECs described above to request and lift freezes on all service categories (i.e., local, intraLATA toll and interLATA toll) because they are required to perform all LEC functions for their own end users. In light of the foregoing, Verizon recommends that subsection (12) be modified to read as follows: "Local providers shall not prohibit those alternative local exchange carriers that rely on a underlying provider to provision service from initiating or lifting a freeze for any type of service (i.e., local, intraLATA toll and/or interLATA toll), so long as the alternative local exchange carrier obtains appropriate authorization from the subscriber in accordance with FCC and FPSC rules.

Subsection (13) provides that "Local providers shall ensure that the local service order will not reject while the local freeze lift request is in progress." This subsection should be deleted because there is no reasonable way for LECs to synchronize the handling of carrier change requests and freeze removals. The LEC cannot synchronize

these two processes because it does not control when the carrier change requests and freeze removals will be transmitted, and these two transmissions do not typically occur simultaneously.¹ Because Verizon does not control the timing of these transmissions, there is no way for the LEC to ensure that the carrier change will not reject while the local freeze lift is in process. Therefore, Verizon recommends that this subsection be deleted in its entirety.

III. CONCLUSION

For the foregoing reasons, the Commission should modify its proposed rules in accordance with the recommendations set forth herein.

Respectfully submitted on May 30, 2003

By:

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Attorney for Verizon Florida Inc.

¹ Most carrier change requests are transmitted electronically, whereas most freeze lift requests are made over the telephone or in writing to the LEC business offices.



Law & Public Policy – Southern Region
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FAX: 850-219-1018 or v922-1018

Date: 5/30/08

To: Samantha Cibula

Fax #: 413-6203

Phone #: 413-6202

From: Donna McNulty
850-219-1008 or v922-1008

of Pages (Including Cover): 16

MESSAGE:

Samantha -

*Our request for workshop & preliminary
comments for the PC rule is attached.
If you have any questions, please call.*

*Thanks—
Donna*

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Rule Development for Proposed)
Adoption of Rule 25-24.082, F.A.C.,) Undocketed
and Proposed Amendment of Rules)
25-24.110, 25-24.490, and 25-24.845, F.A.C.) Filed: May 30, 2003
_____)

**REQUEST FOR WORKSHOP
AND PRELIMINARY COMMENTS OF AT&T AND MCI**

In response to the proposed rules regarding PC Freeze and 800 Number Portability published by staff of the Florida Public Service Commission (FPSC), AT&T Communications of the Southern States, LLC and TCG South Florida, Inc. (collectively "AT&T"), and MCImetro Access Transmission Services, LLC, and MCI WorldCom Communications, Inc. (collectively "MCI"), hereby file the following comments. AT&T incorporates by reference its previously filed comments related to this issue.

INTRODUCTION

AT&T and MCI oppose the use of preferred carrier ("PC") freezes. In light of the fact that Florida has existing statutes and rules regarding PC freezes, AT&T and MCI support most of staff's proposed changes to those rules. However, AT&T and MCI urge the staff to clarify the proposed rules by explicitly providing that local providers may not solicit, market, or induce a customer to request a PC freeze.

SPECIFIC COMMENTS

In 1995, the Florida Legislature took an enormous, progressive step by allowing competitive entry into Florida's local telecommunications market. Likewise, a year later

Congress passed the landmark Telecommunications Act of 1996. The Florida Legislature found that the competitive interest of telecommunications services to be in the public interest and that the transition from monopoly provision of local exchange service to competitive provision thereof will require regulatory oversight to protect consumers and to provide for fair and effective competition. (Section 364.01(3), Florida Statutes) The Florida Legislature also specifically charged the FPSC to eliminate any rule or regulation that will delay or impair the transition to competition and to ensure that all telecommunications providers are treated fairly by preventing anticompetitive behavior and eliminating unnecessary regulatory restraint. (Section 364.01(4), Florida Statutes)

During approximately the same time, in the long distance market there was an increase in the phenomenon now commonly called "slamming," where a customer's telecommunications service is converted to another provider without appropriate authorization. In addition to taking action against specific carriers, state commissions and the FCC promulgated detailed rules in an effort to prevent unauthorized customer conversions.

Florida's "slamming rules" became effective in 1998 and apply to all long distance, local, and local toll providers. (Portions of Rules 25-4.118, and 25-4.110, Florida Administrative Code. Of interest to this proceeding, one FPSC rule requires companies that bill for local service to provide notification with the customer's first bill or via letter, and annually thereafter that a PC Freeze is available. The rule also requires that existing customers be notified annually that a PC Freeze is available. (Currently, this is Rule 25-4.110(16), F.A.C.) The purpose of the PC Freeze is to provide an additional method for a customer to protect him/herself against slamming.

Also in 1998, the Florida Legislature required the Florida Public Service Commission to adopt rules to prevent the unauthorized changing of a subscriber's telecommunications service. Section 364.603, Florida Statutes, specifically provides that such rules:

... shall be consistent with the Telecommunications Act of 1996, provide for specific verification methodologies, provide for the *notification* to subscribers of the ability to freeze the subscriber's choice of carriers at no charge ... (emphasis added)

Staff now proposes to modify its "PC Freeze" rule substantially, providing details for its application and lifting. Although most of the proposal is not objectionable, the section regarding solicitation of PC freezes causes extreme concern with respect to competition in the local market. Rather than providing for *notification* as set forth by statute and current rule, the staff proposal goes much further and allows for *solicitation*, which is much broader than notification. In particular, solicitation of PC freezes can have a particularly adverse impact on competition. Local competition in Florida is nascent and simply has not developed to the point where such a program would provide any genuine, meaningful consumer protection against slamming.

The FCC and numerous state commissions have recognized the potentially detrimental impact that local PC Freezes can have on local competition, recognizing that the local PC Freeze must be offered in a way that is competitively neutral and nondiscriminatory. The local PC Freeze can be a tool with powerful anti-competitive potential.

AT&T and MCI recognize that the Legislature has required the FPSC to adopt rules providing for the notification to subscribers of the ability to freeze the subscribers choice of carriers at no charge. The proposed rule as currently drafted, however, goes

well beyond the notification required by statute, and does nothing to prevent a local company from offering a local PC freeze on every call. The fact that most telephone users must communicate with the incumbent local exchange company to obtain equipment and service on their premises gives the incumbent a built-in advantage that would be unfair to competitive local exchange carriers ("CLECs").

The PC freeze system provides a degree of protection against slamming, but only at enormous and unnecessary cost to competitors and consumers, especially if it is overbroad in its implementation. Local freezes have proven to have a detrimental impact on local competition resulting in competitors' lost revenue, delayed local service orders, rejected local service orders, lost sales, increased cost of sales and most importantly customer dissatisfaction due to these negative impacts.

The PC freeze locks the customer into a specific carrier and then requires additional work on the part of the customer to open this "lock" if the customer chooses to migrate to another carrier. The customer may first be required to speak with a representative (with or without a CLEC representative on the line), or sign a letter of authorization before the customer migrates to the CLEC. Accordingly, a customer might need to be persistent to pursue a change in carriers, something a customer is not likely to do in an environment where local competition is still in its infancy.

Because most customers will be migrating from incumbent local exchange carriers ("ILECs") to a CLEC, allowing local providers, in particular the incumbent local providers, to solicit for PC freezes increases exponentially the negative impact of PC freezes on local competition.

Even the Federal Communications Commission ("FCC") has specifically recognized the potential for abuse of the local service freeze ("LSF") process:

[W]e recognize, as several commenters observe, that preferred carrier freezes can have a particular adverse impact on the development of competition in markets soon to be or newly open to competition. These commenters in essence argue that incumbent LECs seek to use preferred carrier freeze programs as a means to inhibit the ability or willingness of customers to switch to the services of new entrants. We share concerns about the use of preferred carrier freeze mechanisms for anticompetitive purposes. We concur with those commenters that assert that, where no or little competition exists, there is no real opportunity for slamming and the benefit to consumers from the availability of freezes is significantly reduced. Aggressive preferred carrier freeze practices under such conditions appear unnecessary and raise the prospect of anticompetitive conduct.

Second Report and Order, In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, CC Docket No. 94-129, FCC 98-334, released December 23, 1998, at para. 36. [Footnotes omitted, emphasis added.]

Furthermore, the FCC has expressly stated that individual state commissions may prohibit the implementation or solicitation of preferred local carrier freezes, should such a prohibition be either necessary or appropriate:

We make clear, however, that states may adopt moratoria on the imposition or solicitation of intrastate preferred carrier freezes if they deem such action appropriate to prevent incumbent LECs from engaging in anticompetitive conduct. We note that a number of states have imposed some form of moratorium on the implementation of preferred carrier freezes in their nascent markets for local exchange and intraLATA toll services. [Footnote omitted referencing decisions in New Jersey, California, and Texas.] We find that states – based on their observation of the incidence of slamming in their regions and the development of competition in relevant markets, and their familiarity with those particular preferred carrier freeze mechanisms employed by LECs in their jurisdictions – may conclude that the negative impact of such freezes on the development of competition in local and intraLATA toll markets may outweigh the benefit to consumers. *Id.*, at para. 38. (Emphasis added)

This language describes exactly the situation here in Florida. Any proposal allowing for the solicitation of PC freezes has the potential for the incumbents to lock in their existing market share contrary to the intent of Section 364.01, Florida Statutes.

The Public Utility Commission of Texas also has recognized that even where PC freezes are available, the carrier should not be able to solicit the freezes. The Texas Commission ordered:

All information provided by a telecommunications utility about freezes shall have the sole purpose of educating customers and providing information in a neutral way to allow the customer to make an informed decision, and shall not market or induce the customer to request a freeze.... (Order issued on September 26, 2002 in Project No. 26131.) (emphasis supplied)

Accordingly, AT&T and MCI urge staff to propose rules that prohibit all local providers from soliciting for PC freezes because of the detrimental effect it would have on competition. Because solicitation of PC Freezes would have a significant detrimental impact on local competition in Florida, the proposed rule would be contrary to the intent of Section 364.01, Florida Statutes, to promote and encourage competition in the local exchange market in Florida. Allowing local providers to solicit for freezes effectively gives the incumbent local providers a Commission-approved means to lock in their existing market share and prevent the development of local competition to the detriment of Florida consumers.

AT&T and MCI suggest alternative language to staff's proposal. (Attachment 1) The alternative proposal provides for notification of PC Freeze, which is consistent with Section 364.603, Florida Statutes, and enumerates requirements for specific notification material. The alternative proposal also prohibits *all* local providers from soliciting,

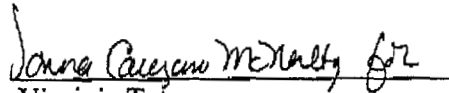
marketing or inducing customers to request a PC Freeze, which is consistent with Section 364.01, Florida Statutes.

CONCLUSION

For all of these reasons, the FPSC must carefully weigh the directives of the Legislature and balance the need for consumer protection with the mandate to encourage and foster local competition. The two goals are not mutually exclusive. The solution is for the FPSC to allow for notification, which provides subscribers with protection against slamming if they desire, and to prohibit solicitation of PC freezes, which ensures that the PC Freeze is not used as a tool with powerful anti-competitive potential.

AT&T and MCI propose alternative rule language that achieves these goals in Attachment 1. Further, AT&T and MCI respectfully request staff to schedule a workshop to consider the portion of the rule discussed in these comments.

Respectfully submitted this 30th day of May, 2003.



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Attorney for AT&T Communications of the
Southern States, LLC and TCG South
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and



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Attorney for MCI WorldCom
Communications Inc., and MCI metro
Access Transmission Services, LLC

ATTACHMENT 1

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

25-4. 083 Preferred Carrier Freeze

A PC Freeze prevents a change in a subscriber's preferred provider selection unless the subscriber gives the provider from whom the PC Freeze was requested consent to remove the PC Freeze.

(1) A PC Freeze shall not be imposed on a subscriber's account without the subscriber's authorization and shall not be required as a condition for obtaining service.

(2) A PC Freeze shall be implemented or removed at no charge to the subscriber.

(3) A PC Freeze shall be offered on a nondiscriminatory basis to all subscribers, regardless of the subscriber's provider selections.

(4) The subscriber's authorization shall be obtained for each service for which a PC Freeze is requested. Procedures implemented by local exchange providers, ~~including any solicitation,~~ must clearly distinguish among telecommunications services (e.g., local, local toll, and toll) subject to a PC Freeze.

(5) ~~All solicitation and other material~~ All notification material regarding PC Freezes must include:

- (a) An explanation of what a PC Freeze is and what services are subject to a Freeze;
- (b) A description of the specific procedures necessary to lift a PC Freeze and an explanation that the subscriber will be unable to make a change in provider selection unless the subscriber authorizes lifting of the PC Freeze; and
- (c) An explanation that there are no charges for implementing or removing a PC Freeze.

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

(6) A local provider may not solicit, market or induce customers to request a PC freeze.

~~(7)~~ A local exchange provider shall not implement a PC Freeze unless the subscriber's request to impose a freeze has first been confirmed in accordance with one of the following procedures:

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

- (a) The local exchange provider has obtained the subscriber's written or electronically signed authorization in a form that meets the requirements of subsection (7); or
- (b) The local exchange provider has obtained the subscriber's electronic authorization, placed from the telephone number(s) on which the PC Freeze is to be imposed. The electronic authorization should confirm appropriate verification data (e.g., the subscriber's date of birth or the last four digits of the subscriber's social security number) and the information required in subsection (7) (a) through (d). Telecommunications providers electing to confirm PC Freeze orders electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) will connect a subscriber to a voice response unit, or similar mechanism that records the required information regarding the PC Freeze request, including automatically recording the originating automatic numbering identification; or
- (c) An appropriately qualified independent third party has obtained the subscriber's oral authorization to submit the PC Freeze and confirmed the appropriate verification data (e.g., the subscriber's date of birth or the last four digits of the subscriber's social security number) and the information required in subsection (7) (a) through (d). The independent third party must not be owned, managed, or directly controlled by the provider or the provider's marketing agent; must not have any financial incentive to confirm

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

(d) PC Freeze requests for the provider or the provider's marketing agent; and must operate in a location physically separate from the provider or the provider's marketing agent. The content of the verification must include clear and conspicuous confirmation that the subscriber has authorized a PC Freeze.

(7) A local exchange provider shall accept a subscriber's written and signed authorization to impose a PC Freeze on a preferred provider selection. A written authorization shall be printed with a readable type of sufficient size to be clearly legible and must contain clear and unambiguous language that confirms:

- (a) The subscriber's billing name and address and the telephone number (s) to be covered by the PC Freeze;
- (b) The specific service, (e.g., local, local toll, and toll), separately stated, on which a PC Freeze will be imposed.
- (c) That the subscriber understands that to make a change in provider selection, the subscriber must lift the PC Freeze; and

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

- (d) That there will be no charge to the subscriber for a PC Freeze.
- (8) All local exchange providers shall, at a minimum, offer subscribers the following procedures for lifting a PC Freeze:
 - (a) Acceptance of a subscriber's written or electronically signed authorization; and
 - (b) Acceptance of a subscriber's oral authorization along with a mechanism that allows the submitting provider to conduct a three-way conference call between the provider administering the PC Freeze and the subscriber. The provider administering the PC Freeze shall confirm appropriate verification data (e.g., the subscriber's date of birth or the last four digits of the subscriber's social security number) and the subscriber's intent to lift a specific PC Freeze.
- (9) Information obtained under (6) and (8) (a) shall be maintained by the provider for a period of one year.
- (10) A PC Freeze shall not prohibit a LP from changing its wholesale customer's services when serving the same end user.
- (11) Local providers shall make available an indicator on the customer service record that identifies whether the subscriber currently has a PC Freeze in place.
- (12) Local providers shall make available the ability for the subscriber's new local provider to initiate a local PC Freeze using the local service request.

NOTICE OF PROPOSED RULE DEVELOPMENT
UNDOCKETED
AT&T AND MCI ALTERNATIVE PROPOSAL

(13) Local providers shall ensure that the local service order will not
reject while the local freeze lift request is in progress.

Specific Authority: 350.127, 364.603, F.S.

Law Implemented: 364.603

History-- New xx-xx-x.

Nancy B. White
General Counsel - Florida

BellSouth Telecommunications, Inc.
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(305) 347-5558

RECEIVED
03 JUN -2 AM 11:58
FLA. PUBLIC SERVICE COMM.
OFFICE OF THE
GENERAL COUNSEL

May 30, 2003

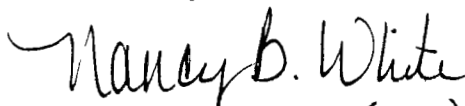
Ms. Samantha M. Cibula
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Undocketed Matter:
Number Portability and Preferred Carrier Freezes

Dear Ms. Cibula:

Enclosed is BellSouth Telecommunications, Inc.'s Comments in the captioned matter. Also, at this time, BellSouth would like to request a workshop.

Sincerely,


Nancy B. White (KA)

Enclosures

cc: Marshall M. Criser III
R. Douglas Lackey

Pursuant to Florida Statute 364.603 and FPSC rule 25-4.110 (16), BellSouth provides notification with the customer's first bill, and annually thereafter that a PC Freeze is available.

BellSouth requests clarification that 25-4.083 (3) of the staff's proposed rule does not require BellSouth to affirmatively offer a PC freeze on every call. 333

Section (5) of the proposed rule requires all solicitation and other materials regarding PC freezes must include certain information. As stated above, pursuant to FPSC rule 25-4.110 (16), BellSouth provides notification with the customer's first bill, and annually thereafter that a PC Freeze is available. Are the specifications in Section (5) (a-c) of this proposal referring to what should be in the annual notice as required in 25-4.110 (16)? Also, BellSouth requests clarification as to what the staff is referring to in regards to "all solicitation and other materials"?

Additionally, Section 64.1190 (d)(1) (i-iii) of the FCC rules requires that all carriers provide solicitation and other materials regarding preferred carrier freezes must include certain information. BellSouth requests that the staff's proposed rule (5) (a-c) be consistent with the FCC rule (attached).

Specifically, as a part of what should be included on "all solicitation and other materials", Section (5)(c) of the proposed rule states that it should include "An explanation that there are no charges for implementing or removing a PC Freeze." Section 64.1190 (d) (1) (iii) of the FCC rules state that "An explanation of any charges associated with the preferred carrier freeze" should be included. While BellSouth does not currently charge for a PC freeze in any of its nine state region, BellSouth would request the staff's proposed rules be consistent with the FCC rules.

Section (8) of the staff's proposed rule states that all local exchange providers shall, at a minimum, offer subscribers certain procedures for lifting a PC Freeze. The proposed rule provides (a) a local provider can accept a subscriber's written or electronically signed authorization; **and** (b) acceptance of a subscriber's oral authorization along with a mechanism that allows the submitting provider to conduct a three way conference call between the provider administering the PC Freeze and the subscriber. BellSouth requests clarification regarding what is required by the proposed rule. If (a) and (b) are provided as options to be utilized by the local provider in lifting a PC Freeze, BellSouth believes that there should be an "**or**" instead of "**and**" when referring to what shall be offered.

Section (10) of the staff's proposed rule states "A PC Freeze shall not prohibit a LP from changing its wholesale customer's services when serving the same end user." Bellsouth believes that this rule refers to the situation when an ALEC wants to change wholesales services (from resale to UNE-P) when serving the same customer, and a local service freeze is on the account. BellSouth requests affirmation from the staff as to the intent of this portion of the proposed rule.

BellSouth requests clarification of Section (13) of staff's proposed rule. The proposed rule states "local providers shall ensure that the local service order will not reject while the local freeze lift request is in progress." BellSouth believes that the phrase should refer to a local service "request" instead local service order.

Pursuant to the FPSC staff's notice of proposed Rule development issued on April 16, 2003, BellSouth submits the following comments and requests for clarification regarding the proposed additions to 25-4.003 (definitions), and the creation of proposed Rule 25-4.083, Florida Administrative Code (Preferred Carrier Freeze).

25-4.003 – Definitions and 25-4.082 Number Portability

The staff proposes defining a Temporary disconnect as a disruption of telephone service to a customer for a period of no less than 14 days prior to permanent disconnect. BellSouth does not believe it is necessary to add a definition for Temporary Disconnect. If staff believes that adding a definition of temporary disconnect is required, the definition should be flexible in nature to allow all companies to run their business in an efficient manner. BellSouth does not believe that a specified time period before a denied service can be disconnected should be required by rule. BellSouth recommends defining temporary disconnect as a disruption of telephone service to a customer prior to permanent disconnect.

FPSC rule 25-4.113 (Refusal or Discontinuance of Service by Company) (1) (e) and (f) allows the company to re-use or discontinue telephone service under certain conditions, provided 5 working days' written notice is given to the customer before suspension or termination. Under FPSC rule 25-4.003 (53), the staff proposes a definition of Temporary disconnect to be "a disruption of telephone service to a customer for a period of no less than 14 days prior to permanent disconnect." The staff further proposes the creation of 25-4.082 (Number Portability) which states: "a local provider shall not disconnect a subscriber's service for a working number or block porting of a number in temporary disconnect status upon receiving a local service request from another local provider."

As stated above, BellSouth does not believe that a specified time period is required by rule before a denied service can be disconnected. However, based on the staff's proposed rule, BellSouth would like to request clarification as to how the current FPSC rule and the proposed rule work together (i.e., Currently a local provider is only required to provide 5 working days' written notice before a customer is suspended or terminated -- Does the proposed rule add to that time period?).

25-4.083 Preferred Carrier Freeze

Section (1) of the staff's proposed rule states that "A PC Freeze shall not be imposed on a subscriber's account without the subscriber's authorization and shall not be required as a condition for obtaining service." BellSouth requests clarification regarding the intent of the proposed rule. Specifically, is the intent of the proposed rule to ensure that the authorization of placing freezes on accounts does not occur automatically?

Section (3) of the staff's proposed rule states "A PC Freeze shall be offered on a non-discriminatory basis to all subscribers regardless of the subscribers provider selections." While BellSouth currently does not proactively offer a PC freeze on every call, when a PC freeze is offered it is done on a non-discriminatory basis regardless of the subscriber's provider selections.

Ray Kennedy

From: Matthew Feil [mfeil@floridadigital.net]
Sent: Thursday, May 23, 2002 4:54 PM
To: 'rkennedy@psc.state.fl.us'
Subject: LNP and PIC proposed rules

Ray, I know comments were due today on the above rules, but because of other commitments in other dockets, I just haven't had time to put anything meaningful together, assuming I wanted to provide comment.

I don't have a compelling interest in the multiple LSR issue others spoke to: where a freeze is removed from a resale line by one LSR and putting it right back on via another LSR when converting the line to a UNE-P line. That seems to be an ILEC systems issue that impedes conversion.

With respect to freezes generally, the issue FDN has raised in other forums (like Bell's 271 case) still pertains: freezes should be lifted by the administering LEC promptly upon the customer meeting the FCC's rules for lifting the freeze. Expedient treatment is not granted in many cases. FDN's concern is with inefficient or improper freeze administration that impedes migration; so FDN would support a rule that strengthens LEC obligations in that regard.

On the portability issues and, specifically, on the question of porting numbers subject to soft and hard disconnects, my understanding is that a LEC can port a number subject to a soft disconnect, but for a hard disconnect, it may depend on a other factors, including the time that has passed from the disconnect to the port out. Unfortunately, I don't know enough at this time to tell you what all of those factors could be. It may be difficult to write a rule to address them, but if hard disconnects are to be excluded, something may have to be devised.

In any case, it seems to me that if a customer allowed his number to be disconnected for nonpayment of undisputed sums and let a week or two pass (or however much time is reasonable or whatever may trigger a prejudicial event, like the loop being disconnected or the number being turned over to the number pool, for example), the customer has assumed the risk of losing that number.



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Comments:

ATT'S Comments
Post 1 of 3

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Rule Development for Proposed)	
Adoption of Rule 25-24.082, F.A.C.,)	Docket No. Undocketed
and Proposed Amendment of Rules)	
25-24.110, 25-24.490, and 25-24.845, F.A.C.)	Filed: May 23, 2002
)	

AT&T'S COMMENTS

On January 30, 2002, pursuant to Section 120.54 of the Florida Statutes, the Florida Public Service Commission ("Commission") staff initiated a rulemaking for the development of Rules 25-24.082, 25-24.110, 25-24.490, and 25-24.845, Florida Administrative Code. The rulemaking language was created to propose and amend provisions relating to number portability and preferred carrier freezes ("PC freezes").

On May 9, 2002, the Commission Staff held a Workshop to discuss the proposed rule changes and to hear comments from the parties. In addition to clarifying existing rules relating to PC freezes, the staff indicated that the intent of the proposed changes is to resolve two specific issues, based on complaints received by the staff. As such, staff maintains a desire to limit the scope of the proposed rulemaking to these two issues: 1) Incumbent Local Exchange Carrier's ("ILECs") failure to port numbers when a temporary disconnect is administered for non-payment of a customer's account; and 2) ILEC processes which may prevent Alternative Local Exchange Carriers ("ALECs") from efficiently migrating wholesale customers from resale to UNE-P when a PC freeze is in place on the customer's account.

At the conclusion of the Workshop, staff asked parties to provide their comments regarding the rulemaking language. AT&T hereby complies with that request as follows:

NUMBER PORTABILITY

On the issue of requiring ILECs to port numbers if the customer has been temporarily disconnected, staff's proposed language simply puts in place the Federal Communications Commission's ("FCC's") existing rules relating to number portability. AT&T supports staff's proposed language.

PC FREEZES

The purpose of the preferred carrier ("PC") freeze system is to provide an additional method for a customer to protect him/herself against slamming. While the PC freeze is designed to assist the customer in insuring that no unauthorized carrier *wrongfully* changes the customer's selected service, it should not make it more difficult than necessary for the customer to change carrier service when he or she genuinely wishes to do so, or when the ALEC chooses to migrate that customer from one wholesale service to another. The PC freeze should not needlessly get in the way of the customer's *bona fide* decision. The current system provides a degree of protection against slamming, but only at enormous and unnecessary cost to competitors and consumers in the form of needless frustrating impediments to customers seeking to make *bona fide* changes to their preferred carrier, or as stated above, when an ALEC chooses to change the underlying wholesale services of their existing customers. The existing system - except when administered by an ILEC on its own behalf - is unfriendly to both the consumer and the ALEC. That anti-consumer bias is, for this reason, seriously anti-competitive.

At this time, AT&T opposes a preferred local carrier freeze program in Florida. Competition has simply not developed to the stage where such a program would provide any genuine, meaningful consumer protection against slamming. Additionally, preferred

local carrier freezes are detrimental to the overall development of competition in the state. However, in light of the existing rules in Florida, AT&T supports the staff's efforts to clarify the existing PC freeze language in Rule 25-24.110. Specifically, clarification of the current rule to stipulate that PC freezes not be placed on a customer's account without his or her explicit consent is imperative to ensuring competition in the local, local toll and long distance markets. However, in an effort to further build on this Commission's existing rules to protect consumers, AT&T recommends that the staff adopt the existing FCC Rule language for the administration of PC freezes (47CFR64.1190). This Commission has already opted in to the FCC's Slamming Rules. Therefore, adopting the FCC's rules would be consistent with this Commission's previous "opt-in" and would further its goal to protect the consumers of Florida.

Although the staff has certainly taken a step in the right direction by proposing that a PC freeze can only be placed at the customer's request, further requirements regarding how the customer's request is obtained are necessary. ~~Without further requirements, there is the very real potential for carrier abuse. For example, a carrier could easily claim that a customer requested a PC freeze. However, without independent verification of that customer request through an LOA or TPV, the Commission or other carriers cannot validate that PC freeze request.~~ There must be some rules in place to prove that a customer actually requested the freeze. Thus, adopting the existing FCC rules will further protect Florida consumers and remain consistent with the Florida Commission's decision to opt into the FCC's Slamming rules. A red-lined version of the staff's rulemaking language, incorporating the FCC language, is attached as Exhibit A.

While it has chosen not to impose a nationwide prohibition on the implementation of preferred local carrier freezes by incumbent local exchange carriers, the FCC has specifically recognized the potential for abuse of the preferred carrier freeze process:

[W]e recognize, as several commenters observe, that preferred carrier freezes can have a particular adverse impact on the development of competition in markets soon to be or newly open to competition. These commenters in essence argue that incumbent LECs seek to use preferred carrier freeze programs as a means to inhibit the ability or willingness of customers to switch to the services of new entrants. We share concerns about the use of preferred carrier freeze mechanisms for anticompetitive purposes. We concur with those commenters that assert that, where no or little competition exists, there is no real opportunity for slamming and the benefit to consumers from the availability of freezes is significantly reduced. Aggressive preferred carrier freeze practices under such conditions appear unnecessary and raise the prospect of anticompetitive conduct.

Second Report and Order, In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, CC Docket No. 94-129, FCC 98-334, released December 23, 1998, at para. 36. [Footnotes omitted.]

Furthermore, the FCC has expressly stated that individual state commissions may prohibit the implementation of a preferred local carrier freeze, should such a prohibition be either necessary or appropriate:

We make clear, however, that states may adopt moratoria on the imposition or solicitation of intrastate preferred carrier freezes if they deem such action appropriate to prevent incumbent LECs from engaging in anticompetitive conduct. We note that a number of states have imposed some form of moratorium on the implementation of preferred carrier freezes in their nascent markets for local exchange and intraLATA toll services. [Footnote omitted referencing decisions in New Jersey, California, and Texas.] We find that states – based on their observation of the incidence of slamming in their regions and the development of competition in relevant markets, and their familiarity with those particular preferred carrier freeze mechanisms employed by LECs in their jurisdictions – may conclude that the negative impact of such freezes on the development of competition in local and intraLATA toll markets may outweigh the benefit to consumers.

Id., at para. 38.

This language describes exactly the situation here in Florida. Competition in the local exchange market is nascent. **At this time, ILEC administration of local freezes has less to do with state's concerns for consumer protection, but rather is a thinly disguised attempt to lock-in the ILEC's existing market share.**

The New York Public Service Commission has also chosen to exercise caution when addressing the issues associated with implementing this type of preferred local carrier freeze. After seeking comments on a proposal by Verizon, the NYPSC noted:

The nine initial commenters overwhelmingly oppose the Local Service Provider Freeze option. They state that the filing is premature and inappropriate, especially since it allows the carrier with the most to gain by freezing customers, Verizon, to be the custodian of the freeze process. Many also stated that the incidence of local slamming complaints is not sufficient to warrant local service freezes. . . .

In its comments, the Office of the Attorney General (OAG) states that instituting a freeze would create an unnecessary risk to local competition, especially since Verizon has a monopoly on facilities essential to local competition and is the overwhelmingly dominant carrier in its service territory.

Order of the New York Public Service Commission in Case 00-C-0897 et al., issue and effective March 23, 2001, at page 21.

The NYPSC went on to hold that, "in light of the rapidly changing local telecommunications market and our competitive concerns related to the current PIC freeze system, Verizon's proposed tariff revisions should not become effective during our evaluation of the entire freeze system."

Although outside the scope of this rulemaking, AT&T believes that the industry should begin the transition from a carrier change and PC freeze administration that presumes that the ILECs are the monopoly providers of local services to a competitively

neutral system that assumes a multiplicity of local service providers. The migration of the existing PC freeze and carrier change functionalities to a neutral third party administrator is commercially viable and clearly superior in every respect to the current ILEC-centric system. If a truly multi-carrier competitive market is to develop and grow in Florida, it will be essential that no carrier continue to play the dual roles of competitor and gatekeeper/umpire. Simply put, in order for competition in the local market to flourish in Florida, it is essential that the industry adopt a neutral administration of the PC freeze process.

Moreover, AT&T would like to point out that complaints, similar to the one leading to his particular rulemaking, are only the tip of the iceberg with regard to problems relating to ILEC control over the PC freeze process. These types of complaints bring to light the problems ALECs experience in the new and budding local service market. (See section D.1 & D.2 herein). While AT&T is not currently offering consumer local service on a resale basis in Florida, this problem is indicative of the ILECs control over the administration of PC freezes and how that administration is anti-competitive and potentially harmful to Florida consumers.

AT&T acknowledges that the issue of a neutral PC administration is outside the scope of the instant rulemaking proceeding. However, AT&T provides the following information because the problems underlying the proposed rule changes would be better solved by a new PC administration mechanism. AT&T recommends that this proposal be addressed in a future rulemaking or other proceeding.

AT&T believes that a neutral administration in whole, or even in part, will significantly improve the functionality and reliability of the PC Freeze carrier change

program for customer use, and a neutral administrator will ensure that the ILECs are not and could not be the fox guarding the henhouse. Assigning responsibility to a neutral entity for PC freeze administration and associated functions for accomplishing PC changes should consolidate and decrease the amount of effort a customer must expend to administer their phone service selection, and may increase customer faith in such a program.

First, a neutral third party PC and carrier change administration system guarantees an improvement in the customer's experience. The current system used by ILECs and ALECs works badly. The system used by ILECs works better only for the ILECs because the ILECs discriminate in favor of their own carrier representatives. A better solution is to bring everyone's customer service standards to the highest non-discriminatory level. A third party administrator can accomplish this objective.

A neutral administrator would enhance the customer's experience by eliminating the need for a three-way call between the customer and two competing carriers. Neutral administration should also reduce the number of calls required of the customer to one call, and thereby effect a more expeditious implementation of the customer's PC change request. **In contrast, even if a customer is aware that they have a PC freeze, the customer must make several calls, if not more, over the course of 7-10 days to lift a PC freeze, place a carrier change order and then re-impose a PC freeze on their new service.** If a customer is unaware that they have a PC freeze and submits a service change order which is consequently rejected by the ILEC, it may take the customer at least five calls spaced over the course of approximately 12-19 days to accomplish the PC change and re-impose a PC freeze. Moreover, as it is, a PC freeze is not an actual block in the network or on

the switch that controls which carrier serves as a customer's pre-subscribed carrier for inter-exchange service. Rather, to administer the PC freeze system, it appears that the ILEC has a "note" in its local service record billing system that rejects a submitting carrier's order if a PC freeze exists. If any-distance competition is to be encouraged, allowing one competitor to administer the blocking mechanism on all carrier orders is rife with anticompetitive possibilities. Additionally, with further regulation of customer information privacy, the ILEC might be concerned with any legal obligations to withhold customer account information such as a PC freeze, and refuse to reveal the status of a PC freeze to a submitting carrier. The ILEC should not be required to singularly bear the tension between safeguarding a customer's privacy rights on account information while at the same time making this information available to competitors on a real time basis so that customer service changes proceed without undue difficulty. Surely it would be best for customer privacy protection if carriers accessed a neutral entity, rather than the ILEC.

Similarly, with the creation of a neutral administrator to facilitate provision to all carriers of the current PC freeze status of the customer in compliance with any applicable customer privacy regulations, there is a guaranteed improvement in the ease and efficiency that a customer will experience in effectuating its desired carrier change. At the same time, a neutral administrator ends the risk that the ILEC is able to perform a PC freeze lift more easily than its competitors in order to switch a customer to that ILEC.

Finally, but of great significance going forward, a third party administrator of the PC freeze carrier change process will facilitate both the PC freeze and the intercarrier exchange processes in a multi-carrier environment. The existing system simply cannot accommodate either of these objectives.

Accordingly, AT&T makes the following proposal with respect to neutral administration of the PC freeze program.

AT&T Proposal

AT&T proposes that a neutral entity be established to (1) serve as a central repository or clearinghouse of PC freeze status and some of the basic elements of the local customer service record ("CSR"), and (2) have a third party verification division to accept requests to impose and lift PC freezes from customers calling directly and/or from customers transferred by carriers. The amount of "administration" required is minimal. To serve as a neutral PC freeze administrator, the data store or clearinghouse and its TPV division would merely have to be allowed to communicate the PC freeze status updates to all local service providers ("LSPs") and interexchange carriers ("IXCs") involved in individual PC change requests, and receive daily updates of customer account information from carriers. For neutral PC freeze administration to succeed, it would be mandatory for all carriers to participate in this program. For purposes of this proposal, this neutral entity shall be referred to as the Neutral PC Freeze Administrator (NPFA).

A. NPFA CENTRAL DATA STORE

In a multi-local carrier environment, a PC freeze program designed (i) to work for all customers, rather than just ILEC local customers, and (ii) to offer a local PC freeze in addition to local toll and long distance freezes, will not work unless carriers know which other carrier serves as the customer's LSP. Additionally, PC freezes are just one of the primary reasons that ILECs may unnecessarily reject a *bona fide* customer PC change request submitted by a LSP or IXC.¹ Accordingly, AT&T recommends that the neutral

¹ For example, a LEC may reject a PC change request submitted by an ALEC or IXC with the following TCSI codes: 2104 (Billing telephone number not found); 2122 (Billing name does not match the billing

entity maintain a data store of the following basic necessary information pertinent to placing a proper order to change customer service:

1. Billing Telephone Number (BTN)
2. Billing Name and Address
3. Working Telephone Numbers (WTNs) under this BTN
4. Residence/Business indicator
5. Line Status (active, disconnect, blocked, etc)
6. PC Freeze Indicator (populated Yes or No) at Service Level (Local Toll, LD)
7. Date of most recent record update
8. Some type of indicator to Identify CICless resellers
9. Local Service Provider (LSP) ID.

Without having real time access to this information, neither an LSP nor an IXC, can be sure that it is submitting a PC change request to the correct local service provider, or that the request is sufficiently compatible with the LSP's customer account information so as not to be rejected by the LSP. With local service competition in Florida, it is appropriate that all carriers have equal real time access to this basic information so as not to confer a competitive advantage on the customer's incumbent local service provider, who may also be marketing local toll or long distance service.

In order to initially establish this neutral, centralized data store, each current local service provider serving Florida markets would be required to provide a one time data

name for this account on the LEC record); 2124 (Billing address does not match the billing address for the account on the LEC record); 2166 ("the PC freeze reject" -- end user request that PC activity on the account be limited to orders initiated with ILEC. ALEC/IXC requests to change PC are not accepted and this code indicates the account is PC'd to another carrier).

transfer of the above-listed customer account information for all their local customers.²

On an ongoing basis, all LSPs would be required to provide daily updates to the NPFA data store of any changes to the required customer account information.

Correspondingly, the NPFA would provide, at a minimum, a daily update of PC freeze status changes to each affected local service provider.³ Once established, the neutral data store would then -- with all due regard for customer privacy as set forth in more detail below -- allow all carriers with appropriate customer permission to access the data store for a real time individual customer account status query in order to prevent needless order rejections. Conceptually, the real time access and inquiry would take place while the customer was on the phone with a carrier he or she was speaking to about a service change. The carrier's service representative would be able to read a computer screen with the pertinent information. The NPFA's data store would be accessible on a non-profit transactional fee basis for carriers who queried it to determine a customer's PC freeze status and basic account information.

AT&T, as a local service provider who would transfer customer information to a neutral entity, is committed to safeguarding customer account information. It is not intended that any and all carriers could access this data store at any time and for any purpose such as marketing. Rather, it is proposed that each carrier wishing to access such

² See Order on Reconsideration and Petitions for Forbearance, CC Docket No. 96-115 (FCC 99-223, rel. Sept. 3, 1999), ¶ 146-47 (customer name, address and telephone number are not CPNI and constitute information for the purposes of § 272(c)(1) and if the BOC makes such information available to its 272 affiliate, it must make it available to non-affiliated entities).

³ This would advantage the LSPs to some extent. If a LSP wished to also market local toll or long distance service to the customer, the LSP would only have to access its internal records to determine if there were any PC freezes on the lines and could avoid the cost of accessing the NPFA's neutral data store. Additionally, in the future and especially if the NPFA were allowed to administer local service freezes, the neutral data store would assist a LSP by providing them real time access to the PC freeze status of customer who has a different LSP.

information must enter an appropriate general agreement with the NPFA prior to gaining access. As may be specified in such a general agreement and as would be consistent with observance of certain CPNI regulations, "each customer would have to grant the carrier whatever permission necessary to access a customer account record as maintained by the NPFA."

B. NPFA TPV DIVISION AND PC FREEZE ADMINISTRATION

As a centralized administrator of the PC freeze program, the neutral data store should be associated with a separate division that conducts third party verifications of PC freeze imposition or lift orders. The NPFA's third party verification ("TPV") division would perform just as industry TPV vendors currently perform, by audio recording and preserving customer requests for service changes and PC freeze impositions and/or lifts.⁴

To the extent that the NPFA TPV division performs as a TPV vendor, it is anticipated that fees for the service should be competitive with current industry TPV vendors. However, the NPFA TPV division itself could be operated on a non-profit

⁴ Third party verification and/or oral authorization from the subscriber is sufficient. The applicable FCC rules state: "No local exchange carrier shall implement a preferred carrier freeze unless the subscriber's request to impose a freeze has first been confirmed in accordance with one of the following procedures: . . . (iii) An appropriately qualified independent third party has obtained the subscriber's oral authorization to submit the preferred carrier freeze and confirmed the appropriate verification date (e.g., the subscriber's date of birth or social security number) and the information required in Sec. 64.1190(d)(3)(i)(A) through (D). The independent third party must not be owned, managed, or directly controlled by the carrier or the carrier's marketing agent; must not have any financial incentive to confirm preferred carrier freeze requests for the carrier or the carrier's marketing agent; and must operate in a location physically separate from the carrier or the carrier's marketing agent. The content of the verification must include clear and conspicuous confirmation that the subscriber has authorized a preferred carrier freeze. . . . (e) Procedures for lifting preferred carrier freezes. All local exchange carriers who offer preferred carrier freezes must, at a minimum, offer subscribers the following procedures for lifting a preferred carrier freeze: (1) A local exchange carrier administering a preferred carrier freeze must accept a subscriber's written and signed authorization stating her or his intent to lift a preferred carrier freeze; and (2) A local exchange carrier administering a preferred carrier freeze must accept a subscriber's oral authorization stating her or his intent to lift a preferred carrier freeze and must offer a mechanism that allows a submitting carrier to conduct a three-way conference call with the carrier administering the freeze and the subscriber in order to lift a freeze. When engaged in oral authorization to lift a preferred carrier freeze, the carrier administering the freeze shall confirm appropriate verification data (e.g., the subscriber's date of birth or social security number) and the subscriber's intent to lift the particular freeze." 47 C.F.R. § 64.1190 (d)(2)(iii) and (e)(2).

basis, thereby perhaps offering better pricing than other TPV vendors. Or, if the NPFA TPV was non-profit but offered the market price, any monies made could be used to offset the costs of neutral PC Freeze administration. Obviously, the advantage to both carriers and customers of this arrangement is that a customer subject to a PC freeze but interested in changing carrier can have the PC freeze identified, the freeze lifted and the TPV verification concluded on a single call, all without any increased risk of slamming. Carriers interested in using their current TPV vendors would, of course, be free to do so.

Addressing regulatory concerns, the NPFA TPV also offers the opportunity to have scripting for the verification process that meets all the regulatory expectations for successfully educating customers about the PC freeze mechanism and providing a consistent PC freeze experience.

Once the NPFA TPV division verified a customer's authorization, the NPFA would send an electronic message⁵ to the customer's LSP, advising it of the imposition/lift of a PC freeze. The update to the LSP could be accomplished through real time data transfer, online query by an LSP or through daily batch feeds to suit the needs of customer account change frequencies. The NPFA would also update its own data store to reflect the customer's current PC freeze status. The information flow under neutral PC freeze administration may also be understood by viewing the attached diagrams provided as Exhibit B. In order to better serve customers, the NPFA should be allowed to accept a single customer request to lift a PC freeze in order to process a specific PC change order

⁵ The electronic messaging does not necessarily require development of a new information exchange system. Currently, many carriers conduct Customer Account Record Exchange ("CARE") through Transaction Code Status Indicators (TCSIs). The Ordering and Billing Forum (OBF) industry workgroup meets regularly to review the TCSIs. To the extent that current TCSIs may not already exist to convey the messages necessary, several new TCSIs could be easily established. The NPFA could exchange such TCSIs with the carriers via electronic or paper messaging --the same way that carriers currently exchange the TCSIs.

and then re-impose a PC freeze once the PC change is completed. Currently, it is any customer and their new ALEC or IXC carrier's best guesswork as to when to lift a PC freeze, then wait the supposedly appropriate amount of time for an ILEC to receive, handle and confirm a PC change and then try to impose a PC freeze at the earliest possible opportunity.⁶ During this time, the customer may be vulnerable to slamming. Ironically, because the PC freeze resides in the billing system and is not related to the switch, it may not be necessary for a LSP to actually "lift" and "re-impose" the PC freeze. Rather the LSP merely needs proper authorization, such as the NPFA's "go-ahead" to process the PC change despite the pre-existing PC Freeze and, if the customer wishes, leave the PC Freeze on the new service order. This would save the customer at least 3 phone calls.

The NPFA would also address problems associated in PC freeze administration where a CIC-less reseller riding on a facilities-owned IXC is involved. Currently, there is a lack of communication between the ALECs, Resellers and IXCs involved.

A switchless reseller is a carrier that lacks switches or other transmission facilities in a given LATA. It purchases long distance service in bulk from facilities-based carriers and resells such service directly to consumers. Resellers frequently share CICs with the underlying carriers whose services they resell. . . . the shared use of CICs gives rise to two related problems: soft slamming and carrier misidentification. A soft slam is the unauthorized change of a subscriber from its authorized carrier to a new carrier that used the same CIC. Because the change is not executed by the ILEC, which continues to use the same CIC to route the subscriber's calls, a soft slam bypasses the preferred carrier freeze protection available to consumers from ILECs. Carrier misidentification occurs because ILECs also identify carriers by their CICs for billing purposes. An ILEC's call record therefore is likely to reflect the identify of the underlying carrier whose CIC is used, even if the actual service provider is a reseller. As a result, the name of the underlying carrier may appear on the subscriber's bill in lieu of, or in

⁶ Federal regulations currently allow up to 60 days to process a PC change order before a submitting IXC's order request verified by written or electronic LOA is considered stale. See 47 C.F.R. § 64.1130(j) ("telecommunications carrier shall submit a preferred carrier change order on behalf of a subscriber within no more than 60 days of obtaining a written or electronically signed letter of agency").

addition to, the reseller with whom the subscriber has a direct relationship. This makes it difficult for consumers to detect a slam and to identify the responsible carrier.”

See Third Report and Order and Second Order on Reconsideration, CC Docket No. 94-129, FCC 00-255 (rel. August 15, 2000), ¶ 22.

The NPFA would keep all carriers informed and provide them with the information to keep accurate records. The reseller would also be able to access the customer account data store and transfer a customer to the TPV division to verify an PC freeze lift and re-imposition of the freeze post PC change. The NPFA would send PC notification to the Reseller and a PC freeze status update to the LSP. The Reseller would send notification to the Facility Owned IXC with a special notification code and TPV authorization number. The Facility Owned IXC would forward the notification to the LSP. The LSP would process the PC Change order, sending an outPC to the old IXC and inPC to the new IXC. The new facility owned IXC serving the Reseller would set up the proper billing account/calling plan then forward confirmation to the Reseller.

Importantly, a NPFA working in conjunction with all LSPs to administer a PC freeze system would make the PC freeze function available to all customers regardless of the ILEC providing local service. Although the ILECs are currently authorized as the administrator for PC freezes for local, local toll and long distance service in Florida, the ILECs are incapable of administering PC freezes for customers served outside of their service territory. The FCC rules permit other ALECs to administer PC freeze programs,⁷ but not all ALECs have the resources to comply with all the requirements mandated to

⁷ See 47 C.F.R. § 64.1190(a) (“All local exchange carriers who offer preferred carrier freezes must comply with the provision of this section”).

establish a program.⁸ A NPFA should assist in removing the burden of many of these requirements from ALECs while providing the desired benefit to the customers.

Additionally, an NPFA would ensure that a customer's PC freezes on local toll and/or long distance service stay intact even if the customer switched local service providers. Currently, even if a LSP administers a PC freeze program (and many do not), there is no provision for transfer of the customer's PC freezes when a customer switches local service providers. This has created a loophole in the current PC freeze system. If a carrier submits a PC change order for the local service and waits for that order to be confirmed, the carrier can then (rightly or wrongly) submit the orders for a local toll and/or long distance service change and there will be no PC freeze in place with the new LSP to cause an order reject. The NPFA should succeed in removing this loophole that enables some companies to bypass PC freezes in certain instances. With the NPFA, a customer can confidently impose PC freezes on local toll and long distance service orders and rely on the freezes staying intact even if the customer switches LSPs.

To summarize, the NPFA would provide the following benefits. The NPFA accommodates the full range of the customer request via one phone call. The accessible central data store provides carriers a tool to pro-actively prevent unnecessary rejection by the LSP of customer service orders. The NPFA sets up an audit trail for the PC Freeze program. The central data store will make it possible to track and compare PC Freeze orders verified and/or accepted by the NPFA TPV to the actual notification sent to the LSP to ensure carrier adherence to the verification process. This will make it easy to bring offending carriers to the Commission's attention. In addition to using the NPFA as

⁸ Procedures for soliciting and imposing freeze and procedures for lifting freeze are set forth in 47 C.F.R. § 64.1190(d) and (e).

their TPV vendor for PC freeze orders, IXCs, resellers and LSPs could explore using the NPFA TPV division as their TPV vendor for regular service orders in order to gain cost efficiencies.

C. NPFA COST AND ESTIMATES

On April 18, 2001, an industry working group presentation was made to NECPUC. In conjunction with the working group proposal, Neustar submitted some preliminary numbers for the set-up costs and day-to-day transactional costs of entities similar to the NPFA. Although provisional numbers were submitted confidentially to NECPUC, the numbers indicated that the finances of setting-up and running a Neutral PC Freeze Administrator are reasonable and affordable. Additionally, the industry working group established in New England estimated that a Neutral PC Freeze Administration could be established and workable in 9-12 months. Similarly, the New York Commission held two days of industry workshops on the Neutral Third Party Administrator concept during the summer 2001. Different vendors, including Neustar, NCS and Telcordia, made presentations on the neutral administrator concept. AT&T urges this Commission to avail itself of information from its New England and New York counterparts and to ask Neustar and perhaps other interested parties to submit non-binding "order of magnitude proposals for establishing such a system. Alternatively, the Commission would put out either a Request for Information ("RFI") or, working in conjunction with the industry to develop specifications, a Request for Proposals ("RFP") for an NPFA. Our research to date demonstrates that there are several competent firms ready willing and able to establish such a system at an affordable price.

D. ADDITIONAL NEUTRAL ADMINISTRATION FUNCTIONS OR TIE-INS.

AT&T's proposal for a Neutral PC Freeze Administrator has attempted to address ALEC migration concerns in addition to IXC concerns. AT&T proffers that the neutral entity envisioned to administer the PC Freeze program could easily be expanded to address two additional issues associated with the migration of customer local service. In an attempt to provide big picture perspective, AT&T paints these additional proposals in broad-brush strokes. This Commission staff has already indicated in interest in the guidelines for ALEC migration of local customers. If the Commission is interested in the proposals set forth herein, AT&T recommends that an RFI be put out to allow would-be vendors the opportunity to make proposals for consideration.

Two different types of problems occur in communications with some ALECs. First, among ALECs, the system to exchange customer account record (CARE) information is not broadly established. Some ALECs exchange CARE with other carriers (including ALECs) on a selective basis. The proposal in section "1" below for a CARE Data Exchange Administrator addresses this issue. Second, because competition in the local service market is a recent development, there is no industry system for ALEC exchange of a customer's local service record. The proposal in section "2" below for a neutral administrator to centrally store the CSR for all carriers addresses this issue. As such, it is very feasible and probably resource-effective to marry solutions to these related problems. The solution need not be produced at all once. A central information hub(s) might be created in stages, or separately with an eye to combining them at a more mature point.

In addition to the creation of a Neutral PC Freeze Administrator, a central information hub serving all carriers should include two additional components:

- (1) CARE Data Exchange Clearinghouse and/or Administrator; and
- (2) A Customer Account Data Store and/or Clearinghouse that contains not just nine elements of the customer account record, but the entire local customer service record.

1. CARE Data Exchange Clearinghouse

The neutral entity could also serve as a CARE Data Exchange Clearinghouse and/or Administrator. Although the ILECs and other IXC carriers have set up the CARE system so that they exchange customer account information, many of the more recent ALEC entrants into the market are challenged to duplicate such systems and/or negotiate the "interface" of such CARE feeds with every other carrier they might have need to communicate with. Similarly, the incumbent carriers in the industry are challenged to set up the "interface" with the new entrants that they have need to communicate with. For example, one of the challenges of exchanging CARE is that the systems of the companies must communicate. Some carriers communicate electronically, some companies still communicate on paper, and some do not communicate at all. Lack of communication fails the entire system and causes some portion of the customer's request to be badly handled or not handled at all. Differences in communication methods, such as when one company sends CARE via a fax and the other company is set up to receive an electronic message, present challenges that require time and resources to resolve. Even if both companies hope to interface electronically, their technical systems must also be able to speak to each other.

To meet these challenges, the NPFA Data Store could also serve as a collection and distribution point for messages between carriers that lack an established CARE interface. To begin with, it is not expected that participation in the CARE Data Exchange Clearinghouse would be mandatory for all carriers. However, even industry carriers that have negotiated, contracted and implemented CARE interfaces with some of the other carriers would have the opportunity to participate in the clearinghouse on a limited basis to communicate with the carriers with whom they do not have CARE relationships. And, with the clearinghouse established, carriers with pre-existing CARE arrangements would have the opportunity and incentive to migrate to full participation in the clearinghouse if its efficiencies prove attractive. Even the commencement of this voluntary "hubbing" would promote standardization of CARE format. Further, if necessary, the neutral entity could also "translate" CARE submitted in a non-standard form into a form easily transmittable to and understandable by other carriers. The transaction costs for receiving and sending CARE through this point should be such that they would significantly offset the costly infrastructure needed to maintain CARE interfaces with multiple carriers. Moreover, the CARE Data Exchange Clearinghouse Administrator could be permitted to serve as a sort of traffic cop, by sending out alerts to carriers who delay implementation of an order when a submitting carrier's order is in jeopardy becoming untimely. This will ensure that the customer's service changes are promptly executed within acceptable intervals of time, and problems preventing such execution may be more easily pinpointed. The neutral entity can also coordinate the processing of multiple orders to reduce LNP porting problems.

2. Neutral Central CSR Data Store or Clearinghouse accessible by All Carriers

The central data storehouse or clearinghouse envisioned in association with the NPFA above would only maintain or manage nine (9) items regarding the customer local service account. In contrast, a customer's local service record may ordinarily encompass anywhere from twelve (12) to upwards of fifty (50) items of information. Such additional information includes the additional services requested by the customer such as call waiting, voice mail and caller-id. Many customers who switch carriers request "the same service" they already have if it can be obtained more inexpensively elsewhere. Rather than frustrate a customer by reading an entire list of menu options to them to see which ones they sign up for, the accessibility of a centralized CSR data store will greatly foster local competition by allowing competing carriers access to complete customer information to facilitate "as is" porting. (Again, access would be granted only as authorized by the customer, to the extent such authorization might be required). Of additional benefit, this centralized CSR data store or clearinghouse may serve as an inexpensive alternative for smaller companies that do not have the technical or financial infrastructure to either or both maintain their own CSRs electronically or set up electronic interface arrangements to exchange CSRs with all other CLECs. To function properly, carrier participation in a CSR data clearinghouse should be mandatory.

3. The Future

The CSR data store/clearinghouse combined with a CARE Data Exchange in which ALL carriers participate has the potential to become a universal PC/PLOC change administrator for all carriers. As such, carriers would send the customer orders to this neutral hub, and the hub would distribute the appropriate order/ information update to all

carriers involved in effecting the order or affected by the order. Additionally, this central hub may offer other benefits at reduced cost. For example, the central administration would be in a position to assist state regulatory agencies by providing industry-wide reporting and serving as an additional source of information necessary to resolve customer problems and disputes between carriers. *See e.g.*, footnote 24.

A universal PC/PLOC change administrator need not be treated as an unbuildable Taj Mahal. The proposals set forth herein may serve as the very building blocks of a neutral, pro-competitive hub that interfaces with all industry carriers and keeps the customer from being caught in the middle. It may be more appropriate to analogize a universal PC administrator to the "Field of Dreams", if you build it, the competitors will come to play.

Indeed, Mexico and Argentina already have some sort of universal PC/PLOC change administration that is provided by a vendor with operations out of Minnesota.⁹ The establishment of the neutral central database administrator in Mexico in 1997 appears to have been coincidental with the introduction of long distance competition in Mexico on January 1, 1997 when ten competitors entered the market monopolized by TelMex. Most of the competitors were relying facilities owned by TelMex. *See Market Analysis: Mexico*, © May 2000 Ovum, Ltd., at 4, *available through* "Competitive

⁹ Pursuant to a presentation made to the FCC in 1999, NCS has been a central database administrator in Mexico since 1997 and was selected to be the neutral presubscription database administrator in Argentina in 1999. In Mexico, all presubscriptions requests are submitted to NCS Mexico which verifies the carrier selection by phone and forwards the request to the local operator. The NCS Mexico database apparently mirrors the databases of the local operators, and is the ruling presubscriptions database in Mexico. In total, NCS Mexico performs the following services: Presubscription database administrations, PC clearinghouse, TPV services (inbound and outbound), PC dispute resolution, PC freeze administration, carrier help desk and customer Bad Debt database administration. It also provides communications industry reporting as relates to presubscription, including slamming, market penetration, and aging of activation requests by local operations.

Carriers@Ovum" at <http://www.ovum.com/research/>. Local service competition was subsequently introduced in Mexico in 1999. Similarly, the telecommunications market in Argentina was opened to competition or "liberalized" between 1998-2000. Specifically, two providers who monopolized different regions of Argentina were authorized to compete in each other's territories in November 1999. Full "liberalization" of Argentina's telephony market is considered to have been accomplished by November 2000. See Market Analysis: Argentina, © January 2001, Ovum, Ltd., at 4, available through "Competitive Carriers@ovum.com" at <http://www.ovum.com/research/>.

By mapping out architectural plans for such a neutral hub and interface now, individual carriers will be able to design and plan to use their resources to maximize the benefit and cost savings of this any such future hub. Eventually, such a hub could oversee the traditional role performed by the ILEC today. The customer could be able to call the neutral hub directly to request service and PC changes instead of contacting ILECs, ALECs and IXCs separately.

CONCLUSION

It is clear that the Commission staff, by initiating this rulemaking, is concerned about the ILEC's processes with regard to PC freezes. While AT&T applauds the staff for its concerns with regard to PC freezes, there is reason to step back from the individual issues and complaints and look at the forest for a moment. On the one hand, virtually every major IXC and ALEC competitor of the ILECs, including AT&T, Sprint, MCI, Z-Tel and others, have complained repeatedly that the current system for lifting PC freezes is inefficient, anti-consumer, anti-competitive and subject to abuse. The example that has led us to this particular rulemaking is indicative of this problem. All that these carriers

have ever sought was a competitively neutral, efficient system that would allow customers to make bona fide changes to their carrier choice when they wish to do so. On the other hand, the ILECs, the only beneficiary of the existing system, defend it tenaciously. We submit this is not altruism but self-interest. The existing system's inefficiencies and opportunities for discrimination and competitive abuse are defended by the ILECs because it is a significant competitive – or anticompetitive – tool.

Moreover, even if the system had served well in the past, it cannot serve well, or even at all in the future. The existing system assumes that the ILEC is *the* local carrier. That is no longer true. Yet, there is nothing in the existing system that permits it to serve in a multi-carrier competitive environment.

The industry needs to move from a ILEC-centric system to a system of carrier change administration handled by a neutral third party administrator capable of serving and protecting all customers, no matter what carrier they are coming from or what carrier they are going to. Nothing else except a third party administrator is even plausible in a multi-carrier environment.

We urge the Commission to adopt the FCC's existing rule language as provided in Exhibit A with regard to PC freezes. Additionally, AT&T requests that this Commission move promptly on this matter by preparing, in consultation with the industry, a Request for Proposal for a third party administrator. Upon the receipt of such proposals, we recommend that the Commission, in consultation with the industry, select a bidder to implement a third party data base system, to be designed, ordered and overseen by this Commission.

RESPECTFULLY SUBMITTED this 23rd day of May, 2002.

/s/

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Comments:

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**25-4.110 Customer Billing for Local Exchange
Telecommunications Companies.**

(1) Each company shall issue bills monthly or may offer customers a choice of billing intervals that includes a monthly billing interval.

(2) ~~Six months after the effective date of this rule, each~~
Each billing party shall set forth on the bill all charges, fees, and taxes which are due and payable.

(a) There shall be a heading for each originating party which is billing to that customer account for that billing period. The heading shall clearly and conspicuously indicate the originating party's name. If the originating party is a certificated telecommunications company, the certificated name must be shown. If the originating party has more than one certificated name, the name appearing in the heading must be the name used to market the service.

(b) The toll-free customer service number for the service provider or its customer service agent must be conspicuously displayed in the heading, immediately below the heading, or immediately following the list of charges for the service provider. For purposes of this subparagraph, the service provider is defined as the company which provided the service to

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the end user. If the service provider has a customer service agent, the toll-free number must be that of the customer service agent and must be displayed with the service provider's heading or with the customer service agent's heading, if any. For purposes of this subparagraph, a customer service agent is a person or entity that acts for any originating party pursuant to the terms of a written agreement. The scope of such agency shall be limited to the terms of such written agreement.

(c) Each charge shall be described under the applicable originating party heading.

(d) 1. Taxes, fees, and surcharges related to an originating party heading shall be shown immediately below the charges described under that heading. The terminology for Federal Regulated Service Taxes, Fees, and Surcharges must be consistent with all FCC required terminology.

2. The billing party shall either:

a. Identify Florida taxes and fees applicable to charges on the customer's bill as (including but not limited to) "Florida gross receipts tax," "Franchise fees," "Municipal utility tax," and "Sales tax," and identify the assessment base and rate for each percentage based tax, fee, and surcharge, or

b.(i) Provide a plain language explanation of any line

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item and applicable tax, fee, and surcharge to any customer who contacts the billing party or customer service agent with a billing question and expresses difficulty in understanding the bill after discussion with a service representative.

(ii) If the customer requests or continues to express difficulty in understanding the explanation of the authority, assessment base or rate of any tax, fee or surcharge, the billing party shall provide an explanation of the state, federal, or local authority for each tax, fee, and surcharge; the line items which comprise the assessment base for each percentage based tax, fee, and surcharge; or the rate of each state, federal, or local tax, fee, and surcharge consistent with the customer's concern. The billing party or customer service agent shall provide this information to the customer in writing upon the customer's request.

(e) If each recurring charge due and payable is not itemized, each bill shall contain the following statement:

"Further written itemization of local billing available upon request."

(3) Each LEC shall provide an itemized bill for local service:

(a) With the first bill rendered after local exchange

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service to a customer is initiated or changed; and

(b) To every customer at least once each twelve months.

(4) The annual itemized bill shall be accompanied by a bill stuffer which explains the itemization and advises the customer to verify the items and charges on the itemized bill. This bill stuffer shall be submitted to the Commission's Division of Telecommunications for prior approval. The itemized bill provided to residential customers and to business customers with less than ten access lines per service location shall be in easily understood language. The itemized bill provided to business customers with ten or more access lines per service location may be stated in service order code, provided that it contains a statement that, upon request, an easily understood translation is available in written form without charge. An itemized bill shall include, but not be limited to the following information, separately stated:

(a) Number and types of access lines;

(b) Charges for access to the system, by type of line;

(c) Touch tone service charges;

(d) Charges for custom calling features, separated by feature;

(e) Unlisted number charges;

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(f) Local directory assistance charges;
(g) Other tariff charges;
(h) Other nontariffed, regulated charges contained in the bill;

(5) All bills rendered by a local exchange company shall clearly state the following items:

(a) Any discount or penalty. The originating party is responsible for informing the billing party of all such penalties or discounts to appear on the bill, in a form usable by the billing party;

(b) Past due balance;

(c) Items for which nonpayment will result in disconnection of the customer's basic local service, including a statement of the consequences of nonpayment;

(d) Long-distance monthly or minimum charges, if included in the bill;

(e) Long-distance usage charges, if included in the bill;

(f) Usage-based local charges, if included in the bill;

(g) Telecommunications Access System Surcharge, per Rule 25-4.160(3);

(h) "911" fee per Section 365.171(13), Florida Statutes;
and

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(i) Delinquent date.

(6) Each company shall make appropriate adjustments or refunds where the subscriber's service is interrupted by other than the subscriber's negligent or willful act, and remains out of order in excess of 24 hours after the subscriber notifies the company of the interruption. The refund to the subscriber shall be the pro rata part of the month's charge for the period of days and that portion of the service and facilities rendered useless or inoperative; except that the refund shall not be applicable for the time that the company stands ready to repair the service and the subscriber does not provide access to the company for such restoration work. The refund may be accomplished by a credit on a subsequent bill for telephone service.

(7)(a) Bills shall not be considered delinquent prior to the expiration of 15 days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:

1. Where service is terminated or abandoned;
2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill, or, in the case of a

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new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service; or

3. Where the company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

(b) The demand for immediate payment shall be accompanied by a bill which itemizes the charges for which payment is demanded, or, if the demand is made orally, an itemized bill shall be mailed or delivered to the customer within three days after the demand is made.

(c) If the company cannot present an itemized bill, it may present a summarized bill which includes the customer's name and address and the total amount due. However, a customer may refuse to make payment until an itemized bill is presented. The company shall inform the customer that he may refuse payment until an itemized bill is presented.

(8) Each telephone company shall include a bill insert advising each subscriber of the directory closing date and of the subscriber's opportunity to correct any error or make changes as the subscriber deems necessary in advance of the closing date. It shall also state that at no additional charge

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and upon the request of any residential subscriber, the exchange company shall list an additional first name or initial under the same address, telephone number, and surname of the subscriber. The notice shall be included in the billing cycle closest to 60 days preceding the directory closing date.

(9) Annually, each telephone company shall include a bill insert advising each residential subscriber of the option to have the subscriber's name placed on the "No Sales Solicitation" list maintained by the Department of Agriculture and Consumer Services, Division of Consumer Services, and the 800 number to contact to receive more information.

(10) Where any undercharge in billing of a customer is the result of a company mistake, the company may not backbill in excess of 12 months. Nor may the company recover in a ratemaking proceeding, any lost revenue which inures to the company's detriment on account of this provision.

(11) Franchise fees and municipal telecommunications taxes.

(a) When a municipality charges a company any franchise fee, or municipal telecommunications tax authorized by Section 166.231, Florida Statutes, the company may collect that fee only from its subscribers receiving service within that municipality. When a county charges a company any franchise fee, the company

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may collect that fee only from its subscribers receiving service within that county.

(b) A company may not incorporate any franchise fee or municipal telecommunications tax into its other rates for service.

(c) This subsection shall not be construed as granting a municipality or county the authority to charge a franchise fee or

municipal telecommunications tax. This subsection only specifies the method of collection of a franchise fee, if a municipality or county, having authority to do so, charges a franchise fee or municipal telecommunications tax.

(12)(a) When a company elects to add the Gross Receipts Tax onto the customer's bill as a separately stated component of that bill, the company must first remove from the tariffed rates any embedded provisions for the Gross Receipts Tax.

(b) If the tariffed rates in effect have a provision for gross receipts tax, the rates must be reduced by an amount equal to the gross receipts tax liability imposed by Chapter 203, Florida Statutes, thereby rendering the customer's bill unaffected by the election to add the Gross Receipts Tax as a separately stated tax.

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(c) This subsection shall not be construed as a mandate to elect to separately state the Gross Receipts Tax. This subsection only specifies the method of applying such an election.

(d) All services sold to another telecommunications vendor, provided that the applicable rules of the Department of Revenue are satisfied, must be reduced by an amount equal to the gross receipts tax liability imposed by Chapter 203, Florida Statutes, unless those services have been adjusted by some other Commission action.

(e) When a nonrate base regulated telecommunications company exercises the option of adding the gross receipts tax as a separately stated component on the customer's bill then that company must file a tariff indicating such.

(13) Each LEC shall apply partial payment of an end user/customer bill first towards satisfying any unpaid regulated charges. The remaining portion of the payment, if any, shall be applied to nonregulated charges.

(14) All bills produced shall clearly and conspicuously display the following information for each service billed in regard to each company claiming to be the customer's presubscribed provider for local, local toll, or toll service:

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(a) The name of the certificated company;

(b) Type of service provided, i.e., local, local toll, or toll; and

(c) A toll-free customer service number.

(15) This section applies to LECs that provide transmission services or bill and collect on behalf of Pay Per Call providers. Pay Per Call services are defined as switched telecommunications services between locations within the State of Florida which permit communications between an end use customer and an information provider's program at a per call charge to the end user/customer. Pay Per Call services include 976 services provided by the LECs and 900 services provided by interexchange carriers.

(a) Charges for Pay Per Call service (900 or 976) shall be segregated from charges for regular long distance or local charges by appearing separately under a heading that reads as follows: "Pay Per Call (900 or 976) nonregulated charges." The following information shall be clearly and conspicuously disclosed on each section of the bill containing Pay Per Call service (900 or 976) charges:

1. Nonpayment of Pay Per Call service (900 or 976) charges will not result in disconnection of local service;

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2. End users/customers can obtain free blocking of Pay Per Call service (900 or 976) from the LEC;

3. The local or toll-free number the end user/customer can call to dispute charges;

4. The name of the IXC providing 900 service; and

5. The Pay Per Call service (900 or 976) program name.

(b) Pay Per Call Service (900 and 976) Billing. LECs and IXCs who have a tariff or contractual relationship with a Pay Per Call (900 or 976) provider shall not provide Pay Per Call transmission service or billing services, unless the provider does each of the following:

1. Provides a preamble to the program which states the per minute and total minimum charges for the Pay Per Call service (900 and 976); child's parental notification requirement is announced on preambles for all programs where there is a potential for minors to be attracted to the program; child's parental notification requirement in any preamble to a program targeted to children must be in language easily understandable to children; and programs that do not exceed \$3.00 in total charges may omit the preamble, except as provided in Section (11) (b) 3.;

2. Provides an 18-second billing grace period in which

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the end user/customer can disconnect the call without incurring a charge; from the time the call is answered at the Pay Per Call provider's premises, the preamble message must be no longer than 15 seconds. The program may allow an end user/customer to affirmatively bypass a preamble;

3. Provides on each program promotion targeted at children (defined as younger than 18 years of age) clear and conspicuous notification, in language understandable to children, of the requirement to obtain parental permission before placing or continuing with the call. The parental consent notification shall appear prominently in all advertising and promotional materials, and in the program preamble. Children's programs shall not have rates in excess of \$5.00 per call and shall not include the enticement of a gift or premium;

4. Promotes its services without the use of an autodialer or broadcasting of tones that dial a Pay Per Call (900 and 976) number;

5. Prominently discloses the additional cost per minute or per call for any other telephone number that an end user/customer is referred to either directly or indirectly;

6. In all advertising and promotional materials, displays charges immediately above, below, or next to the Pay Per Call

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number, in type size that can be seen as clearly and conspicuously at a glance as the Pay Per Call number. Broadcast television advertising charges, in Arabic numerals, must be shown on the screen for the same duration as the Pay Per Call number is shown, each time the Pay Per Call number is shown. Oral representations shall be equally as clear;

7. Provides on Pay Per Call services that involve sales of products or merchandise clear preamble notification of the price that will be incurred if the end user/customer stays on the line, and a local or toll free number for consumer complaints; and

8. Meets internal standards established by the LEC or IXC as defined in the applicable tariffs or contractual agreement between the LEC and the IXC; or between the LEC/IXC and the Pay Per Call (900 or 976) provider which when violated, would result in the termination of a transmission or billing arrangement.

(c) Pay Per Call (900 and 976) Blocking. Each LEC shall provide blocking where technically feasible of Pay Per Call service (900 and 976), at the request of the end user/customer at no charge. Each LEC or IXC must implement a bill adjustment tracking system to aid its efforts in adjusting and sustaining Pay Per Call charges. The LEC or IXC will adjust the first bill

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containing Pay Per Call charges upon the end user's/ customer's stated lack of knowledge that Pay Per Call service (900 and 976) has a charge. A second adjustment will be made if necessary to reflect calls billed in the following month which were placed prior to the Pay Per Call service inquiry. At the time the charge is removed, the end user/customer may agree to free blocking of Pay Per Call service (900 and 976).

(d) Dispute resolution for Pay Per Call service (900 and 976). Charges for Pay Per Call service (900 and 976) shall be automatically adjusted upon complaint that:

1. The end user/customer did not receive a price advertisement, the price of the call was misrepresented to the consumer, or the price advertisement received by the consumer was false, misleading, or deceptive;

2. The end user/customer was misled, deceived, or confused by the Pay Per Call (900 or 976) advertisement;

3. The Pay Per Call (900 or 976) program was incomplete, garbled, or of such quality as to render it inaudible or unintelligible, or the end user/customer was disconnected or cut off from the service;

4. The Pay Per Call (900 and/or 976) service provided out-of-date information; or

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Exhibit A

5. The end user/customer terminated the call during the preamble described in 25-4.110(11)(b)2., but was charged for the Pay Per Call service (900 or 976).

(e) If the end user/customer refuses to pay a disputed Pay Per Call service (900 or 976) charge which is subsequently determined by the LEC to be valid, the LEC or IXC may implement Pay Per Call (900 and 976) blocking on that line.

(f) Credit and Collection. LECs and IXCs billing Pay Per Call (900 and 976) charges to an end user/customer in Florida shall not:

1. Collect or attempt to collect Pay Per Call service (900 or 976) charges which are being disputed or which have been removed from an end user's/customer's bill; or

2. Report the end user/customer to a credit bureau or collection agency solely for non-payment of Pay Per Call (900 or 976) charges.

(g) LECs and IXCs billing Pay Per Call service (900 and 976) charges to end users/customers in Florida shall implement safeguards to prevent the disconnection of phone service for non-payment of Pay Per Call (900 or 976) charges.

(16) (a) A preferred carrier freeze (or freeze) prevents a change in a subscriber's preferred carrier selection unless the

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subscriber gives the carrier from whom the freeze was requested his or her express consent. All local exchange carriers who offer preferred carrier freezes must comply with the provisions of this section.

(b) All local exchange carriers who offer preferred carrier freezes shall offer freezes on a nondiscriminatory basis to all subscribers, regardless of the subscriber's carrier selections.

(c) Preferred carrier freeze procedures, including any solicitation, must clearly distinguish among telecommunications services (e.g., local exchange, intraLATA/intrastate toll, interLATA/interstate toll, and international toll) subject to a preferred carrier freeze. The carrier offering the freeze must obtain separate authorization for each service for which a preferred carrier freeze is requested.

(d) Solicitation and imposition of preferred carrier freezes.

(1) All carrier-provided solicitation and other materials regarding preferred carrier freezes must include:

(i) An explanation, in clear and neutral language, of what a preferred carrier freeze is and what services may be subject to a freeze;

(ii) A description of the specific procedures necessary to lift a preferred carrier freeze; an explanation that these steps

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are in addition to the Commission's verification rules in Secs. 25-4.118 for changing a subscriber's preferred carrier selections; and an explanation that the subscriber will be unable to make a change in carrier selection unless he or she lifts the freeze.

(iii) An explanation of any charges associated with the preferred carrier freeze.

(2) No local exchange carrier shall implement a preferred carrier freeze unless the subscriber's request to impose a freeze has first been confirmed in accordance with one of the following procedures:

(i) The local exchange carrier has obtained the subscriber's written or electronically signed authorization in a form that meets the requirements of Secs.(16)(d)(3); or

(ii) The local exchange carrier has obtained the subscriber's electronic authorization, placed from the telephone number(s) on which the preferred carrier freeze is to be imposed, to impose a preferred carrier freeze. The electronic authorization should confirm appropriate verification data (e.g., the subscriber's date of birth or social security number) and the information required in Secs.(16)(d)(3)(ii)(A) through (D).

Telecommunications carriers electing to confirm preferred carrier

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freeze orders electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) will connect a subscriber to a voice response unit, or similar mechanism that records the required information regarding the preferred carrier freeze request, including automatically recording the originating automatic numbering identification; or

(iii) An appropriately qualified independent third party has obtained the subscriber's oral authorization to submit the preferred carrier freeze and confirmed the appropriate verification data (e.g., the subscriber's date of birth or social security number) and the information required in Secs. (16)

(d)(3)(ii)(A) through (D). The independent third party must not be owned, managed, or directly controlled by the carrier or the carrier's marketing agent; must not have any financial incentive to confirm preferred carrier freeze requests for the carrier or the carrier's marketing agent; and must operate in a location physically separate from the carrier or the carrier's marketing agent. The content of the verification must include clear and conspicuous confirmation that the subscriber has authorized a preferred carrier freeze.

(3) Written authorization to impose a preferred carrier freeze. A local exchange carrier may accept a subscriber's

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written and signed authorization to impose a freeze on his or her preferred carrier selection. Written authorization that does not conform with this section is invalid and may not be used to impose a preferred carrier freeze.

(i) The written authorization shall comply with Section 25-4.118(4) of the Commission's rules concerning the form and content for letters of agency.

(ii) At a minimum, the written authorization must be printed with a readable type of sufficient size to be clearly legible and must contain clear and unambiguous language that confirms:

(A) The subscriber's billing name and address and the telephone number(s) to be covered by the preferred carrier freeze;

(B) The decision to place a preferred carrier freeze on the telephone number(s) and particular service(s). To the extent that a jurisdiction allows the imposition of preferred carrier freezes on additional preferred carrier selections (e.g., for local exchange, intraLATA/intrastate toll, interLATA/interstate toll service, and international toll), the authorization must contain separate statements regarding the particular selections to be frozen;

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(C) That the subscriber understands that she or he will be unable to make a change in carrier selection unless she or he lifts the preferred carrier freeze; and

(D) That the subscriber understands that any preferred carrier freeze may involve a charge to the subscriber.

(e) Procedures for lifting preferred carrier freezes. All local exchange carriers who offer preferred carrier freezes must, at a minimum, offer subscribers the following procedures for lifting a preferred carrier freeze:

(1) A local exchange carrier administering a preferred carrier freeze must accept a subscriber's written or electronically signed authorization stating his or her intent to lift a preferred carrier freeze; and

(2) A local exchange carrier administering a preferred carrier freeze must accept a subscriber's oral authorization stating her or his intent to lift a preferred carrier freeze and must offer a mechanism that allows a submitting carrier to conduct a three-way conference call with the carrier administering the freeze and the subscriber in order to lift a freeze. When engaged in oral authorization to lift a preferred carrier freeze, the carrier administering the freeze shall confirm appropriate verification data (e.g., the

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subscriber's date of birth or social security number) and the
subscriber's intent to lift the particular freeze.

(fa) Companies that bill for local service must provide notification with the customer's first bill or via letter, and annually thereafter that a PC Freeze is available.

(gb) Existing "subscribers" or "end-users"~~customers~~ must be notified annually that a PC Freeze is available.

~~(c) Companies shall not place a PC Freeze on any customer's service unless the PC Freeze is requested by the customer.~~

(hd) A PC Freeze shall not prohibit a LP from changing wholesale services when serving the same end-user~~customer~~.

(17) 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 presubscribed provider of local, local toll, or toll service has changed.

(18) If a customer notifies a billing party that they did not order an item appearing on their bill or that they were not provided a service appearing on their bill, the billing party shall promptly provide the customer a credit for the item and remove the item from the customer's bill, with the exception of the following:

(a) Charges that originate from:

1. Billing party or its affiliates;

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2. A governmental agency;
3. A customer's presubscribed intraLATA or interLATA interexchange carrier; and

(b) Charges associated with the following types of calls:

1. Collect calls;
2. Third party calls;
3. Customer dialed calls for; and
4. Calls using a 10-10-xxx calling pattern.

~~(19) (a) Within one year of the effective date of this rule and upon~~ Upon request from any customer, a billing party must restrict charges in its bills to only:

1. Those charges that originate from the following:
 - a. Billing party or its affiliates;
 - b. A governmental agency;
 - c. A customer's presubscribed intraLATA or interLATA interexchange carrier; and

2. Those charges associated with the following types of calls:

- a. Collect calls;
- b. Third party calls;
- c. Customer dialed calls; and
- d. Calls using a 10-10-xxx calling pattern.

(b) Customers must be notified of this right by billing parties annually and at each time a customer notifies a billing

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party that the customer's bill contained charges for products or services that the customer did not order or that were not provided to the customer.

(c) Small local exchange telecommunications companies as defined in Section 364.052(1), F.S., are exempted from this subsection.

(20) Nothing prohibits originating parties from billing customers directly, even if a charge has been blocked from a billing party's bill at the request of a customer.

Specific Authority: 350.127, 364.604(5), F.S.

Law Implemented: 364.17, 350.113, 364.03, 364.04, 364.05, 364.052, 364.19, 364.602, 364.604, F.S.

History: New 12-01-68, Amended 03-31-76, 12-31-78, 01-17-79, 07-28-81, 09-08-81, 05-03-82, 11-21-82, 04-13-86, 10-30-86, 11-28-89, 03-31-91, 11-11-91, 03-10-96, 07-20-97, 12-28-98, 07-05-00, XX-XX-XX.

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AT&T

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Fax Cover Sheet

To: *Samantha Cibula*

Fax Number: *850 - 413 - 7180*

From: *Lisa Riley*

Date: *5/23/02*

Number of pages INCLUDING Cover Page: *18*

Comments:

ATT'S Comments
Part 3 of 3



Exhibit B

Neutral Third Party Administrator (NTA):

Customer Information Exchange Proposal to Address Industry Infrastructure Issues



Agenda

- **Introduction**
 - Purpose
 - Why NTA?
- **Background on Industry Infrastructure issues**
 - PIC Freezes and Data Rejects
 - Customer Account Record Exchange (“CARE”) and continued billing problems
- **Description of NTA**
 - Phases 1 and 2
 - Benefits
- **Summary**



Purpose:

To get the customer out of the middle

- Generally customers want a seamless migration process involving only one phone call
- This is not always feasible in view of current infrastructure, or lack thereof



Why NTA?

- **Customers changing their Local Service Provider may find themselves in a unwanted position of having their long distance service negatively impacted.**
 - **Customer billed for “casual usage” by old carrier after the outPIC has occurred.**
 - **Customer billed for “casual usage” by new carrier after the inPIC has occurred.**
 - **Customer billed monthly recurring fees and other non-usage fees by old carrier months after the outPIC has occurred.**
 - **Customer has to make multiple calls to LEC, old carrier and new carrier to try to resolve problem. Each carrier blames the other for the customer’s problem.**
- **Current freeze administration results in a customer waiting up to 3 weeks for their desired change to take place.**



PIC Freezes and Data Rejects

- PIC freezes on interstate toll service are not a required offering, but, if offered, may be administered only by the LEC. As such, IXC's do not know of the freeze status until the order is rejected by the LEC. A costly re-work process takes place and often the order is still lost because customer is never reached or customer does not want to be bothered with 3way call to lift the freeze.
- In contrast, when an ILEC wants to switch a customer to its toll services, because it is the administrator, it can proactively advise the customer on a sales call of the existence of a freeze and lift it before the order is submitted.
- IXC orders are being rejected due to industry infrastructure problems
 - WTN not found, wrong LSP
- These problems do not reflect a customer intention not to switch service, but rather an industry infrastructure problem where a carrier may not have the necessary information at the time it accepts an order from a customer or submits an order to the LEC to know that there is a problem and/or to resolve it with the customer upfront.



CARE & Continued Billing

- **Generally, Customer Account Record Exchange (“CARE”) is not regulated or mandated.**
- **As a process, CARE is failing because many CLECs, ICOs and ILECs do not send CARE. Other CLECs send in untimely and poor quality CARE.**
- **Example why is it not working with increasing local competition and migrations**
 - **Under OBF, if the customer switches to a new LEC, the old LEC sends a record to the IXC stating the customer is no longer their local customer but it rarely indicates the identity of the new LEC. The IXCs are supposed to wait 30 days for notification from the new LEC that they were the chosen IXC. If no record is received, they are to disconnect the customer.**



CARE & Continued Billing (cont'd)

- **Based on current guidelines the following customer impacts may occur:**
 - **If the CLEC doesn't support CARE and the customer still wants the IXC, then the customer will lose their OCP and will begin to be charged basic rates.**
 - **If the IXC does not disconnect the account after 30 days, they will be charging a customer for an OCP that they may no longer want.**
 - **This lack of confirmed IXC status causes the IXC to presume, rather than know, the status of the customer account.**
 - **Nor do the IXCs know the identity of the previous IXC.**



Description of NTA

NTA assumes mandatory industry support of CARE

Phase 1:

Using NTA performs as the PIC freeze administrator, and administers the data store for real time customer account status query in order to prevent other order rejections.

Phase 2:

Expanding the NTA data store to include entire Customer Service Record (CSR) to enhance local service porting with the potential to administer the CLEC CARE feed exchanges.



NTA Phase 1 Benefits

- Removes the customer from the middle of LEC & IXC provisioning problems.
 - Accommodates the full range of customer requests via 1 phone call: PIC freeze change, PIC change without changing PIC freeze, etc.
- Customer requests are effectuated in a timely manner since this tool proactively prevents unnecessary order rejections.
- Cost impact minimized for LSPs since the cost of the NTA transaction replaces the cost of the provider's current PIC freeze verification process
- IXCs, resellers and LSPs can use the NTA as their new TPV vendor in order to gain cost efficiencies.

Mechanized Audit Trail: Ability to track PIC order to NTA verified PIC freeze to ensure carrier adherence to the verification process. Offending carriers will be brought to the commission's attention. Commission's can query NTA to assess carrier activity.



NTA Phase 2 Benefits

- **Reduces customer complaints regarding ‘continued billing problems’**
 - **Becomes the universal PIC/PLOC change administrator for all carriers**
- **Fosters local competition by allowing competing carriers access to complete customer information to facilitate “as is” porting via a centralized CSR repository**
- **The NTA can serve as an inexpensive alternative for smaller companies that do not have the technical and/or financial infrastructure to maintain its own CSR.**
- **NTA can coordinate the processing of multiple orders in order to reduce LNP porting problems**
- **Enables smaller carriers to enter the market with minimal negative impact to customers and other carriers**
- **Single entity with capability to produce CARE processing scorecard.**



Summary

- **Impacts to customer issues:**
 - **Phase 1**
 - One call to resolve PIC freeze issues
 - Carrier changes effective in a timely manner
 - Mechanized audit matching PIC orders to verified freeze lifts
 - Reduction in receipt of multiple bills
 - **Phase 2 (in addition to those listed above)**
 - Resolves multiple bill issues
 - Efficient “as is” local migration
 - Timely resolution to carrier migration issues
 - Reduction of LNP porting problems
- **Proposals for trial of NTA concept**

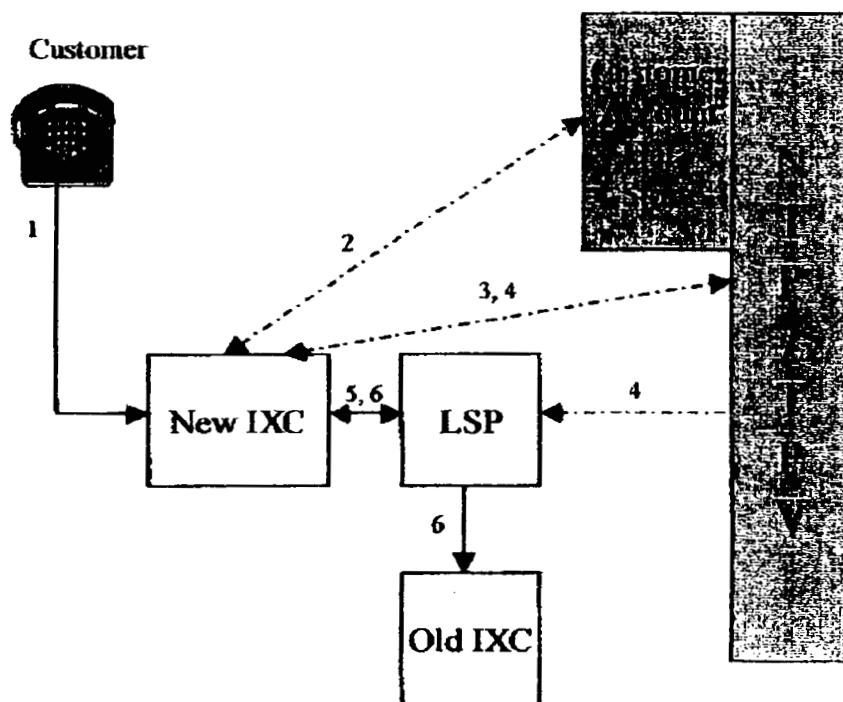


Appendix

Process Flows



Neutral Third Party Proposal - Phase 1 IXC Order



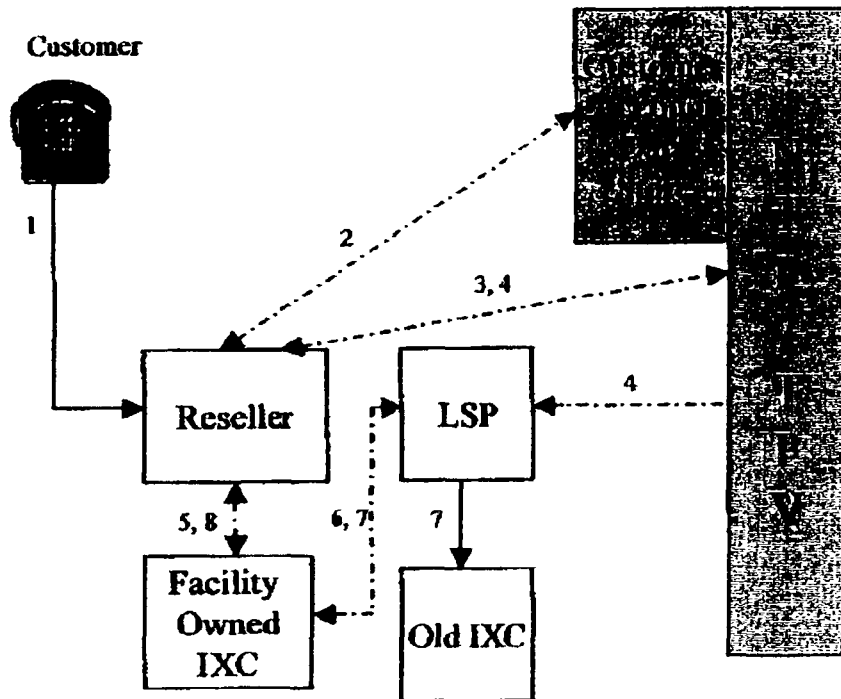
1. Customer requests pic change to New IXC.
2. New IXC queries Customer Account Data Store.
3. If pic frozen, customer is transferred to the NTP.
4. NTP administers pic change and/or pic freeze requests and sends pic verification confirmation to New IXC, and pic freeze status update to LSP.
5. New IXC sends pic notification to LSP with special notification code and TPV authorization number.
6. LSP processes pic change order and sends outpic to old IXC and inpic to new IXC.

Note: A copy of the inpic could be sent to NTA by New IXC or LSP to create an audit where the PIC order must match the verified freeze lift.



Neutral Third Party Proposal - Phase 1

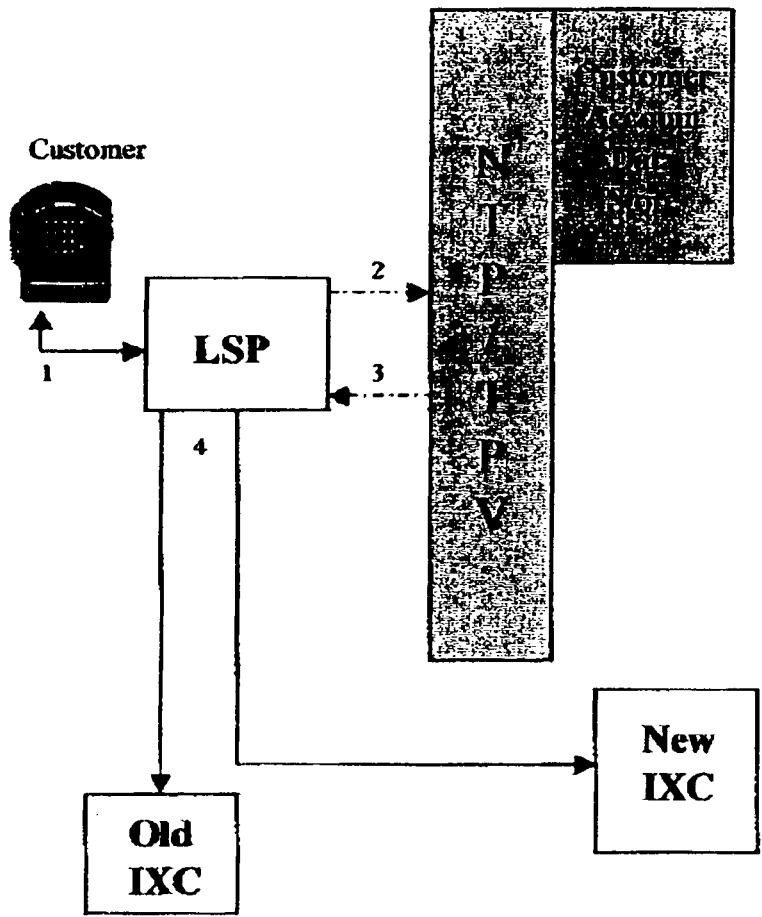
Switchless Reseller Order



1. Customer requests pic change to Switchless Reseller.
 2. Reseller queries Customer Account Data Store.
 3. If pic frozen, customer is transferred to the NTP.
 4. NTP administers pic change and/or pic freeze requests and sends pic verification confirmation to Reseller, and pic freeze status update to LSP.
 5. Reseller sends pic notification to Facility Owned IXC with special notification code and TPV authorization number.
 6. Facility Owned IXC forwards notification to LSP.
 7. LSP processes pic change order and sends outpic to old IXC and inpic to new IXC.
 8. Facility Owned IXC sets up billing account/calling plan and forwards confirmation to Reseller.
- Note: A copy of the inpic could be sent to NTA by New IXC or LSP to create an audit where the PIC order must match the verified freeze lift.



Neutral Third Party Proposal - Phase 1 LSP pic freeze Order

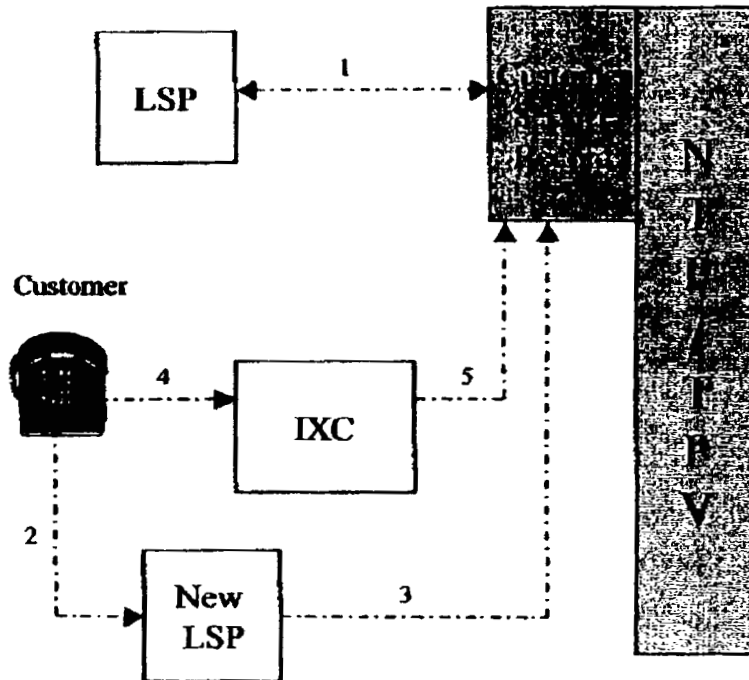


1. Customer contacts LSP for pic freeze change.
2. LSP transfers customer to NTP for the administration of the pic freeze order.
3. NTP sends pic freeze status update to LSP.
4. LSP updates database, and may send pic freeze status update to affected IXCs.



Neutral Third Party Proposal - Phase 2

NTP to centrally store CSR for all carriers



1. LSP provides universe of CSR's to NTP, and provides update of CSR's to NTP. (Each time CSR is updated a copy is written to the NTP. Allows for most current customer data.)
2. Customer requests new LSP.
3. New LSP queries CSR to facilitate "as is" migration.
4. Customer requests new IXC.
5. IXC may query CSR to prevent data rejects such as WTN not found or Wrong LSP.

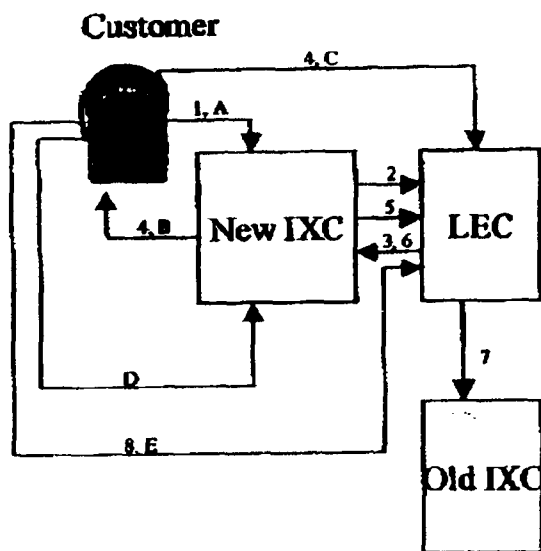


Current PIC Freeze Administration by LEC

Steps required to switch service if customer is not aware when he/she places the order that there is a PIC freeze in place

IXC/LSP Process

- | | |
|---|-----------|
| 1. IXC obtains customer's PIC change order in accordance with FCC verification requirements (e.g, LOA, TPV) | 1 day |
| 2. IXC sends PIC order to LEC | 1 day |
| 3. LEC sends order rejections to IXC | 2-3 days |
| 4. IXC recontacts customer and bridges on LEC in an attempt to lift the freeze and/or asks customer to contact LEC to arrange for PIC freeze lift and then contact IXC to resubmit customer's order | 5-10 days |
| 5. If PIC Freeze lift request accepted by LEC*, IXC resubmits PIC change order since LEC will not always also accept customer PIC change order on this call. | 1 day |
| 6. If order is not further rejected for other reasons, LEC sends order confirmation to new IXC. CUSTOMER'S IXC SERVICE IS FINALLY CHANGED. | 2-3 days |
| 7. LEC sends out PIC to old IXC | |
| 8. For customers who wish to have the PIC freeze reinstated after the PIC change order, customer must place another phone call to the LEC. | |



Customer Contacts

- A. First Call: Customer places order with IXC
- B. Second Call: IXC informs customer that the order was rejected because of PIC freeze
- C. Third Call: Customer (with or without IXC) calls LEC to lift PIC freeze
- D. Fourth Call: If customer did not bridge new IXC on with LEC, customer usually must call IXC to advise PIC freeze lifted and arrange for re-submission of customer order
- E. Fifth Call: After IXC order is fulfilled, customer contacts LEC to reimpose PIC freeze



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May 23, 2002

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
02 MAY 23 PM 12:56
COMMISSION
CLERK

Re: Undocketed
Rule Development, 25-4.082, 25-4.110, 25-24.490, 25-24.845

Dear Ms. Bayo:

Please find enclosed the original and 15 copies of the Post-Workshop Comments of Verizon Florida Inc. for filing in the above matter. If there are any questions regarding this matter, please contact me at 813-483-2617.

Sincerely,

Kimberly Caswell / dm

- AUS _____
 - CAF _____
 - CMP _____
 - COM _____
 - CTR _____
 - ECR _____
 - GCL _____
 - JPC _____
 - WMS _____
 - SEC _____
 - DTH Hong
- _____ Kimberly Caswell
 _____ KC:tas
 _____ Enclosures
 _____ c: Staff Counsel (w/e)

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FPSC-BUREAU OF RECORDS

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05514 MAY 23 02

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Rule Development, 25-4.082,
25-4.110, 25-24.490, 25-24.845

) Undocketed
) Filed: May 23, 2002
)

POST-WORKSHOP COMMENTS OF VERIZON FLORIDA INC.

Verizon Florida Inc. ("Verizon") hereby submits its post-workshop comments in the undocketed rule development proceeding on local service provider freezes ("Local PC freezes") and number portability.

INTRODUCTION

On May 2, 2002, Staff held an undocketed rule development workshop "to initiate the development of Rules 25-4.082, 25-4.110, 25-24.490, and 25-24.845, Florida Administrative Code, to adopt and amend provisions relating to number portability and preferred carrier freezes."

At the conclusion of the workshop Staff asked parties to comment on the following items:

1. Staff's proposed rules addressing PC freezes(proposed rule 24-4.110 (16)(c)&(d)).
2. Whether the FPSC should adopt the FCC rules administering preferred carrier freezes.
3. Porting procedures when a customer is in temporary and permanent disconnect.
4. What, if anything, should be done to address the situation when an ALEC exits the market and has PC freezes in place on customer accounts.

DOCUMENT NUMBER-DATE

05514 MAY 23 8

FPSC-COMMISSION CLERK

1. Verizon's Comments on Proposed Rules

It should be noted that the PC freeze issue was discussed in a meeting in Docket No. 011077-TP on the same day as this undocketed proceeding. In neither of these sessions did any carrier identify the ILECs' PC freeze lift processes as a competitive problem. Nevertheless, Staff asked the parties to provide comments in these two proceedings addressing the same issue.

Local PC freeze is a service that precludes changing the local service provider on an end user's line without his express permission. ~~Commission rules require carriers to offer Local PC freezes (Rule 25-4.110(16)), but Verizon does not actively promote them.~~ Some ALECs may advise their customers to request local PC freezes, or may even place such freezes without the customer's explicit authorization, but Verizon does not know whether these practices are current or widespread. Verizon understands, however, that the Commission has received complaints from end users that Local PC freezes have been placed on their accounts without their knowledge.

Proposed rule 25-4.110(16)(c) ostensibly responds to this concern. It states that "[c]ompanies shall not place a PC Freeze on any customer's service unless the PC Freeze is requested by the customer." Verizon would not oppose adoption of this rule, which simply clarifies what should have been obvious all along—that a carrier can't impose a freeze without the customer's authorization.

The proposed rule 25-4.110(16)(d), likewise, just confirms what carriers already know—that "[a] PC Freeze shall not prohibit a LP [local provider] from changing wholesale services when serving the same customer." To Verizon's knowledge, all parties agree with this principle and no one has claimed that existing PC freeze

processes prevent providers from changing a customer's wholesale services—for example, from resale to the UNE platform (UNE-P). The rule, as written, thus seems unobjectionable.

However, to the extent that Staff intends the rule to be administered in a way that would require changes to ILECs' PC freeze lift processes, then Verizon does oppose it. At the workshop, there was discussion about some ILECs' processes that require two steps before a customer can be converted from resale to UNE-P—one for the customer to remove the freeze and one to convert the service platform. Staff appears to believe that this two-step process may inhibit competition.

To the extent Staff contemplates introducing a rule requiring the ILECs to change their PC freeze removal processes, there must be competent, substantial evidence supporting such a rule, and the rule must not be arbitrary and capricious (Fl. Stat. ch. 120.52(8)(e)&(f)). In addition, the agency must choose the alternative that does not impose regulatory costs "which could be reduced by the adoption of less costly alternatives that substantially accomplish the statutory objectives" the rule is designed to satisfy. (Fl. Stat. ch. 120.54(1)(d).

These requirements cannot be satisfied if the proposed rule contemplates system retrofits because there is no evidence supporting Staff's apparent concern that existing local PC freeze processes pose a competitive problem. When Staff asked this specific question during the meeting on May 2 in Docket No. 011077-TP, no carrier identified such a problem with the local PC freeze process. Indeed, Verizon believes the Commission's PC freezes have satisfied the Commission's objective of reducing slamming, precisely because they cannot be easily removed.

While Verizon opposes any *mandate* that would require ILECs to modify their conversion process, they may, of course, voluntarily do so. In this regard, Verizon already has a one-step process for converting a customer with a freeze from resale to the UNE-P. That is, if an ALEC wishes to migrate a customer with a PC freeze from one type of service to another, the ALEC need only submit one local service request ("LSR") to make the service change and lift and re-apply the PC freeze. This process can be viewed on Verizon's CLEC Guidelines Web page (http://128.11.40.241/clec_guide/ordering_order_form_completion.htm).

2. Should the FPSC Adopt the FCC Rules Administering Preferred Carrier Freezes in Florida (47 CFR 64.1190)?

Verizon believes that it is unnecessary to adopt the FCC's rules administering PC freezes, as the FPSC's rules are clear and simple regarding PC freezes. 25-4.110 (16)(a) requires companies that bill for local service to notify customers with their first bill and annually thereafter that a PC Freeze is available. Verizon believes this rule has been effective in meeting the Commission's objective of reducing slamming, so there is no demonstrated need for different or additional rules.

3. Address porting procedures when customer is in temporary and permanent disconnect.

Verizon's general policy for number aging is 90 days for residential customers and 365 days for business customers. These policies conform to the industry standard and are recognized by the FCC. However, these intervals can be shortened if Verizon lacks sufficient numbering resources to meet customer demand. Additionally, Verizon's

current wholesale procedures do allow a customer to port their number to an ALEC, even if temporarily disconnected, until the account reaches permanent disconnect status. Once permanently disconnected, the number is placed in aging and is no longer available for porting.

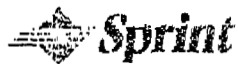
4. Address the Situation When ALEC Exits the Market and has PC Freezes in Place on Customer Accounts.

Verizon is still in the process of gathering information that may be useful in designing guidelines to address this situation, and will make specific suggestions on this issue later. In any case, Verizon believes this issue has already been raised in the ongoing industry collaborative process. It should continue to be addressed there, rather than duplicating effort here.

Respectfully submitted on May 23, 2002.

By: Kimberly Caswell /dm
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Tampa, FL 33601-0110
(813) 483-2617

Attorney for Verizon Florida Inc.



Sandra A. Khazraee
Manager
Florida

Regulatory Affairs
Box 2214
Tallahassee, FL 32316
Mailstop FL111/00107
Voice 850 847 0173
Fax 850 878 0777

May 24, 2002

Mr. Rick Moses
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Undocketed – Post Workshop Comments on Porting of Suspended Numbers

Dear Mr. Moses:

At the May 2, 2002 workshop, Sprint explained that it is against Sprint policy to port a number of a customer that has been suspended for non-pay. Sprint has this policy for two reasons. First of all, Sprint believes that allowing porting of suspended numbers will only encourage fraud and carrier hopping. Second, Sprint has Operational Support Issues which do not allow the porting of suspended numbers.

Porting numbers suspended for non-pay would allow customers to leave one LEC with a large unpaid bill and switch to another carrier while keeping the phone number associated with the account that has the unpaid balance. Sprint believes that there are no legal or regulatory constraints that would prevent a carrier from denying a port-out to a customer that has a past balance due and has been disconnected from service (i.e., disconnected for non-pay or DNP). Although the FCC has not specifically addressed this point in any of its LNP orders, Sprint believes that such a policy is consistent with its LNP rules and policy. In particular, 47 CFR 52.51(k) states, "The term number portability means the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another." Thus, by definition, number portability refers to the ability of a telecommunications service user to retain a number when switching service providers. Sprint believes, therefore, that a prerequisite to porting is that a customer must actually be a current telecommunications service user. In other words, if a customer does not currently have access to the telecommunications service then the customer is not eligible to port a number. Thus, a customer whose service has been suspended is unable to make or receive calls and has, for all intents and purposes, been disconnected from the public switched telephone network (PSTN). (If the directory number is not reachable through the PSTN then services are not retained.)

Aside from the policy issue, Sprint also has an operational issue with porting suspended numbers. Sprint's Operational Support Systems (OSS) will not allow a suspended number to be ported to another carrier. OSS modifications would be required in order to

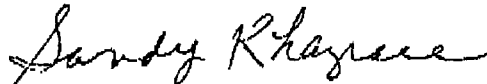
port suspended numbers. An initial estimate of \$250,000 - \$500,000 would be required to modify the OSS.

When an account is suspended for non-pay, Sprint's Suspend & Restore System (SRS) initiates a disconnect order (D order). If no payment is received on the account within 14 days, the D order is automatically activated within the system and the customer's service is permanently disconnected. This disconnect order is a normal D order and does not show the number as "ported". The D order is issued by SRS on the 14th day of suspension because payment has not been received. Modifications would be required to both the SOE and SRS systems if Sprint were required to port suspended numbers. SOE would need to look at a porting request and determine if the number was in suspension with a pending D order. SRS would be modified to cancel the pending D order and to notify SOE that the pending 14-day D order has been removed. SOE would then need to initiate a regular D order for porting that sets the porting indicator so that the number is not double assigned by two carriers.

In conclusion, Sprint believes that carriers should not be required to port numbers that have been suspended for non-pay as this will encourage fraud and carrier hopping. If, however, Sprint were required to port suspended numbers, then modifications would be required to OSS systems at an estimated cost of \$250,000 - \$500,000.

If you have any additional questions, please feel free to direct them to me.

Sincerely,



Sandra A. Khazraee

Sprint-FTG Inc.

1313 Blair Stone Road

Tallahassee, FL 32301

MC: FLTLH00107

FAX

Date: 5/24/02
 Number of pages including cover sheet: 3

To: Rick Moses

 Phone: 913-659-2
 Fax phone: 913 659-3
 CC: _____

From: Sandra A. Khazraee

 Phone: 850-847-0173
 Fax phone: 850-878-0777

REMARKS: Urgent For your review Reply ASAP Please comment

Reek.
Our comments on the porting
of suspended number issue.
I'll bring a hard copy by and leave
it for you on Tuesday
Sandy

James Meza III
Attorney

BellSouth Telecommunications, Inc.
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May 23, 2002

Mrs. Blanca S. Bayó
Director, Division of the Commission
Clerk and Administrative Services
Florida Public Service Commission
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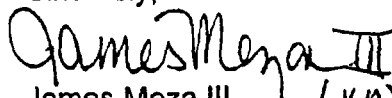
Re: Undocketed Matter
Rule Development for Proposed Adoption of
Rule 25-4.082, F.A.C. and Proposed Amendment of
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Post Workshop Comments, which we ask that you file in the caption new docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return a copy to me. Copies have been served to the parties shown on the attached certificate of service.

Sincerely,


James Meza III (KM)

Enclosures

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

DOCUMENT NUMBER-DATE

05538 MAY 23 02

FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE
Undocketed Matter
Rule Development for Proposed Adoption of
Rule 25-4.082, F.A.C. and Proposed Amendment of
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and U.S. Mail this 23rd day of May, 2002 to the following:

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James Meza III (KA)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Rule Development for Proposed Adoption of) Undocketed
Rule 25-4.082, F.A.C. and Proposed Amendment of)
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.)
_____) Filed: May 23, 2002

BELLSOUTH'S POST WORKSHOP COMMENTS

Pursuant to the Florida Public Service Commission Staff's ("Staff") request at the workshop held on May 2, 2002, BellSouth Telecommunications, Inc. ("BellSouth") submits the following post workshop comments regarding the proposed modifications to Rule 25-4.110, Florida Administrative Code (Preferred Carrier Freeze Issue), the creation of proposed Rule 25-4.082, Florida Administrative Code (Number Portability Issue), and a proposed rule to govern an ALEC exiting the telecommunications industry in the State of Florida.

I. Preferred Carrier Freeze Issue

As an initial matter, BellSouth supports any effort by the Florida Public Service Commission to curb carriers' abuse of Preferred Carrier ("PC") freezes to prohibit an end-user's ability to change carriers, thereby prohibiting Florida consumer from enjoying the benefits of competition. In that regard, the proposed rule is a step in the right direction. However, BellSouth submits that the proposed rule should remove any ambiguity as to how and when a carrier can place a PC freeze on an end-user's account.

BellSouth agrees that the rule should explicitly state that the PC freeze must be requested by the end-user. Nevertheless, a more detailed process is necessary to achieve the intent of the rule, which is to prevent slamming, while at the same time preventing carriers from using the PC freeze to preserve their

customer base. BellSouth is concerned that, as currently written, a carrier could still game the rule by complying with the exact language but violating its spirit.

Accordingly, BellSouth recommends that the rule explicitly set forth the following:

- The rule should prescribe how a carrier can describe the PC freeze or otherwise notify the PC freeze to end-users. The rule should require carriers, at a minimum, to inform end-users that (1) the purpose of the freeze is to prevent slamming; (2) it is the end-users choice as to whether or not to place the freeze; (3) that the end-user has the unilateral right to remove the freeze at any time; (4) certain services are subject to the freeze; and (5) that the effect of the PC freeze would be to prevent the end-user from switching carriers for certain services without notifying its current carrier to lift the freeze. Any description of the PC freeze should be in clear and neutral language
- The rule should also require some type of verification procedure to allow a carrier to prove that the end-user actually requested the freeze.
- The rule should implement a certain process to lift PC freezes, including some type of recordation process.

All of the above-requirements would limit a carrier's ability to utilize the PC freeze for an improper purpose, including preserving its customer base. While BellSouth is not unconditionally supporting its adoption at this time, the Commission should review Federal Communications Commission ("FCC") Rule 47 C.F.R. 64.1190 as an example of a more detailed PC freeze rule. Without these additional safeguards and procedures, carriers could still manipulate the PC freeze rule for improper purposes while arguably complying with the strict wording of the rule.

Staff's proposed rules also include a proposal that a PC freeze shall not prohibit a LP from changing wholesale services when serving the same

customer. At the Commission workshop on May 2, 2002, BellSouth stated that if an ALEC wanted to change wholesale services (from resale to UNE-P) when serving the same customer, and a local service freeze was on the account, the ALEC must submit two local service requests (LSRs). The first LSR was needed to remove the preferred carrier freeze, and a second LSR was needed to change from resale to UNE-P and to place the preferred carrier freeze back on the account. However, BellSouth now reports that the process has recently been modified. Now, ALECs are only required to submit one LSR to change its wholesale services from resale to UNE-P when serving the same customer, even if the account has a PC freeze. In other words, the ALEC is no longer required to "un-freeze" the PIC when changing from resale to UNE-P when serving the same customer. This includes instances when a carrier may be using a different operating company name (OCN) when providing service as a reseller and as an UNE-P provider, as long as the underlying carrier is the same. This change is transparent to the end-user and requires no action to be taken by the end-user.

II. Number Portability Issue

Staff has received a number of complaints relative to a telecommunications service providers (TSPs) refusal to port local numbers after a bona fide request has been made to port the number by another TSP. As discussed at the workshop, BellSouth has experienced problems with TSPs refusing to port numbers or delaying the migration of customers under certain circumstances. BellSouth believes the proposed number portability rule only touches on a very small piece of the ultimate solution for the various problems

within the migration of customers between TSPs. BellSouth believes the Commission should develop a customer migration rule which not only addresses the portability question raised in the proposed staff rule but also other related issues that would be resolved if such a rule was developed.

A. There is a Clear and Compelling Need for Symmetrical Rules Governing Customer Migration from ALEC to ALEC and from ALECs back to BellSouth.

Today, there are numerous additional rules and regulations governing the migration of customers and porting of numbers from BellSouth to ALECs. In stark contrast, there are few, if any, rules regarding migration of customers from one ALEC to another or from a ALEC to BellSouth. This omission has negatively affected the end-user's ability to obtain service from the carrier of his or her choice.

This Commission has received complaints concerning delays in the converting of customers from one ALEC to another, and even outright refusals by some ALECs to switch customers either to another ALEC or back to BellSouth. BellSouth has witnessed first-hand many examples of such behavior. The party most injured by such practices is the end-user whose choice is hindered and thwarted. In order to ensure seamless migration of end-users to the carriers of their choice, and to promote further the development of local competition, this Commission must implement standardized rules governing customer migrations in the local telecommunications market.

Other state commissions, most notably New York and Pennsylvania have conducted industry wide workshops and implemented uniform regulations

governing ALEC to ALEC and ALEC to ILEC customer conversions. Copies of these rules and regulations are attached as Exhibit "A". These rules provide a good basis to discuss what criteria should be included in a Florida migration rule. BellSouth suggests the Commission look at the other state migration rules as well as comments filed in response to this Commission's request and draft a set of proposed rules, followed by a formal comment period, and then consideration by the Commission.

All local service providers must have timely and accurate access to customer service records/information ("CSR") in order to compete effectively and to place accurate local service requests to competing carriers. BellSouth is required by federal and state law to provide non-discriminatory access to its customer databases, and to provide necessary training, documentation and "help desk" support to enable ALECs to properly access that information. BellSouth's interconnection agreements with all ALECs state that the parties will execute Blanket Letters of Authorization ("LOA") for the securing of customer records without the need for producing the actual signed customer LOA that the carrier is required to obtain from the customer under state and federal slamming rules. BellSouth has executed the blanket LOAs with all known ALECs.

BellSouth provides electronic access to its CSR information through TAG/LENS access to its Business Office Customer Records Information System ("BOCRIS"). CSRs contain Customer Proprietary Network Information ("CPNI") and information that is proprietary to BellSouth. Access to credit information and other customer proprietary restricted data is controlled by the Florida Statutes,

Section 222 of the 1996 Act, and the FCC. The following is a list of the information available on the CSR:

- Telephone Number of other Account identification
- Listed Name
- Listed Address
- Directory Listing information
- Directory Delivery information
- Billing Name
- Billing Address
- Service Address
- Product and Service information
- PIC
- LPIC
- BellSouth's retail rates
- Credit History (Alabama and Florida)
- Local Service Itemization

TAG provides ALECs with on-line, same day access to view and print CSR information in substantially the same time and manner as BellSouth service representatives can view and print this information for BellSouth's own retail customers. Using this capability, the ALEC can obtain account information on-line for customers serviced by resale or by unbundled network elements ("UNE"). CSRs for ALECs and BellSouth are updated in the same time and manner – usually after an order has been completed.¹ Finally, BellSouth ports telephone numbers of customers to requesting facilities-based ALECs pursuant to performance measures and standards promulgated by this commission.

Presently, there are no rules governing the ALECs' obligation to provide CSR information to other local service providers. Like the ALECs complaining to this Commission, BellSouth's retail and wholesale organizations are experiencing

customer-impacting delays in migrating end-user customers. Such breakdowns in customer migration occur primarily among facility-based providers, both in situations where ALEC-A wins a customer from ALEC-B (and ALEC-A wants to serve that customer via UNE-P or resale, i.e., over BellSouth's facilities) and also where the customer of an ALEC wants to migrate to BellSouth. In both of these situations, BellSouth's retail unit and/or its Local Carrier Service Center ("LCSC") have encountered delays and refusals on the part of the "old" or "losing" ALEC to perform functions that are essential to the seamless transfer of customers. This includes delays in the exchange of CSR information, which is essential to the accurate submission of service orders. BellSouth is prepared to document these delays to this Commission by providing proprietary data showing individual ALEC response times to requests for customer service records. Failure to provide timely and accurate CSR information leads to inaccurate local service orders and "rejects" or "clarifications" that delay the conversion and frustrate the end-user's desire to switch carriers.

Delays in providing necessary porting information also impede seamless customer migrations. ALECs often delay or refuse to provide circuit identification information, which is essential for customer migrations where the new or "winning" provider will "reuse" existing facilities. Without a timely and accurate exchange of CSR and other porting information, the end-user customer's transition will be delayed if not entirely frustrated.

¹ BellSouth also provides ALECs the ability to parse information on the CSR, that is to break down the information contained in the CSR into certain fields from a stream of data received from BellSouth.

In order to assure a freely competitive environment and the seamless transition of customers, BellSouth believes that this Commission should develop rules to include the following areas:

1. Clarify that all local service providers have an unqualified and absolute right, upon obtaining appropriate customer authorization, to access that customer's CSR information, including the circuit identification number associated with that customer; and, conversely, that all local service providers have an unqualified and absolute obligation to provide such access in an accurate, complete and timely manner.
2. Define appropriate customer authorization to include Blanket Letters of Authorization (LOAs) for the securing of customer records, thus eliminating the need for an exchange of the actual signed customer LOA on each transaction, and require that all local exchange providers will mutually execute and then subsequently honor Blanket Letters of Authorization. A TSP may, however, request a specific signed customer LOA obtained from another TSP.
3. Require that all local exchange providers will establish training and practices for the efficient reuse of facilities for local service conversions. Initially, all service providers should provide the "winning service provider" the unbundled loop circuit number if that LEC utilizes the wholesale loop facilities from the wholesale division of the incumbent LEC.
4. Define "CSR information" to include all the information BellSouth currently provides as CSR to ALECs. At a minimum, service order information exchanged between providers shall include:
 - i. Customer Name
 - ii. Customer Address
 - iii. Customer Telephone Number
 - iv. Circuit Identification Number
 - v. Type of Transport, hunting, features, etc.
 - vi. Information that will indicate whether the current provider has any pending orders that will impede disconnection of the existing service

5. Ultimately, and in no later than 6 months, require that all local service providers provide electronic access to CSR information to ensure accuracy and increased speed of converting customers from one provider to another. Absent an electronic means and in the interim, require the "losing" or "old" local service providers to respond to the "new" or "winning" provider's request for this information via email or fax request within a four-hour work period. For example, if a CSR is received before 12:00 p.m., the ALEC should respond on the same day. If received after 12:00 p.m., the CSR should be returned no later than 12:00 p.m. on the following day.
6. Clarify that the old local service provider shall not withhold CSR or other porting information such as the circuit identification number, because it has a contractual arrangement with the customer, an existing CPE arrangement, or a past due balance or billing dispute with the end-user customer.
7. Establish symmetrical performance measurements and standards/intervals within which the local exchange providers must provide the CSR and other information to other local exchange providers. At a minimum, requests for CSR information, including circuit number, should be made available on a single transaction and should be provided:
 - i. If electronic access, then - in 15 minutes or less
 - ii. If via fax or email, then - no later than 4 hours after request
8. Require all local service providers to track and report monthly the number of requests for CSRs and other porting information, including the circuit identification number, and % requests not provided within the required interval above 4 hours; not provided within 24 hours; 48 hours; 72 hours; more than 72 hours.
9. Establish symmetrical performance measurements and standards/intervals within which the local exchange providers must provide, following receipt of a local service request from another local service provider, a firm order confirmation or a valid reject/clarification.
10. Establish symmetrical performance measurements and standards/intervals within which local exchange providers must port the telephone numbers of customers to other local exchange providers upon appropriate customer authorization.
11. Establish an expedited dispute resolution proceeding for disputes regarding failure to comply with these rules, and provide that violations of

these rules will subject the offending carrier to penalties up to \$25,000 for each day the violation continues.

B. With Certain Limited Exceptions Dealing with Specialized Numbers, No Local Exchange Provider Should Withhold CSR Information or Telephone Numbers Upon Receipt of a Valid LSR.

Certain ALECs delay or refuse to provide CSR information or to port a number on the grounds that the old local exchange carrier has a current contractual or other CPE relationship with the end-user or because the end-user owes that carrier money. Under no circumstances should any local exchange carrier be permitted to refuse to provide CSR or port a number for these reasons. The state commissions in Pennsylvania and New York have made this clear, as should this Commission. BellSouth categorically does not refuse to provide access to CSR or to port a number in these circumstances, nor should it be able to do so. In these circumstances, carriers should include appropriate termination and other dispute resolution language in their agreements with customers, and resort to appropriate contract negotiations and/or lawsuits.

There are certain extremely limited circumstances in which BellSouth cannot port a particular set of specialized numbers.

"Choke" Codes: BellSouth provides certain "choke" codes or numbers to radio stations for use in promotional call in programs such as money, tickets or other prizes to the 100th caller. BellSouth is technically unable to port such numbers to ALECs. The national forum NANC (North American Numbering

Council) and the regional forum – Southeast Region LNP Operations Team - has addressed this issue and have made agreements that porting will not be a viable option. Instead, the chairman of the Southeast LNP Operations Team has suggested in this forum that BellSouth keep the choke codes and that, if a ALEC needs a choke code/numbers, then an appropriate special assembly would be worked out to give a similar functionality. BellSouth respectfully suggests that the Commission allow the LNP Industry to continue to address this issue and to monitor the progress made in this area.

“Odd Ball” Codes: BellSouth uses the 780 NXX code and 557 NXX code for internal business purposes. Currently, a BellSouth project team has begun the work required to use toll free numbers instead of numbers from the 557 and 780 NXX codes for official BellSouth communications. BellSouth’s goal is to complete migration across the BellSouth region by December 2003. BellSouth plans to return the codes to NANPA once it vacates the codes. To the extent that Number Pooling has been implemented at the time BellSouth vacates the oddball codes, it may request that only certain number blocks be assigned to BellSouth from the returned code.

BellSouth also uses the 203 NXX (ZipCONNECT) and 930, 440, 530 NXXs (UniServ) in the BellSouth region. BellSouth is currently working to file an updated ONA report with the FCC in which BellSouth will express its intent to discontinue these services, because the NANPA has refused to duplicate these codes as needed when a NPA split occurs. BellSouth is currently developing alternate service arrangements for any existing customers, and plans to return

the codes to NANPA once BellSouth vacates the codes. If BellSouth determines a need for all or part of a given code in a given NPA, BellSouth may request that it be assigned all or part of the code in a particular NPA. To the extent that Number Pooling has been implemented at the time BellSouth vacates the oddball codes, it may request that only certain number blocks be assigned to BellSouth from the returned codes.

C. Porting of Number When Customer's Account is Disconnected.

Regarding Staff's proposed rule regarding the release of a subscriber's current number upon a request to switch to a new carrier, BellSouth submits that the proposed rule should take into account the situation when a subscriber's account has been disconnected for nonpayment. In that situation, the subscriber is theoretically not a current BellSouth customer and thus the customer no longer has any rights to the number in question. Indeed, upon complete disconnection, the customer's former number is placed into a pool of unused numbers for reassignment. Accordingly, BellSouth requests that in addition to the previously mentioned suggested revisions, the Commission clarify that the current proposed rule regarding number portability be clarified to exclude any requirement to release a customer's number when that customer's service is disconnected for nonpayment.

III. ALEC Migration Issue

At the close of the workshop, Staff requested that the parties provide comments on a proposed rule that would govern the situation when an ALEC

exits the telecommunications industry in the State of Florida. BellSouth is finalizing a proposed rule and will forward the rule to Staff and the parties upon its completion.

CONCLUSION

For the foregoing reasons, BellSouth respectfully requests that the Commission adopt the modifications suggested herein for the proposed rules.

Respectfully submitted this 23rd day of May, 2002.

BELLSOUTH TELECOMMUNICATIONS, INC.



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448041

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
New York on December 13, 2000

COMMISSIONERS PRESENT:

Maureen O. Helmer, Chairman
Thomas J. Dunleavy
James D. Bennett
Leonard A. Weiss
Neal N. Galvin

CASE 00-C-0188 - Proceeding on Motion of the Commission to
Examine the Migration of Customers Between Local
Carriers.

ORDER ADOPTING GUIDELINES

(Issued and Effective January 8, 2001)

BY THE COMMISSION:

INTRODUCTION

On October 16, 2000, we issued for public comment a joint proposal for guidelines for the migration of customers between competitive local exchange carriers and from competitors to Verizon New York f/k/a [Bell Atlantic-New York] (Verizon). Upon consideration of the comments and reply comments, the proposed guidelines will be adopted but clarified as to two issues, one concerning enforcement and the other reuse of facilities.

The purpose of the proposed guidelines is to standardize the essential procedures for migrating customers

from one carrier to another.¹ Most parties urged that the proposed guidelines be incorporated in a Commission order, while none thought a penalty scheme or performance assurance plan was appropriate at this early stage of market entry by competitive local carriers. However, our adoption of the proposed guidelines gives them the force of law.

A collaborative workgroup led by Department of Public Service Staff team (Staff) met from April to August 2000 to develop migration guidelines by consensus. After identifying a range of issues, the workgroup focused first on establishing procedures to ensure customers can migrate from one competitor to another, and from a competitive local carrier to Verizon, without abnormal delays or service problems. The workgroup consisted of over 50 members of the industry as well as the Office of the Attorney General and the Consumer Protection Board. With the formulation of this joint proposal for the adoption of general guidelines, the first phase of the collaborative's work came to an end. In Phase II, the parties report, the collaborative is addressing more complex migration issues in greater operational detail.

¹ In instituting this proceeding, we noted that although competitive local service carriers served a significant portion of New York State's consumers, the industry lacked standard procedures for migrating customers from one competitive carrier to another, or back to the incumbent, to ensure that customers could change local service carriers seamlessly and efficiently. New entrants to the local exchange market urged the adoption of guidelines. Moreover, the Department received numerous consumer complaints of problems switching local carriers.

of seamless and efficient migration practices among carriers consistent with the guidelines. While recognizing that some carriers want to ensure that they will not be held to an absolute standard of perfection, these parties assert that the good faith qualification is potentially detrimental to carriers and end users, and may be contrary to federal and state law governing honest business practices. WorldCom, in contrast, urges adoption of the proposed guidelines with no substantive changes, on the ground that they nevertheless represent a consensus derived after lengthy negotiations, compromises, and consideration of divergent interests and perspectives.

Reuse of Facilities

The proposed guidelines include eight common migration responsibilities. Time Warner Telecom suggests modification of number seven (reuse of facilities) to reflect the fact that facilities cannot always be reused when an end user migrates. Common migration responsibility seven provides that authorization is not required from the old local service provider for the new local service provider to reuse portions of the network that were provided to the old local service provider by a network service provider; nor may the old local service provider prohibit such reuse.⁴

Time Warner Telecom argues that this responsibility should be clarified to indicate that reuse does not apply to high capacity facilities (for example, a T1⁵) and unbundled loops, except those used for single-line basic voice service. It states that technical limitations prohibit reuse of some high capacity facilities and unbundled loops used to provision multiple services and/or multiple end users. Such facilities are normally terminated in one carrier's collocation cage, and a

⁴ Proposed Guidelines, p. 3.

⁵ A T-1 is a digital transmission link with a capacity of 1.5 megabits per second, and can normally handle 24 simultaneous conversations.

portion of the high capacity facility cannot be rerouted to another carrier's collocation cage without affecting all the other services and/or other end users served by that facility.

WorldCom and Verizon agree; however, Verizon suggests that the responsibility be worded more generally to state that reuse should be available only when the facilities are no longer needed by the old local service provider to provide service to the migrating end user or other end users.

Timing Interval for Customer Service Records

Cablevision Lightpath, XO New York, and Metropolitan Telecommunications state concerns about the interim timing interval for the provision of Customer Service Record (CSR) information between carriers as established in Case 97-C-0139 and referenced in the proposed guidelines pending final determination of an interval.⁶ Metropolitan Telecommunications' concern is that all carriers must meet the interval in order to meet the overall requirement of our end user service standards: installing basic service within five days, 80% or more of the time.⁷ The other two carriers are concerned that the interim timing interval is not long enough in view of their mostly manual internal processes that make it time consuming to gather all CSR information. They suggest that the guidelines include a phase-in period for any carrier to automate its internal processes prior to any obligation to meet a specified interval.

Elements of the Customer Service Record

AT&T and Metropolitan Telecommunications address the elements of the Customer Service Record which are defined in the

⁶ Proposed Guidelines, p. 9.

⁷ 16 NYCRR Part 603.

guidelines.⁹ Metropolitan Telecommunications would like to add circuit identification number to the list of elements while AT&T believes that circuit identification is more appropriately a part of network transition information which is to be defined in Phase II of the migration proceeding. AT&T also proposes excluding identification of a vertical feature now listed in the guidelines as part of the CSR which it believes should instead be part of network transition information.

Data Carrier Access to Customer Service Records

Rhythms Links Inc. and WorldCom assert that a carrier that provides only data services to end users should be accorded the same access to customer service record information as voice competitors. They argue that such access will support provisioning of data services, and note that data providers currently have access to Verizon customer service records. They propose the same access from competitive voice carriers.

DISCUSSION

The proposed guidelines represent a first step to standardize procedures for the majority of migrations. Specifically, the proposed guidelines are designed to be sufficiently broad to apply to all types of service configurations, and sufficiently detailed to ensure efficient migration through resale and Unbundled Network Elements - Platform (UNE-P). More complex serving arrangements such as UNE-Loop and facilities-based migrations are being addressed in Phase II of the migration proceeding.

The proposed guidelines are adopted, but clarified with respect to "good faith", and reuse of facilities as explained below. We need not, at this time, address the other concerns raised in the comments as these should be the subject of Phase II discussions among the parties.

⁹ Proposed Guidelines, p. 6.

Elements of the Customer Service Record

Two parties suggest modifying the elements of the customer service record. Those comments concern unresolved complex migration issues being addressed in Phase II. Consequently, we make no changes to the elements as stated in the proposed guidelines.

Data Carrier Access to Customer Service Records

Rhythms Links and WorldCom propose that data carriers be afforded equal access to customer service record information as other local exchange carriers. No party formally objected to this proposal. It should foster the development of competition for data services. However, access to and use of customer service information is currently being negotiated in the DSL collaborative, Case 00-C-0127. Nothing in these guidelines should be read to anticipate our determinations in that proceeding.

CONCLUSION

The adoption of these guidelines, pursuant to our authority under Public Service Law §§91(1), 92-e, 94(2), and 96(1) should enhance the functioning of the competitive market in New York State. The participants in the collaborative proceedings have complained of excessive delay and refusals by some competitors to release any customer information or otherwise to assist in the transfer of a customer who desires to change local carriers. Adoption of these guidelines will establish clear standards for dealings between competitors.

By standardizing the dealings between competitors regarding customer migrations, these guidelines also should have a substantial impact on end use customers. Department Staff has received numerous complaints regarding migration practices by local carriers. Investigation of these complaints has revealed that many are based on unreasonable delays in migration or

CASE 00-C-0188

misunderstandings between the carriers involved, leading to customer inconvenience and confusion. By facilitating the migration process, these guidelines will better enable local exchange carriers to comply with their obligations to customers, including prompt initiation of service and rendering of fair and accurate bills, consistent with state and federal law and regulation regarding customer authorization to change carriers, prohibition of slamming, and privacy protections.

Therefore the proposed guidelines are adopted, as clarified in the Order.

The Commission orders:

1. The proposed end user migrations guidelines - CLEC to CLEC are adopted, as clarified in this Order.
2. This proceeding is continued.

By the Commission,

(SIGNED)

JANET EAND DEIXLER
Secretary

Attachment

END USER MIGRATION GUIDELINES

CLEC to CLEC

November 29, 2000

I. Introduction

These guidelines have been developed in the context of Case 00-C-0188 which was instituted by the Commission to examine the issues arising from the development of local service competition, particularly "how customers change carriers in a way that both fosters competition and protects customers."¹ Representatives of the industry and government collaborated in the development of these guidelines through working group sessions held between March and July of 2000. The organizations that participated in the development of these guidelines are listed in Appendix A.

The objective of these guidelines is to ensure that end users can migrate from one Competitive Local Exchange Carrier (CLEC) to another or from one CLEC to Verizon New York, Inc. (Verizon, formerly Bell Atlantic - New York) without encountering abnormal delays, service problems, slamming, cramming, or cumbersome procedures. End user migration should occur in a seamless and timely fashion for the benefit of the end user. To that end, these guidelines establish general business rules, privacy protocols, and general procedures governing the migration of end users between CLECs or from a CLEC to Verizon.

These guidelines apply to all CLECs and Verizon for migrations of an end user between CLECs or away from a CLEC to Verizon. Business rules, protocols and procedures for the migration of end users from Verizon to CLECs have been or are being addressed in other proceedings² and are not addressed here. Similarly, procedures for end-user migration between CLECs and Frontier Telephone Company of Rochester and other incumbent local exchange carriers in the state are being or may be developed in other proceedings specific to those incumbent carriers. The parties to this proceeding strongly support the development of consistent, statewide procedures as the best means to further

¹ Order Instituting Proceeding (issued January 26, 2000), at 3-4.

² They are generally defined at the following internet website:
http://www.bellatlantic.com/wholesale/html/customer_doc.htm

competition and allow for seamless migration of end users. To that end, it is recommended that these guidelines serve as a model for any other migration guidelines that may be developed in the state for specific application to one or more other incumbent LECs. Moreover, it is recommended that, pending the formal adoption of guidelines applicable to an independent ILEC, these guidelines serve as a model for reasonable behavior against which to evaluate particular situations on a company by company basis.¹

Finally, these guidelines do not reflect practices and procedures relating to Digital Subscriber Line (DSL) services or line sharing/splitting arrangements as defined by the Federal Communications Commission (FCC), because such practices and procedures are being developed in Case 00-C-0127.² However, it is hoped that the practices and procedures developed for DSL will be consistent with these guidelines to the extent possible, and these guidelines have been developed with this goal in mind.

These guidelines represent the culmination of Phase I of the proceeding. Phase I was instituted to expeditiously establish a baseline set of principles, responsibilities, and ground rules for exchanging information that will support end user migration between CLECs. More specific scenarios and details associated with the migration process will be addressed in Phase II of this proceeding.

¹ The independent ILECs preserve the rights afforded them under applicable state and federal laws and regulations, including the Telecommunications Act of 1996.

² Case 00-C-0127 – Proceeding on Motion of the Commission to Examine Issues Concerning the Provision of Digital Subscriber Line Services.

9. Carriers must maintain a company contact escalation list, and that list must be available to other LECs for their use in resolving migration problems.
10. These guidelines when approved by the Commission will have the force and effect of a Commission order.¹

III. Common Migration Responsibilities of Carriers

When an end user either queries a local service provider about migrating to that carrier, or actually migrates, the involved carriers should act according to the following responsibilities:

1. The Local Service Provider(s) (LSPs) deals directly with the end user.
2. To request a CSR from the end user's current LSP, another LSP must have a verifiable form of customer authorization (i.e., AGAUTH) on file in accordance with these guidelines. The verification to view a CSR need not be sent to the OLSP.
3. A company can be both an LSP and an NSP at the same time.
4. There can be multiple NSPs involved with a service (e.g., one company could provide the loop and another the port).
5. The ONSP(s) will provide a loss notification to the OLSP.
6. The NLSP will provide the LSR information to the NSP(s).
7. Authorization is not required from the OLSP for the NLSP to reuse portions of the network that were provided to the OLSP by a NSP(s), nor may the OLSP prohibit such reuse. However, reuse only applies to facilities that are no longer needed by the old local service provider to provide service to the migrating end user or any other end users.
8. If requested, the OLSP or NSP provides the information noted in the CLEC to CLEC Migration Guidelines to the NLSP.

¹ Should problems arise between carriers where it is apparent that third party resolution is required, carriers are encouraged to use the Commission's Guidelines for Expedited Dispute Resolution, Case 99-C-1529, Issued November 18, 1999.

IV. Exchanging Customer Service Information

To facilitate local service migration in a timely and seamless manner, it is necessary to have a procedure for exchanging Customer Service Records/Information (CSR/CSI) and/or end user network configuration information in a timely and acceptable manner. In general, these procedures for exchanging such information must meet the end user's needs for privacy, the company's needs for information, and must include safeguards to ensure that the end user has approved the exchange of his/her records.

While sharing CSR/CSI is an important element of end user migration, the sharing of CSR/CSI shall not violate an end user's privacy, or create inequitable marketing practices. A potential NLSP may not acquire CSR/CSI without end user authorization. The existing LSP is prohibited from approaching an end user to retain or keep that end user as a result of a request for CSR/CSI.

A centralized database of carriers' CSR/CSI will be investigated in Phase II.

The information covered in this section of the guidelines is broken into the following categories:

1. The baseline information that must be on a CSR/CSI to support a migration.
2. The guidelines for requesting a CSR/CSI.
3. The format of a CSR/CSI.
4. The method of transmitting a CSR/CSI.
5. The time frame between when a CSR/CSI is requested and when it is sent.

A. Defining the CSR/CSI

The baseline information that must be submitted by an LSP/OLSP whenever another LSP requests a CSR/CSI to support migration is:

- a) Billing telephone number
- b) Working telephone number
- c) Complete customer billing name and address
- d) Directory listing information including address, listing type, etc.
- e) Complete service address
- f) Current PICs (inter/intraLATA toll) including freeze status
- g) Local freeze status, if applicable¹
- h) All vertical features - (e.g., custom calling, hunting, etc.)
- i) Options - (e.g., 900 blocking, toll blocking, remote call forwarding, off premises extensions, etc.)
- j) Tracking number or transaction number (e.g., purchase order number)
- k) Service configuration information (e.g., resale, UNE-P, unbundled loop)
- l) Identification of the NSPs
- m) Identification of any line sharing/line splitting on the migrating end user's line

B. Guidelines for Requesting CSR/CSI

There are two general situations when a company may need to request another company's end user information (CSR/CSI). The first is when negotiating with a concurring end user, a carrier may need to review that end user's CSR. The second is when an end user is migrating to another company.

¹ Local service provider freezes are not currently available in New York. The matter is currently under consideration in Case 00-C-0188.

- I. When a carrier (i.e., the "reviewing company") has permission from the end user to review the end user's account, the reviewing company can request a CSR or equivalent information from the current LSP, if the reviewing company has one of the following types of end user consent:
- a) A letter of authorization from the end user to review his/her account, or
 - b) A third party verification of the end user's consent, or
 - c) A recording verifying permission from the end user to review his/her account, or
 - d) Oral authorization with a unique identifier given by the end user (e.g., residence: mother's maiden name; business: tax identification code). This identifier must be associated with the end user giving permission to review his/her account.

The reviewing company must indicate to the current carrier that it has on file one of these types of verifications, and must keep this verification on file for one year for possible third party auditing purposes. The LSP cannot require a copy of the end user's authorization from the reviewing company.

- II. When a company has permission from the end user to switch LSPs, the NLSP can request the end user's network serving arrangements and a CSR, or equivalent information, from the OLSP and/or NSPs if it has one of the following types of end user consent¹:
- a) A letter of authorization from the end user to switch local carriers, or
 - b) A third party verification of the end user's request, or
 - c) A recording verifying the end user's request to switch local carriers.

The NLSP must indicate to the OLSP and/or NSP(s) that it has on file one of these certifications of consent, and must keep this certification on file for two

¹ When a carrier goes out of business, these requirements may not apply because the end users of that carrier must be billeted as to their choice of serving carrier. If no choice is made by an end user, that end user will by default be served by the designated carrier of last resort.

years for third party auditing purposes. The OLSP and/or ONSP(s) cannot require a copy of the end user's authorization from the NLSP.

C. Format of a Request for a CSR/CSI

The following information must be provided by the requesting carriers in order to obtain a CSR/CSI:

1. Billing telephone number (BTN).
2. End user service address.
3. An indication of end user consent to review the CSR/CSI.
4. End user name.
5. A tracking number for the request.
6. Who to and where to respond with the CSR/CSI information.
7. A telephone number and person to contact for questions about the CSR/CSI request.
8. The name of the company requesting the CSR/CSI.
9. The date and time the request was sent.
10. How to respond with the CSR/CSI information.

LSPs transmitting CSR/CSI requests via facsimile or electronic mail must use the form in Appendix E unless another option is agreed to by both carriers. When using electronic mail, the completed form must be in Rich Text Format (RTF).

D. Transmission of CSR/CSI Information

In general, the transmission of CSR/CSI requests and information can be some form of electronic means; such as facsimile, electronic mail, electronic data interchange, or any other means negotiated between the two carriers. In any event, the request cannot be via oral means (e.g., voice telephone call). Carriers may specify preferred and alternate means of transmission at their discretion. All carriers must at a minimum allow transmission of CSR/CSI information by facsimile.

E. Timing

Pending any modifications resulting from this proceeding, interim CSR/CSI timing guidelines were established in Case 97-C-0139. The current interim standard for the provision of a CSR/CSI is: "If a CLEC receives a CSR request in the morning, the CSR should be provided by 5 PM the same day; if the request is received in the afternoon, the CSR should be provided by noon the next day."¹ The parties' adoption of these Guidelines does not constitute endorsement of this time frame. A final standard and/or implementation of a standard for the time in which a carrier must provide CSR/CSI will be addressed through further collaboration in Phase II of this proceeding, and/or Case 97-C-0139.

V. Exchanging End User Network Information

In addition to CSR/CSI, there may be a need to obtain network information to migrate an end user. Carriers should share all network specific information of a technical nature necessary for the successful migration of end users. The required information will be defined in Phase II.

¹ Order Establishing Additional Inter-Carrier Service Quality Guidelines and Granting In Part Petitions for Reconsideration and Clarification, Issued and Effective February 16, 2000, Case 97-C-0139, pg. 28.

Appendix B – Terms

The following definitions and terms are used in these guidelines:

1. **AGAUTH** – Agency authorization. The data/record indicating that the end user has authorized the NLSB to act as his/her agent. See LOA, below.
2. **Bundled Network Components** – The categorization of both resold services as made available through the Verizon New York, Inc. 915 tariff and UNE-P as defined in the Verizon New York, Inc. 916 tariff.
3. **Completion Notification** – Document issued by a NSP to inform a LSP of the completion of work associated with a specific LSR.
4. **Competitive Local Exchange Carrier (CLEC)** – A local exchange carrier, as defined in 47 U.S.C. sec. 153 (26), operating in competition with one or more incumbent local exchange carriers.
5. **Cramming** – The practice of billing an end user for telephone or non-telephone related services not requested.
6. **Customer Service Record (CSR)** – (Also known as Customer Service Information or CSI) Documentation indicating the end user's name, address, contact telephone number, quantity of lines, services, features, and other information associated with an end user's account. The elements of a CSR are defined further in these guidelines insofar as what information about an end user should be provided to a new local service provider when an end user contemplates changing, or migrates to a new local service provider.
7. **Directory Service Provider (DSP)** – The provider of white page and/or yellow page listings.

14. **Line Splitting** – As defined by relevant orders and rules of the FCC and this Commission. See, e.g., CC Docket No. 00-65, "Application by SBC Communications, Inc., Southwestern Bell Telephone Company, And Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas, Memorandum Opinion and Order" (rel. June 30, 2000), FCC 00-238, para. 323-329; Case 00-C-0127, Proceeding on Motion of the Commission to Examine Issues Concerning the Provision of Digital Subscriber Line Services.
15. **Local Number Portability (LNP)** – As defined in 47 U.S.C. sec. 3(30), the process by which an end user can retain the same telephone number when migrating to a NLSP.
16. **Local Preferred Interexchange Carrier (LPIC)** – The intraLATA carrier to which traffic from a given telephone number is automatically routed when dialing in equal access areas.
17. **Local Service Confirmation (LSC)** – Document issued by the NSP to inform the LSP of the confirmed scheduled completion date for work effecting specific telecommunications service activities such as unbundled loop connections.
18. **Local Service Provider (LSP)** – The local exchange carrier that interacts directly with the end user and provides local exchange telecommunications services to that end user. A local service provider can also be a network service provider. NLSP indicates "new" local service provider, and OLSP indicates "old" local service provider.
19. **Local Service Provider Authorization Number (LSPAN)** – Authorization control number provided by the OLSP to the NLSP. The NLSP includes the LSPAN on the LSR sent to the new/old NSP in reuse situations.

20. Local Service Request (LSR) – Document used among LSPs and NSPs to install, change, and/or disconnect services. The LSR is sent by an LSP to an NSP, for example, to request the activation of number portability, the installation of an Unbundled Loop facility, or the disconnect of loop facilities and migration of a number.
21. Loss Notification – The process by which the ONSP notifies the OLSP of the end user loss upon completion of a request.
22. Network Service Provider (NSP) – The carrier that interacts with LSPs and provides the facilities and equipment components needed to make up an end user's telecommunications service. A network service provider can also be a local service provider. NNSP indicates "new" network service provider, and ONSP indicates "old" network service provider.
23. Order and Billing Forum (OBF) – A forum of the Carrier Liaison Committee, a committee acting under the Alliance for Telecommunications Industry Solutions (ATIS). OBF provides a forum to identify, discuss and resolve national issues affecting ordering, billing, provisioning and exchange of information about access service, other connectivity and related matters.
24. Preferred Interexchange Carrier (PIC) – The interLATA carrier to which traffic from a given location is automatically routed when dialing 1+ in equal access areas.
25. Slamming – The practice of changing an end user's carrier selection without the end user's knowledge or explicit authorization, in violation of section 258 of the Telecommunications Act of 1996 or Section 92-e of the New York Public Service Law.
26. Service Configuration Information – Identification of the service platform currently used by the end user (e.g., resale, unbundled loop, retail, UNE-P).

27. **Transition Information** – Information about the current providers of various service components to the end user (e.g., loop, directory service).
28. **Unbundled Network Elements** – Elements of the network as defined by the Federal Communications Commission and the New York State Public Service Commission to which incumbent local telephone companies must make available unbundled access to competitors.
29. **Unbundled Network Elements Platform (UNE-P)** – The combination of specific unbundled network elements used by a competing carrier to provide local exchange and associated switched exchange access service as defined in the Verizon New York Inc. 916 tariff.

Appendix C – FCC/FTC Statement on Deceptive Advertising

The following is a summary of the Federal Communications Commission/Federal Trade Commission's joint statement on deceptive advertising as of June 2000. The full version of this statement (22 pages) is available at the following internet web site:

<http://www.fcc.gov/Bureaus/Enforcement/Orders/2000/fcc00072.txt>

In recent years there has been an explosion in competition and innovation in the telecommunications industry. Long-distance customers have reaped substantial benefits in the form of greater choice in deciding which carrier to use and a greater diversity in the prices charged for those calls.

Numerous carriers, both large and small, promote their services through national television, print, and direct mail advertising campaigns. Because no one plan is right for everyone, advertising plays a critical role in informing consumers about the myriad choices in long-distance calling and, in the case of dial-around services, advertising is generally the only source of information consumers typically have before incurring charges. With accurate information, consumers benefit from being able to choose the particular carrier that meets their long-distance calling needs at the most economical price. However, if consumers are deceived by the advertising claims, they cannot make informed purchasing decisions and ultimately the growth of competition in the long-distance market will be stifled.

The proliferation of advertisements as well as an increase in the number of complaints regarding how these services are promoted, have raised questions about how the principles of truthful advertising apply in this dynamic marketplace.

Section 201(b) of the Communications Act requires that practices in connection with communications service shall be just and reasonable, and any practice that is unjust or unreasonable is unlawful. The FCC has found that unfair and deceptive marketing practices by common carriers constitute unjust and unreasonable practices.

6. An advertiser must have a reasonable basis for any representations comparing the advertiser's price to the prices of its competitors. By representing a competitor's rates, an advertiser is making an implied claim that these rates are reasonably current.
7. The fact that information about significant limitations or restrictions on advertised prices may be available by calling a toll-free number or a clicking on a Web site is generally insufficient to cure an otherwise deceptive price claim in advertising. Advertisers are encouraged to use customer service numbers and Internet sites to offer consumers more information, but these sources cannot cure misleading information in the ad itself.
8. When the disclosure of qualifying information is necessary to prevent an ad from being deceptive, that information should be presented clearly and conspicuously so that it is actually noticed and understood by consumers.

Disclosures should be effectively communicated to consumers. A fine-print disclosure at the bottom of a print ad, a disclaimer buried in a body of text unrelated to the claim being qualified, a brief video superscript in a television ad, or a disclaimer that is easily missed on an Internet Web site is not likely to be effective. To ensure that disclosures are effective, advertisers should use clear and unambiguous language, avoid small type, place any qualifying information close to the claim being qualified, and avoid making inconsistent statements or using distracting elements that could undercut or contradict the disclosure. Factors used in determining whether a disclosure is clear and conspicuous are:

- Prominence Disclosures that are large in size, are emphasized through a sharply contrasting color, and, in the case of television advertisements, remain visible and/or audible for a sufficiently long duration are likely to be more effective than those lacking such prominence. The FTC's experience consistently demonstrates that fine-print footnotes and brief video superscripts are often overlooked. The disclosure should also be prominent enough so that typical consumers will actually read and understand it in the context of an actual ad.

- Proximity and Placement The effectiveness of disclosures is ordinarily enhanced by their proximity to the representation they qualify. Placement of qualifying information away from the triggering representation -- for example, in footnotes, in margins, or on a separate page of a multi-page promotion -- reduces the effectiveness of the disclosure. The use of an asterisk will generally be considered insufficient to draw a consumer's attention to a disclosure placed elsewhere in an ad.
- Absence of Distracting Elements Even if a disclosure is large in size and long in duration, other elements of an advertisement may distract consumers so that they may fail to notice the disclosure. Advertisers should take care not to undercut the effectiveness of disclosures by placing them in competition with other arresting elements of the ad.
- Factors Relating Specifically to Television Ads Other considerations specific to television ads include volume, cadence, and placement of any audio disclosures. Disclosures generally are more effective when they are made in the same mode (visual or oral) in which the claim necessitating the disclosure is presented. Research suggests that disclosures that are made simultaneously in both visual and audio modes generally are more effectively communicated than disclosures made in either mode alone. In television ads, a disclosure that includes both a sufficiently large superscript and a voice-over statement is likely to be more effective than a superscript alone.

Appendix E – Sample CSR/CSI Request Form

The form and associated field descriptions are on the following pages.

Customer Service Information Request

Page ___ of ___

Administrative Section

To: _____
Date & Time Request Sent: _____
Transaction Number: _____

Type of Service Business Residential

Requesting Company Contact

Requesting Company Name: _____
Initiator Name/Contact Tel #: _____
Address: _____
Fax #: _____
E-Mail: _____

Means of Response to Requesting Company

Preferred Means of Response w/Contact Info: _____
Alternate Means of Response w/Contact Info: _____
• Default Response (FAX) _____
• ATTENTION: _____
• Default Response is Required To Be Acceptable

End User Authorization Obtained? Yes

Customer Location (End User)

Name: _____
Service Address: _____
City, State: _____

Number Section
BTN _____

Response Reasons and Codes

Response ID _____

Response Description	RESPC
Account Tel. No. and/or Customer Location Not Found	001
Customer Supplied Account Information For Requested Account Does Not Match Active Account	018
Account Exceeds Maximum Page or Fax Limit	052
Required Requesting Company Contact Information Incomplete	501

Remarks _____

<i>(Optional Fields)</i>	<p>Response Reasons and Codes</p> <p>The following Response Code (RESPC) and Response Description (RESPD) fields are based on the resolution of OBF issue 2034, which will be incorporated in LSOG 5, published August 9 2000:</p>
Response Identifier <i>(Optional Field)</i>	Identifies the response number assigned by the provider to relate subsequent activity.

RESPC	Response Description (RESPD)	Comments
-------	---------------------------------	----------

When appropriate, the relevant Response Code should be circled and the form returned to the Requesting Company by the Responding Company

001	Account Tel No. and/or Customer Location Not Found	Responding Company cannot locate this account based on the Telephone Number and/or Customer Location information that has been provided by Requesting Company
018	Customer Supplied Account Information For Requested Account Does Not Match Active Account	To be used if Account Telephone Number and End User Name and Address don't match the active account information
052	Account Exceeds Maximum Page or Fax Limit	Used in cases where the Customer Account Information is too large to be faxed (over 20 pages) and the Responding Company wants to arrange for mailing. This could happen with large Business accounts, for example.
501	Required Requesting Company Contact Information Incomplete	Blank required fields exist in the Requesting Company Contact Section of the form.

PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held April 11, 2002

Commissioners Present:

Glen R. Thomas, Chairman, Motion attached
Robert K. Pizzigrilli
Aaron Wilson, Jr., Statement attached
Terrance J. Fitzpatrick
Kim Pizzigrilli

Final Interim Guidelines Establishing
Procedures for Changing Local Service
Providers for Jurisdictional
Telecommunication Companies

Docket No. M-00011582

FINAL ORDER¹

BY THE COMMISSION:

Background

On December 4, 2001, the Commission issued a Tentative Order proposing to adopt interim guidelines pending the promulgation of formal regulations to provide for an orderly process for customer movement between local service providers (LSPs). These voluntary interim guidelines (Interim Guidelines), which are being finalized here after the receipt of public comment, are intended to provide guidance to jurisdictional utilities when addressing the migration of customers from one LSP to another LSP. A copy of the Interim Guidelines is attached as Annex A.

Written comments were received from AT&T Communications of Pennsylvania (AT&T); ATX-CoreComm (ATX); Metropolitan Telecommunications (MetTel); the Pennsylvania Office of the Consumer Advocate (OCA); the Pennsylvania Cable and

¹ This Final Order is one of several we are adopting this day addressing Changing Local Service Providers (LSPs) (base folder); Customer Information (F0002); Quality of Service (F0003); and Abandonment by Local Service Provider (F0004). While there may be overlap among all the orders, there is perhaps more so between the base folder and F0003. The focus of this Final Order and interim guidelines generally looks at the issues from the local service provider's (LSP's) perspective, whereas the focus of Folder 0003 generally looks at the issues from the perspective of the customer.

and add the following as a new section 3: "To ensure that the migration from one LSP to another LSP allows the customer the option of retaining the existing telephone number(s), as applicable and when desired by the customer." The former section I(A)(3) would become section I(A)(4).

Resolution

The Commission will not adopt ATX's recommendation. LSPs are the subject of a separate collaborative. Any resolution resulting from that collaborative will modify these Interim Guidelines to the extent that they are different. We will accept Verizon's recommendation to replace "consumers" with "customers" and to replace I(A)(3) with the following language: "To ensure that the migration from one LSP to another LSP allows the customer the option of retaining the existing telephone number(s), as applicable and when desired by the customer." Therefore, we will change the former section I(A)(3) to section I(A)(4). We will not change the scope of these Interim Guidelines to include non-residential customers except where noted.

B. Application

Comments of the parties

The OCA states that the Commission should clarify that the Guidelines apply to all LSPs that serve customers, but relate to different groups of customers. The OCA proposes "that I(B)(1) of the guidelines should be revised, in part, as follows: 'With the exception of E911 and Directory Listings/White Pages, which relate to all customers, these interim guidelines relate to all residential customers except those customers who want to discontinue service.'"

Verizon suggests that we remove the phrase "With the exception of E911 and Directory Listings/White Pages, which apply to all customers," and add the phrase, "Except where specifically noted, ... to all" and remove the word "residential."

Resolution.

The Commission accepts the OCA's recommendation that we clarify that the Guidelines apply to all LSPs that serve customers, but relate to different groups of customers. The Commission will revise section 1(B) as suggested in part by OCA. We will not adopt Verizon's suggestion.

II. Definitions

General

Comments of the Parties.

The OCA submits that the definitions used in the Guidelines require some clarification and suggests that the Commission may use definitions from other regulatory requirements. The OCA also proposes that we adopt terms that are consistent among both the various collaboratives and the existing regulations.

Resolution.

We agree generally with the OCA's suggestion that we adopt terms that are consistent with the various collaborative and existing regulations. Many of the terms used in these Interim Guidelines are based on existing regulations. However, there are terms that are not easily defined by the existing regulations. Accordingly, we will attempt to use terms consistent with the regulations or Commission's collaboratives where applicable.

Definition of Freeze & Local Service Provider Freeze (LSPF)

Comments of the Parties

Verizon suggests that the Commission revise the definitions for *freeze* and *LSPF*.

Resolution.

The Commission will not revise the definitions of freeze and LSPF at this time. We will defer the revisions of these terms to the Commission's collaborative addressing LSPFs at Docket C-00015149, F0002, which will be concluded upon the conclusion of

Pa PUC v. Verizon PA, Docket No. M-00021592, Tentative Order entered Jan. 25, 2002, decision pending.

Definition of *Local Service*

Comments of the parties

The PTA and the PCTA contend that the proposed definition of "local service" can create confusion. The PTA suggests that the phrase "calling capacity" used in the first sentence of the proposed definition be changed to read "calling capability for telephone service" and that the word "community" in that same sentence be changed to read "exchange" in order to clarify a telephone local calling area as currently known in the industry. The PCTA expresses concerns about the term "community" and that it may inadvertently encompass service not within the Commission's jurisdiction. PCTA also suggests that the Commission allow the parties to address this definition in the collaboratives.

Verizon suggests that the Commission revise the definition by replacing the term "calling capacity" with "telecommunications service," replacing "between points within the community" with "local calling area," and adding the term "applicable federal and state taxes."

Resolution

The Commission agrees that the definition of "local service" should be changed. We will eliminate the first phrase, "Calling capacity between two points in the community" and replace it with Verizon's language, "Telecommunications service within a customer's local calling area." We will also add "applicable taxes" to this definition. For clarity we will revise the term "911 emergency service fee" to "911 emergency fee." All four of the Interim Guidelines proceedings (Changing LSPs, Customer Information, Quality of Service, and Abandonment) contain the same definition for "Local Service." Our full discussion of the parties' comments may be found in the Customer Information Interim Guidelines Final Order.

Definition of *Local Service Provider (LSP)*

Comments of the parties

The PCTA objects to the use of the term "local service provider" because they contend it could be misinterpreted by some entities to allow the Commission to issue regulations and directives aimed not only at local exchange service, but also at other services not currently regulated by the Commission. The PCTA suggests that the proposed definition must be clarified in order to prevent such misinterpretation.

Verizon suggests that the Commission revise the definition by adding the term "an end-user" to clarify the type of customer.

Resolution

The Commission agrees that the term "local service provider" should be clarified and accepts Verizon's suggestion to add the words "to an end-user" to the definition. All four of the Interim Guidelines proceedings (Changing LSPs, Customer Information, Quality of Service, and Abandonment) contain the same definition for "Local Service Provider." Further details about changes to this term are in the Customer Information Interim Guidelines Order.

Definition of *Local Service Request*

Comments of the parties

Verizon suggests that we add the term "standard industry method" to the definition.

Resolution

We accept Verizon's suggestion in part and will add the term "standard industry format" to the definition.

Definition of *Migration*

Comments of the parties

Verizon suggests that we revise this definition.

Resolution

The Commission will revise the definition of "migration" to be consistent with the definition that appears in the companion guidelines concerning Quality of Service. We did not receive comments about the definition as it was proposed in the Quality of Service companion guidelines. For clarity, we will add the phrase "at the same customer location" to the end of this definition.

Definition of *Porting*

For clarity and consistency among the companion Interim Guidelines, we will modify the definition that appears in the proposed guidelines. The Interim Guidelines for Changing Local Service Providers and for Quality of Service Procedures will contain the same definition for this term.

Definition of *Preferred Carrier (PC)*

Comments of the parties

Verizon suggests that we replace the term "his/her" with "the customer's," add the term "end-user customer," and add the phrase "lifts any freeze applicable to the service provided by the old preferred carrier" near the end of the definition.

Resolution

The Commission agrees that the definition should be revised for clarification. However, we will not adopt Verizon's suggestions. We will revise the definition by adding the phrase "For the purposes of these Interim Guidelines" and by replacing the term "existing" with "previous."

Definition of Telephone Bill

Comments of the parties

Verizon suggests that the Commission remove "rendered whether" from the definition.

Resolution

We accept Verizon's suggestion and will remove "render whether" to clarify the definition.

Additional Definitions

Applicant, Discontinuance, End-user customer, Local Reseller, and Termination

Comments of the parties

In comments about the migration of service, the OCA asserts that "LSPs must be absolutely clear regarding their obligations to customers facing suspension or termination of service." The OCA suggests that the definition of "termination" should be made clear in the Interim Guidelines.

Resolution

The Commission agrees that the obligations of LSPs to customers facing suspension or termination of service must be clearly articulated. Similarly, we also believe that LSPs must be clear about their obligations regarding those customers who apply for and discontinue service. The terms that the OCA suggests we define are actually existing defined terms in Chapter 64. Accordingly, for ease of reference and clarity, we will incorporate the existing definitions for "applicant", "discontinuance", and "termination" into these Interim Guidelines. For clarity and consistency among the companion Interim Guidelines, we will add the terms "end user customer" and "local service reseller" to the Definitions section of these Interim Guidelines.

III Migration of Local Service.

A Execution of Changes in Local Service Provider

Comments of the parties

The OCA comments that the Interim Guidelines should have direct references to the applicable provisions of the Federal Communications Commission (FCC) verification and authorization rules at 47 C.F.R. §§64.1100-64.1190. The OCA proposes that we should file a notification of election to administer the FCC slamming rules since we refer to FCC rules and intend to enforce those rules. The OCA believes that where our slamming rules, as outlined in the March 23, 2001 Secretarial Letter, provide additional instructions, we should enumerate those rules within these Interim Guidelines. In addition, the OCA also suggests that the Commission incorporate our penalties for slamming into the Interim Guidelines.

Verizon suggests that in section III(A) we add the term "carrier change" to better define the service order types and eliminate the term "letter of agency."

Resolution

The Commission agrees with the OCA that LSPs are obligated to follow the FCC's verification and authorization rules when processing a customer's request to change LSPs. However, the Commission does not believe that it is necessary or practical to incorporate the FCC anti-slamming rules and the Commission's slamming Secretarial Letter in these Interim Guidelines. As stated in the Commission's March 23, 2001 Secretarial Letter that addressed "LEC Obligations for Addressing Customer Complaints About LEC Slamming and LEC Adherence to the FCC Slamming Liability," we expect all LSPs to adhere to the FCC's rules at 47 C.F.R. §§64.1100-1190 and we intend to enforce our Chapter 64 regulations as they pertain to local service. Therefore, we do not intend to file a notification of election to administer the FCC slamming rules at this time.

The Commission will accept Verizon's suggestion in part by adding the term "carrier change" in III.A to clarify the type of service order.

B. Additional Obligations

Comments of the parties

AT&T and ATX disagree with the timeframes as outlined in III.B.(1) and III.B.(2). AT&T asserts that III.B is deficient because it fails to acknowledge that the new LSP is dependent on the existing LSP to meet the ten business day requirement. ATX contends that III.B places additional obligations on old and new LSPs involved in the migration of local service. ATX notes that the Interim Guidelines do not account for delays or facilities problems caused by the underlying carrier.

Verizon states that the Interim Guidelines should recognize that a prompt firm order confirmation (FOC) from the old LSP and availability of the applicable facilities are necessary for the new LSP to meet the 10-day service delivery deadline. The company suggests that the Interim Guidelines should set a deadline of 48 hours for the old LSP to provide a FOC to the new LSP. The company also suggests that language be added to clarify that the 10-day service delivery deadline is dependent on the old LSP providing the FOC within 48 hours. Verizon suggests that the Interim Guidelines should specify that the 10-day delivery deadline applies to orders of six lines or less. Verizon also suggests that the Commission eliminate the language in III.B(5) because the language is unnecessary.

Resolution

We accept many of the comments in part. We agree that a new LSP is dependent on the old LSP to provide timely service to a customer migrating from one LSP to another LSP.³ For that reason, we will change the 10 working day requirement for completion of 95 percent of migrations. In addition, we will revise III. B(2) to state that "The underlying carrier should issue a firm order commitment or rejection within five working days from the date it receives a valid order from the new LSP."

³ The Commission's current regulations already make allowance for exceptions beyond the control of the LSP. See 52 Pa. Code § 63.58. Installation of Service.

C. Removal of Local Service Provider Freeze (LSPF)

Comments of the parties

AT&T states that Verizon's LSPF is anticompetitive and inappropriate at this juncture. AT&T contends that there are better methods, consistent with the federal rules, to lift freezes than by asking the customer to contact his or her existing LSP.

ATX states that if the Commission permits the use of LSPFs, then the company suggests that the Commission mandate the previous LSP to promptly remove the LSPFs.

MetTel comments that the Commission should take steps to create a neutral third party for local and long-distance freeze administration because it would be beneficial to both carriers and customers.

The OCA states that the Commission should develop mechanisms for the efficient removal of a LSPF and proposes that the Commission coordinate this proceeding with the LSPF collaborative. For the removal of freezes, OCA recommends that the Commission require LSPs to provide customers several reasonable methods that would allow them to switch in a timely manner.

The PTA recommends that the Commission modify the language in III.C to ensure clear interpretation. The PTA suggests that the word "made" be changed to "initiated by the customer" to clarify the issue of who must arrange to have the LSPF lifted.

Verizon recommends that the Commission make several changes in section III.C. Generally, Verizon suggests that we add the term "end-user" before "applicant," and the term "local" before "service" for clarification. Verizon also suggests that in III.C we add the word "first" before "removed" and add the phrase "old LSP upon the end-user customer's request" and remove the word "customer". In III.C(3), Verizon suggests that we add the words "they must make" before the word "arrangements," remove the words "must be made," add the words "with the old LSP," and at the end of the sentence change "may" to "can." Verizon also suggests that we revise III.C(4) by changing "customer" to

“applicant” and adding the words “freeze prior to the processing of the applicable migration orders.”

Resolution

The Commission disagrees with the PTA’s proposed word change since the issue of who can initiate a LSPF change is being addressed by the LSPF collaborative. We do agree with the OCA that the LSPFs should be removed promptly and that LSPs should provide a reasonable way for customers to switch in a timely manner. These Interim Guidelines will address having LSPs inform customers that a new LSP cannot process a change in service if an existing LSPF is not removed by the customer. The Interim Guidelines will also address what to do when the customer is being involuntarily migrated to a new LSP and that customer fails to remove the LSPF. The Interim Guidelines will not address LSPFs beyond these two circumstances.

The Commission will defer a more detailed examination of LSPFs to the LSPF Collaborative and any subsequent proceedings that may develop as a result of that collaborative, or the collaborative for rulemaking relative to changing LSPs.

The Commission will adopt some of Verizon’s suggested word changes.

D. Refusal to Migrate Service

Comments of the parties

ATX comments that it seeks clarification of the three separate prohibitions presented under section III.D because it is not clear whether these three prohibitions represent the same situation or different situations.

The OCA generally supports section III.D. However, the OCA proposes that the Commission clearly establish that LSPs may not refuse to migrate service except when a customer is terminated in accordance to Chapter 64 consumer protection provisions. The OCA comments that the Commission should clarify the LSPs obligations regarding suspended customers or customers facing suspension or termination of service. In addition, the OCA suggests that the language in section III.D be revised as follows:

"Duty to Migrate Service. Where a request for migration of local service is processed in accordance with state and federal requirements, a LSP cannot refuse to either execute a customer's request to migrate an account to another LSP, or to port a number to another LSP, unless that account was terminated pursuant to Chapter 64 by the relinquishing LSP prior to the request. Where a request for migration of local service is processed in accordance with state and federal requirements, the relinquishing LSP shall under no circumstances refuse to release the local loop or other facilities required to provide service to a premises."

The PTA disagrees with permitting customers to port their telephone number to another LSP if the account is suspended for nonpayment or if there is an outstanding balance. The PTA states that a customer should be required to pay off any unpaid balances owed to the old LSP in order to keep his/her same telephone number when migrating service to a new LSP.

Verizon comments that the Commission should clarify that LSPs have no obligation to continue to provide an option of number portability once a line has been finally disconnected. Verizon suggests that the Commission make the following changes. In section III.D(3), add the phrase "submitted and" before "processed" and replace "is not terminated" with the phrase "has not already been disconnected." Verizon suggests in section III.D(3) that we remove the term "termination," replace it with "disconnect," and eliminate the language "until the bill is paid or otherwise resolved." Verizon also proposes in section III.D(4) that we remove the term "terminated," replace it with "disconnected," and eliminate the language "on the basis of the unpaid billing."

ASCENT comments the Commission should recognize the limited control that certain providers will have with respect to actual provisioning dates and, in those instances where a provider demonstrates that delays resulted through no fault of their own, hold underlying carriers responsible for failure to meet established provisioning dates.

AT&T agrees that ensuring the seamless migration of customers from one LSP to another and minimizing billing overlaps are worthwhile goals. AT&T believes, however,

that the imposition of unnecessary regulatory burdens such as a premature effort could actually adversely affect customer choice by over-regulating competitors out of the market.

Resolution

The Commission accepts many of the suggestions in part. As stated previously, we will incorporate existing definitions of the terms "termination," and "discontinuance."

We do not accept the comments that propose allowing a previous LSP to refuse to migrate a customer to a new LSP when the account is in collection or as some commentors stated when the account is in conflict. The only valid reasons for refusing to migrate a customer and/or port the number is if the account has been terminated or previously discontinued without a concurrent request to migrate, or if porting the number is not technically feasible. We will revise this section to make the duty of both the previous and new LSP clear. Even so, we retain most of our original direction to LSPs on migrating customers and porting numbers.

AT&T raises the issue of over-regulation. The Commission first promulgated Chapter 64, Standards and Billing Practices for Residential Telephone Service, 52 Pa. Code §§64.1 - 64.213, on November 30, 1984, and has amended it several times. Since 1984, there has been a marked increase in the number of competitors in the Pennsylvania telecommunications market. Consumers are moving back and forth among the various local (and toll) service providers. As a result, consumers have encountered confusion, delay, billing problems, and/or interruption of local service during the migrations between LSPs. Further, Verizon has recently received authority from the FCC and this Commission to commence offering in-region long distance service within Pennsylvania. These additional options may result in even more migration of consumers. We feel that some guidance is required on our part. However, we agree with the parties who suggest that it would be counterproductive to put the marketplace through two sets of significant changes. Such changes shall be deferred to the companion rulemaking collaborative relative to changing LSPs. We have modified the Interim Guidelines accordingly.

IV. Customer Information

A. Disclosures

Comments of the parties

Several commentors disagree with the timeframe for sending a disclosure statement. ASCENT comments that we should allow a minimum of five business days to provide initial disclosures to new customers. AT&T proposes that the Commission make the deadline for delivery of a disclosure statement no earlier than the date on which the first bill is due. ATX recommends revising to three business days.

The OCA agrees with the Commission's proposal that LSPs issue a disclosure statement to customers within one business day. The OCA believes, however, that it should be clear that these Terms of Service should be comprehensive as to all services being sold and should also apply whenever such terms of service are changed. The OCA also proposes that the disclosure at the initial purchase could be defeated by a later revision of service terms soon thereafter that may not be disclosed. The OCA maintains that the obligation to disclose terms of service should take place initially and at any other times when such service terms would change.

Verizon comments that the deadline for sending the disclosure statement should be changed to "within three business days of the fulfillment of the customer's service order." Verizon also suggests that we make the following changes to section IV.A remove "for service," add "entitled to receive it under Section IV of the Customer Information Interim Guideline," replace "it" with "the LSP," change "one day" to "three days," and add "of its fulfillment of the customer's migration order."

Resolution

We shall change the time frame for sending a disclosure statement to three working days. There is additional discussion about this issue in the companion Interim Guidelines Final Order concerning Customer Information.

B. Inquiries

Comments of the parties

The OCA proposes that the Interim Guideline should require LSPs to provide information that may assist customers with disabilities and information about universal service programs both in writing (via the disclosure statement) and over the telephone at the time of application of service.

Verizon suggests that the Commission change section IV.B by adding the words "for residential service" after "applicants."

The OCA proposes that the Commission require LSPs to disclose terms of service to customers when they begin service and before the LSP institutes any subsequent changes to terms of service.

Resolution

We shall accept Verizon's suggestions. There is additional discussion about this issue in the companion guidelines concerning Customer Information.

V. Discontinuance of Billing.

Comments of the parties

Verizon suggests that the Commission change section V.B by removing "should" and adding the words "shall immediately."

Resolution

The Commission will retain the use of "should" as these are interim guidelines. We will add "immediately."

VI Debtor's Rights and Creditor's Remedies. These interim guidelines do not affect the customer's debtor/consumer rights or the LSP's creditor's remedies otherwise permitted by law. Additionally, customers who believe that service has not been rendered consistent with these interim guidelines may file informal complaints with the Commission's Bureau of Consumer Services.

Comments of the Parties

Verizon suggests that the Commission change VI by adding "residential" before "customers" in the second sentence.

Resolution

We accept Verizon's suggestion in part by adding "residential" before "customers." However, we will move the second sentence in VI and create a new section VIII entitled "Customer Rights." The new section will read as follows:

VIII Customer Rights. Residential customers who believe that service has not been rendered consistent with these Interim Guidelines or applicable law or regulations may file an informal complaint with the Commission's Bureau of Consumer Services.

VII E911 and Directory Listings/White Pages.

Comments of the parties

Verizon suggests that the Commission change section VII by adding the phrase "of residence or business customers" after "migration."

Resolution

We shall accept Verizon's suggestion.

Conclusion

We believe that the Interim Guidelines established in this order are critically important to protecting consumers. All interested parties have had an opportunity to provide public comment on the Interim Guidelines, as proposed. Therefore, we shall hereby adopt the Interim Guidelines, as modified per the discussion in this order, and offer them to local service providers and underlying carriers to provide guidance in

addressing quality of service questions. We note that this process of adopting Interim Guidelines until final regulations have been promulgated has previously been used by this Commission in a number of other instances to implement telephone and electric reform legislation. See, e.g., *Interim Guidelines for Standardizing Local Exchange Company Responses to Customer Contacts Alleging Unauthorized Changes to the Customer's Telecommunications Service Provider and Unauthorized Charges Added to the Customer's Bill*, Docket No. M-00981063 (Tentative Order entered June 5, 1998); *Chapter 28 Electric Generations Customer Choice and Competition Act – Customer Information - Interim Requirements*, Docket No. M-00960890.F0008 (Order entered July 11, 1997); *Re: Licensing Requirements for Electric Generations Suppliers – Interim Licensing Procedures*, M-00960890.F0004 (Order entered February 13, 1997).

We are hereby proposing by this Final Order Interim Guidelines to be in effect pending the promulgation of final regulations at a separate docket. Some of the commentors expressed the view that the Interim Guidelines are not enforceable since binding requirements can only be established pursuant to the Commonwealth Documents Law⁴ and the Regulatory Review Act⁵ as regulations in a rulemaking proceeding. In the Tentative Order, we contemplated that the Interim Guidelines would provide guidance to LSPs and underlying carriers when customers elect to change their local service providers. In other words, we believe that jurisdictional utilities that follow these Interim Guidelines will be acting in a reasonable and adequate manner and that compliance will result in reasonable and adequate service. Consequently, to not comply will not be a

⁴ 45 P. S. §1102.

⁵ 71 P. S. §§ 745.1. et seq.

violation of a specific Interim Guideline but possibly the general regulatory requirement that a jurisdictional company provide reasonable and adequate service; **THEREFORE,**

IT IS ORDERED:


1. That voluntary Interim Guidelines attached to this Final Order as Annex A are hereby adopted to provide for an orderly process in addressing Changing LSPs. These Interim Guidelines are intended to remain in place pending the conclusion of a formal rulemaking to promulgate final regulations.

2. That this Final Order, including Annex A, be published in the *Pennsylvania Bulletin*.

3. That a copy of this order and any accompanying motions and/or statements of the Commissioners be served upon all jurisdictional local exchange carriers, the Pennsylvania Telephone Association, the Pennsylvania Cable and Telecommunication Association, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Office of Trial Staff, posted on the Commission's web site at puc.paonline.com and shall be made available to all other interested parties.

4. That the contact persons for this matter are David Lewis, Consumer Services, (717) 783-5187 and Louise Fink Smith, Law Bureau, (717) 787-8866.

BY THE COMMISSION


James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: April 11, 2002

ORDER ENTERED: April 23, 2002

DRAFT
Annex A
INTERIM GUIDELINES FOR
CHANGING LOCAL SERVICE PROVIDERS

I Statement of Purpose, Application, and Effect.

A Purpose. The purpose of these interim guidelines is as follows:

- (1) To ensure that customers can change their local service provider (LSP) without unnecessary confusion, delay, or interruption to their basic service.
- (2) To ensure that the migration from one LSP to another LSP should be seamless to the customer.
- (3) To ensure that the migration from one LSP to another LSP allows the customer the option of retaining the existing telephone number(s), as applicable and when desired by the customer.
- (4) To minimize overlap in billing during the transition from one LSP to another LSP.

B. Application. These interim guidelines apply to all LSPs that serve residential customers with the exception of E911 and Directory Listings/White Pages, which relate to all customers. Residential customers who discontinue service are required to provide their LSP with notice in accordance with 52 Pa. Code §64.53, Discontinuance of service, as such regulations may be changed from time to time.

C. Effect of Interim Guidelines. The requirements contained in these interim guidelines are intended to be consistent with the FCC's regulations at 47 CFR Subpart K, Changing Long Distance Service, which is also applicable to local service, and with 52 Pa. Code §64.2, Definitions; and 52 Pa. Code §64.191, Public Information.

II. Definitions.

The following words and terms in these guidelines, as well as companion guidelines concerning Quality of Service, Abandonment of Service, and Customer Information, have the following meaning unless the context clearly indicates otherwise:

Applicant—A person who applies for residential telephone service, other than a transfer of service from one dwelling to another within the service area of the local exchange carrier or a reinstatement of service following a discontinuation or termination.

Discontinuation of service—The temporary or permanent cessation of service upon the request of a customer.

End-user customer – A customer who has his or her telephone service provided by a local service provider.

Freeze – Designation elected by a customer that requires the customer with the freeze, including a local service provider freeze, to advise his/her previous preferred carrier of his/her intention to change preferred carriers. For customers without freezes, the new preferred carrier may relay the information to the previous preferred carrier that the customer has made a verified decision to change preferred carriers.

Local service – Telecommunications service within a customer's local calling area. Local service includes the customer's local calling plan, dial tone line, touch-tone, Federal line cost charge, PA Relay Surcharge, Federal Universal Service Fund Surcharge, local number portability surcharge, 9-1-1 emergency fee and applicable federal and state taxes. Local service also includes a local directory assistance allowance of two calls a month per customer account.

Local service provider (LSP) – A company, such as a local exchange carrier, that provides local service by resale, by unbundled network elements (with or without platform) or through its own facilities to an end-user customer. A local service provider may also provide other telecommunications services.

Local service provider freeze (LSPF) – The procedure which prevents a change in a customer's local service provider without the customer notifying the local service provider to lift the freeze.

Local service request – The standard industry format used to inform a customer's current local service provider that the customer wants to change local service providers.

Local service reseller – A local service provider that resells part or all of another company's wholesale telephone services to provide local service to end-user customers.

Migration – The movement of an end-user customer from one local service provider to another local service provider at the same customer location.

Preferred carrier (PC) – The service provider chosen by a customer to provide particular telecommunications services. For the purposes of these guidelines, a customer's previous provider is his/her preferred carrier until such time as the customer makes a verified choice of a new preferred carrier.

Porting – The process that allows customers to keep their telephone numbers when changing local service providers.

Telephone bill – The invoice for telecommunications products or services rendered by the local service provider or its billing agent.

Termination of service—Permanent cessation of service after a suspension without the consent of the customer.

III Migration of Local Service.

- A. Execution of Changes in Local Service Provider.** Changes in a customer's LSP should be executed in accordance with the regulations of the FCC that relate to verification of carrier change service orders, letters of agency, and preferred carrier freezes, as such regulations may be changed from time to time.
- B. Additional Obligations.** For any LSP or underlying carrier subject to state or federal carrier-to-carrier guidelines, if the carrier-to-carrier guidelines provide a more explicit or a narrower window for performance, the carrier-to-carrier guidelines shall control for that LSP. In addition to existing obligations in 52 Pa. Code Chapter 64, the following requirements apply:
- (1) The new LSP must provide the previous LSP with notification that the customer has requested a change by the end of the next business day.
 - (2) The underlying carrier should issue a firm order commitment or rejection within five working days from the date it receives a valid order from the new LSP.
 - (3) The new LSP should advise applicants of a scheduled service start date.
 - (4) When applicable, the new LSP should inform all applicants for service that they can keep their same telephone numbers.
- C. Removal of Local Service Provider Freeze (LSPF).** The new LSP cannot process a change in service if an existing LSPF is not removed by the customer. The new LSP should do the following:
- (1) Ask applicants for local service if they have a LSPF on their basic service accounts.
 - (2) Inform applicants for local service that the new LSP cannot authorize the removal of a customer's existing LSPF.
 - (3) Inform applicants that arrangements must be made to have the freeze lifted before an order to migrate the service can be processed.
 - (4) If the new LSP is also seeking to provide services (e.g., inter-exchange, intraLATA, interLATA, interstate, or international toll) covered by a PC freeze, the authorization to lift the freezes may be

done in the same process, but the applicant must expressly lift each particular freeze.

- D. Duty to Migrate Service :** Where a request for migration of local service is processed in accordance with state and federal requirements, a LSP should not refuse to port a number to another LSP, unless that account was terminated or discontinued pursuant to Chapter 64 by the previous LSP prior to the request. Where a request for migration of local service is processed in accordance with state and federal requirements, the previous LSP should not refuse to release the local loop or other facilities required to provide service to a premises.

IV. Customer Information.

- A. Disclosures.** The new LSP should inform applicants for residential service that it will send a written disclosure statement of the terms and conditions of service within three working days.
- B. Inquiries.** The new LSP should provide applicants for residential service with information in accordance to 52 Pa. Code Chapter 64. The new LSP should also do the following:
- (1) Inquire whether applicants want information that may assist customers with disabilities.
 - (2) Inquire whether applicants want information about low-income assistance.

V. Discontinuance of Billing.

- A. Final Bills.** Upon notification from the new LSP, the customer's previous LSP should, within 42 days, issue the customer a final bill for services rendered.
- B. Final Payments.** Once charges are paid for those services rendered prior to the change of the customer's LSP, the previous LSP should immediately remove the customer from its billing system and discontinue billing.

VI. Debtor's Rights and Creditor's Remedies. These interim guidelines do not affect the customer's debtor/consumer rights or the LSP's creditor's remedies otherwise permitted by law.

VII. E911 and Directory Listings/White Pages. Any migration of residence or business customers will require specific and timely coordination of records between the carriers to ensure that the data bases are accurate and accessible.

VIII. Customer Rights. Residential customers who believe that service has not been rendered consistent with these interim guidelines or applicable law or regulations may file an informal complaint with the Commission's Bureau of Consumer Services.

James Meza III
Attorney

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June 10, 2002

Mrs. Blanca S. Bayó
Director, Division of the Commission
Clerk and Administrative Services
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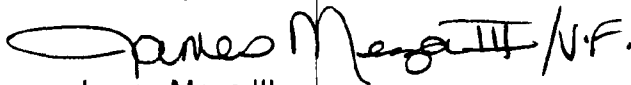
Re: Undocketed Matter
Rule Development for Proposed Adoption of
Rule 25-4.082, F.A.C. and Proposed Amendment of
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Supplemental Post Workshop Comments, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return a copy to me. Copies have been served to the parties shown on the attached certificate of service.

Sincerely,


James Meza III

Enclosures

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

CERTIFICATE OF SERVICE
Undocketed Matter
Rule Development for Proposed Adoption of
Rule 25-4.082, F.A.C. and Proposed Amendment of
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and U.S. Mail this 10th day of June, 2002 to the following:

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James Meza III

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

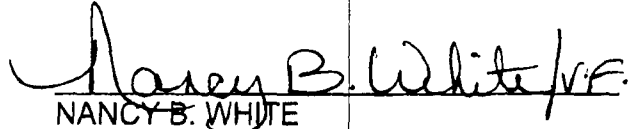
In re: Rule Development for Proposed Adoption of) Undocketed
Rule 25-4.082, F.A.C. and Proposed Amendment of)
Rules 25-4.110, 25-24.490, and 25-24.845, F.A.C.)
_____) Filed: June 10, 2002

BELLSOUTH'S SUPPLEMENTAL POST WORKSHOP COMMENTS

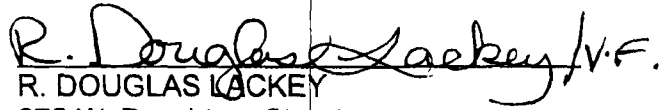
Pursuant to the Florida Public Service Commission Staff's ("Staff") request at the workshop held on May 2, 2002, BellSouth Telecommunications, Inc. ("BellSouth") hereby submits a proposed rule governing the situation when an ALEC exits the telecommunications industry in the State of Florida. The proposed rule is attached hereto as Exhibit 1. In reviewing this proposed rule, the Commission Staff should also review the materials submitted by BellSouth in its original comments, which reference industry wide workshops and uniform regulations adopted by other state commissions governing ALEC to ALEC and ALEC to ILEC customer migration.

Respectfully submitted this 10th day of June, 2002.

BELLSOUTH TELECOMMUNICATIONS, INC.

Handwritten signature of Nancy B. White in cursive, followed by the initials "V.F." to the right.

NANCY B. WHITE
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(305) 347-5558

Handwritten signature of R. Douglas Lackey in cursive, followed by the initials "V.F." to the right.

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EXHIBIT 1

ATTACHMENT A

RULES GOVERNING THE DISCONTINUANCE OF LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES PROVIDED BY ALTERNATIVE LOCAL EXCHANGE COMPANIES

DEFINITIONS:

Bankruptcy Petition: The document that initiates a bankruptcy case under Title 11 of the United States Code (11 U.S.C. § 101 et seq.) and refers to either Chapter 7 for liquidations or Chapter 11 for reorganization of the debtor. The term includes both voluntary and involuntary bankruptcy.

Certificate of Public Convenience and Necessity or "CPCN": The authority granted by the Commission to a public utility to operate in the State of Florida.

Discontinuance: A permanent cessation of telephone operations by a ALEC to its customers or the termination of individual local exchange telecommunications service offerings to its customers.

Resale: Occurs when a ALEC purchases telecommunications services on a wholesale basis from the ILEC and resells those services to its customers.

Unbundled Network Element or "UNE": Includes the various physical and functional elements of an ILEC's network offered to ALECs on an unbundled basis as a requirement of the Telecommunications Act of 1996 (47 U.S.C. §251(c)(3)).

1. Requirements for discontinuance:

A. An ALEC intending to cease operations and to discontinue the provision of all local exchange telecommunications services in Florida shall file a formal petition for authority to do so with the Commission no less than 30 days prior to the date of discontinuance of local exchange telecommunications services and shall notify the LECs in the ALEC's service territory. The petition shall provide:

1. The number of affected customers and types of service offerings provided;
2. A description of customer notification efforts by the ALEC and copies of the written notice sent or proposed to be sent to the ALEC's customers. Notice shall be consistent with the requirements of Section 6(c).
3. A full explanation of the reasons for the proposed discontinuance of operations, including any plan to transfer the ALEC's customers to other carriers; and
4. A request for cancellation of the petitioning ALEC's certificate or certificates to provide local exchange telecommunications services and, if applicable, interexchange telecommunications services upon the approval for discontinuance of the ALEC's local exchange operations. If cancellation of the certificate or certificates is not requested, a concise statement of why the Commission should not cancel the certificate or certificates should be given.
5. A statement that the ALEC intends to pay all undisputed amounts to the ILEC at least five (5) days prior to the date of discontinuance.

B. Customers shall be provided no less than thirty (30) days' notice prior to disconnection of service.

C. The ALEC shall provide a toll-free number that customers may call with inquiries prior to the discontinuance of local exchange service.

D. In its consideration of the petition, the Commission shall determine if sufficient notice has been provided to customers and shall prescribe any additional notice or other requirements, as it deems necessary in the public interest.

E. Except in instances pursuant to Section 4(b), no discontinuance of local exchange telecommunications service shall be implemented until the Commission has ruled on the petition, notice has been provided to end user customers, and all undisputed amounts have been paid to the ILEC.

2. Requirements for partial discontinuance:

A. An ALEC intending to partially discontinue local exchange telecommunications services on a geographic basis, by functional type (e.g. resale) or by class (e.g. residential), shall file a formal petition no less than thirty (30) days prior to discontinuance of service for authority to do so with the Commission. The petition shall provide:

1. The number of affected customers and types of service offerings provided; and
2. A full explanation of the reasons for partial discontinuance of service, including any plans to transfer the ALEC's affected customers to other services or carriers;

B. Customers shall be provided no less than thirty (30) days' notice of the proposed discontinuation of service and the notice shall be consistent with the requirements of Section 6 (c) of this rule. The petition shall include a copy of the written notice sent or proposed to be sent to the ALEC's customers.

3. Administrative cancellation of certificates

An ALEC that is found to have ceased providing local exchange telecommunications services to its customers in Florida without providing notice to the Commission and to its customers under this Rule shall be in violation of this Rule. If found in violation of the Rule, the ALEC's certificate may be administratively cancelled and the ALEC may be fined up to \$25,000 per day for every day that the violation continues pursuant to Section 364.285, Florida Statutes.

4. Bankruptcy requirements

A. An ALEC that is the subject of a bankruptcy petition shall provide to the Commission a complete copy of the bankruptcy petition and any plan filed under Chapter 11 of the Bankruptcy Code. Simultaneous with a bankruptcy petition being filed by or against an ALEC or its corporate parent, the ALEC shall provide written notice and a copy of such bankruptcy petition to the Commission. The written notice shall include the following information and be updated as necessary:

1. Whether the ALEC currently provides service offerings to customers in Florida and the number of its customers and types of services provided;
2. The name, address, and telephone number of any trustee in bankruptcy, and
3. The name, address and telephone number of the attorney representing the ALEC in its bankruptcy petition.

B. In those cases where the ALEC has filed for bankruptcy protection and the bankruptcy judge has issued its ruling on surety and terms of disconnection, the notice

by the ILEC to the Commission pursuant to Section 5(b) may be reduced to a 7-business day notice.

C. Nothing contained in this Rule is intended to limit the protections afforded creditors by any provision of the Bankruptcy Code, including but not limited to 11 U.S.C. §§ 365 and 366.

5. Duties of ILECs

A. All ILECs must make a good faith effort to work with an ALEC subject to this rule in determining what portion, if any, of its bill for resale or unbundled network elements provided by the ILEC to the ALEC is disputed and which portion is undisputed. The ILEC shall work with the carrier to resolve the billing dispute and arrange for payment of the outstanding charges, pursuant to the interconnection agreement entered into between the ILEC and the ALEC.

B. All ILECs must send to the ALEC a notice of intent to disconnect or deny services to the ALEC for non-payment of charges pursuant to the current Interconnection Agreement. A copy of the notice shall be provided to the Commission Staff.

C. All ILECs must state the following in the content of the notice:

1. The name, address and account number of the ALEC;
2. A plain statement of the grounds upon which the right to disconnect or deny is founded, including the amount owed; and
3. The exact date and time or range of dates and times service will be discontinued.

6. Duties of ALECs

A. All ALECs shall make a good faith effort to work with the ILEC in determining what portion, if any, of its bill for resale or unbundled network elements provided by the ILEC to the ALEC is disputed and which portion is undisputed. The ALEC shall work with the ILEC to resolve the billing dispute and arrange for payment of the outstanding charges, pursuant to the interconnection agreement entered into between the ILEC and the ALEC.

B. All ALECs shall fax and file by certified mail with the Commission a notarized affidavit (Exhibit A) verifying that the ALEC will either pay the undisputed amount owed to underlying carrier and that the ALEC will mail or send telephonic notice to its customers at least thirty (30) days prior to the disconnection date listed on the notice, if not a fine may be imposed by the Commission. The ALEC shall also file a spreadsheet containing a list of customer names, addresses, and telephone numbers under seal, at least thirty (30) days prior to the disconnection date listed on the notice. The list shall specifically identify those end user customers who are public utilities or agencies, governmental agencies, inmate facilities or hospitals. If the ALEC is facilities based, the list required shall also include circuit ids, cable pair identification and a statement of authorization to complete the number portability process required for transfer of local exchange service to another local service provider; and a statement that the ALEC will set the appropriate triggers in the Number Portability database to allow for the complete completion of calls. This list shall be used to facilitate the transfer of the end user customers to their new local service provider.

C. All ALECs shall send a notice to customers which shall read in legible easy to read bold type as follows:

*****NOTICE*****

We regret to inform you that (ALEC NAME) is discontinuing its offering of local exchange service in your area. Because of (ALEC NAME's) decision and to avoid interruption of telephone service, you need to make other arrangements for local exchange service prior to (DATE). The names and telephone numbers of local service providers are located in your telephone directory. If you fail to choose a new provider, you risk interruption of telephone service. Once you have chosen another service provider, that carrier may request your customer service record from ALEC NAME. Please have your new provider call 1-8XX-TN.

D. The ALEC shall notify the North American Numbering Plan Administrator ("NANPA") and provide the requisite documents for the relinquishment of NXX codes and/or thousand blocks to the NANPA and the Commission.

E. The ALEC shall return all deposits and apply all appropriate credits associated with the discontinued service within 30 days of the discontinuation.

F. All ALECs shall no later than five (5) days after filing a petition, notify all 9-1-1 entities affected by the discontinuance by providing a copy of the petition to the affected 9-1-1 entities.

7. Penalties

Any willful or intentional violation of this Rule may subject the telecommunications service provider to a penalty not to exceed \$25,000 for each day

during which such violation continues. Violations may also constitute grounds for forfeiture of a ALECs Certificate of Public Convenience and Necessity to provide service in Florida.

EXHIBIT A

AFFIDAVIT

STATE OF _____

COUNTY OF _____

On this _____ day of _____, before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared _____, appearing herein in his capacity as (Title) _____ of (Company) _____, (the "Company") duly authorized to act on behalf of said Company, who being by me first duly sworn deposed and said that:

1. The foregoing instrument/Notice of Disconnect was received by said Company with an undisputed amount listed as _____ (Dollar Amount) due to the underlying carrier and a date of disconnect listed as _____ (Date or Dates Specified).

He/She is appearing to swear or affirm that he/she will ensure, on behalf of said Company, that:

The Company can and will pay the undisputed amount owed to the underlying carrier at least five (5) days prior to the disconnect date;

AND

The Company will mail or send telephonic notice, pursuant to the North Carolina Utilities Commission Rules and Regulations, to your customers at least 10 days prior to the disconnection date as listed in the attached Notice from the underlying carrier (ATTACHMENT OF NOTICE REQUIRED.) Circle form of notifications: mail or telephonic notice

AND to affirm that if the Company fails to do what I am representing herein, then I understand that the Company is subject to a fine of \$25,000 per day for every day that the violation continues.

AND if present before the Commission and duly sworn, my testimony would be the same.

Person duly authorized to act for
the Company

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF
_____, 200__.

NOTARY PUBLIC

My Commission Expires: _____
410491