BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREFILED REBUTTAL TESTIMONY OF JANE KING

ON BEHALF OF

MCI TELECOMMUNICATIONS CORPORATION

DOCKET NO. [redacted]

January 15, 1998

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Jane M. King and my business address is 1200 South Hayes Street, Arlington, Virginia 22202.

Q. HAVE YOU PREVIOUSLY FILED DIRECT TESTIMONY IN THIS DOCKET?

A. Yes.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to the testimony of other parties to this docket, principally the Office of Public Counsel, the Staff of the Commission, and BellSouth. I also respond to the changes that the Commission has made to the proposed rule since the draft that existed at the time my direct testimony was filed.

Q. WHAT DO YOU SEE AS THE DRIVER OF THE TESTIMONY FILED BY THE COMMISSION STAFF AND PUBLIC COUNSEL?

A. The proposed amendments of the staff and Public Counsel are a reaction to the anecdotal stories told to the Commission during the public hearings and information received by the staff in course of handling consumer complaints in Florida. What the staff and Public Counsel have failed to recognize is the "silent majority" -- those customers who successfully, easily and knowingly change their PIC and experience no problems. This happens 99.95% of the time, according to MCI's experience on a national basis. To radically change the Commission's rules for a process that is basically not broken, but may be in need of tweaking or additional enforcement, leads to unintended and unforeseen results. MCI believes that if adopted *in toto*, the proposed amendments will not only thwart telecommunications competition, but also inconvenience consumers and establish unnecessary barriers to free and flexible choice.

Q. **WHAT LARGER ISSUE DO YOU SEE WHEN EXAMINING THE PROPOSED AMENDMENTS BY STAFF AND PUBLIC COUNSEL?**

A. MCI understands that slamming is a serious problem in this industry. In recent years, however, certain carriers have given consumers such a difficult time -- either through charging exorbitant rates, or stonewalling consumers who complained about slamming -- that all carriers are being subjected to proposals that would add enormously to the costs of doing business. This is unfair to the carriers who make every effort to comply with the Commission's rules and requirements. All the rules in the world will not eliminate the problem if the offending carriers can operate for years before their certificates are withdrawn and penalties are imposed.

It seems, however, that the Florida Commission, its staff and Public Counsel are stepping up to this issue to ferret out the "bad actors". What MCI does not want to see happen is that the Commission throws out the baby with the bath water and stifles the legitimate marketing activities of responsible companies. This creates serious business and competitive issues. Many of the additional proposals of the Public Counsel and the staff have the strong potential to deny consumers in Florida easy access to the carrier of their choice, while offering little in the way of additional protections..

Q. DOES MCI AGREE WITH THE TESTIMONY OF THE FLORIDA PUBLIC COUNSEL?

A. MCI supports the Public Counsel's contention that stricter enforcement for fraudulent PIC switches would vastly improve consumer experience with slamming in Florida. However, MCI believes that it is extremely important that the Florida Commission define "fraudulent" switches. MCI proposes that the definition include language specifying that an unauthorized PIC switch, in order to be fraudulent, must result from an intentional, knowing action by a carrier to switch the customer's service without the customer's consent. As all of the carrier comments on this proceeding make clear, some PIC disputes are to be expected, particularly in a highly competitive, high churn industry, transacting millions of PIC changes each month.

The Commission would be most effective if it dedicates its efforts to strict enforcement of national rules (which are pending with the Federal Communications Commission) and scrutinizes intensely those carriers whose PIC disputes betray fraudulent practices. As the Commission staff and Public Counsel demonstrate, the bad actors not only slam consumers but also make it nearly impossible for their "customers" to reach them. This resistance to accountability should be viewed as another indicator of fraudulent practices. There are other proposals of the Public Counsel, however, that MCI does not agree with.

Q. DOES MCI SUPPORT THE PUBLIC COUNSEL'S RECOMMENDATION THAT ALL CARRIERS SUBMIT A MONTHLY SLAMMING COMPLAINTS REPORT TO THE COMMISSION?

A. No. MCI does not support this recommendation because many complaints about "slamming", when investigated, prove not to be unauthorized switches. MCI knows through many years of researching LEC-reported PIC disputes, and the results of a recent survey in Florida, that LECs often record as slams calls to the LEC by consumers expressing dissatisfaction with their PIC, a desire to switch carriers, or other PIC-related issues that do not constitute slams. Furthermore, a more accurate measure of slamming statistics must take into account the overall sales volume of specific carriers, as is demonstrated by the Annual Report Card of the Federal Communications Commission. (Attached as Rebuttal Exhibit JMK-3. Please see page 24).

Additionally, the proposal creates another layer of unwieldy bureaucracy and excessive reporting and use of resources for a task that will not directly deter slamming.

However, MCI recommends that, should the Commission require reporting of slamming complaints, the reports should be quarterly from information filed with each carrier and not LEC-reported PIC disputes. This is another reason why slamming should be defined in the Commission's rule.

Q. DOES MCI AGREE WITH THE PUBLIC COUNSEL'S FORMULATION OF LEC RESPONSIBILITY FOR MANAGING CONSUMER COMPLAINTS ABOUT SLAMMING?

A. The Public Counsel's recommendations would lead to substantial abuses, both by LECs and by a segment of the consumer population. In the current environment, LECs have a much greater stake in the outcome of slamming complaints. LECs are interested in fostering fear about change and establishing seeminly impenetrable hurdles for consumers as a way of preserving intraLATA and eventually local monopolies. LECs therefore should not be making determinations about the legitimacy of slamming complaints. Particularly today in cases of intraLATA PIC disputes, the LEC is an obviously interested party. At the appropriate time in the future, BST will have a stake in the outcome of interLATA PIC disputes and other LECs, such as GTE, have a stake in the outcome today.

Q. WHAT ROLE SHOULD THE LEC HAVE IN A PIC DISPUTE, IF ANY?

A. The LEC controls the switch, so upon consumer request, it must make the switch back to the original carrier, but all else should be managed by the original, or authorized carrier acting upon Commission rules governing the responsibility of the slammed carrier. The LEC should not be in a position to resolve disputes involving PIC changes, as many of its judgments will undoubtedly be biased

The Commission, in protecting the consumer interest, needs to make sure that the LEC properly administers the No-Fault tariff for PIC disputes. With the No-Fault tariff in place, the disposition of PIC disputes should be coordinated by the carrier the consumer wanted in the first place, the carrier from which the customer has been slammed.

Q. DOES MCI AGREE WITH THE 90-DAY, OR THREE BILLING CYCLE, CHARGE BACK PROPOSAL OF THE PUBLIC COUNSEL AND STAFF?

A. No. As stated above, many alleged slams are not slams at all. In cases where error or household dispute or other problems occur, the 90-day chargeback would be entirely inappropriate. Though consumers are understandably very upset when they receive a bill from a carrier not of their choosing, the best outcome for them when they discover an unauthorized switch is immediate restoration to their original carrier and compensation for any charges in excess of those of their original carrier (re-rating of the calls). This approach to PIC disputes reduces the tension they create by quick resolution that makes the consumer whole. Furthermore, consumers should be encouraged to monitor their bills for PIC switches, and to report any problems within the first billing cycle, particularly because the Commission proposes the inclusion of a bold-face disclosure of PIC switches on the front portion of invoices to alert consumers of PIC switches. Consumers do have a responsibility in this process.

The 90-day credit proposal, in essence, awards consumers for damages incurred for alleged slams. Moreover, because of timing issues, the consumer benefit would be arbitrary at best.

A more practical problem with the ninety-day (or three billing cycle) proposal is the huge costs in administering disputes. In this context, a company accused of a slam would forfeit all revenue unless it fights hard and proves that the install was actually authorized. This scenario creates a very hostile environment for consumers.

MCI also objects to the proposal that consumers' bills should be re-rated (to the rates of their original carriers) for charges for the nine months following the three-month billing cycle, or 90 days. Consumers should be encouraged to monitor their own accounts so that they will have clear control over managing their own choices.

The US Congress, in passing the Telecommunication Act of 1996, directs the Federal Communications Commission to establish rules whereby the slamming carrier remunerates the slammed carrier for lost revenues. This proposal makes sense, because it recognizes that the slammed carrier is also the victim of slamming. It also makes sense because it encourages carriers that are frequently slammed to take action against the carriers guilty of the slams. Under this proposed requirement, carriers will be assisting Commissions in policing themselves.

Most important from the standpoint of protecting consumers, the Florida Commission has the authority to enforce rules to protect consumers against slamming, to include hefty fines. Both Florida's and the FCC's rules should ensure that consumers be made whole for unauthorized switches, but crediting policies that do more than make consumers whole encourage delay in reporting unauthorized switches, or worse, outright consumer fraud. Ninety day chargebacks would encourage delayed reports of unauthorized switches, discourage reasonable consumer vigilance, and completely undermine the Commission's purpose in requiring notification on the first invoice following a PIC switch that a switch has occurred.

MCI, AT&T and Sprint have, in public forums, acknowledged that some unauthorized switches will occur, through error, no matter what anti-slamming measures are adopted. MCI has noted that, in its own experience, a majority of so-called slams are not slams at all, but are PIC disputes occurring for a variety of reasons, such as changed minds, household disputes and similar reasons. It is extremely important that the Commission distinguish, in its rules, between PIC disputes and slamming.

Q. DOES MCI AGREE WITH STAFF TESTIMONY WHICH STATES THAT THE CURRENT RULE, REQUIRING A COMPANY WHICH HAS SLAMMED A CONSUMER TO RERATE THE CUSTOMER'S CALLS TO THE RATES OF THE PREFERRED CARRIER, IS INEFFECTIVE?

A. MCI does not agree with the staff's proposed solution that all charges by a slamming carrier should be forgiven. We understand that consumers support the concept of forgiveness of all charges and that they are inconvenienced by incidents of unauthorized switches. However, MCI believes that the approach that works best for consumers is to make sure they are made whole and do not become pawns in a dispute process involving the LECs, the slamming carrier and the slammed carrier.

For at this time, in this industry, the "switch administrator, and the recorder of disputes", are LECs, whose self-interest in the outcome of disputes is clear. MCI supports the creation of a third party "PIC Administrator" which would oversee the PIC change and dispute management process. Until such an organization is created, consumers become the victims of the dispute process itself unless the dispute is focused properly.

For this reason, MCI believes that the best formulation for managing the PIC dispute process has been set forth by the Telecommunications Act of 1996 The Act directs the FCC to create rules that dictate that the slamming carrier refund to the slammed carrier all revenues it collected by virtue of a "slam" This formulation gives a strong incentive to the slammed carrier to go after the slamming carrier for lost revenue, but it does not cause the slammed consumer to be caught in the middle of the dispute. The Act's requirements are ingenious in creating a self-disciplining mechanism for curtailing slams.

Q. DOES MCI SUPPORT THE PUBLIC COUNSEL'S RECOMMENDATION THAT PIC CHANGES BE IMPLEMENTED ONLY AFTER WRITTEN NOTIFICATION HAS BEEN SENT BY THE NEW CARRIER TO THE NEW CUSTOMER THAT THE SWITCH WILL OCCUR?

A. No. This scheme would impose a unnecessary bureaucratic burden MCI believes that imposition of this requirement would add enormously to the costs of doing business in Florida. Public Counsel is advocating a "belt and suspenders" approach to PIC changes which would impact customer expectations in a negative way Indeed, today a PIC change can be accomplished within 24 hours and consumers have come to expect and demand very quick installations so that they can take advantage of special promotions and low rates

The costs might be acceptable if the results warranted such measures, but we do not believe that slowing down installation would prevent serious incidents of slamming. In fact, any measures that make consumers uncertain about timing of installation adds to consumer confusion. All responsible carriers do mail a confirmation package as soon after the sale as possible. This mailing helps to limit the consequence of erroneous switches, because the consumer is put on notice that the switch has occurred. Written notifications, however, are not a panacea. Consumers tend to read hastily, or set aside for later reading, fulfillment packages or other notifications.

If the Public Counsel's recommendation were made law, MCI's sales scripts would need to be changed specifically for the Florida market so that we could explain the delay in installation to new customers. This would require new systems development and training of sales and customer service representatives. Once the order is processed, we would have to modify our fulfillment stream. Today, a fulfillment package is generated once the order is installed. Since we would be holding the orders, we would need to develop an entirely different process for fulfillment. Either holding the order or sending it through, we would have to develop state-specific fulfillment packages.

MCI currently mails, within the week following the sale, a package welcoming our new customer and explaining all the terms and conditions applicable to the plan to which the customer subscribed. If the customer receives this and does not wish to continue with MCI, or feels that the switch occurred in error, the customer could switch back to the original carrier without additional cost. This practice should

should be required of all carriers, in lieu of requiring orders of installation to be delayed.

Q. DOES MCI AGREE WITH THE COMMISSION PROPOSAL THAT FLORIDA CONSUMERS MUST BE NOTIFIED BY "THE PROVIDER" ON THE FIRST BILL AND THEREAFTER ANNUALLY ABOUT PIC FREEZES AND THAT THOSE SEEKING PIC FREEZES SHOULD BE REQUIRED TO USE FORM PSC/CAF 2?

A. Though MCI recognizes that PIC freezes can be a useful device, it urges the Commission to recognize their severe anti-competitive impact. MCI has found that consumers often do not understand completely that PIC freezes can thwart their own desire to switch carriers in the future. MCI believes that PIC freezes should be releasable by a phone call to the LEC from consumers who requested the freeze, and that third party verification should be accepted as an automatic override for the PIC subject to the TPV.

(The language in the Commission's proposed rule (Section (12)) is unclear. The only "provider" that can institute the freeze is the local facilities-based carrier, the carrier that controls the switch).

Q. DOES MCI AGREE WITH THE PUBLIC COUNSEL'S RECOMMENDATION THAT LECS DISASSOCIATE BILLING FOR UNAUTHORIZED CHARGES OR UNAUTHORIZED SWITCHES FROM THE REGULAR BILL?

A. In the case of unauthorized billing, it is appropriate for the LEC to "disassociate" billing for unregulated services. However, this action should not be taken for billing for tariffed toll services provided by a regulated carrier A host of legitimate services are billed by the LECs for "casual" or non-PIC'd services Such MCI services as 1-800-COLLECT would not be billable for Floridians who had blocked billing, and MCI would have no way of knowing the consumer is blocked or of collecting the PIN number. The systems for casual billing are complex, and were put into place to enhance competition. If Florida's Commission is serious about stopping "cramming" by allowing consumers to block billing to third parties, the blocking must be targeted to non-tariffed, non-regulated services

The suspension of regular billing when a consumer claims that a switch is unauthorized should occur only if the consumer makes a report of the unauthorized switch immediately or shortly after receiving the first invoice from the "unauthorized" carrier. The very sound proposal by the Commission that the LEC show in bold faced type that the PIC switch has occurred should make it possible for consumers to pay close attention to incidents of slamming and report them immediately

When the consumer calls the LEC with a slamming complaint, the LEC is required to restore the consumer to the original carrier and charge the PIC change fee to the "offending" carrier. The minute the change occurs, billing by the slamming carrier will cease. However, some charges of the alleged slamming carrier may be in the pipeline, and will thus be billed by the LEC and received by the consumer Collection efforts should be suspended until the PIC dispute is resolved If the "slamming" carrier has adequate evidence of confirmation of the sale, the consumer should then be required to pay that carrier in full. If, on the other hand, no evidence of valid confirmation is provided, the consumer's invoice should be re-rated to the charges of the original carrier. In either case, the consumer should pay the carrier against which the complaint was filed. The offending carrier, if the slam is not disproved, will need to refund all revenues obtained via the slam to the original carrier

Q. DOES MCI AGREE WITH BELLSOUTH'S CONTENTION THAT ADDING THE CERTIFICATE NUMBER AND TYPE OF SERVICE ON THE BILL WOULD NOT HELP CONSUMERS?

A. MCI concurs with BellSouth's views on this proposed requirement As we stated in our testimony, we do not believe that this requirement would be helpful to consumers, and it might confuse them. BellSouth is correct in that the customer's attention should be brought to PIC changes in the first bill following the switch, and we support BellSouth's efforts to make this notification even more prominent MCI does not object to BellSouth's recommendation that the 700 numbers to verify the identity of consumers' current carries be included on local telephone bills each month

Q. DOES MCI CONCUR WITH BELLSOUTH'S VIEWS ON THE USE OF LOAS?

A. We agree that archiving LOAs is labor-intensive and retrieving them is even more so As MCI pointed out in its testimony, LOAs are also very vulnerable to scam tactics

Q. DOES MCI HAVE ANYTHING TO ADD TO BELLSOUTH'S DISCUSSION OF COST ESTIMATES FOR THIRD PARTY VERIFICATION?

A. Yes. We hope that the Commission looks seriously at BellSouth's cost estimates for TPV, because they support MCI's argument that TPV is the most efficient form of verification. BellSouth's estimates show that TPV does not impose the huge costs that taping would impose. MCI certainly understands that there is no fool-proof verification method, and third party verification, as have all verification methods, has been subject to abuse. Carriers should have to prove that their third party verifiers are completely independent, reputable companies which are contractually obligated to observe high verification standards.

Q. DOES MCI AGREE WITH BELLSOUTH THAT INBOUND VERIFICATION SHOULD BE ELIMINATED?

A. No. Inbound verification works as effectively to curtail slamming as outbound verification by disciplining advertising, the sales process, and giving consumers the opportunity to understand that they are making a carrier change.

Q. DOES MCI AGREE WITH THE PROPOSED AMENDMENT BY STAFF THAT WOULD REQUIRE THE LECS TO OFFER A BLOCK TO PROTECT AGAINST THIRD PARTY BILLING ON LEC INVOICES?

A. MCI considers this proposal to be objectionable in the extreme unless it is revised to allow a block only against third party billing for non-tariffed, non-regulated, non-toll charges. As the proposal reads now, it would severely impede national billing processes that have been in place since deregulation (Please see above discussion on suspension of billing). Consumers make millions of dialaround (10XXX, 800 and 950) and collect calls every day. It is extremely important that the Commission clearly specify that charges for legitimate "casual" calls must not be blockable for billing purposes.

Q. DOES MCI AGREE WITH THE PROPOSAL THAT THE PSC SHOULD REQUIRE LECS, ALECS AND IXCS TO INCLUDE THE LAST NAME, ADDRESS AND TELEPHONE NUMBER IN THE TRANSMITTAL ORDERS INVOLVING CARRIER CHANGES AND THAT LEC'S SHOULD REJECT ORDERS FOR CARRIER CHANGES WHEN THE ORIGINATING CARRIER FAILS TO PROVIDE A MATCH WITH THE LEC'S RECORDS.

A. No, MCI does not agree with this proposal. MCI research shows that when MCI instituted an address edit procedure with BellSouth, our record for unauthorized sales neither increased or decreased. In other words, the edit procedure had no material effect on sales quality. For MCI's sales of long distance service, the name and address records are for the purpose of billing long distance services We do not require the service address, and we often take long distance orders from a different person in the household than the person who may be listed by the LEC This does not mean it is not a valid order, as more than one person in a household can be a decisionmaker in terms of making carrier selections, just as the customer on the LEC records may not be the customer that pays the telephone bill It is not the LEC's job to determine the validity of MCI orders, and verification processes are in place to make sure that the name and address MCI collects is valid for the affected ANI

The LECs cannot be expected to know with any certainty the exact name (nickname, husband or wife, roommate, etc.) of those qualified to change long distance or intraLATA service. The LEC's records cannot and should not be viewed as the definitive source for determining who in a household has the authority to make a carrier switch. In fact, this requirement creates a conflict of interest for the LEC.

For local service, the service addresses do have to match, and our orders are rejected today if they do not. We cannot ask for a line to be migrated to us without the correct service address, as this could impact customer dial one (more critical than long distance PIC) and E911 and directory listings.

Q. DOES MCI AGREE THAT THE UNDERLYING CARRIER'S NAME SHOULD BE INCLUDED ON BILLS FOR PAY-PER-CALL CHARGES?

A. Providing the name of the IXC providing the pay-per-call service is not helpful to consumers if the LEC is the billing party. More important for resolving any dispute would be the name of the Information Service Provider. The IXC that provided the network access to the Information Service Provider would not be involved in resolving a billing dispute unless it also billed and collected for the information service.

Q. DOES MCI AGREE WITH THE NEW SUBSECTION (13) THAT REQUIRES A BOLD-FACED NOTICE ON THE FIRST OR SECOND PAGE OF A CUSTOMER'S FIRST BILL FOLLOWING A CHANGE IN HIS LOCAL, INTRALATA OR INTERLATA CARRIER?

A. MCI supports this proposal. If this proposal is approved, it should obviate the need for crediting all charges for 90 days or longer for unauthorized switches unless a carrier has refused to act to remedy an unauthorized switch. Consumers need to be encouraged to monitor their telephone bills on a monthly basis, and to react as soon as possible if they see that they have to been switched to a carrier without their choosing to do so.

In fact, the Commission would encourage responsive carrier behavior if they create an incentive for quick resolution of PIC disputes. Carriers that prolong resolution of PIC disputes, or gouge consumers while they are subject to an unauthorized switch could, by Commission direction, be subject to stricter fines.

Q. DOES MCI AGREE WITH THE COMMISSION PROPOSAL THAT CUSTOMERS MUST BE INFORMED, DURING TELEMARKETING AND VERIFICATION, THAT A PIC FREEZE IS AVAILABLE?

A. No, MCI does not understand the purpose for this proposal, and considers it potentially a significant detriment to a competitive environment. PIC freezes can be useful, particularly to reassure consumers who have been slammed, but a constant reiteration of their availability will persuade consumers that it is somehow foolhardy not to have all PICs frozen. It is especially puzzling that the Commission would suggest that a telemarketer would be the appropriate party for giving this notice. If he or she is discussing the current services a company offers, the mention of a PIC freeze does not seem germane to the conversation and would likely be very confusing. Indeed, the carrier for whom the telemarketer is acting, does not have the wherewithal to affect the PIC freeze unless the consumer decides to switch to that carrier and the carrier provides the appropriate form or telephone number. Moreover, without a more "customer-friendly" way of releasing a PIC freeze, MCI does not advocate PIC freezes as the appropriate solution for all consumers.

Q. DOES MCI SUPPORT THE ADDITION TO SECTION 25-4.118 THAT SETS FORTH REQUIREMENTS FOR CALL HANDLING AND CUSTOMER SERVICE RESPONSE?

A. No. As a national company, MCI cannot obligate itself to the standards set forth in this proposal. Though MCI does provide customer servic : 24 hours a day, seven days a week, it is subject to the ebbs and flows of a national company handling 5,000,000 customer service calls a month in a cost-efficient and expeditious manner MCI makes every effort to handle calls promptly. In the non-monopoly environment characteristic of the long distance industry, consumers may and do switch all the time based on the quality of the service they receive. MCI respectfully recommends that the Commission delete the language in this section. MCI does, however, recognize the importance of standards for network operations and customer service for local services, which can have serious consequences for consumers

Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

A. Yes, it does.

[Text Version | Wordperfect Version]

FCC NEWS

Federal Communications Commission
1919 - M Street, N.W.
Washington, D.C. 20554

News media information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
Internet: http://www.fcc.gov
ftp.fcc.gov

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

December 24, 1997

COMMON CARRIER SCORECARD REPORT RELEASED ON-LINE

Today the Common Carrier Bureau released the third edition of the *Common Carrier Scorecard*. The *Scorecard*, available on the Common Carrier Bureau's home page, highlights the three highest categories of telephone-related consumer complaints and inquiries processed by the Common Carrier Bureau's Enforcement Division during the most recent reporting period; reports telephone-related complaint trends; and includes an overview of how companies performed individually and as a group. Additionally, the *Scorecard* provides valuable consumer tips on how to avoid scams and what to do if problems occur.

During 1996, 36% of the consumer telephone-related complaints processed by the Enforcement Division involved the unauthorized change of a consumer's chosen telephone company without their knowledge or consent, a practice called "slamming;" 13% involved 900 number pay-per-call services and other types of information services; and 12% involved interstate operator service provider rates and services.

This edition of the *Scorecard* provides in-depth information about information services. Examples of information services include medical, stock market, sports and product information. Also available are so-called "adult" services, "chat" lines and psychic advice. Consumers are protected from deceptive information service call practices by federal law and Commission and Federal Trade Commission rules.

The *Scorecard* also explains the actions the Commission has taken to protect consumers against slamming and the high rates charged by some operator service providers.

The *Scorecard* shows that although the largest companies generally received the most complaints, the ratio of complaints filed against the largest companies was far below some of their smaller competitors after adjusting for company size. Additionally, the *Scorecard* points out that many consumers have tried to resolve their complaint with at least one of the companies involved with their complaint before seeking assistance from the Commission.

The *Scorecard* offers some tips on how companies can significantly reduce consumer complaints filed against them by consumers. Some suggestions include:

> dealing with valid consumer complaints quickly without "passing the buck;" providing consumers more information about their services; improving their overall customer service programs; and maintaining better billing and service records.

As competition intensifies, consumers will be using their telephones more to access a wide variety of telecommunication services. The *Scorecard* provides valuable information consumers can use to make informed choices about which companies and services they want to use. The *Scorecard* can be accessed and downloaded from the World Wide Web at:

http://www.fcc.gov/Bureaus/Common_Carrier/Reports/score_card_97.html

Copies of the report are also available by calling the FCC's fax-on-demand at (202)418-2830 [document number: 6726] or by calling International Transcription Services, Inc. at (202)857-3800 to purchase a copy.

- FCC -

Common Carrier Bureau News Media Contact: Rochelle Cohen (202) 418-1500
Enforcement Division Contact: Kathie A. Kneff (202) 418-0700
Industry Analysis Division Contact: Craig Stroup (202) 418-0940
Consumer Protection Branch Contact: Brian J. Benison (202) 418-2800

Scorecard

Providing consumers and the industry with relevant information about telephone-related services

December 1997

Federal Communications Commission, Washington, D.C.
Common Carrier Bureau
Enforcement and Industry Analysis Divisions

The Common Carrier Scorecard Report
is available through:

Internet

Browse and download the Scorecard from the World Wide at:
http://www.fcc.gov/Bureaus/Common_Carrier/Reports/score_card_97.html

Fax-on-Demand

Call (202) 418-2830 and select Document Number 6726.

FCC Copy Contractor

Call International Transcription Services, Inc. at (202) 857-3800 to purchase copies of the Scorecard.

About The Scorecard

The Scorecard provides consumer information about telephone-related issues and performance information for individual telephone companies and for the common carrier industry as a whole. Consumers can use this information to make informed decisions about which companies and services they want to use. The common carrier industry can use this information to develop solutions to industry problems identified in consumer complaints.

This third edition of the Common Carrier Scorecard was prepared by the Enforcement and Industry Analysis Divisions of the FCC's Common Carrier Bureau.

The Scorecard shows that during 1996 the top three categories of consumer complaints and inquiries processed by the Enforcement Division's Consumer Protection Branch were unauthorized conversions of telephone service, a practice known as "slamming"; 900 number pay-per-call and other types of information services; and operator service providers' rates and practices.

The first section of the Scorecard provides an in-depth look into 900 number pay-per-call and other types of information services, how to avoid scams, and what actions consumers can take if problems occur. The second section includes information about the actions the FCC has taken to protect consumers from slamming and the high rates charged by some operator service providers.

The third section of the Scorecard analyzes 1996 consumer complaint and inquiry trends. During 1996, the Consumer Protection Branch processed 24,837 consumer telephone calls and 35,095 written consumer complaints and inquiries. Consumers contact the Branch to obtain information, to resolve a complaint, or to express their opinions on telecommunications issues. FCC decision-makers review information provided by consumers and use that information to develop policies and rules that govern the practices of regulated companies and protect the interests of consumers.

While American consumers make billions of telephone calls every year, the FCC received less than one telephone-related consumer complaint for every two million toll calls made.

In absolute numbers, the largest companies generally received the most written complaints. After adjusting for company size, the ratio of complaints filed against the largest companies was far below some of their smaller competitors.

The Scorecard also shows that companies can significantly reduce consumer complaints filed against them by: dealing with valid consumer complaints quickly without "passing the buck"; providing more information about their services to consumers; improving their customer service programs; and maintaining better billing and service records.

Robert W. Spangler
Acting Chief
Enforcement Division
Common Carrier Bureau

Peyton L. Wynns
Chief
Industry Analysis Division
Common Carrier Bureau


900 Number
AND OTHER TYPES OF TELEPHONE
INFORMATION SERVICES


A
Quick
Look
Slamming
and
Operator
Service
Providers


TRENDS

Scorecard

An In-depth Look At 900 Number

AND OTHER TYPES OF TELEPHONE INFORMATION SERVICES

Information services offer telephone callers the opportunity to obtain a wide variety of telephone programs that provide recorded or live information and entertainment. Examples of information services include medical, stock market, sports, and product information. Also available are so-called "adult" services, "chat" lines and psychic advice.

Many of these information services are highly valued by consumers. However, complaints involving information services were the second highest category of telephone-related consumer complaints processed during 1996 by the Consumer Protection Branch of the Common Carrier Bureau's Enforcement Division.

The FCC's rules protect consumers from unwanted charges for 900 number pay-per-call and other types of information services and disconnection of their local and long distance telephone service for failure to pay certain types of information service charges.

The Federal Trade Commission (FTC) also regulates the pay-per-call industry and has created the 900 Number Rule to protect the rights of consumers regarding pay-per-call transactions.

It is important to understand how information services are provided and the structure of the information services industry. Educating yourself on these issues will enable you to protect your rights and contact the proper agency if problems occur.

Pay-Per-Call and Information Services

Consumers may be confused by the terms "pay-per-call" and "information services" because the terms are often used interchangeably.

Pay-per-call is a specific type of information service. Under federal law, pay-per-call services are those information services that are offered only through 900 numbers and carry a fee greater than the cost of simply transmitting the call. The fee may be either a per-minute charge or a flat fee per call.

In contrast, information services is a broad term that includes 900 number pay-per-call services and services that are offered by dialing numbers other than 900 numbers.

Call Charges

Consumers generally call an advertised telephone number to receive a pay-per-call or another type of information service.

Charges for both pay-per-call and other types of information service calls are typically billed to the individual or business responsible for the telephone line from where the call was placed, and often are included on that party's monthly telephone bill.

Industry Structure

The following types of entities can be involved in providing and billing for information services:

Information Providers

Information providers design, produce, price, and advertise pay-per-call and other types of information services.

Long Distance and Local Telephone Companies

Information providers may purchase communications services from long distance telephone companies to transmit their information services to callers.

Long distance telephone companies transmitting 900 number services may also offer information providers billing and collection services in conjunction with pay-per-call transmission.

Long distance telephone companies either directly bill consumers for information service calls or subcontract with local telephone companies to place information service charges on monthly telephone bills that are issued by the local telephone companies.

Service Bureaus

An information provider may obtain transmission and billing services from an entity called a service bureau.

Service bureaus act as middlemen between information providers and long distance companies, obtaining communications and billing services from a long distance company on behalf of an information provider. Service bureaus may also provide other services to individual information providers, including provision of actual information programs, management services, and billing and collection of charges

Independent Billing Companies or Collection Agencies

Finally, an information provider may employ an independent billing company or collection agency to attempt to collect information service charges that either are not billed by a telephone company or have been removed from a phone bill.

The Federal Communications Commission's Rules 900 Number Pay-Per-Call and Other Types of Information Services

The FCC regulates United States telephone companies that are involved in transmitting and billing interstate pay-per-call and other types of information services.

The FCC's rules governing 900 number pay-per-call and other types of information services are designed to ensure that consumers are fully informed about the information services they choose to purchase and are protected from unexpected charges for calls placed to information services.

The FCC's rules require that any interstate service -- other than telephone company directory assistance service -- that charges consumers for information or entertainment must be provided through a 900 number, unless the service is offered under what is called a "presubscription or comparable arrangement."

A presubscription or comparable arrangement may be a preexisting contract by which the caller has "subscribed" to the information service -- or may be the caller's authorization to bill an information service call to a prepaid account or to a credit, debit, charge, or calling card number.

Toll-Free Numbers

The FCC's rules protect consumers from unexpected charges for calls placed to toll-free numbers.

The FCC's rules generally prohibit the use of 800 numbers, or any other number advertised or widely understood to be toll-free, to charge callers for information services.

Under the FCC's rules, callers can be charged for these types of calls if the caller has a written agreement to obtain and be charged for the service -- or has agreed to pay for the service by prepaid account, or through a debit, credit, or calling card.

When a consumer calls a toll-free number, the information provider cannot call the consumer back collect for the provision of audio or data information services, products, or simultaneous voice conversation services such as chat lines. Also, callers to toll-free numbers may not be connected to 900 pay-per-call numbers.

900 Number Blocking Service

The FCC's rules require local telephone companies to offer consumers, where it is technically feasible to do so, the option of blocking access to 900 number services.

This important safeguard enables consumers to protect themselves against unauthorized 900 number calls placed from their telephone lines.

Disconnection of Telephone Service

The FCC's rules prohibit telephone companies from disconnecting a telephone subscriber's local or long distance telephone service due to the subscriber's failure to pay 900 number charges, charges for pre-subscribed information services, or disputed charges for interstate information services provided on a collect basis.

Bills for Information Services

The FCC's rules require telephone companies that bill consumers for interstate pay-per-call and presubscribed information services to list those charges in a portion of the bill that is separate from local and long distance telephone charges. This requirement enables consumers to easily identify information service charges included with their telephone bill.

In addition, telephone companies must include with the bill information outlining consumers' rights and responsibilities with respect to payment of information service charges.

FCC Enforces Federal Law and Its Rules

In April 1997, the Common Carrier Bureau (Bureau) issued a Notice of Apparent Liability for Forfeiture (NAL) to Telephone Publishing Corporation and Telemedia Network, Inc., d/b/a International Telnet -- collectively referred to as International Telnet. The Bureau found in the NAL that International Telnet failed to prohibit, by tariff or contract, the use of 800 numbers in a manner that resulted in the calling party being called back collect for the provision of information services.

The Bureau issued the NAL in the amount of $49,000 for International Telnet's apparent willful or repeated violation of the Telephone Disclosure and Dispute Resolution Act and the FCC's interstate information service rules.

Late 1980's Competitive 900 number information services were first offered to telephone subscribers.

1991 The FCC first adopted rules governing interstate pay-per-call services to address complaints from consumers about widespread abusive practices involving 900 number services.

1992 The Telephone Disclosure and Dispute Resolution Act -- known as the TDDRA -- was enacted. The TDDRA is a federal law that required the FCC and the Federal Trade Commission to adopt rules to protect consumers from fraudulent and deceptive practices and to promote the development of legitimate 900 number pay-per-call services. The TDDRA also mandated explicit restrictions on the use of 800 and other toll-free numbers to provide information services.

1993 The FCC amended its rules to comply with the requirements of the TDDRA.

1996 Another federal law -- the Telecommunications Act of 1996 -- increased the TDDRA's restrictions on the use of toll-free numbers to charge callers for information services. In addition, this statute removed a provision in the TDDRA that has been used to justify arrangements by which consumers are charged tariffed transmission rates for supposedly free information services.

The FCC amended its rules to comply with the requirements of the 1996 Telecommunications Act and proposed additional rules designed to guard against circumvention of its rules governing the use of toll-free numbers.

The Federal Trade Commission's 900 Number Rule

The FTC also regulates the pay-per-call industry. Its rules govern information providers, service bureaus, and billing entities.

The FTC enforces the Federal Trade Commission Act which prohibits all deceptive and unfair trade practices. The FTC also enforces several other statutes which target specific unfair and deceptive practices. Under authority of these laws, the FTC has created specific regulations designed to protect the rights of consumers in areas such as credit card, telemarketing, and pay-per-call transactions.

The FTC's 900 Number Rule is an example of such regulation. It requires among other things that:

Advertisements for 900 number pay-per-call services must clearly disclose the cost of a call. Television advertisements must include both audio and video disclosures.

A free introductory message or "preamble" must begin each 900 number program if total charges for a call are greater than two dollars. The preamble must include a brief description of the service; the name of the information provider; the cost of the call; and a statement that callers under 18 must obtain parental permission. After the preamble is complete, callers must be given three seconds to hang up without being charged for the call.

Parties that bill consumers for pay-per-call charges or that handle consumer inquiries must follow specified procedures in handling disputes. Pay-per-call billing statements must include a local or toll-free number which consumers may call about pay-per-call charges.

Consumers wishing to challenge a pay-per-call charge under the FTC's rule should notify the company listed on the bill within 60 days after the first statement containing a disputed charge was sent.

Like the FCC's rules, the FTC's rule also prohibits charging for calls to 800 or other toll-free numbers without a valid presubscription agreement.

Currently, the FTC is conducting a review of its 900 Number Rule to determine whether it has been effective in curbing abuses associated with 900 number services, and whether to expand the scope of the rule to cover audio information and entertainment services accessed by dialing telephone numbers that begin with numbers other than "900."

In connection with its review, the FTC sought public comment and held a public workshop conference to address specific issues, such as billing and collection abuses and ways to extend the scope of the rule to services like international information services.

During the course of the rule workshop, the FTC also sought comment on ways to modify its rules to provide consistency in the regulation of the pay-per-call industry. The FTC will continue to seek comment in connection with its rulemaking efforts in the pay-per-call area.

Consumers may contact the FTC to get more information about its regulations. FTC brochures regarding 900 numbers, 800 numbers, international information services, fair debt collection, and fair credit billing may be obtained by writing to the Federal Trade Commission, Public Reference Branch, Drop H240, Washington, D.C. 20580 -- or by calling The Consumer Response Center at (202) 326-3128.

Sound Too Good To Be True?

Like magic. A simple telephone call can put sports news at your finger tips or provide instant access to a psychic, but such information services are rarely free.

Here are some quick tips that can save you money.

❑ Carefully review your telephone bill every month. Look for company names you do not recognize and for charges for information service calls you did not place or authorize. If you identify any billing problems, immediately call the companies listed on the bill. Ask the companies to explain the charges and request a billing adjustment for incorrect charges.

❑ Be aware that some information providers may employ an independent billing company or a collection agency to pursue collection of information service charges removed from your telephone bill.

❑ Educate children and other individuals who make telephone calls from your telephone line about the charges for calls placed to information services.

❑ Protect yourself against unauthorized 900 number calls placed from your telephone line. Subscribe to your local telephone company's 900 number blocking service if you do not want to incur these charges.

❑ Carefully read advertisements for information services. Some advertisements for information services do not disclose the charges for calling the advertised numbers.

❑ Listen to the preamble or introductory message when calling a 900 number or other type of information service number. Immediately hang up if you are not interested in the service or do not want to pay any charges for the call.

❑ Be suspicious of offers for free calls or services. If it sounds too good to be true -- it probably is. 900 number services always involve charges to the caller -- even if you are calling to claim a "free" prize. Other types of information services are rarely free even if they are provided over toll-free numbers.

❑ Think twice before requesting a return call. Some information service companies use an option for callers to receive information by requesting a return call. If you select this option and the call is returned, you may be charged for a collect call.

❑ Exercise caution when accepting an instant calling card. You may dial an advertised number and be offered a "calling card" that can be used immediately to access the advertised information. These calling cards have numerical codes -- sometimes based on the telephone number of the line from which the call was placed -- that are used to charge callers for the information service call.

[illegible]

❑ Don't call telephone numbers with 809, 758 or 664 area codes or numbers beginning with 011 unless you want to place a call to another country. Some information providers do not explain in their advertisements that calls placed to these numbers will be billed as international toll calls or possibly "calling card" calls.

❑ Block the placement of long distance or international calls. Contact your local and long distance companies and ask whether it is possible to block the placement of long distance or international calls from your telephone line. Before requesting this type of service, consider whether you need to place calls to friends, family members or businesses in other states or countries.

❑ Be wary of advertisements encouraging you to call a toll-free number to receive an information service. Some information providers advertise a toll-free number but then ask you to enter a series of numbers before hearing the advertised information. If you enter these numbers, you may be completing a long distance telephone call -- often to another country. This is not a lawful practice.

In these types of schemes, the information service is supposedly free. Callers, however, are charged long distance or international toll charges to cover the transmission of their calls to the "free" information service.

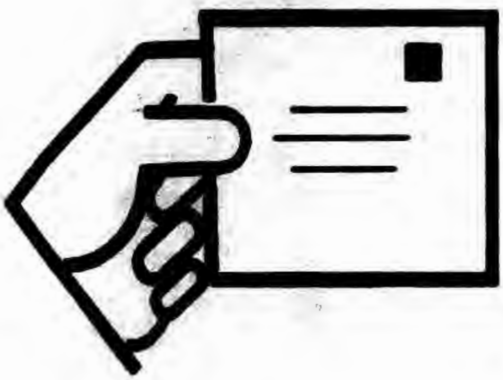
These types of service arrangements rely on cooperation between a telephone company and an information provider or information services advertiser, with the telephone company sharing the money collected for its toll charges with the information provider or advertiser.

In some instances, United States telephone companies may be knowingly involved and the FCC can take action against them. In other cases, the United States telephone company may be an unwitting victim of an arrangement between an information provider and a foreign entity that is not subject to the laws of the United States.

Complaints

About 900 Number Pay-Per-Call and Other Types of Information Services

Before you file an information services complaint with a regulatory agency, contact the telephone company, information provider or other type of company providing, or billing for, the service. The company you contact may resolve your problem. If this approach does not provide satisfactory results, this section of the Scorecard will guide you through the process for filing a complaint.



Check Your Telephone Bill

The telephone bill listing the information service charges should include the telephone number to call to discuss questions you have about your bill or the services provided.

Know Your Rights

You should be aware that even if a telephone company removes information service charges from your telephone bill, it may be legal for an information provider to attempt to collect those charges either on its own or through a collection agency.

Some consumers who have been billed for information services report that they were told that under federal law or policy telephone subscribers are responsible for all calls placed from their telephone line.

While such a statement is generally true when charges are assessed for communications services -- such as charges for long distance telephone calls -- there is no federal law, rule, or policy that automatically and absolutely holds a consumer responsible for information service charges billed to their telephone line.

You may wish to contact the Federal Trade Commission to learn about your rights regarding collection of charges removed from your telephone bill.

Save Time

Don't delay action on your complaint by filing with the wrong regulatory agency. A quick look at the chart in this section of the Scorecard will show you the correct agency to contact.

For Complaints Involving More Than One Agency

You may discover that your complaint involves more than one agency. If this is the case, we suggest you address one complaint letter to all of the appropriate agencies and send copies to each. Be sure to include copies of bills and other documents relating to your complaint.

This section of the Scorecard includes a list of information you must provide when filing a complaint with the FCC.

You should contact other agencies for instructions on how to file a complaint with them if you are not sure what information is required.

Also ask the agencies how they process consumer complaints. Each agency uses different procedures because the laws and rules which give them authority to act on your complaint vary.

FCC Procedures For Processing Telephone-related Complaints

The Consumer Protection Branch of the Common Carrier Bureau's Enforcement Division assigns an "IC" file number to each consumer's complaint. This file number is included in correspondence responding to the complaint.

The Branch forwards complaints about services and rates regulated by the FCC to each company involved with the complaint that is within the FCC's jurisdiction or that may, in the staff's view, assist in the resolution of the complaint.

The Branch directs each company to:

- Send a letter to the consumer who filed the complaint acknowledging receipt of the complaint;
- Review all records and other information relating to the complaint;
- File a written response to the complaint issues with the FCC. Usually this response must be filed with the FCC within 30 days from the date the Branch sent the complaint to the company; and
- Send a copy of the response to the consumer who filed the complaint.

After receiving the written responses, Branch staff members review the complaint file.

Appropriate FCC action will be taken if it appears that a company may not be in compliance with federal law, FCC rules and decisions, and industry practices.

The Branch sends written notification to the consumer who filed the complaint when the Branch closes the complaint file.

We ask consumers to :

- *Understand* that it takes time to thoroughly review the issues raised in individual complaint files.
- *Wait at least 30 days* after receiving written responses to the issues raised in their complaint before contacting the Branch for status information.
- *Use their "IC" complaint file number* when calling or writing the Branch for the status or other information about their complaint.

Topic	Issue	Where To Go For Information and to File Complaints
900 Number Pay-Per-Call Services	Disconnection of local or long distance telephone service for non-payment of 900 number charges	Federal Communications Commission
	Charges not separately identified on the phone bill	Federal Communications Commission
900 Number Pay-Per-Call Blocking Services	Unable to obtain service from local phone company to block 900 calls placed from residential or business phone	Federal Communications Commission
	Received a bill for a 900 number call even though blocking service was ordered from the local telephone company	Federal Communications Commission
All Other Issues Involving 900 Numbers		Federal Trade Commission
Information Services Other Than 900 Number Pay-Per-Call Services	976 and other local or intrastate information services	State Public Utility Commission
	Charges for call placed to 800 or other toll-free numbers	Federal Communications Commission
	Charges for calls placed to international numbers	Federal Communications Commission

Filing a Complaint With Your State Regulatory Agency

You can obtain the telephone number and address for your state regulatory agency from your local or state consumer offices or the government section of your telephone directory. The telephone number for your state regulatory agency can also be found on the FCC's web site at **http://www.fcc.gov/ccb/consumer_news/state_puc.html**

Filing a Complaint With The Federal Trade Commission

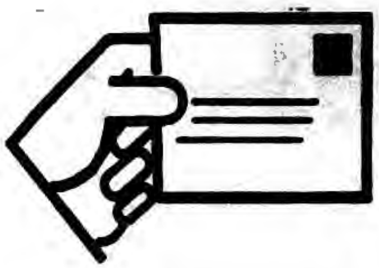
Complaints about the practices of information providers, service bureaus and billing entities generally should be directed to the Federal Trade Commission at the following address: Consumer Response Center, Federal Trade Commission, Drop H285, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

Filing a Complaint with the Federal Communications Commission

Complaints must be filed with the FCC in writing. There is no special form to fill out to file a complaint with the FCC. Simply send a typed or legibly printed letter in your own words to:

Federal Communications Commission
Common Carrier Bureau
Consumer Complaints
Mail Stop Code 1600A2
Washington, D.C. 20554

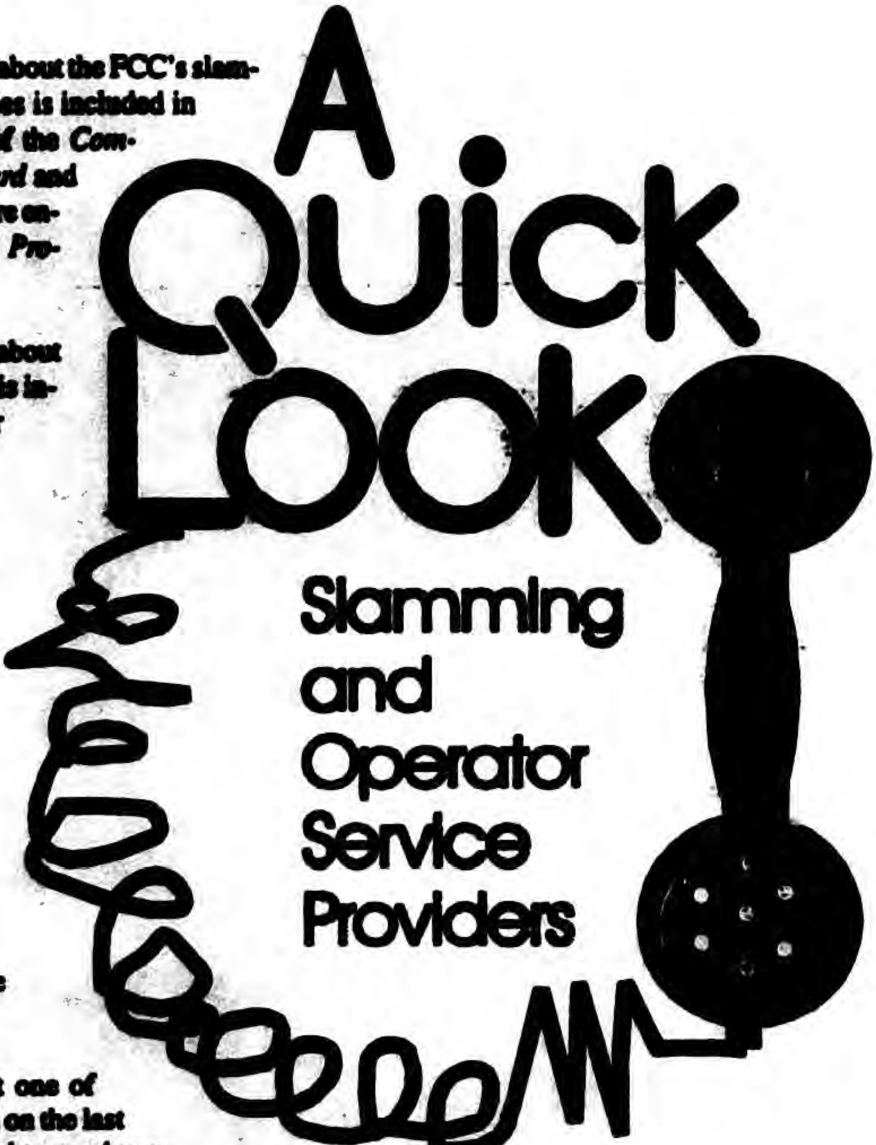
Information You Must Include In Your Complaint Letter



- ✔ Your Name and Company Name *(where appropriate)*
  Street Address or Post Office Box
  City, State, Zip Code
  Daytime telephone number (including Area Code)
- ✔ A brief description of the complaint.
- ✔ The telephone number or numbers involved with the complaint.
- ✔ The names and addresses of your local telephone company and all other companies involved with the complaint.
- ✔ The names and telephone numbers of the company employees you called in an effort to resolve the complaint, and the dates that you spoke with them.
- ✔ The date or dates of the incidents involved with the complaint.
- ✔ The action requested, such as a credit or refund for disputed charges.
- ✔ Copies of the telephone bills listing the disputed charges. The disputed charges should be circled on the copies of the bills.
- ✔ Copies of correspondence received from the companies involved with the complaint and from state or federal agencies you contacted in an effort to resolve the complaint.
- ✔ Copies of other documents involved with the complaint.

Scorecard

This Section of the Scorecard provides quick-look information about actions the FCC has taken to protect consumers from slamming and the high rates charged by some operator service providers.



Detailed information about the FCC's slamming rules and policies is included in the Fall 1996 issue of the *Common Carrier Scorecard* and in a consumer brochure entitled *Been Slammed? Protect Your Rights.*

Detailed information about the FCC's OSP rules is included in a consumer brochure entitled *Public Phone Users Beware: Know your Operator Service Provider Before Making Calls From Public Telephones.*

You can browse and download these documents from the FCC's Web Site. Access information is included on the last page of this Scorecard.

You can also request one of the FCC offices listed on the last page of this Scorecard to send you a copy of these documents.

Slamming

***Slamming** is a term used to describe any practice that changes a subscriber's preferred telephone company without the subscriber's knowledge or consent.*

Some Facts You Need To Know About Slamming

A subscriber's preferred telephone company may not lawfully be changed without his or her express consent.

The FCC is committed to ensuring that a subscriber's telephone service is not changed without their express consent and has adopted rules and policies to protect consumers from slamming. The FCC has also proposed additional safeguards to protect consumers from slamming.

Slammed consumers unable to use their preferred carrier may lose important service features or premiums, such as frequent flier miles, provided by their properly authorized carrier; get lower-quality service; or be charged higher rates for their long distance calls.

Slamming also distorts telecommunications markets by enabling companies engaged in misleading practices to increase their customer bases, revenues and profitability through illegal means.

The Telecommunications Act of 1996

The Telecommunications Act of 1996 substantially bolstered the Commission's efforts to eliminate slamming. This federal law expanded the scope of the FCC's authority over slamming-related issues to <u>all</u> telecommunications carriers, including local carriers.

The law provides that no telecommunications carrier shall submit or execute a change in a consumer's selection of a provider of telephone exchange service or telephone toll service, except in accordance with the FCC's verification procedures.

The law also provides that any telecommunications carrier that violates the FCC's verification procedures and that collects charges for telephone exchange service or telephone toll service from a consumer shall be liable to the consumer's original preferred carrier for an amount equal to all charges paid by the consumer to the unauthorized carrier.

These provisions generate marketplace incentives for the carriers to resolve the problem of slamming prior to Commission intervention and enforcement.

Proposed Additional Consumer Safeguards

The FCC has asked for comment from the public on issues related to implementation of this law and proposed additional safeguards to protect consumers from slamming.

In a Notice of Proposed Rulemaking released July 15, 1997, the FCC asked for comment on issues such as whether the current procedures used to verify long distance carrier changes should be strengthened; whether unauthorized carriers should be liable for any premiums, such as frequent flier miles, that slammed consumers would have received from their authorized carriers; and whether slammed consumers should be liable for any unpaid charges assessed by unauthorized carriers.

The FCC will review the material filed in this rulemaking and will issue additional consumer protection rules after that review is completed.

The FCC has consistently emphasized the critical importance of enforcement through its complaint process to ensure that companies regulated by the FCC do not charge unjust and unreasonable rates; engage in unjust, unreasonable, or unreasonably discriminatory practices; or otherwise conduct their regulated operations in a manner that may be harmful to consumers and to competition.

The Common Carrier Bureau's Enforcement Division's investigations of consumer slamming complaints continue to lead to a series of enforcement actions against responsible carriers.

Nine companies accused of slamming have entered into consent decrees and agreed to make payments to the United States Treasury totalling $1,245,000; five Notices of Apparent Liability have been issued for apparent slamming violations, with combined proposed forfeiture penalties of $400,000; and two Notices of Forfeiture have been issued, with combined forfeiture penalties of $160,000.

The Commission has also ordered a hearing to determine whether the operating authority of a group of commonly-owned companies should be revoked due to the number and nature of slamming complaints.

Notices of Apparent Liability

Company Name	Proposed Forfeiture Amount
Heartline Communications, Inc.	$200,000
Long Distance Services, Inc. (Troy, Michigan)	80,000
Minimum Rate Pricing, Inc.	40,000
Target Telecom, Inc.	40,000
TELCAM, Telecommunications Company of the Americas	40,000

Notices of Forfeiture

Company Name	Forfeiture Amount
Excel Telecommunications, Inc.	$80,000
Long Distance Services, Inc. (Virginia)	80,000

Consent Decrees

Company Name	Voluntary Payments to the U.S. Treasury*
AT&T Corporation	$30,000
Cherry Communications, Inc.	500,000
Home Owners Long Distance, Inc.	30,000
LCI International Worldwide Telecommunications (LCI)	15,000
Matrix Telecom, Inc.	30,000
MCI Telecommunications Corp.	30,000
Nationwide Long Distance, Inc.	30,000
Operator Communications, Inc. d/b/a Oncor	500,000
Winstar Gateway Network, Inc.	80,000

Other Actions

The Commission has proposed to revoke the operating authority of the following group of carriers owned and/or operated by Daniel Fletcher: CCN, Inc.; Church Discount Group, Inc.; Donation Long Distance, Inc.; Long Distance Services, Inc.; Monthly Discounts, Inc.; Monthly Phone Services, Inc.; and Phone Calls, Inc.

**The companies listed under Consent Decrees also voluntarily agreed to provide additional consumer protections.*

Operator Service Providers (OSPs)

The vast majority of OSP consumer complaints filed with the FCC cite excessive rates and charges.

Consumers placing calls away from home often do not realize which telephone company they are using. Don't leave home before calling your chosen long distance company and obtaining instructions on how to place calls through that company from public telephones.

Facts About OSPs

OSPs provide long distance and, in some cases, local telephone service from public telephones.

Examples of the types of telephones served by OSPs include pay telephones or other types of telephones available for consumer use located in hotels, motels and hospitals.

Consumers placing calls away from home often do not realize which telephone company they are using.

The OSP serving a public telephone generally will handle a call if "0" is dialed before dialing any other number. Also, some calling cards include the consumer's entire telephone number as part of the calling card number. If this type of calling card is used from a public telephone, the OSP most likely will be able to bill the call at its rates.

The FCC has adopted rules to ensure that OSP services are provided to consumers in a fair and reasonable manner.

The FCC's Rules

The FCC's rules, for instance, guarantee you the right to place calls through the long distance company that you want to use by dialing an access code such as an 800 number, a local number that begins with 950, or a five-digit access number, known as a 10XXX number.

The FCC's rules also include other consumer safeguards, such as requiring each OSP to immediately disclose, upon request and at no cost to the consumer, a quotation of its rates or charges for a call.

Proposed Additional Consumer Safeguards

The FCC has asked for comment on additional safeguards to protect consumers from high rates for away-from-home calls.

One of the proposed safeguards would require OSPs to automatically disclose rate and other types of information to consumers at the beginning of an operator assisted call and before the call is connected. This additional information would give a consumer the opportunity to hang up on high rates and to use another company to place their calls.

Scorecard

TRENDS

TRENDS IN CONSUMER COMPLAINTS AND INQUIRIES

This section of the Scorecard describes trends in complaints and inquiries processed during 1996 by the Consumer Protection Branch of the Common Carrier Bureau's Enforcement Division. This section also provides an analysis of how companies involved with telephone-related complaints performed individually and as a group.

Consumers contact the Branch to obtain information, to resolve a complaint, or to express their opinions on important telecommunications issues. FCC decision-makers review information provided by consumers and use that information to develop policies and rules that govern the practices of regulated companies and protect the interests of consumers.

Stay On Top

Of Your Telephone Charges

Companies can help consumers by:

● *immediately resolving valid consumer complaints without "passing the buck";*

● *providing better consumer information about their services;*

● *improving their customer service programs; and maintaining better billing and service records.*

Most of the FCC's consumer correspondence about telephone-related issues consists of complaints about the rates and/or practices of telecommunications companies. A number of consumers filing complaints with the FCC about telephone-related issues indicate that they have already requested at least one of the companies involved with their complaint to resolve the problem -- and that their complaints were not resolved by the companies.

Anaylsis of Written Consumer Complaints

The analysis of written complaints by company in this section and the appendices of this Scorecard is based on consumer complaints served on companies by the Branch. The Branch serves a complaint by issuing an "Official Notice of Informal Complaint" to all companies identified in the complaint that are within the FCC's jurisdiction or that may, in the staff's view, assist in the resolution of the complaint. Service of a complaint does not necessarily indicate wrongdoing by the served company.

Although the Branch served more 1,100 companies with complaints during 1996, approximately 85 percent of all the complaints were served on only 36 companies.

Appendix A to this Scorecard lists the 83 companies, including local telephone companies, that were served with more than 50 complaints during 1996. These 83 companies were served with approximately 96% of all the complaints served during this time period.

Appendix B lists the companies that were served with more than 100 slamming complaints during 1996, and Appendix C lists the companies served with more than 30 operator service provider complaints.

The appendices also show communications revenue and complaint ratios. The complaint ratio is the number of complaints served, divided by the total communications-related revenues (measured in millions of dollars of revenue).

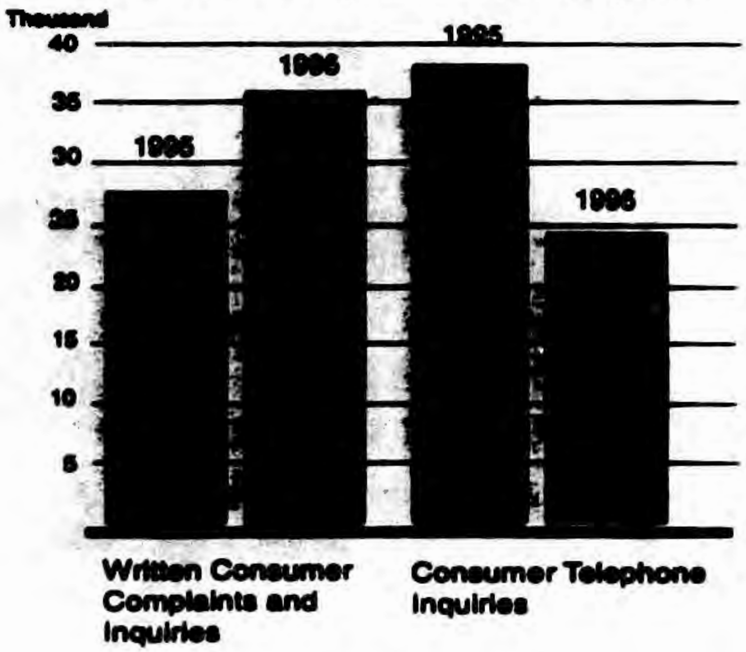
Consumer Complaints and Inquiries Reach the FCC in Several Ways

During 1996, the Consumer Protection Branch processed 24,837 consumer telephone calls and 35,095 written complaints and inquiries. By comparison, during 1995 the Branch processed 38,117 consumer telephone calls and 25,482 written complaints and inquiries. The reduction in the number of consumers calling the Branch during 1996 may be due to the launch of the FCC's National Call Center's toll-free 1-888-225-5322 number (1-888-CALL-FCC).

The Branch received written complaints and inquiries from a variety of sources. During 1996, approximately 93 percent, or 32,726, of the written complaints and inquiries were received directly from consumers. Approximately seven percent, or 2,369, of the complaints and inquiries were sent to the FCC on behalf of consumers by members of Congress; the President; and various state, local and federal agencies.

Consumer Complaints And Inquiries

Figure 1

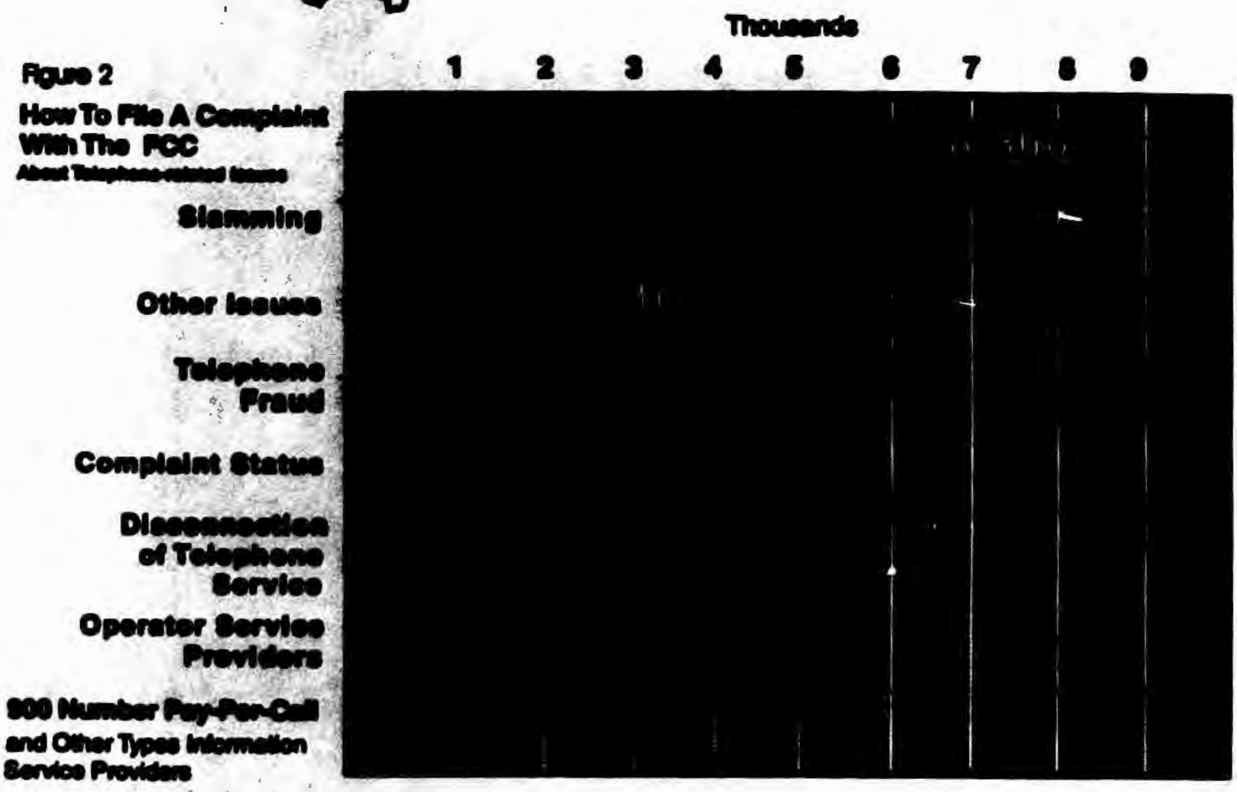


Consumers Call the Consumer Protection Branch for Information on a Variety of Issues

Under federal law and the FCC's rules, consumers must send a written complaint to the FCC about telephone-related issues. The Branch generally cannot process a complaint that is received via a telephone call.

The 24,837 consumers who called the Consumer Protection Branch's Consumer Hotline during 1996 requested information on a variety of issues. Figure 2 shows the types of information requested and the number of consumers who requested that information.

Figure 2



Issues Raised in Written Consumer Complaints and Inquiries

The Consumer Protection Branch processed 9,613 more written complaints and inquiries during 1996 than 1995.

The Consumer Protection Branch processes written complaints and inquiries about a number of telephone-related rate and service issues.

Most consumer complaints and inquiries fall into a few broad categories. The relative volume for specific categories changes over time, but the total number of written complaints and inquiries has been rising rapidly for several years.

Figure 3

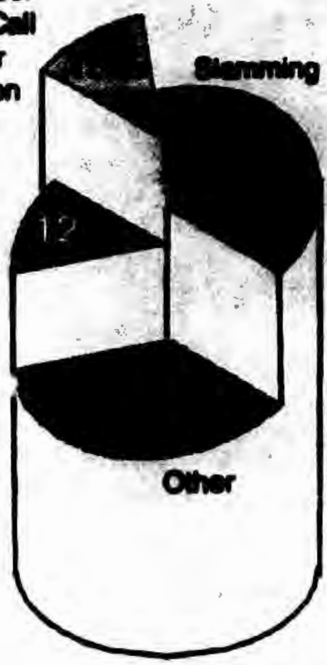


Figure 3 shows that of the 35,095 written complaints and inquiries processed by the Branch in 1996:

36 percent, or 12,795, involved slamming issues;

13 percent, or 4,621, involved 900 number pay-per-call services, other types of interstate information services, and international information services; and

12 percent, or 4,132, involved interstate Operator Service Provider (OSP) rates and services.

The remaining 39 percent, or 13,547, of the complaints and inquiries processed by the Branch involved issues such as: complaints that were not within the FCC's jurisdiction and that were forwarded by the Branch to other federal and state agencies; interstate and international services and rates; unsolicited telephone calls; unsolicited advertisements sent to fax machines; and the marketing and advertising practices used by some regulated companies.

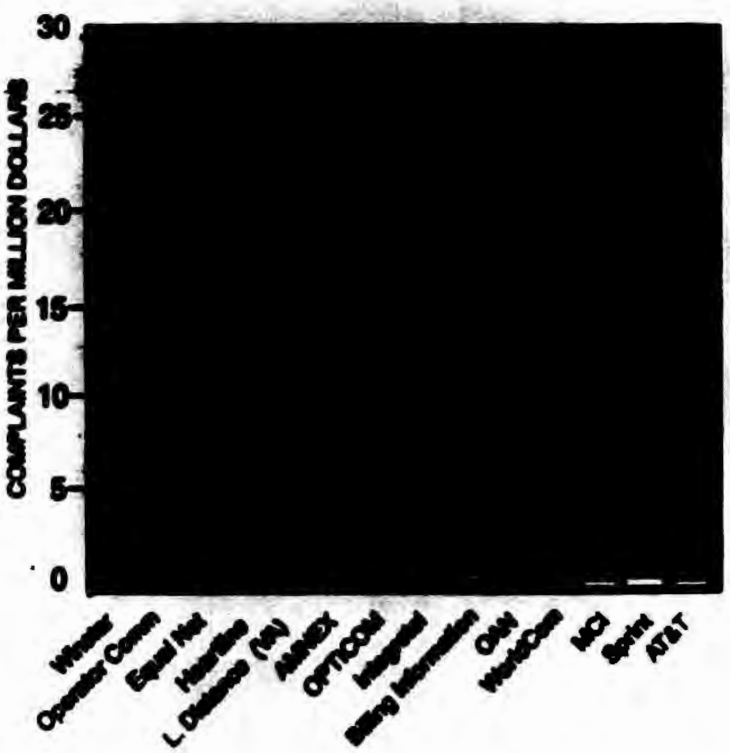
By comparison, of the 25,482 written complaints and inquiries processed by the Branch during 1995, 34 percent, or 8,761, involved slamming issues; 18 percent, or 4,487, involved OSP rates and services, including 642 complaints and inquiries involving intrastate OSP services and rates; 11 percent, or 2,798, involved 900 number pay-per-call and other types of information services; and 37 percent, or 9,436, involved other issues.

Complaint Ratios for Telecommunications Companies
Served With More Than 600 Complaints
(Except Local Telephone Companies)

The information displayed in Figure 4:

■ Shows the complaint ratios for telecommunications companies served with more than 600 complaints during 1996, except local telephone companies. The complaint ratios for the local exchange carriers are displayed in Figure 7.

Figure 4



NOTE: Service of a complaint does not necessarily indicate wrongdoing by the served company.

■ Includes only those companies served with more than 600 complaints and their relative rank -- based on complaints scaled by company size. (Appendix A to this Scorecard lists the companies served with more than 50 complaints during 1996.) All of the largest telecommunications companies (AT&T, MCI, Sprint and WorldCom) are included in this group because sheer size makes it unlikely that these large companies will receive fewer than 600 complaints annually.

International Telemedia Associates, a billing agent, was served with 978 complaints in 1996. A complaint ratio for this company is not included in Figure 4 because the company declined to provide billing revenue data to the FCC.

■ Shows that the largest companies have complaint ratios that are below the group average. In contrast, some smaller companies have complaint ratios that are many times higher than the group average. In absolute terms, several of the largest companies were served with the most complaints. Several smaller companies were also served with a large number of complaints.

Complaint Ratios for Long Distance Companies Served with More Than 250 Slamming Complaints

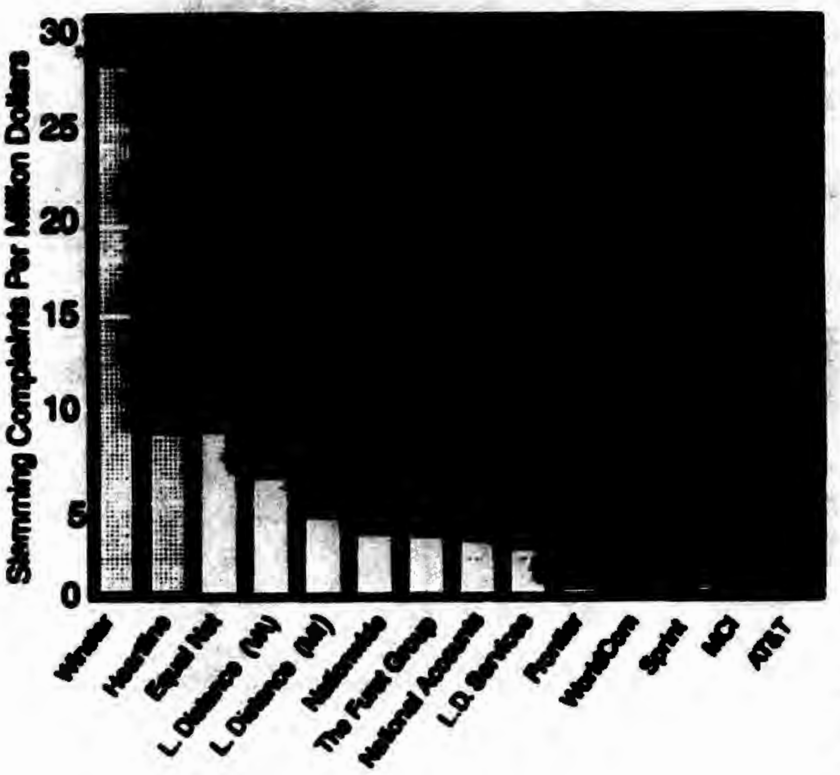
The four largest long distance companies had the lowest slamming complaint ratios — ranging from .05 to .12.

During 1996 the highest category of consumer complaints and inquiries processed by the Consumer Protection Branch was the unauthorized conversion of telephone service -- a practice known as "slamming." The second section of this Scorecard includes information about the actions the FCC has taken to protect consumers against slamming.

The Branch processed 12,795 slamming complaints and inquiries during 1996. This figure represents approximately 36 percent of the total number of written telephone-related consumer complaints and inquiries processed by the Branch during this time period.

Figure 5 shows the complaint ratios for the long distance companies served with more than 250 slamming complaints. Appendix B to this Scorecard lists the number of complaints served, revenue data and the complaint ratios for long distance companies and billing agents served with more than 100 slamming complaints.

Figure 5



NOTE: Service of a complaint does not necessarily indicate wrongdoing by the served company.

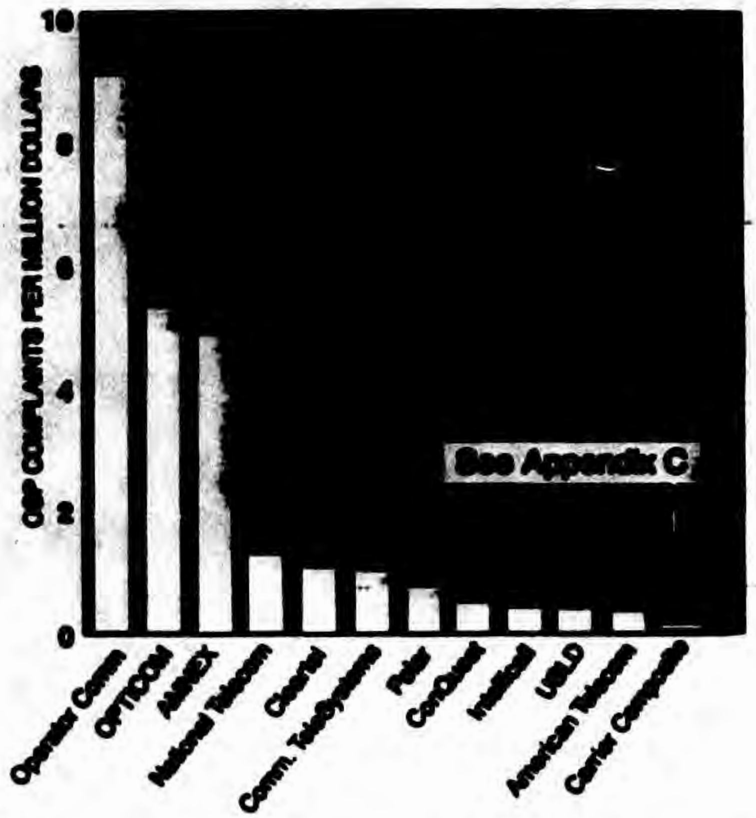
Figure 5 also shows that the four largest long distance companies had the lowest complaint ratios — ranging from .05 to .12. The other companies included in Figure 5 have complaint ratios ranging from .25 to 28.26. By comparison, the average slamming complaint ratio for all long distance carriers and resellers listed in Appendix B is .16.

Complaint Ratios For Companies Served With More Than 30 Operator Service Provider (OSP) Complaints

(Except Billing Agents)

During 1996 the third highest category of consumer complaints and inquiries processed by the Consumer Protection Branch was interstate operator service providers' rates and practices.

Figure 6



NOTE: Service of a complaint does not necessarily indicate wrongdoing by the served company.

OSPs provide long distance and, in some cases, local telephone service, from pay telephones or other types of telephones available for consumer use in public locations. The second section of the Scorecard includes information about the actions the FCC has taken to protect consumers from the high rates charged by some OSPs.

The Branch processed 4,132 interstate OSP complaints and inquiries during 1996. This figure represents approximately 12 percent of the total number of complaints and inquiries processed by the Branch during this time period.

Figure 6 shows the complaint ratios for companies providing OSP services, except billing agents, which were served with more than 30 OSP complaints during 1996. The complaint ratios for individual companies included in Figure 6 range from .38 to 9.09.

Appendix C to this Scorecard lists the number of complaints served, revenue data and the complaint ratios for companies -- including OSPs, carriers, resellers and billing agents -- served with more than 30 OSP complaints.

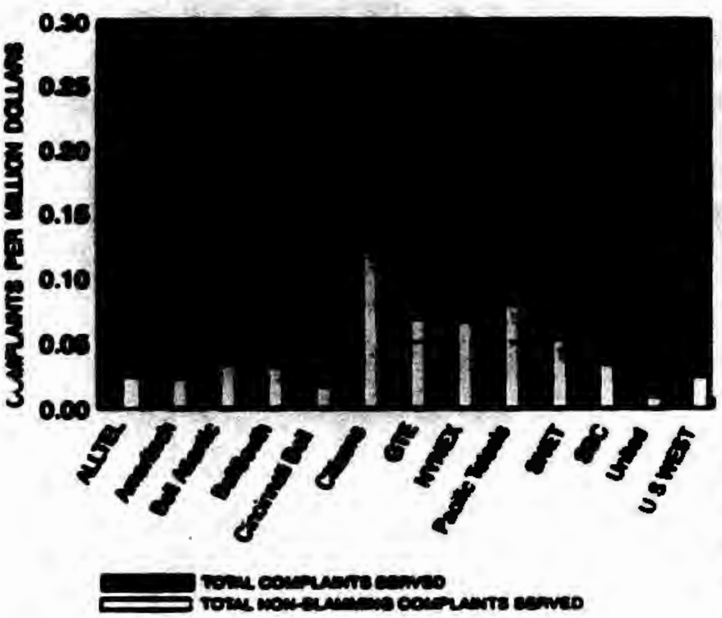
Complaints Served on Local Telephone Companies

Many consumers first contact their local telephone company to resolve their complaints before sending a written complaint to the FCC. If the local telephone company successfully resolves a complaint, it may not be necessary for consumers to file a complaint with the FCC.

Figure 7 shows the local telephone companies that were served with more than 50 complaints during 1996. Appendix A to this Scorecard lists for each company included in Figure 7 the complaint ratios, communications revenues and the total number of complaints served.

Figure 7 also shows the total number of complaints served on each local telephone company in this group regarding all telephone-related issues, including slamming of telephone service, and the total number of complaints served on each company involving issues other than slamming. Of the 12,673 complaints served on the local telephone companies in this group, 8,329 complaints involved slamming of telephone service and 4,344 involved issues other than slamming.

Figure 7



NOTE: Service of a complaint does not necessarily indicate wrongdoing by the served company.

Slamming complaints involving long distance and other types of companies are served on local telephone companies because the local telephone companies have in their records information essential to resolving slamming complaints.

A local telephone company may also be served with complaints about services provided directly to consumers by the local company or services involving other companies. For example, a local company may be served with a complaint because it issued a bill for disputed information service calls on behalf of the information service provider or the long distance company that transmitted the calls. In this case, the telephone company is served because it has entered into a contractual arrangement to render bills for such calls.

Description of Appendices

Questions about the statistical data included in the Scorecard appendices should be directed to the Industry Analysis Division, at (202) 418-0940. Questions about the complaint statistics included in the Scorecard should be directed to the FOIA/Information Team of the Consumer Protection Branch. The team can be reached by dialing the Branch's Consumer Hotline at (202) 632-7553. After reaching the Consumer Hotline, callers should leave a message in menu selection 8. The message should include the caller's name, telephone number, and a description of the requested information.

Appendix A

All Types of Telephone-Related Complaints

Appendix A includes data for 83 companies that were served with more than 50 telephone-related complaints during 1996. The total number of complaints served on each company is based on information contained in the Consumer Protection Branch's consumer complaints database.

Revenue information and complaint ratios are included for a number of the listed companies. We have calculated complaint ratios for all companies with 100 or more complaints. The complaint ratio for each company is the number of complaints served on the company divided by its total communications-related revenue (measured in millions of dollars). The weighted ratio for each category of companies included in Appendix A is the total number of complaints served on the companies listed in that category which have ratios listed divided by the total communications-related revenues for those companies (measured in millions of dollars).

Large carriers with revenues over $109 million are required to file public revenue figures. Carriers with less than $109 million in operating revenues are also required to file revenue figures, but these figures are not made public. Our revenue estimate of $109 million for these carriers protects their privacy, but also understates their true complaint ratios. Dividing their complaints by their true revenues would result in higher complaint ratios.

Some of the listed companies, such as billing agents, are not carriers and are not required to file revenue figures with the FCC. Billing agents were asked to provide their calendar year 1996 billing revenues. International Telemedia Associates, Inc. and Telephone Billing Service declined to do so.

Appendix B
Slamming Complaints

Appendix B lists the number of slamming complaints, revenue, and the slamming complaint ratios of long distance companies and billing agents served with more than 100 slamming complaints in 1996. The slamming complaint ratio for each company is the number of slamming complaints served on a company divided by its total communications-related revenue (measured in millions of dollars). The weighted ratio for each category of companies included in Appendix B is the total number of slamming complaints served on all of the companies listed in that category divided by the total communications-related revenues for all of the companies listed in that category (measured in millions of dollars).

Appendix C
OSP Complaints

Appendix C lists the number of Operator Service Provider (OSP) complaints served, revenue, and the OSP complaint ratios for companies served with more than 30 OSP complaints in 1996. The OSP complaint ratio is the number of OSP complaints served on a company, divided by the company's total communications-related revenue (measured in millions of dollars).

While OSPs generate most of their revenue through the provision of operator services, carriers and resellers generate most of their revenue through other long distance services, such as direct dialed calls.

Basing large carriers' OSP complaint ratios on their total revenues would be unfair to the firms specializing in OSP services. A better comparison would be to base the carriers' OSP complaint ratios on their OSP revenues. Because these revenues are confidential, basing a carrier's individual OSP complaint ratios on its OSP revenue is not possible. We therefore created a weighted ratio for the carriers, and for the combination of resellers and OSPs. We summed the companies' operator service complaints and divided by the sum of their operator service revenues based on their Telecommunications Relay Service worksheets.

The composite weighted complaint ratio is .05 operator service complaints per million dollars of operator service revenue for carriers. The composite weighted ratio for resellers and OSPs is 7.82 operator service complaints per million dollars of operator service revenue.

Local Telephone Companies of the following holding companies	Complaints Per Million Dollars of Revenue	Complaints	Revenue (Millions)	Notes
ALLTEL Corporation	0.08	88	1,169	(1)
Ameritech Corporation	0.12	1,404	11,615	(1)
Bell Atlantic Corporation	0.18	2,292	12,699	(1)
BellSouth Corporation	0.11	1,640	14,413	(1)
Cincinnati Bell, Inc.	0.09	56	651	(1)
Citizens Utilities Company	0.29	57	198	(1)
GTE Corporation	0.16	2,200	13,336	(1)
NYNEX Corporation	0.25	3,082	12,487	(1)
Pacific Telesis Group	0.27	2,269	8,350	(2)
Southern New England Telecommunications	0.14	192	1,363	(1)
SBC	0.18	1,712	9,631	(2)
United Telephone Company - Sprint Corporation	0.05	269	5,117	(1)
US WEST, Inc.	0.18	1,756	9,831	(1)
Weighted Ratio	0.17			

All other companies served with more than 50 complaints

Absolute Telecommunications, Inc.	1.83	199	109	(3)
American Telecommunications, Inc.		69		
American Telesource International, Inc.	4.83	70	15	(4)
American Telnet, Inc.		79		
AMNEX, Inc.	6.70	785	117	(5)
AT&T Corp.	0.10	3,999	39,264	(6)
Atlas Communications	1.69	184	109	(3)
Billing Information Concepts, Inc.	3.80	4,935	1,300	(4) (10)
Brittan Communications Inc.	2.29	250	109	(3)
Cherry Communications	0.32	112	354	(6)
Cleartel Communications	1.19	130	109	(3)
Coastal Telephone Company		77		
Colorado River Communications		86		
Combined Companies, Inc.		59		
Communication TeleSystems	2.32	454	196	(6)
ConQuest Operator Service		63		
Corporate Services	0.93	101	109	(3)
Crown Communications	1.35	147	109	(3)

All other companies served with more than 50 complaints (cont'd)	Complaints Per Million Dollars of Revenue	Complaints	Revenue (Millions)	Notes
E-Tel	1.09	119	109	(3)
Eastern Telecommunications, Inc.	1.56	170	109	(3)
Equal Net Corporation	10.07	612	61	(5)
Excel Telecommunications, Inc.	0.32	352	1,091	(6)
Frontier Communications International	0.35	544	1,563	(6)
Future Telephone Communications	2.28	249	109	(3)
GE Capital Communications	1.08	118	109	(3)
Great Lakes Telecommunications Corporation	1.63	178	109	(3)
Heartline Communications, Inc.	9.02	983	109	(3)
Home Owners Long Distance	1.33	145	109	(3)
Integrated Tele Services	1.38	150	109	(3)
Integretel	4.04	1,565	388	(4)
Intellicall Operator Services	0.65	50	77	(8)
Inter Continental Telephone	1.10	120	109	(3)
International Telemedia Associates, Inc.		978		(7)
International Telnet		66		
JTK Technologies		75		
L.D. Services, Inc.	2.76	301	109	(3)
LCI International Worldwide Telecommunications	0.23	252	1,103	(6)
LDM Systems Inc.	8.63	246	29	(9)
Long Distance Services (Virginia)	7.26	791	109	(3)
Long Distance Services, Inc. (Michigan)	4.14	451	109	(3)
Matrix Telecom	1.38	150	109	(3)
MCI Telecommunications Corporation	0.17	2,815	16,372	(6)
Midcom Communications, Inc.	0.91	136	149	(6)
National Accounts Long Distance, Inc.	3.23	352	109	(3)
National Telecom, USA	1.37	149	109	(3)
National Telephone And Communications, Inc.		54		
Nationwide Long Distance, Inc.	3.55	387	109	(3)
Network Service Center	1.73	189	109	(3)
OAN Services, Inc.	2.13	1,396	655	(4)
Omega Telecommunications		63		
One -2- One Communications		88		
Operator Communications, Inc.	10.16	1,107	109	(3)
OPTICOM Operator Services aka One Call	5.61	639	114	(6)
Pantel Communications		67		
Pilgrim Telephone, Inc.	2.43	265	109	(3)
Polar Communications Corporation		89		

All other companies served with more than 50 complaints (cont'd)	Complaints Per Million Dollars of Revenue	Complaints	Revenue (Millions)	Notes
Qwest Communications	1.26	137	109	(3)
Sprint Communications Company, L. P.	0.16	1,250	7,944	(6)
TELCAM	8.22	83	10	(9)
Telco Communications Group	0.59	251	429	(6)
Telephone Billing Service		392		(7)
Texas Amnel	1.04	113	109	(3)
The Furst Group	3.56	388	109	(3)
Trans National Telephone	2.29	250	109	(3)
USLD Communications	1.04	196	188	(6)
US Teleconnect	2.22	242	109	(3)
VarTec Telecom, Inc.	0.23	108	470	(6)
Winstar Gateway Network	29.12	990	34	(8)
WKP Communications		66		
WorldCom, Inc.	0.22	979	4,485	(6)
Weighted Ratio	0.39			

Notes:

(1) United States Telephone Association, Holding Company Report 1997.

(2) *Statistics of Communications Common Carriers*. Table 2.1.

(3) Carrier's revenue was not publicly reported. Carriers with more than $109 million in telecommunications revenue in 1996 were required to publicly report their revenue. To calculate a ratio, $109 million was assumed if the carrier had more than 100 complaints. As a result, the carrier's reported complaint ratio will be lower than its true complaint ratio.

(4) Calendar year 1996 revenues were provided by a company representative.

(5) Total 1996 revenue from Securities and Exchange Commission (SEC) forms 10K and/or 10Q.

(6) *Long Distance Market Shares Second Quarter, 1997*. Table 5, released October 10, 1997.

(7) Company identifies itself as a billing agent, but did not disclose its revenues to the FCC.

(8) 1996 telecommunications revenue from SEC forms 10K and/or 10Q.

(9) Dun & Bradstreet report.

(10) The complaint and revenue totals for Billing Information Concepts, Inc. (BIC) includes revenue data and complaints served data for the following BIC subsidiaries: Enhanced Services Billing, Inc.; Billing Information Concepts, Inc. dba Zero Plus Dialing; and Billing Information Concepts, Inc. dba US Billing.

	Complaints Per Million Dollars of Revenue	Slamming Complaints	Revenue (Millions)
Carriers[1]			
AT&T Corp.	0.05	1,866	39,264
Frontier Communications International	0.25	396	1,563
LCI International Worldwide Telecommunications	0.13	145	1,103
Long Distance Services, Inc. (Michigan)	4.06	442	109
MCI Telecommunications Corporation	0.07	1,162	16,372
Sprint Communications Company, L. P.	0.09	750	7,944
WorldCom, Inc.	0.12	528	4,485
Resellers[1]			
Atlas Communications	1.64	179	109
Brittan Communications Inc.	2.11	230	109
Eastern Telecommunications, Inc.	1.45	158	109
Equal Net Corporation	8.72	530	61
Excel Telecommunications, Inc.	0.18	200	1,091
Future Telephone Communications	1.02	111	109
Great Lakes Telecommunications Corporation	1.53	167	109
Heartline Communications, Inc.	8.72	951	109
Home Owners Long Distance	1.27	138	109
Integrated Tele Services	1.28	139	109
L.D. Services, Inc.	2.38	259	109
LDM Systems Inc.	8.59	245	29
Long Distance Services (Virginia)	6.20	676	109
Matrix Telecom	1.08	118	109
National Accounts Long Distance, Inc.	2.83	309	109
Nationwide Long Distance, Inc.	3.17	345	109
Network Service Center	1.58	172	109
Quest Communications	1.83	200	109
The Furst Group	3.07	335	109
Trans National Telephone	2.14	233	109
Winstar Gateway Network	28.26	961	34
Weighted Ratio: Carriers and Resellers	0.16		
Billing Agents			
Billing Information Concepts, Inc.	2.13	2,772	1,300
Integretel	1.07	414	388
Weighted Ratio: Billing Agents	1.89		

Notes:

[1] *Telecommunications Industry Revenue: Telecommunications Relay Service Fund Worksheet Data.* Companies self-identified themselves as a carrier or reseller.

	Complaints Per Million Dollars of Revenue	OSP Complaints	Revenue (Millions)
Carriers[1]			
AT&T Corp.	*[2]	63	39,264
MCI Telecommunications Corporation	*[2]	54	16,372
USLD Communications	0.42	79	188
WorldCom	0.04	179	4,485
Weighted ratios for carriers			
Based on total revenue	0.01		
Based on total OSP revenue[3]	0.05		
Resellers[1]			
American Telecommunications, Inc.	0.38	41	109
Communication TeleSystems	1.04	203	196
Operator Service Providers[1]			
AMNEX, Inc.	4.91	575	117
Cleartel Communications	1.09	119	109
ConQuest Operator Service	0.53	58	109
Intellicall Operator Services	0.44	34	77
National Telecom, USA	1.30	142	109
Operator Communications, Inc.	9.09	991	109
OPTICOM Operator Services aka One Call	5.33	608	114
Polar Communications Corporation	0.78	85	109
Weighted ratios for OSPs and resellers			
Based on total revenue	2.47		
Based on total OSP revenue[3]	7.82		
Billing Agents			
Billing Information Concepts, Inc.	0.46	599	1,300
Integretel	0.22	84	388
OAN Services, Inc.	1.37	898	655
Weighted ratio for billing agents			
Based on total revenue	0.68		

Notes:

[1]*Telecommunications Industry Revenue: Telecommunications Relay Service Fund Worksheet Data.* Companies self-identified themselves as a carrier, reseller or OSP.

[2]Less than .005 OSP complaints per million dollars of total revenue.

[3]Based on actual OSP revenue obtained from Telecommunications Relay Service (TRS) Fund Worksheets. American Telecommunications, Inc. did not file TRS worksheet, but confirmed that it was a reseller. Polar Communications Corporation is no longer in business and did not file a TRS worksheet.

Guide

to Abbreviations of Company Names Used in Scorecard Charts and Graphs

Abbv.	Company
ALLTEL	ALLTEL Corporation
American Telecom	American Telecommunications, Inc.
Ameritech	Ameritech Corporation
AMNEX	AMNEX, Inc.
AT&T	AT&T Corp.
Bell Atlantic	Bell Atlantic Corporation
BellSouth	BellSouth Corporation
Billing Information	Billing Information Concepts, Inc.
Cincinnati Bell	Cincinnati Bell, Inc.
Citizens	Citizens Utilities Company
Cleartel	Cleartel Communications
Comm. TeleSystems	Communication TeleSystems
ConQuest	ConQuest Operator Service
Equal Net	Equal Net Corporation
Frontier	Frontier Communications International
GTE	GTE Corporation
Heartline	Heartline Communications, Inc.
Intellicall	Intellicall Operator Services
L.D. Services	L.D. Services, Inc.
L. Distance (VA)	Long Distance Services (Virginia)
L. Distance (MI)	Long Distance Services, Inc. (Michigan)
MCI	MCI Telecommunications Corporation
National Accounts	National Accounts Long Distance, Inc.
National Telecom	National Telecom, USA
Nationwide	Nationwide Long Distance, Inc.
NYNEX	NYNEX Corporation
OAN	OAN Services, Inc.
Operator Comm	Operator Communications, Inc.
OPTICOM	OPTICOM Operator Services a/k/a One Call
Pacific Telesis	Pacific Telesis Group
Polar	Polar Communications Corporation
SNET	Southern New England Telecommunications
Sprint	Sprint Communications Company, L.P.
USLD	USLD Communications
United	United Telephone Company-Sprint Corporation
US WEST	US WEST, Inc.
Winstar	Winstar Gateway Network
WorldCom	WorldCom, Inc.

Check out our consumer Information on Telephone-Related Issues

- ☆How to File a Complaint with the FCC Regarding Telephone-Related Issues.
- ☆Taxes and Other Charges on Your Telephone Bill.
- ☆Know your Operator Service Provider Before Making Calls from Public Telephones.
- ☆How to Select a Long Distance Telephone Company.
- ☆Been Slammed? Protect Your Rights.
- ☆Telephone Toll Fraud and You.
- ☆Telephone Toll Fraud and Your Business.
- ☆900 Number Pay-Per-Call and Other Information Services.
- ☆What You Can Do About Unsolicited Telephone Calls and Faxes.
- ☆Recording Telephone Conversations.
- ☆Invalid or Unclear Charges on Local Telephone Bills.
- ☆Calls Made From Payphones.
- ☆Fall 1996 Common Carrier Scorecard.
  This Scorecard provides an analysis of trends in consumer complaints, information on slamming and valuable consumer tips.

The above consumer information is available through:

Internet: Browse and download the Fall1996 Scorecard from the World Wide Web at:
http://www.fcc.gov/Bureaus/Common_Carrier/Reports/score_card_95.html

Other consumer information is available at:
http://www.fcc.gov/ccb/consumer_news/

Fax-on-Demand: Dial (202) 418-2830. From the main menu select the indices option. Then select the fact sheet option for a list of fact sheets and document numbers. For the Fall 1996 Scorecard, select document number 6720.

Calling the following FCC numbers:

National Call Center toll-free, at 1-888-CALL FCC (1-888-225-5322).
Office of Public Affairs, Public Service Division, at (202) 418-0200.
Consumer Hotline of the Enforcement Division, Common Carrier Bureau, at (202) 632-7553.
Telecommunications Device for the Deaf (TTY) toll-free, at 1-888-TELL-FCC (1-888-835-5322).

Information About Local And Long Distance Telephone Companies

Check out the FCC-State Link Homepage at:
http://www.fcc.gov/ccb/stats