

SPECIAL REPORT

JANUARY 1999 NO. 4

**FLORIDA
PUBLIC
SERVICE
COMMISSION**

Cramming Rule Development Workshops

Today's telephone bill is becoming more complex with the rise in competition among services. Many new services are being provided, and billed for, through the local telephone bill. Accompanying this new service are problems including cramming and incomplete or unclear information on the telephone bill.

Cramming occurs when charges for telephone services are added, or "crammed," onto local telephone bills without consumers' knowledge or consent. Many consumers have contacted the Florida Public Service Commission (PSC) in recent months regarding these charges.

Cramming generally falls into two categories: club memberships, such as psychic clubs, personal clubs, or travel clubs; and telecommunications products or service programs, such as voice mail, paging, calling cards and Internet services such as web page design.

Often cramming occurs when third parties submit charges through a consumer's local phone company in order to keep the consumer from noticing the charges. If a consumer thinks their bill has been crammed, the PSC encourages them to call their local phone company for an explanation of each suspicious charge on the bill.

PSC staff has been investigating and is drafting proposed rules intended to eliminate cramming. The PSC has scheduled Rule Development Workshops to allow consumers the opportunity to share their experiences and other pertinent information concerning cramming and truth-in-billing. Truth-in-advertising issues will also be addressed at the workshops. The times and locations are listed on page three of this report and the PSC encourages all interested persons to participate.

Staff has also been investigating truth-in-billing to require parties to completely and accurately disclose services and charges on a consumer's telephone bill. The effect of the proposed amendments will result in consumer bills that contain only authorized charges and that descriptions and charges for services are accurate and in a form understandable to the consumer.

Consumers are also encouraged to ask their phone company to remove any unauthorized charges and to report such changes to the PSC at 1-800-342-3552 and the National Fraud Information Center at 1-800-876-7060.

To lessen chances of being crammed, consumers may want to investigate an arrangement with their telephone company by which no charges can be made to their local phone bill without written verification and voice authorization.

In 1998, there were 1,853 cramming cases investigated and resolved by the PSC with a total savings to consumers of \$81,439.61.

WORKSHOP

**For technical information,
please contact:**

Rick Moses
(850) 413-6582
Ann Shelfer
(850) 413-6536
Ray Kennedy
(850) 413-6584

**For legal information,
please contact:**

Diana Caldwell
(850) 413-6175

**For general information,
please contact:**

Thelma V. Crump
(850) 413-7087
Robby Cunningham
(850) 413-6129
or call toll free
1-800-342-3552
1-800-511-0809 to FAX
Internet:
contact@psc.state.fl.us
Home Page:
http://www.scri.net/psc

**AUDIO
ACCESS
TO PSC EVENTS
on the
INTERNET
SEE PAGE 3**

FPSC Commissioners



Joe Garcia

Chairman Garcia was appointed by the late Governor Lawton Chiles in August 1994 to complete a term ending in January 1998, and was reappointed by Governor Chiles to a new term ending in January 2002. He is currently serving a two-year term as PSC Chairman. Prior to his service on the Commission, he served as Executive Director of the Cuban Exodus Relief Fund, the Cuban American National Foundation's private-sector resettlement program. Before joining the Cuban American National Foundation, Chairman Garcia was Assistant Director of the Salvadoran American Foundation, where he coordinated fund-raising efforts for humanitarian relief campaigns. Chairman Garcia is presently Vice Chair of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on International Relations and was recently appointed to the NARUC Ad Hoc Committee on Consumer Affairs. He has also served on the NARUC Gas and Energy Conservation Committees. Chairman Garcia also serves on the Department of Energy's National Electric and Magnetic Fields Advisory Committee. He received a bachelor of arts degree in politics and public affairs, as well as a law degree, from the University of Miami.



J. Terry Deason

Commissioner Deason was first appointed in February 1991, and was reappointed by the late Governor Lawton Chiles in 1994 for a four-year term beginning in January 1995. He was recently reappointed to another four-year term ending in 2003. He served as Commission Chairman from January 5, 1993, through January 2, 1995. Prior to his appointment, he served as Chief Regulatory Analyst in the Office of Public Counsel, where he was responsible for the coordination of accounting and financial analysis used in cases before the PSC.

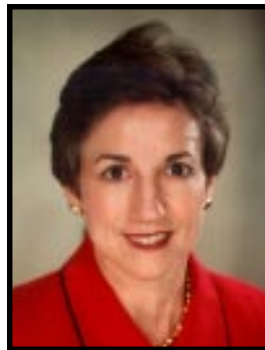
From 1981 to 1987, Commissioner Deason served as Executive Assistant to PSC Commissioner Gerald L. Gunter. He also previously served as Legislative Analyst for the Public Counsel's office. He graduated summa cum laude with a bachelor of science degree in accounting from Florida State University, and also has a master of accounting degree from FSU.



Julia L. Johnson

Commissioner Johnson was appointed by the late Governor Lawton Chiles in January 1993, and was reappointed to another four-year term ending in 2001. She served as Commission Chairman from January 7, 1997, through January 5, 1999. Prior to her appointment, she served as Legislative Affairs Director for the Department of Community Affairs (DCA), where she represented the agency before the Legislature on issues relating to economic development, land-

use growth management, energy efficiency, housing, and emergency management. From 1990-91, she served as a senior attorney for DCA, where she participated in state judicial and administrative proceedings on growth management issues. From 1988-90, she was an associate with the Orlando law firm of Maguire, Voorhis and Wells. Commissioner Johnson has a bachelor of science degree in business administration, as well as a law degree, from the University of Florida, and is a member of the National Bar Association. She serves as Vice Chair of the National Association of Regulatory Utility Commissioners' (NARUC) Communications Committee, and is a member of the Communications Subcommittee on Federal Legislation and Regulation. She also serves as State Chair of the Federal/State Joint Board on Universal Service.



Susan F. Clark

Commissioner Clark was appointed by the late Governor Lawton Chiles in August 1991 to serve the remainder of a term ending in January 1995, and was reappointed to a full term ending in 1999. She was recently reappointed to another four-year term ending in 2003. She served as Commission Chairman from January 2, 1995, through January 7, 1997. Before her appointment, Commissioner Clark served as the Commission's General Counsel. She joined the PSC

in the Appeals Division in 1980 and was Division Director from 1983 to 1988. A 1974 graduate of the University of Florida Law School, she previously worked in the Florida Senate's legal services office and served as Staff Attorney for three years for the House and Senate Joint Administrative Procedures Committee.



E. Leon Jacobs, Jr.

Commissioner Jacobs was appointed by the late Governor Lawton Chiles to a four-year term beginning in January 1998. Prior to his appointment, he was a staff attorney for the Committees on Tourism and Economic Development, Insurance and Financial Services in the Florida House of Representatives, where he authored reforms to the state's minority business enterprise programs and managed health insurance and workers' compensation issues. He was staff counsel

to the Florida Senate Committee on Reapportionment addressing redistricting issues, which involved support of court appeals of the political districts up through the U.S. Supreme Court, and was an attorney with the PSC, where he served as counsel to Commission staff and litigator of administrative proceedings. He is a member of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Water, chairs NARUC's Ad Hoc Task Force on Y2K Readiness, and is a member of the Environmental Protection Agency's (EPA) Small Systems Working Group under the National Drinking Water Advisory Council (NDWAC). He is also a Board member of Child Advocates II of Tallahassee and a volunteer guardian in the Guardian Ad Litem (GAL) Program in the Second Judicial Circuit. Commissioner Jacobs formerly served as President of the Board of Directors of the Tallahassee affiliate of Habitat for Humanity. He received a bachelor of technology degree, with honors, in data processing from Florida A&M University, his juris doctor degree from the College of Law at Florida State University, and is a member of the Florida Bar.

Recent Cramming Activity

An emerging problem for Florida consumers is cramming. In 1998, there were 1,853 cases investigated and resolved by the PSC with a total savings to consumers of \$81,439.61.

*Settlement Agreements for Cramming:	
Coral Communications	\$ 47,688
Telecommunications Service Center, Inc.	\$ 1,000
TOTAL	\$ 48,688

**Fines and settlement agreements are paid to the state of Florida's General Revenue Fund.*

Schedule for Rule Development Workshops

FT. LAUDERDALE - 2/4/99 - 10:00 a.m.
 Broward County Governmental Center
 County Commission Chambers,
 Room 422
 115 S. Andrews Avenue
 Ft. Lauderdale, Florida

WEST PALM BEACH - 3/8/99 - 12:00 p.m.
 Palm Beach County Government Center
 Jane Thompson Memorial Chambers
 310 N. Olive Avenue
 West Palm Beach, Florida

MIAMI - 2/4/99 - 6:00 p.m.
 Radisson Mart Plaza Hotel
 Brass Foyer Room
 711 N.W. 72nd Avenue
 Miami, Florida

TAMPA - 4/6/99 - 6:00 p.m.
 Hillsborough County Commission Chambers
 2nd Floor
 601 E. Kennedy Boulevard
 Tampa, Florida

JACKSONVILLE - 2/11/99 - 12:00 p.m.
 Prime F. Osborn III Convention Center
 Room 101
 1000 Water Street
 Jacksonville, Florida

ORLANDO - 4/7/99 - 12:00 p.m.
 Orlando City Hall
 City Council Chambers
 2nd Floor
 400 S. Orange Avenue
 Orlando, Florida

TALLAHASSEE - 2/15/99 - 6:00 p.m.
 Betty Easley Conference Center
 Room 148
 4075 Esplanade Way
 Tallahassee, Florida

Customer Statements at PSC Meetings

The PSC is interested in what utility customers have to say about "cramming." One purpose of these workshops is to receive comments from the public.

Anyone may make a statement, and speaking is an effective way to let the Commission know how you feel about the case under review. Those customers who wish to speak should arrive early. The workshops will begin as scheduled and continue until all the customers have been heard.

At the beginning of the workshops, procedures will be set up to establish an order for testimony. The Public Service Commission staff will have sign-up sheets, and customers will be called in the order of those sheets. PSC staff will be available to coordinate customer comments and assist members of the public.

Any person who wishes to comment or provide information to PSC staff may do so at the workshops, orally or in writing. Written comments may be sent to the Commission at: Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. Your letter will be placed in a correspondence file. For your convenience, a comment form is attached to this Special Report. You may also call the Commission's toll-free number, **1-800-342-3552**, or **1-800-511-0809** to FAX.

Any person who is unable to attend and who wishes to obtain a copy of the recommendation or the order may do so by writing to: Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850.

Florida Public Service Commission

BUREAU OF

Consumer Information and Conservation Education

2540 Shumard Oak Boulevard
Betty Easley Conference Center-Room 184
Tallahassee, Florida 32399-0850

The Public Service Commission's Bureau of Consumer Information and Conservation Education provides a staff of information specialists who are available to answer questions from the media and from Florida consumers.

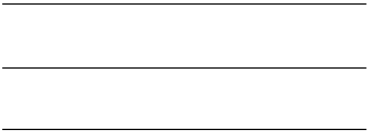
To reach a PSC media representative, please call the Bureau of Consumer Information and Conservation Education during business hours: (850) 413-6100 or send a fax to 1-800-511-0809. See the PSC's Internet Home Page at <http://www.scri.net/psc>.

Audio Access to PSC Events on the Internet

Public Service Commission meetings are accessible as live audio broadcasts on the PSC's Internet Home Page. To access a meeting, you must have a computer equipped with a soundboard and speakers. The necessary helper application software, Progressive Networks' Real Player, may be downloaded at the PSC Web site.

The PSC's Home Page address is <http://www.scri.net/psc>. After logging onto the Home Page, the listener must choose the option, "**Audio Access to PSC Events**," and follow the prompts.





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Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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