

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF APPEALS
DAVID SMITH
DIRECTOR
(850) 413-6245

Public Service Commission

March 13, 2000

Mr. Carroll Webb
Joint Administrative Procedures
Committee
Room 120 Holland Building
Tallahassee, Florida 32399

RE: Docket No. 990994-TP - Proposed Amendment of Rules 25-4.003, Definitions; 25-4.110, Customer Billing for Local Exchange Telecommunications Companies; 25-4.113, Refusal or Discontinuance of Service by Company; 25-24.490, Customer Relations; Rules Incorporated; and 25-24.845, Customer Relations; Rules Incorporated

Dear Mr. Webb:

Enclosed is an original copy of the following materials concerning the above referenced proposed rules:

1. A copy of the rules.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rules.
4. A federal standards statement.
5. A statement of estimated regulatory costs.

If there are any questions with respect to these rules please do not hesitate to call on me.

Sincerely,

Diana W. Caldwell
Diana W. Caldwell
Associate General Counsel

AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 MAS _____
 OPC _____
 RRR _____
 SEC _____
 WAW _____
 OTH _____

ADM25-4.DWC
Enclosures
cc: Division of Records & Reporting

DOCUMENT NUMBER-DATE

03187 MAR 13 2000

FPSC-RECORDS/REPORTING

1 **25-24.490 Customer Relations; Rules Incorporated.**

2 (1) The following rules are incorporated herein by reference
3 and apply to IXCs.

4	<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
5	25-4.110	Customer Billing	Subsections (10) (11) ,
6			(12) , and (13) , <u>(14)</u> ,
7			<u>(15)</u> , <u>(17)</u> , <u>(18)</u> , and
8			<u>(20)</u>
9	25-4.111	Customer Complaint	All except Subsection (2)
10		and Service Requests	
11	25-4.112	Termination of Service	All
12		by Customer	
13	25-4.113	Refusal or Discontinuance	All
14		of Service by Company	
15	25-4.114	Refunds	All
16	25-4.117	800 Service	All
17	25-4.118	Local, Local Toll, or	All
18		Toll Provider	
19		Selection	

20 (2) An IXC may require a deposit as a condition of service
21 and may collect advance payments for more than one month of service
22 if it maintains on file with the Commission a bond covering its
23 current balance of deposits and advance payments (for more than one
24 month's service). A company may apply to the Commission for a
25 waiver of the bond requirement by demonstrating that it possesses

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 the financial resources and income to provide assurance of
2 continued operation under its certificate over the long term.

3 (3) Upon request, each company shall provide verbally or in
4 writing to any person inquiring about the company's service:

5 (a) any nonrecurring charge,

6 (b) any monthly service charge or minimum usage charge,

7 (c) company deposit practices,

8 (d) any charges applicable to call attempts not answered,

9 (e) a statement of when charging for a call begins and ends,

10 and

11 (f) a statement of billing adjustment practices for wrong
12 numbers or incorrect bills.

13 In addition, the above information shall be included in the first
14 bill, or in a separate mailing no later than the first bill, to all
15 new customers and to all customers presubscribing on or after the
16 effective date of this rule, and in any information sheet or
17 brochure distributed by the company for the purpose of providing
18 information about the company's services. The above information
19 shall be clearly expressed in simple words, sentences and
20 paragraphs. It must avoid unnecessarily long, complicated or
21 obscure phrases or acronyms.

22 Specific Authority: 350.127(2), 364.604(5) F.S.

23 Law Implemented: 364.03, 364.14, 364.15, 364.603, 364.19, 364.337
24 364.602, 364.604 F.S.

25 History--New 02-23-87, Amended 10-31-89, 03-05-90, 03-04-92, 03-13-

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 96, 07-20-98, 12-28-98, XX/XX/XX.

2 **25-24.845 Customer Relations; Rules Incorporated.**

3 The following rules are incorporated herein by reference and
4 apply to ALECs. In the following rules, the acronym 'LEC' should
5 be omitted or interpreted as 'ALEC'.

6	<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
7	25-4.110	Customer Billing	Subsections (10) (11) , (12) ,
8			and (13) <u>(14)</u> , <u>(15)</u> , <u>(16)</u> ,
9			<u>(17)</u> , <u>(18)</u> , and <u>(20)</u>

10 24-4.118 Local, Local Toll, or All
11 Toll Provider Selection

12 Specific Authority: 350.127(2) and 364.337(2), 364.604(5) F.S.

13 Law Implemented: 364.337(2), 364.602, 364.604.

14 History--New 07-20-98, Amended 12-28-98, XX/XX/XX.

15
16
17
18
19
20
21
22
23
24
25

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 **25-24.490 Customer Relations; Rules Incorporated.**

2 (1) The following rules are incorporated herein by reference
3 and apply to IXCs.

4	<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
5	25-4.110	Customer Billing	Subsections <u>(2)</u> , (14),
6			(15), (17), 18), <u>(19)</u> ,
7			and (20)
8	25-4.111	Customer Complaint	All except Subsection (2)
9		and Service Requests	
10	25-4.112	Termination of Service	All
11		by Customer	
12	25-4.113	Refusal or Discontinuance	All
13		of Service by Company	
14	25-4.114	Refunds	All
15	25-4.117	800 Service	All
16	25-4.118	Local, Local Toll, or	All
17		Toll Provider Selection	

18 (2) An IXC may require a deposit as a condition of service
19 and may collect advance payments for more than one month of service
20 if it maintains on file with the Commission a bond covering its
21 current balance of deposits and advance payments (for more than one
22 month's service). A company may apply to the Commission for a
23 waiver of the bond requirement by demonstrating that it possesses
24 the financial resources and income to provide assurance of
25 continued operation under its certificate over the long term.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 (3) Upon request, each company shall provide verbally or in
2 writing to any person inquiring about the company's service:

3 (a) any nonrecurring charge,

4 (b) any monthly service charge or minimum usage charge,

5 (c) company deposit practices,

6 (d) any charges applicable to call attempts not answered,

7 (e) a statement of when charging for a call begins and ends,

8 and

9 (f) a statement of billing adjustment practices for wrong
10 numbers or incorrect bills.

11 In addition, the above information shall be included in the first
12 bill, or in a separate mailing no later than the first bill, to all
13 new customers and to all customers presubscribing on or after the
14 effective date of this rule, and in any information sheet or
15 brochure distributed by the company for the purpose of providing
16 information about the company's services. The above information
17 shall be clearly expressed in simple words, sentences and
18 paragraphs. It must avoid unnecessarily long, complicated or
19 obscure phrases or acronyms.

20 Specific Authority: 350.127(2), 364.604(5) F.S.

21 Law Implemented: 364.03, 364.14, 364.15, 364.603, 364.19, 364.337
22 364.602, 364.604 F.S.

23 History--New 02-23-87, Amended 10-31-89, 03-05-90, 03-04-92, 03-13-
24 96, 07-20-98, 12-28-98, XX/XX/XX.

25
CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 **25-24.845 Customer Relations; Rules Incorporated.**

2 The following rules are incorporated herein by reference and
3 apply to ALECs. In the following rules, the acronym 'LEC' should
4 be omitted or interpreted as 'ALEC'.

5	<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
6	25-4.110	Customer Billing	Subsections <u>(2)</u> , (14), (15),
7			(17), 18), <u>(19)</u> , and (20)
8	24-4.118	Local, Local Toll, or	All
9		Toll Provider Selection	
10	Specific Authority: 350.127(2) and 364.337(2), 364.604(5) F.S.		
11	Law Implemented: 364.337(2), 364.602, 364.604.		
12	History--New 07-20-98, Amended 12-28-98, <u>XX/XX/XX</u> .		

13
14
15
16
17
18
19
20
21
22
23
24
25

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 25-4.003 Definitions.

2 For the purpose of Chapter 25-4, the definitions to the
3 following terms apply:

4 (1) "Access Line" or "Subscriber Line." The circuit or
5 channel between the demarcation point at the customer's premises
6 and the serving end or class 5 central office.

7 (2) "Alternative Local Exchange Telecommunications Company
8 (ALEC)." Any ~~telecommunications~~ company, ~~as defined in Section~~
9 ~~364.02(1), Florida Statutes~~ certificated by the commission to
10 provide local exchange telecommunications services in Florida on or
11 after July 1, 1995.

12 (3) "Average Busy Season-Busy Hour Traffic." The average
13 traffic volume for the busy season busy hours.

14 (4) "Billing Party." Any telecommunications company that
15 bills an end user consumer on its own behalf or on behalf of an
16 originating party.

17 (4 5) "Busy Hour." The continuous one-hour period of the
18 day during which the greatest volume of traffic is handled in the
19 office.

20 (5 6) "Busy Season." The calendar month or period of the
21 year (preferably 30 days but not to exceed 60 days) during which
22 the greatest volume of traffic is handled in the office.

23 (6 7) "Call." An attempted telephone message.

24 (7 8) "Central Office." A location where there is an
25 assembly of equipment that establishes the connections between

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 subscriber access lines, trunks, switched access circuits, private
2 line facilities, and special access facilities with the rest of the
3 telephone network.

4 (~~8~~ 9) "Commission." The Florida Public Service
5 Commission.

6 (~~9~~ 10) "Company," "Telecommunications Company," "Telephone
7 Company," or "Utility." These terms may be used interchangeably
8 herein and shall mean "telecommunications company" as defined in
9 Section 364.02(12), Florida Statutes.

10 (~~10~~ 1) "Completed call." A call which has been switched
11 through an established path so that two-way conversation or data
12 transmission is possible.

13 (~~11~~ 2) "Disconnect" or "Disconnection." The dissociation
14 or release of a circuit. In the case of a billable call, the end
15 of the billable time for the call whether intentionally terminated
16 or terminated due to a service interruption.

17 (~~12~~ 3) "Drop or Service Wire." The connecting link that
18 extends from the local distribution service terminal to the
19 protector or telephone network interface device on the customer's
20 premises.

21 (~~13~~ 4) "Exchange." The entire telephone plant and
22 facilities used in providing telephone service to subscribers
23 located in an exchange area. An exchange may include more than one
24 central office unit.

25 (~~14~~ 5) "Exchange (Service) Area." The territory of a local

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 exchange company (LEC) within which local telephone service is
2 furnished at the exchange rates applicable within that area.

3 (156) "Extended Area Service." A type of telephone
4 service whereby subscribers of a given exchange or area may
5 complete calls to, and receive messages from, one or more other
6 exchanges or areas without toll charges, or complete calls to one
7 or more other exchanges or areas without toll message charges.

8 (167) "Extension Station." An additional station
9 connected on the same circuit as the main station and subsidiary
10 thereto.

11 (178) "Foreign Exchange Service." A classification of LEC
12 exchange service furnished under tariff provisions whereby a
13 subscriber may be provided telephone service from an exchange other
14 than the one from which he would normally be served.

15 (19) "Information Service." Telephone calls made to 900 or
16 976 type services, but does not include Internet services.

17 (~~18~~ 20) "Intercept Service." A service arrangement provided
18 by the telecommunications company whereby calls placed to an
19 unequipped non-working, disconnected, or discontinued telephone
20 number are intercepted by operator, recorder, or audio response
21 computer and the calling party informed that the called telephone
22 number is not in service, has been disconnected, discontinued, or
23 changed to another number, or that calls are received by another
24 telephone. This service is also provided in certain central
25 offices and switching centers to inform the calling party of

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 conditions such as system blockages, inability of the system to
2 complete a call as dialed, no such office code, and all circuits
3 busy.

4 (~~19~~ 21) "Interexchange Company (IXC)." Any
5 telecommunications company, as defined in Section 364.02(12),
6 Florida Statutes, which provides telecommunications service between
7 local calling areas as those areas are described in the approved
8 tariffs of individual LECs. IXC includes, but is not limited to,
9 MLDAs as defined in subsection (~~373~~5) of these definitions.

10 (~~20~~2) "Inter-office Call." A telephone call originating
11 in one central office but terminating in another central office,
12 both of which are in the same designated exchange area.

13 (~~21~~3) "Interstate Toll Message." Those toll messages
14 which do not originate and terminate within the same state.

15 (~~22~~4) "Intertoll Trunk." A line or circuit between two
16 toll offices, two end offices, or between an end office and toll
17 office, over which toll calls are passed.

18 (~~23~~5) "Intra-office Call." A telephone call originating
19 and terminating within the same central office.

20 (~~24~~6) "Intra-state Toll Message." Those toll messages
21 which originate and terminate within the same state.

22 (~~25~~7) "Invalid Number." A number comprised of an
23 unassigned area code number or a non-working central office code
24 (NXX).

25 (~~26~~8) "Large LEC." A LEC certificated by the Commission

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 | prior to July 1, 1995, that had in excess of 100,000 access lines
2 | in service on July 1, 1995.

3 | (279) "Local Access and Transport Area (LATA)" or "Market
4 | Area." A geographical area, which is loosely based on standard
5 | metropolitan statistical areas (SMSAs), within which a LEC may
6 | transport telecommunication signals.

7 | (28 30) "Local Exchange Telecommunications Company (LEC)."
8 | Any telecommunications company, as defined in Section 364.02(6),
9 | Florida Statutes.

10 | (29 31) "Local Provider (LP)." Any telecommunications
11 | company providing local telecommunications service, excluding pay
12 | telephone providers and call aggregators.

13 | (302) "Local Service Area" or "Local Calling Area." The
14 | area within which telephone service is furnished subscribers under
15 | a specific schedule of rates and without toll charges. A LEC's
16 | local service area may include one or more exchange areas or
17 | portions of exchange areas.

18 | (313) "Local Toll Provider (LTP)." Any telecommunications
19 | company providing intraLATA or intramarket area long distance
20 | telecommunications service.

21 | (324) "Main Station." The principal telephone associated
22 | with each service to which a telephone number is assigned and which
23 | is connected to the central office equipment by an individual or
24 | party line circuit or channel.

25 | (335) "Message." A completed telephone call.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 (346) "Mileage Charge." A tariff charge for circuits and
2 channels connecting other services that are auxiliary to local
3 exchange service such as off premises extensions, foreign exchange
4 and foreign central office services, private line services, and tie
5 lines.

6 (357) "Multiple Location Discount Aggregator (MLDA)." An
7 entity that offers discounted long distance telecommunications
8 services from an underlying IXC to unaffiliated entities. An
9 entity is a MLDA if one or more of the following criteria applies:

10 (a) It collects fees related to interexchange
11 telecommunications services directly from subscribers,

12 (b) It bills for interexchange telecommunications services in
13 its own name,

14 (c) It is responsible for an end user's unpaid interexchange
15 telecommunications bill, or

16 (d) A customer's bill cannot be determined by applying the
17 tariff of the underlying IXC to the customer's individual usage.

18 (368) "Normal Working Days." The normal working days for
19 installation and construction shall be all days except Saturdays,
20 Sundays, and holidays. The normal working days for repair service
21 shall be all days except Sundays and holidays. Holidays shall be
22 the days which are observed by each individual telephone utility.

23 (379) "Optional Calling Plan." An optional service
24 furnished under tariff provisions which recognizes the need of some
25 subscribers for extended area calling without imposing the cost on

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 the entire body of subscribers.

2 (40) "Originating Party." Any person, firm, corporation, or
3 other entity, including a telecommunications company or a billing
4 clearinghouse, that provides any telecommunications service or
5 information service to a customer or bills a customer through a
6 billing party, except the term "originating party" does not include
7 any entity specifically exempted from the definition of
8 "telecommunications company" as provided in s. 364.02(12).

9 (38 ~~41~~) "Out of Service." The inability, as reported by the
10 customer, to complete either incoming or outgoing calls over the
11 subscriber's line. "Out of Service" shall not include:

12 (a) Service difficulties such as slow dial tone, circuits
13 busy, or other network or switching capacity shortages;

14 (b) Interruptions caused by a negligent or willful act of the
15 subscriber; and

16 (c) Situations in which a company suspends or terminates
17 service because of nonpayment of bills, unlawful or improper use of
18 facilities or service, or any other reason set forth in approved
19 tariffs or Commission rules.

20 (39 ~~42~~) "Outside Plant." The telephone equipment and
21 facilities installed on, along, or under streets, alleys, highways,
22 or on private rights-of-way between the central office and
23 subscribers' locations or between central offices of the same or
24 different exchanges.

25 (403) "Pay Telephone Service Company." Any

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 telecommunications company that provides pay telephone service as
2 defined in Section 364.3375, Florida Statutes.

3 (414) "PC-Freeze." (Preferred Carrier Freeze) A service
4 offered that restricts the customer's carrier selection until
5 further notice from the customer.

6 (425) "Provider." Any telecommunications company providing
7 service, excluding pay telephone providers and call aggregators
8 (i.e. local, local toll, and toll providers).

9 (436) "Service Objective." A quality of service which is
10 desirable to be achieved under normal conditions.

11 (447) "Service Standard." A level of service which a
12 telecommunications company, under normal conditions, is expected to
13 meet in its certificated territory as representative of adequate
14 services.

15 (458) "Small LEC." A LEC certificated by the Commission
16 prior to July 1, 1995, which had fewer than 100,000 access lines in
17 service on July 1, 1995.

18 (469) "Station." A telephone instrument consisting of a
19 transmitter, receiver, and associated apparatus so connected as to
20 permit sending or receiving telephone messages.

21 (47 50) "Subscriber" or "Customer." These terms may be used
22 interchangeably herein and shall mean any person, firm,
23 partnership, corporation, municipality, cooperative organization,
24 or governmental agency supplied with communication service by a
25 telecommunications company.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 (48 51) "Subscriber Line." See "Access Line."
2 (49 52) "Switching Center." Location at which telephone
3 traffic, either local or toll, is switched or connected from one
4 circuit or line to another. A local switching center may be
5 comprised of several central office units.
6 (503) "Toll Connecting Trunk." A trunk which connects a
7 local central office with its toll operating office.
8 (514) "Toll Message." A completed telephone call between
9 stations in different exchanges for which message toll charges are
10 applicable.
11 (525) "Toll Provider (TP)." Any telecommunications
12 company providing interLATA long distance telecommunications
13 service.
14 (536) "Traffic Study." The process of recording usage
15 measurements which can be translated into required quantities of
16 equipment.
17 (547) "Trouble Report." Any oral or written report from
18 a subscriber or user of telephone service to the telephone company
19 indicating improper function or defective conditions with respect
20 to the operation of telephone facilities over which the telephone
21 company has control.
22 (558) "Trunk." A communication channel between central
23 office units or entities, or private branch exchanges.
24 (569) "Valid Number." A number for a specific telephone
25 terminal in an assigned area code and working central office which

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 is equipped to ring and connect a calling party to such terminal
2 number.

3 Specific Authority: 350.127(2), F.S.

4 Law Implemented: 364.01, 364.02, 364.32, 364.335, 364.337,
5 364.3375, 364.3376, 364.602, F.S.

6 History--Revised 12-01-68, Amended 03-31-76, formerly 25-4.03,
7 Amended 02-23-87, 03-04-92, 12-21-93, 03-10-96, 07-20-98, 12-28-98,
8 02/01/99, XX/XX/XX.

9
10 **25-4.110 Customer Billing for Local Exchange Telecommunications**
11 **Companies.**

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

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

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

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 **(b) The toll-free customer service number for the service**
2 **provider or its customer service agent must be conspicuously**
3 **displayed in the heading, immediately below the heading, or**
4 **immediately following the list of charges for the service provider.**
5 **For purposes of this subparagraph, the service provider is defined**
6 **as the company which provided the service to the end user. If the**
7 **service provider has a customer service agent, the toll-free number**
8 **must be that of the customer service agent and must be displayed**
9 **with the service provider's heading or with the customer service**
10 **agent's heading, if any. For purposes of this subparagraph, a**
11 **customer service agent is a person or entity that acts for any**
12 **originating party pursuant to the terms of a written agreement.**
13 **The scope of such agency shall be limited to the terms of such**
14 **written agreement.**

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

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

22 **2. The billing party shall either:**

23 **a. Identify Florida taxes and fees applicable to charges on**
24 **the customer's bill as (including but not limited to) "Florida**
25 **gross receipts tax," "Franchise fees," "Municipal utility tax," and**

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 "Sales tax," and identify the assessment base and rate for each
2 percentage based tax, fee, and surcharge, or

3 b.(i) Provide a plain language explanation of any line
4 item and applicable tax, fee, and surcharge to any customer who
5 contacts the billing party or customer service agent with a billing
6 question and expresses difficulty in understanding the bill after
7 discussion with a service representative.

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

18 (e) If each recurring charge due and payable is not itemized,
19 ~~Each bill shall show the delinquent date, set forth a clear~~
20 ~~listing of all charges due and payable, and contain the following~~
21 ~~statement:~~

22 "Further Wwritten itemization of local billing available upon
23 request."

24 ~~(a)~~ (3) Each LEC shall provide an itemized bill for local
25 service:

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 ~~1-~~(a) With the first bill rendered after local exchange
2 service to a customer is initiated or changed; and

3 ~~2-~~(b) To every customer at least once each twelve months.

4 ~~(b)~~(4) The annual itemized bill shall be accompanied by a
5 bill stuffer which explains the itemization and advises the
6 customer to verify the items and charges on the itemized bill.
7 This bill stuffer shall be submitted to the Commission's Division
8 of Telecommunications for prior approval. The itemized bill
9 provided to residential customers and to business customers with
10 less than ~~10~~ ten access lines per service location shall be in
11 easily understood language. The itemized bill provided to business
12 customers with ~~10~~ ten or more access lines per service location may
13 be stated in service order code, provided that it contains a
14 statement that, upon request, an easily understood translation is
15 available in written form without charge. An itemized bill shall
16 include, but not be limited to the following information,
17 separately stated:

18 ~~1-~~(a) Number and types of access lines;

19 ~~2-~~(b) Charges for access to the system, by type of line;

20 ~~3-~~(c) Touch tone service charges;

21 ~~4-~~(d) Charges for custom calling features, separated by
22 feature;

23 ~~5-~~(e) Unlisted number charges;

24 ~~6-~~(f) Local directory assistance charges;

25 ~~7-~~(g) Other tariff charges;

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 ~~e~~-(h) Other nontariffed, regulated charges contained in
2 the bill;

3 ~~e~~-(5) Each All bills rendered by a local exchange company
4 shall clearly+

5 ~~1~~ Separately state the following items:

6 ~~a~~-(a) Any discount or penalty, ~~if applicable~~ The
7 originating party is responsible for informing the billing party of
8 all such penalties or discounts to appear on the bill, in a form
9 usable by the billing party;

10 ~~b~~-(b) Past due balance;

11 ~~e~~-(c) ~~Unregulated charges, identified as unregulated items~~
12 for which nonpayment will result in disconnection of the customer's
13 basic local service, including a statement of the consequences of
14 nonpayment;

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

17 ~~e~~-(e) ~~Franchise fee, if applicable, and~~ Long-distance
18 usage charges, if included in the bill;

19 ~~f~~-(f) ~~Taxes, as applicable on purchases of local and long~~
20 distance service, and Usage-based local charges, if included in the
21 bill;

22 (g) Telecommunications Access System Surcharge, per Rule 25-
23 4.160(3);

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

25 (i) Delinquent date.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 2. ~~Contain a statement that nonpayment of regulated charges~~
2 ~~may result in discontinuance of service and that the customer may~~
3 ~~contact the business office (at a stated number) to determine the~~
4 ~~amount of regulated charges in the bill.~~

5 ~~(2)~~(6) Each company shall make appropriate adjustments or
6 refunds where the subscriber's service is interrupted by other than
7 the subscriber's negligent or willful act, and remains out of order
8 in excess of 24 hours after the subscriber notifies the company of
9 the interruption. The refund to the subscriber shall be the pro
10 rata part of the month's charge for the period of days and that
11 portion of the service and facilities rendered useless or
12 inoperative; except that the refund shall not be applicable for the
13 time that the company stands ready to repair the service and the
14 subscriber does not provide access to the company for such
15 restoration work. The refund may be accomplished by a credit on a
16 subsequent bill for telephone service.

17 ~~(3)~~(7)(a) Bills shall not be considered delinquent prior to
18 the expiration of 15 days from the date of mailing or delivery by
19 the company. However, the company may demand immediate payment
20 under the following circumstances:

- 21 1. Where service is terminated or abandoned;
- 22 2. Where toll service is two times greater than the
23 subscriber's average usage as reflected on the monthly bills for
24 the three months prior to the current bill, or, in the case of a
25 new customer who has been receiving service for less than four

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 months, where the toll service is twice the estimated monthly toll
2 service; or

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

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

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

17 ~~(4)~~ (8) Each telephone company shall include a bill insert
18 advising each subscriber of the directory closing date and of the
19 subscriber's opportunity to correct any error or make changes as
20 the subscriber deems necessary in advance of the closing date. It
21 shall also state that at no additional charge and upon the request
22 of any residential subscriber, the exchange company shall list an
23 additional first name or initial under the same address, telephone
24 number, and surname of the subscriber. The notice shall be
25 included in the billing cycle closest to 60 days preceding the

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 | directory closing date.

2 | ~~(5)~~ (9) Annually, each telephone company shall include a
3 | bill insert advising each residential subscriber of the option to
4 | have the subscriber's name placed on the "No Sales Solicitation"
5 | list maintained by the Department of Agriculture and Consumer
6 | Services, Division of Consumer Services, and the 800 number to
7 | contact to receive more information.

8 | ~~(6)~~ (10) Where any undercharge in billing of a customer is
9 | the result of a company mistake, the company may not backbill in
10 | excess of 12 months. Nor may the company recover in a ratemaking
11 | proceeding, any lost revenue which inures to the company's
12 | detriment on account of this provision.

13 | ~~(7)~~ (11) Franchise fees and municipal telecommunications
14 | taxes.

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

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

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

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

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

5 ~~(8)~~ (12) (a) When a company elects to add the Gross Receipts
6 Tax onto the customer's bill as a separately stated component of
7 that bill, the company must first remove from the tariffed rates
8 any embedded provisions for the Gross Receipts Tax.

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

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

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

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

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 ~~(9)~~ (13) Each LEC shall apply partial payment of an end
2 user/customer bill first towards satisfying any unpaid regulated
3 charges. The remaining portion of the payment, if any, shall be
4 applied to nonregulated charges.

5 ~~(10)~~ (14) ~~After January 1, 1999, or six months after the~~
6 ~~effective date of this rule, whichever is later, aAll~~ bills
7 produced shall clearly and conspicuously display the following
8 information for each service billed in regard to each company
9 claiming to be the customer's presubscribed provider for local,
10 local toll, or toll service:

11 (a) The name of the certificated company;

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

14 (c) A toll-free customer service number.

15 ~~(11)~~ (15) This section applies to LECs that provide
16 transmission services or bill and collect on behalf of Pay Per Call
17 providers. Pay Per Call services are defined as switched
18 telecommunications services between locations within the State of
19 Florida which permit communications between an end use customer and
20 an information provider's program at a per call charge to the end
21 user/customer. Pay Per Call services include 976 services provided
22 by the LECs and 900 services provided by interexchange carriers.

23 (a) Charges for Pay Per Call service (900 or 976) shall be
24 segregated from charges for regular long distance or local charges
25 by appearing separately under a heading that reads as follows:

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 "Pay Per Call (900 or 976) nonregulated charges." The following
2 information shall be clearly and conspicuously disclosed on each
3 section of the bill containing Pay Per Call service (900 or 976)
4 charges:

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

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

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

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

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

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

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

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 as provided in Section (11)(b)3.;

2 2. Provides an 18-second billing grace period in which the
3 end user/customer can disconnect the call without incurring a
4 charge; from the time the call is answered at the Pay Per Call
5 provider's premises, the preamble message must be no longer than 15
6 seconds. The program may allow an end user/customer to
7 affirmatively bypass a preamble;

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

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

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

23 6. In all advertising and promotional materials, displays
24 charges immediately above, below, or next to the Pay Per Call
25 number, in type size that can be seen as clearly and conspicuously

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 at a glance as the Pay Per Call number. Broadcast television
2 advertising charges, in Arabic numerals, must be shown on the
3 screen for the same duration as the Pay Per Call number is shown,
4 each time the Pay Per Call number is shown. Oral representations
5 shall be equally as clear;

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

10 8. Meets internal standards established by the LEC or IXC as
11 defined in the applicable tariffs or contractual agreement between
12 the LEC and the IXC; or between the LEC/IXC and the Pay Per Call
13 (900 or 976) provider which when violated, would result in the
14 termination of a transmission or billing arrangement.

15 (c) Pay Per Call (900 and 976) Blocking. Each LEC shall
16 provide blocking where technically feasible of Pay Per Call service
17 (900 and 976), at the request of the end user/customer at no
18 charge. Each LEC or IXC must implement a bill adjustment tracking
19 system to aid its efforts in adjusting and sustaining Pay Per Call
20 charges. The LEC or IXC will adjust the first bill containing Pay
21 Per Call charges upon the end user's/ customer's stated lack of
22 knowledge that Pay Per Call service (900 and 976) has a charge. A
23 second adjustment will be made if necessary to reflect calls billed
24 in the following month which were placed prior to the Pay Per Call
25 service inquiry. At the time the charge is removed, the end

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 user/customer may agree to free blocking of Pay Per Call service
2 (900 and 976).

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

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

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

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

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

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

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

25 (f) Credit and Collection. LECs and IXCs billing Pay Per

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 Call (900 and 976) charges to an end user/customer in Florida shall
2 not:

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

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

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

13 ~~(12)(16) The customer must be notified~~ Companies that bill
14 for local service must provide notification with the customer's
15 first bill or via letter, ~~or on the customer's first bill~~ and
16 annually thereafter that a PC Freeze is available. Existing
17 customers must be notified ~~by January 1, 1999, or six months after~~
18 ~~the effective date of this rule, whichever is later,~~ and annually
19 thereafter that a PC Freeze is available.

20 ~~(13)(17) By January 1, 1999, or six months after the~~
21 ~~effective date of this rule, whichever is later,~~ The customer must
22 be given notice on the first or second page of the customer's next
23 bill in conspicuous bold face type when the customer's
24 presubscribed provider of local, local toll, or toll service has
25 changed.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

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

6 (a) Charges that originate from:

7 1. Billing party or its affiliates;

8 2. A governmental agency;

9 3. A customer's presubscribed intraLATA or interLATA
10 interexchange carrier; and

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

12 1. Collect calls;

13 2. Third party calls;

14 3. Customer dialed calls for; and

15 4. Calls using a 10-10-xxx calling pattern.

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

19 1. Those charges that originate from the following:

20 a. Billing party or its affiliates;

21 b. A governmental agency;

22 c. A customer's presubscribed intraLATA or interLATA
23 interexchange carrier; and

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

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

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

5 (b) Customers must be notified of this right by billing
6 parties annually and at each time a customer notifies a billing
7 party that the customer's bill contained charges for products or
8 services that the customer did not order or that were not provided
9 to the customer.

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

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

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

17 Law Implemented: 364.17, 350.113, 364.03, 364.04, 364.05, 364.052,
18 364.19, 364.602, 364.604, F.S.

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

22
23 **25-4.113 Refusal or Discontinuance of Service by Company.**

24 (1) As applicable, the company may refuse or discontinue
25 telephone service under the following conditions provided that,

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 unless otherwise stated, the customer shall be given notice and
2 allowed a reasonable time to comply with any rule or remedy any
3 deficiency:

4 (a) For noncompliance with or violation of any state or
5 municipal law, ordinance, or regulation pertaining to telephone
6 service.

7 (b) For the use of telephone service for any other property
8 or purpose than that described in the application.

9 (c) For failure or refusal to provide the company with a
10 deposit to insure payment of bills in accordance with the company's
11 regulations.

12 (d) For neglect or refusal to provide reasonable access to
13 the company for the purpose of inspection and maintenance of
14 equipment owned by the company.

15 (e) For noncompliance with or violation of the Commission's
16 regulations or the company's rules and regulations on file with the
17 Commission, provided 5 working days' written notice is given before
18 termination.

19 (f) For nonpayment of bills for telephone service, including
20 the telecommunications access system surcharge referred to in Rule
21 25-4.160(3), provided that suspension or termination of service
22 shall not be made without 5 working days' written notice to the
23 customer, except in extreme cases. The written notice shall be
24 separate and apart from the regular monthly bill for service. A
25 company shall not, however, refuse or discontinue service for

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 nonpayment of a dishonored check service charge imposed by the
2 company, nor discontinue a customer's Lifeline local service if the
3 charges, taxes, and fees applicable to dial tone, local usage, dual
4 tone multifrequency dialing, emergency services such as "911," and
5 relay service are paid. No company shall discontinue service to
6 any customer for the initial nonpayment of the current bill on a
7 day the company's business office is closed or on a day preceding
8 a day the business office is closed.

9 (g) For purposes of paragraphs (e) and (f), "working day"
10 means any day on which the company's business office is open and
11 the U.S. Mail is delivered.

12 (h) Without notice in the event of customer use of equipment
13 in such manner as to adversely affect the company's equipment or
14 the company's service to others.

15 (i) Without notice in the event of hazardous conditions or
16 tampering with the equipment furnished and owned by the company.

17 (j) Without notice in the event of unauthorized or fraudulent
18 use of service. Whenever service is discontinued for fraudulent
19 use of service, the company may, before restoring service, require
20 the customer to make, at his own expense, all changes in facilities
21 or equipment necessary to eliminate illegal use and to pay an
22 amount reasonably estimated as the loss in revenues resulting from
23 such fraudulent use.

24 (2) In case of refusal to establish service, or whenever
25 service is discontinued, the company shall notify the applicant or

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 customer in writing of the reason for such refusal or
2 discontinuance.

3 (3) Service shall be initiated or restored when the cause for
4 refusal or discontinuance has been satisfactorily adjusted.

5 (4) The following shall not constitute sufficient cause for
6 refusal or discontinuance of service to an applicant or customer:

7 (a) Delinquency in payment for service by a previous occupant
8 of the premises, unless the current applicant or customer occupied
9 the premises at the time the delinquency occurred and the previous
10 customer continues to occupy the premises and such previous
11 customer shall benefit from such new service.

12 (b) Delinquency in payment for service by a present occupant
13 who was delinquent at another address and subsequently joined the
14 household of the customer in good standing.

15 (c) Delinquency in payment for separate telephone service of
16 another customer in the same residence.

17 (d) Failure to pay for business service at a different
18 location and a different telephone number shall not constitute
19 sufficient cause for refusal of residence service or vice versa.

20 (e) Failure to pay for a service rendered by the company
21 which is not regulated by the Commission.

22 (f) Failure to pay the bill of another customer as guarantor
23 thereof.

24 (g) Failure to pay a dishonored check service charge imposed
25 by the company.

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

1 (5) When service has been discontinued for proper cause, the
2 company may charge a reasonable fee to defray the cost of restoring
3 service, provided such charge is set out in its approved tariff on
4 file with the Commission.

5 Specific Authority: 350.127, 427.704(8), F.S.

6 Law Implemented: 364.03, 364.19, 364.604, 427.704, F.S.

7 History: New 08/01/55, Amended 12/01/68, 03/31/76, 10/25/84,
8 10/30/86, 01/01/91, 09/17/92, 01/11/93, 01/25/95, XX/XX/XX.

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CODING: Words underlined are additions; words in ~~struck~~
~~through~~ type are deletions from existing law.

NOTICE OF PROPOSED RULEMAKING
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET NO. 990994-TP

RULE TITLE:	RULE NO.:
Definitions	25-4.003
Customer Billing for Local Exchange Telecommunications Companies	25-4.110
Refusal or Discontinuance of Service by Company	25-4.113

PURPOSE AND EFFECT: The proposed rule amendments identify the types of information that billing entities must place on customer's telephone bills. The effect is that customers will be able to better review and understand all the charges that appear on their bills. Terminology for taxes and fees appearing on the bills will be standardized across the telecommunication industries in Florida. This standardization will help consumers as well as help regulatory personnel in understanding the various components of a customer's bill. In the alternative, companies must provide to the customer a plain language explanation of any line item or applicable tax, fee and surcharge. In addition, the customer will be provided the name of the originating party and the toll-free telephone number of the originating party or its customer service agent for charges appearing on the bill. This will provide customers the option to make contact with the

originating parties should there be a billing dispute. A billing party, upon request from a customer, must restrict charges on its bills to only a) those charges that originate from the billing party itself, a governmental agency, and the customer's presubscribed local-toll and long distance carrier(s), and b) collect calls, third party calls, customer dialed calls, and calls made using a 10-10-xxx calling pattern. The effect of this proposed amendment is that customers will have an option to be billed only for telecommunications type services, thus the opportunities for companies fraudulently adding unrelated charges to a customer's telephone bill will be greatly reduced. Upon notification by the customer, billing parties must immediately credit charges for products or services that were not ordered or were not received by the customer. The anticipated effect is that the originating party initiating the charge will not separately bill the customer, particularly if the charges are not valid. Florida residents should see a reduction in the number of attempts by originating parties to bill fraudulent charges on their telephone bills. The rule amendments require that a customer's Lifeline local service may not be discontinued by a telecommunications provider if the charges, taxes, and fees related to the Lifeline local service have been paid by the customer. The effect is that Lifeline customers will be protected from disconnection in the event that charges for services or

products other than Lifeline local service are not paid by the customer.

SUMMARY: Revisions to Rule 25-4.003, F.A.C., include definitions for billing party, information service, and originating party as provided in Section 364.602, F.S., Definitions. Amendments to Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies, require a billing party to clearly identify on its bill the name and toll-free customer service number of the originating party; the telecommunications service or information service billed; and the specific charges, taxes and fees associated with each telecommunications or information service. The proposed rule amendments require that charges on the customer's bill be identified by standard and uniform labels for the telecommunications industry in Florida and that the terminology for Federal regulated taxes, fees, and surcharges must be consistent with the FCC's required terminology. As an alternative to companies providing the Florida standard labels, companies must provide a plain language explanation of any line items and applicable tax, fee and surcharge. The proposed amendments also include requirements to state the TASA surcharge and 911 fee on all bills rendered. Additionally, the proposed rule amendments require a billing party to provide credit and remove the charge from a customer's bill if the customer notifies the billing party that he did not order an item or was not

provided a service appearing on the bill. Originating parties are not prohibited from direct billing customers. The proposed rule amendments will give customers the right to restrict the types of charges that can be placed on their bills and requires billing parties to notify customers of this right. Proposed amendments to Rule 25-4.113, F.A.C., Refusal or Discontinuance of Service by Company prevents telecommunication companies from discontinuing a customer's Lifeline local service if the charges, taxes, and fees applicable to dial tone, local usage, dual tone multi-frequency dialing, "911", and relay services are paid.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: The only section that appears to pose substantial costs remaining is the charge blocking for certain calls, Rule 25-4.110(19). Companies estimated that it would cost \$4.68 million to \$7.17 million to implement this requirement and \$250,000 per year thereafter. However, companies would have a year to make changes to their systems and could possibly mitigate these costs by rolling them in with other modifications to their systems. Companies would have to give more detailed explanations to their customers concerning items on the bill which could increase customer service costs somewhat. These costs are unknown at this time. Other proposed changes to the rules would cost an estimated \$109,500 initially and approximately \$1 million per year, thereafter.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127, 350.127(2), 364/604(5), 427.704(8), FS.

LAW IMPLEMENTED: 350.113, 364.01, 364.02, 364.03, 364.05, 364.17, 364.19, 364.32, 364.335, 364.337, 364.3375, 364.3376, 364.602, 364.604, 427,704, FS.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THESE PROPOSED RULES ARE:

Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THESE PROPOSED RULES ARE:

25-4.003 Definitions.

For the purpose of Chapter 25-4, the definitions to the following terms apply:

(1) No Change.

(2) "Alternative Local Exchange Telecommunications Company (ALEC)." Any telecommunications company, ~~as defined in Section 364.02(1), Florida Statutes~~ certificated by the commission to provide local exchange telecommunications services in Florida on or after July 1, 1995.

(3) No Change.

(4) "Billing Party." Any telecommunications company that bills an end user consumer on its own behalf or on behalf of an originating party.

~~(45)~~ (4) through (17) renumbered (5) through (18) No Change.

(19) "Information Service." Telephone calls made to 900 or 976 type services, but does not include Internet services.

~~(1820)~~ No Change.

~~(1921)~~ "Interexchange Company (IXC)." Any telecommunications company, as defined in Section 364.02(12), Florida Statutes, which provides telecommunications service between local calling areas as those areas are described in the approved tariffs of individual LECs. IXC includes, but is not limited to, MLDA as defined in subsection ~~(3735)~~ of these definitions.

~~(202)~~ (20) through (37) renumbered (22) through (39) No Change.

(40) "Originating Party." Any person, firm, corporation, or other entity, including a telecommunications company or a billing clearinghouse, that provides any telecommunications service or

information service to a customer or bills a customer through a billing party, except the term "originating party" does not include any entity specifically exempted from the definition of "telecommunications company" as provided in s. 364.02(12).

(~~3841~~) (38) through (56) renumbered (41) through (59) No Change.

Specific Authority: 350.127(2) FS.

Law Implemented: 364.01, 364.02, 364.32, 364.335, 364.337, 364.3375, 364.3376, 364.602 FS.

History Revised 12-01-68, Amended 03-31-76, formerly 25-4.03, Amended 02-23-87, 03-04-92, 12-21-93, 03-10-96, 07-20-98, 12/28/98, 02/01/99, XX/XX/XX.

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 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 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 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 show the delinquent date, set forth a clear listing of all charges due and payable, and contain the following statement:~~

"Further ~~Written~~ itemization of local billing available upon request."

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

~~1.~~ (a) With the first bill rendered after local exchange service to a customer is initiated or changed; and

~~2.~~ (b) To every customer at least once each twelve months.

~~(b)~~ (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 ~~10~~ ten access lines per service location shall be in easily understood language. The itemized bill provided to business customers with ~~10~~ 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:

~~1.(a)~~ 1. through 8. renumbered (a) through (h) No Change.

~~(e)(5)~~ Each All bills rendered by a local exchange company shall clearly:

~~1.~~ Separately state the following items:

~~a.(a)~~ Any discount or penalty, ~~if applicable~~ 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.(b)~~ Past due balance;

~~e.(c)~~ Unregulated charges, identified as unregulated items for which nonpayment will result in disconnection of the customer's basic local service, including a statement of the consequences of nonpayment;

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

~~e.(e)~~ Franchise fee, if applicable, and Long-distance usage charges, if included in the bill;

~~f.(f)~~ Taxes, as applicable on purchases of local and long distance service, and 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
- (i) Delinquent date.

~~2. Contain a statement that nonpayment of regulated charges may result in discontinuance of service and that the customer may contact the business office (at a stated number) to determine the amount of regulated charges in the bill.~~

~~(2)(6)~~ (2) through (9) renumbered (6) through (13) No Change.

~~(10)(14) After January 1, 1999, or six months after the effective date of this rule, whichever is later, aAll~~ 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:

(a) - (c) No Change.

~~(11)(15)~~ No Change.

(a) - (g) No Change.

~~(12)(16) The customer must be notified Companies that bill for local service must provide notification with the customer's first bill or via letter, ~~or on the customer's first bill~~ and annually thereafter that a PC Freeze is available. Existing customers must be notified ~~by January 1, 1999, or six months after the effective date of this rule, whichever is later,~~ and annually ~~thereafter~~ that a PC Freeze is available.~~

~~(13)(17)~~ By January 1, 1999, or six months after the effective date of this rule, whichever is later, ~~t~~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;

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; and

4. Calls using a 10-10-xxx calling pattern.

(19) (a) Within one year of the effective date of this rule and 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 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) FS.

Law Implemented 364.17, 350.113, 364.03, 364.04, 364.05, 364.052, 364.19, 364.602, 364.604 FS.

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, XX/XX/XX.

25-4.113 Refusal or Discontinuance of Service by Company.

(1) (a) - (e) No Change.

(f) For nonpayment of bills for telephone service, including the telecommunications access system surcharge referred to in Rule 25-4.160(3), provided that suspension or termination of service shall not be made without 5 working days' written notice to the customer, except in extreme cases. The written notice shall be separate and apart from the regular monthly bill for service. A company shall not, however, refuse or discontinue service for nonpayment of a dishonored check service charge imposed by the company, nor discontinue a customer's Lifeline local service if the charges, taxes, and fees applicable to dial tone, local usage, dual tone multifrequency dialing, emergency services such as "911," and relay service are paid. No company shall discontinue service to any customer for the initial

nonpayment of the current bill on a day the company's business office is closed or on a day preceding a day the business office is closed.

(g) - (5) No Change.

Specific Authority 350.127, 427.704(8), FS.

Law Implemented 364.03, 364.19, 364.604, 427.704, FS.

History New 08-01-55, Amended 12-01-68, 03-31-76, 10-25-84, 10-30-86, 01-01-91, 09-17-92, 01-11-93, 01-25-95, XX/XX/XX.

NAME OF PERSON ORIGINATING PROPOSED RULES: Ray Kennedy

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:
Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: February 1, 2000

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:
August 27, 1999

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should

contact the Florida Public Service Commission by using the
Florida Relay Service, which can be reached at: 1-800-955-8771
(TDD).

NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 990994-TP

RULE TITLE:	RULE NO.:
Customer Relations; Rule Incorporated	25-24.490
Customer Relations; Rules Incorporated	25-24.845

PURPOSE AND EFFECT: Upon notification by the customer, billing parties must immediately credit charges for products or services that were not ordered or were not received by the customer. The anticipated effect is that the originating party initiating the charge will not separately bill the customer, particularly if the charges are not valid. Florida residents should see a reduction in the number of attempts by originating parties to bill fraudulent charges on their telephone bills. The rule amendments require that a customer's Lifeline local service may not be discontinued by a telecommunications provider if the charges, taxes, and fees related to the Lifeline local service have been paid by the customer. The effect is that Lifeline customers will be protected from disconnection in the event that charges for services or products other than Lifeline local service are not paid by the customer.

SUMMARY: The proposed amendments to Rule 25-24.490, F.A.C., Customer Relations; Rules Incorporated, identify the subsections of Rule 25-4.110, F.A.C., Customer Billing for Local Exchange

Telecommunications Companies, that are applicable to interexchange companies. The proposed amendments to Rule 25-24.845, F.A.C., Customer Relations; Rules Incorporated, identify the subsections of Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies, that are applicable to alternative local exchange companies.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No substantial estimated regulatory costs were reported for these proposed rule amendments.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127(2), 364.337(2), 364.604(5), FS.

LAW IMPLEMENTED: 364.03, 364.14, 364.15, 364.603, 364.19, 364.337, 364.337(2), 364.602, 364.604, FS.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE PERSON TO BE CONTACTED REGARDING THESE PROPOSED RULES ARE:
Director of Appeals, Florida Public Service Commission, 2540

Shumard Oak Blvd., Tallahassee, Florida 32399-0862, (850) 413-6245.

THE FULL TEXT OF THESE PROPOSED RULES ARE:

25-24.490 Customer Relations; Rules Incorporated.

(1) The following rules are incorporated herein by reference and apply to IXCs.

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections (10) (11) , (12) , and (13) , <u>(14)</u> , <u>(15)</u> , <u>(17)</u> , <u>(18)</u> , and <u>(20)</u>
25-4.111	Customer Complaint and Service Requests	All except Subsection (2)
25-4.112	Termination of Service by Customer	All
25-4.113	Refusal or Discontinuance of Service by Company	All
25-4.114	Refunds	All
25-4.117	800 Service	All
25-4.118	Local, Local Toll, or Toll Provider Selection	All

(2) - (3) (f) No Change.

Specific Authority 350.127(2), 364.604(5) FS.

Law Implemented 364.03, 364.14, 364.15, 364.603, 364.19, 364.337
364.602, 364.604 FS.

History New 02-23-87, Amended 10-31-89, 03-05-90, 03-04-92, 03-13-96, 07-20-98, 12-28-98, XX/XX/XX.

25-24.845 Customer Relations; Rules Incorporated.

The following rules are incorporated herein by reference and apply to ALECs. In the following rules, the acronym 'LEC' should be omitted or interpreted as 'ALEC'.

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections (10) (11) , (12) , and (13) <u>(14)</u> , <u>(15)</u> , <u>(16)</u> , <u>(17)</u> , <u>(18)</u> , and <u>(20)</u>
24-4.118	Local, Local Toll, or Toll Provider Selection	All

Specific Authority 350.127(2) and 364.337(2), 364.604(5) FS.
Law Implemented 364.337(2), 364.602, 364.604.
History New 07-20-98, Amended 12-28-98, XX/XX/XX.

NAME OF PERSON ORIGINATING PROPOSED RULES: Ray Kennedy

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:
Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: February 1, 2000

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:
August 27, 1999

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must

ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

NOTICE OF PROPOSED RULEMAKING

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 990994-TP

RULE TITLE:	RULE NO.:
Customer Relations; Rule Incorporated	25-24.490
Customer Relations; Rules Incorporated	25-24.845

PURPOSE AND EFFECT: The proposed rule amendments identify the types of information that billing entities must place on customer's telephone bills. The effect is that customers will be able to better review and understand all the charges that appear on their bills. Terminology for taxes and fees appearing on the bills will be standardized across the telecommunications industries in Florida. This standardization will help consumers as well as help regulatory personnel in understanding the various components of a customer's bill. In the alternative, companies must provide to the customer a plain language explanation of any line item or applicable tax, fee, and surcharge. In addition, the customer will be provided the name of the originating party and the toll-free telephone number of the originating party or its customer service agent for charges appearing on the bill. This will provide customers the option to make contact with the originating parties should there be a billing dispute. A billing party, upon request from a customer, must restrict charges on its bills to only a) those charges that originate from the billing

party itself, a governmental agency, and the customer's presubscribed local-toll and long distance carrier(s), and b) collect calls, third party calls, customer dialed calls, and calls made using a 10-10-xxx calling pattern. The effect of this proposed amendment is that customers will have an option to be billed only for telecommunications type services, thus the opportunities for companies fraudulently adding unrelated charges to a customer's telephone bill will be greatly reduced. Florida residents should see a reduction in the number of attempts by originating parties to bill fraudulent charges on their telephone bills.

SUMMARY: The proposed amendments to Rule 25-24.490, F.A.C., Customer Relations; Rules Incorporated, identify the subsections of Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies, that are applicable to interexchange companies. The proposed amendments to Rule 25-24.845, F.A.C., Customer Relations; Rules Incorporated, identify the subsections of Rule 25-4.110, F.A.C., Customer Billing for Local Exchange Telecommunications Companies, that are applicable to alternative local exchange companies.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No substantial estimated regulatory costs were reported for these proposed rule amendments.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

SPECIFIC AUTHORITY: 350.127(2), 364.337(2), 364.604(5), FS.

LAW IMPLEMENTED: 364.03, 364.14, 364.15, 364.603, 364.19, 364.337, 364.337(2), 364.602, 364.604, FS.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

A HEARING WILL BE SCHEDULED AND ANNOUNCED IN THE FAW.

THE FULL TEXT OF THESE PROPOSED RULES ARE:

25-24.490 Customer Relations; Rules Incorporated.

(1) The following rules are incorporated herein by reference and apply to IXCs.

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections <u>(2)</u> , (14), (15), (17), 18), <u>(19)</u> , and (20)
25-4.111	Customer Complaint and Service Requests	All except Subsection (2)
25-4.112	Termination of Service by Customer	All

25-4.113 Refusal or Discontinuance All
of Service by Company

25-4.114 Refunds All

25-4.117 800 Service All

25-4.118 Local, Local Toll, or All
Toll Provider Selection

(2) - (3)(f) No Change.

Specific Authority 350.127(2), 364.604(5) FS.

Law Implemented 364.03, 364.14, 364.15, 364.603, 364.19, 364.337
364.602, 364.604 FS.

History New 02-23-87, Amended 10-31-89, 03-05-90, 03-04-92, 03-
13-96, 07-20-98, 12-28-98, XX/XX/XX.

25-24.845 Customer Relations; Rules Incorporated.

The following rules are incorporated herein by reference and
apply to ALECs. In the following rules, the acronym 'LEC' should
be omitted or interpreted as 'ALEC'.

<u>SECTION</u>	<u>TITLE</u>	<u>PORTIONS APPLICABLE</u>
25-4.110	Customer Billing	Subsections <u>(2)</u> , (14), (15), (17), 18), <u>(19)</u> , and (20)
24-4.118	Local, Local Toll, or Toll Provider Selection	All

Specific Authority 350.127(2) and 364.337(2), 364.604(5) FS.

Law Implemented 364.337(2), 364.602, 364.604.

History New 07-20-98, Amended 12-28-98, XX/XX/XX.

NAME OF PERSON ORIGINATING PROPOSED RULES: Ray Kennedy

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:

Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: February 1, 2000

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:

August 27, 1999

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

M E M O R A N D U M

February 25, 2000

TO: DIVISION OF APPEALS (CALDWELL)

FROM: DIVISION OF AUDITING AND FINANCIAL ANALYSIS (HEWITT) ¹⁵ *CBH* *197*

SUBJECT: REVISED STATEMENT OF ESTIMATED REGULATORY COSTS FOR PROPOSED AMENDMENTS TO RULES: 25-4.003, F.A.C., DEFINITIONS; 25-4.110, F.A.C., CUSTOMER BILLING FOR LOCAL EXCHANGE TELECOMMUNICATIONS COMPANIES; 25-4.113, F.A.C., REFUSAL OR DISCONTINUANCE OF SERVICE BY COMPANY; 25-24.490 & 25-24.845, F.A.C., CUSTOMER RELATIONS; RULES INCORPORATED.

SUMMARY OF THE RULES

Currently, the above referenced rules address the requirements of telecommunications companies for their billing of customers. The billing party is required to clearly identify the name and toll-free customer service number of the originating party, the telecommunications service or information service billed, and the specific charges, taxes, and fees associated with each telecommunications or information service. Rule 25-4.113, F.A.C., delineates conditions under which the telecommunications company may or may not discontinue or refuse service to a customer.

Proposed rule changes would identify the types of information that must be placed on customer bills including the originating party of a charge and its toll-free number. Companies could offer a choice of billing intervals, including monthly. Subscribers would have the option to limit their bills to specified allowable charges and have charges removed for services not received or ordered. Lifeline local service customers would only be disconnected if local service charges, taxes and fees are not paid. Major revisions to the SERC are in italics.

ESTIMATED NUMBER OF ENTITIES REQUIRED TO COMPLY AND GENERAL DESCRIPTION OF INDIVIDUALS AFFECTED

There are ten incumbent local exchange companies (ILECs) operating in Florida, which send bills to customers. Approximately

six hundred interexchange carriers (IXCs) are certificated in Florida and most use ILECs to bill for their services. Over 200 alternative local exchange companies (ALECs) are certified to operate in Florida. The number that bill customers themselves versus those that use ILECs or some other means to bill is unknown. However, those that do not bill directly would be an originating billing party and the ILECs would require them to submit their billing information to comply with the rule guidelines.

RULE IMPLEMENTATION AND ENFORCEMENT COST AND IMPACT ON REVENUES FOR THE AGENCY AND OTHER STATE AND LOCAL GOVERNMENT ENTITIES

The Public Service Commission and other local government entities are not expected to experience implementation costs other than the costs associated with promulgating a proposed rule. Commission staff may be called upon to resolve disputes over bills and answer questions about related matters, but these should be able to be handled with existing staff. There should be fewer misunderstandings concerning telecommunications bills and thus fewer calls and complaints to the Commission.

The proposed rule may benefit the Commission and other state and local government entities if it results in them being able to more easily understand their telephone bills and avoid having unauthorized charges appear on their bills. Local governments holding ALEC certificates are expected to face compliance costs that are similar to those reported by other ALECs. They could also be expected to gain the same type of benefits (less customer confusion and complaints) as other ALECs.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES

Many of the telecommunications companies responding to a data request estimate high costs to comply with all the proposed rule changes. Because one company requested confidentiality for its

cost data, responding entities are each designated by a capital letter.

Terminology 25-4.110(2)(d)2.b.(i)

The revised proposed rule offers an alternative to placing Florida specific terminology on all bills. That alternative should substantially reduce the estimated costs listed below. Companies would have to comply with FCC language. Company A estimated that it would incur a \$1.1 million one time cost to change to Florida specific terminology for residential customers' bills, and an additional \$1.1 million to change business bills. Company A stated that there were no additional costs or benefits with the proposed rule requirements for 25-4.110(2)(a), (2)(c) or (2)(d)1. Company B estimated that development costs would be \$6 million and require six to nine months to complete the process. Company C estimated the impact to be \$1,050,000 if industry standards [nationwide] are adopted. If no industry standards are adopted, it would spend \$14,500,000 for its ILEC billing system and \$10,000,000 minimum for its IXC billing system, or \$500,000 per carrier. Company D estimated non-recurring costs for training, etc., at about \$9,300, investment costs of about \$36,000 per year for three years, and recurring costs of about \$10,100 per year. Company E could identify no significant expenses. Company F stated that the terminology requirement would be unduly burdensome and that none should be mandated. Company G stated that it would have to pay for all the development costs for an outside vendor to change its billing system for Florida specific terminology. Company H stated that there would be no real costs. Finally, Company I estimated \$10,000 per year costs to comply.

Billing Headings 4.110(2)(a)

Company H estimated that programming costs would be \$25,500 to change bill headings for originating parties' names. Company J estimated it would cost approximately \$8,000 to add the name to the bill of other companies and \$8,000 to display the name of the originating party.

Tax Related Items 4.110(2)

The revised proposed rule offers an alternative to placing Florida specific taxes, assessment base, and rates on all bills: A company can explain each line item in the bill in plain language to a customer who calls concerning those items. A written copy of the explanation would have to be provided upon request. The alternative should substantially reduce the estimated costs listed below.

Company C stated that these changes would require significant system enhancements estimated to cost \$2 million. Company C also believes that the level of detail proposed would confuse the customer and result in customer dissatisfaction with bill presentation. For section (2), listing taxes by originating party, separate line item tax, and taxes by assessment base and rate, Company D would have a non-recurring cost of about \$77,000 and recurring costs of about \$5,225,000 per year.

Items for Nonpayment Disconnect(5)

Company D believes that it does state clearly on its bill the items which for nonpayment will result in disconnection. However, if the company had to change its billing notification, it would incur a one-time cost of about \$9,000 and recurring charges of about \$100,000 per year.

PIC Notification(16) (17)

The revised proposed rule changes eliminates the need for costly billing modifications mentioned below.

Company A stated that these changes would not be possible until it migrated its customers to a new billing system in 2000 and modifications to the new billing system are estimated to cost \$2 million. It would cost Company A an additional \$1.9 million to make these changes to its long distance billing and customer records systems. Company C stated that this would be anti-competitive and should only be made to customers who have been a victim of slamming.

Bold Conspicuous Type(17)

Company C estimated to change font size would cost \$8,000 (although this is a current rule requirement) and stated that some of the detail being recommended would be more confusing.

Restrict Blocking(19)

For section 25-4.110(19) concerning charge blocking, Company A stated that it is not clear which charges would be required to be blocked by this rule. But, to provide customers with the apparent required billing block, Company A would have to develop a mechanism to screen each billing record, make a determination about the origin and content of the record, check customer records to determine if a billing block exists and return those billing records that do not pass the customer's billing block. Also, interfaces would have to be built and coordinated within all affected systems to produce the appropriate indicators at the customer account level. Company A estimated that this would cost approximately \$2.5 million to \$4.8 million and take about one year to develop. The revised proposed rule allows one year for implementation. It estimated an additional \$4.1 million would be

required if it was necessary to develop and implement a separate method of direct-billing casual users who request a bill block from their local provider, thus limiting the ability to utilize existing LEC billing systems.

Company D estimated the cost to implement the billing block functionality to its system requirements would be approximately \$2 million initially, and \$250,000 per year for customer notification and ongoing maintenance. Company E estimated that this proposed change would cost between \$150,000 and \$337,500. Company J estimated this change would cost approximately \$30,000.

Discontinuance of Service 4.113(1)(f)

Company D estimated that the cost to comply with the change in the rule about no discontinuance of lifeline local service would be about \$653,000 per year plus a non-recurring cost of about \$59,000.

Overall Changes

Company B estimated that development costs for all the proposed changes to the rules would be \$6 million and require six to nine months to complete the process. However, Company B apparently estimated costs for changes of requirements that are already in the existing rule. Company D assumed that all the changes would require an additional page added to the bill and the recurring charges for one additional page, a move to the next mailing bracket, and additional computer storage would be an estimated \$886,000 per year. *With the revised rule language, it is unlikely that an additional bill page would be necessary.* Company G has an estimate from its outside vendor that to implement the provisions of Rule 25-4.110 would cost approximately \$50,000. Company I estimated \$10,000 in costs for all changes.

IMPACT ON SMALL BUSINESSES, SMALL CITIES, OR SMALL COUNTIES

Small businesses, small cities, and small counties could benefit from the proposed rules by having less confusion about their telecommunications services bills and less possibility of unauthorized charges on their bills. They should not have any additional transaction costs. However, if the estimated high costs of complying with the proposed rule changes materialize, billing companies may pass the costs on to telecommunications services companies customers, many which are small businesses, with increased rates or charges.

REASONABLE ALTERNATIVE METHODS

Because substantial revisions have been made to the proposed rule changes, most of the LCRA's offered below are now moot.

Lower Cost Regulatory Alternatives (LCRA) were offered by some companies for various sections of the proposed rule changes. Company A offered that instead of the terminology section that would be exclusive for Florida, alternative language that for terminology, "..descriptive terms must be used which are not misleading." This would save Company A an estimated \$2.2 million. For section 25-4.110(16) of the proposed rule changes that a new presubscribed provider must notify the customer of the change, Company A believes that the current requirement of 364.04(1) F.S. fulfills the statutory objective. Thus, the LCRA would be to avoid changing the rule as proposed, and save Company A \$1.9 million. However, the rule change is merely a language rewording, the current rule requires a customer to be notified by letter or in the first bill after a PIC change.

Company B submitted that the LCRA for terminology is to use the FCC's terminology when developed. Company B thinks that the proposed rule changes appear unnecessary and significantly expensive. And, since reports of cramming have decreased

significantly throughout the year, the proposed rule changes would add only costs to competitors without added benefit to consumers. Company D recommended language that, "If the FCC has not developed standard terminology by January 2001, then..." Company D stated that bill formats should be sufficiently flexible to accommodate other options or customer requests as they arise. Also, Company D thinks that an alternative to section 25-4.110(15)(b) should be considered, because it does not think that it can monitor 900 services provided by others. However, this requirement is currently in the existing rule. For section 25-4.110(19) concerning charge blocking, Company A is unable to determine a statutory objective being implemented, interpreted, or made specific by this rule [amendment].

The Commission must consider LCRAs, but does not have to adopt them if it determines that they do not substantially accomplish the statutory objectives.

cc: Sally Simmons, CMU
cramrevs.cbh

Rules 25-4.003, 25-4.110, 25-
4.113, 25-24.490, 25-24.845
Docket No. 990994-TP

**STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE**

In 1998, the Legislature passed the Telecommunications Consumer Protection Act. The rules proposed implement this Act.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.