

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
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GENERAL COUNSEL
ROBERT D. VANDIVER
(850) 413-6248

Public Service Commission

November 5, 1998

BY AIRBORNE EXPRESS

Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

RECEIVED

NOV - 6 1998

RECEIVED

Re: CC Docket 98-170 - Truth-in-Billing and Billing Format

Dear Ms. Salas:

Enclosed are an original and 12 copies of the Florida Public Service Commission's Comments in the above-referenced docket. Please date stamp one copy and return in the enclosed self-addressed envelope.

A copy of the comments are also being furnished by diskette to Anita Cheng of the Common Carrier Bureau and to the Commission's copy contractor, International Transcription Service.

Sincerely,

Cynthia B. Miller
Senior Attorney

CBM:jmb
Enclosure

cc: Anita Cheng
International Transcription Services, Inc.
Parties of Record

No. of Copies rec'd 0+11
List ABCDE

**Before the
Federal Communications Commission
Washington, D. C. 20554**

NOV - 6 1998

In the Matter of:)
)
Truth-in-Billing and) CC Docket No. 98-170
Billing Format)
)

SUMMARY OF FLORIDA PUBLIC SERVICE COMMISSION COMMENTS

Generally, the Florida Public Service Commission (FPSC) supports the FCC only providing model rules as guidelines for state-specific rulemakings. The one area wherein the FPSC supports a mandatory Federal rule is for the requirement of standardized labelling of Federal end user charges.

The FPSC supports separate sections on the bill for different categories of services.

The FPSC agrees that the name of the service provider itself should be shown on the bill rather than just a billing aggregator or clearinghouse.

Instead of the "safe harbor" approach for labelling of Federal end user charges, the FPSC endorses a Federal uniform labelling system for such Federal charges.

The FPSC believes the FCC should be the messenger of the charges it authorizes and that the FCC should seek additional resources for consumer information.

The FPSC believes the billing entities' toll-free telephone number on billing inquiries must be answered in an expeditious manner.

**Before the
Federal Communications Commission
Washington, D. C. 20554**

REC-114
NOV - 6 1998
FCC 98-170

In the Matter of:)
)
Truth-in-Billing and) CC Docket No. 98-170
Billing Format)
_____)

FLORIDA PUBLIC SERVICE COMMISSION COMMENTS

The Florida Public Service Commission (FPSC) hereby files the following comments in the above docket.

We wholeheartedly agree with the FCC's statements that consumers are concerned about telephone bills that do not provide sufficient information in a user-friendly format to enable them to understand the services being provided and the charges assessed, and to identify the entities providing those services. Our experience also indicates that slamming, cramming and other abuses are facilitated by bill inadequacies. We appreciate the FCC's statement that the goal of the proceeding is to construct, with the help of the states, consumer groups, and the industry, workable solutions to enable consumers to reap the benefits of the competitive telecommunications marketplace while at the same time protecting themselves from unscrupulous competitors. (Par. 6).

We commend the FCC for seeking comment particularly on how its jurisdiction should complement that of the states. The Notice recognizes that many states have in place or are considering requirements designed to protect their consumers from

abuses associated with questionable billing practices. The FCC commits to working closely with states in order to ensure that consumers are protected in all billing contexts. Generally, we believe that the FCC should set forth only model rules as guidelines for state-specific rulemakings. However, the one area for mandatory Federal rules would be on labelling of Federal end user charges.

The Florida Public Service Commission (FPSC) believes that improvements in the billing process are appropriate in order for customers to be better able to understand their bills and be able to identify any questionable charges on the bill. Billing related issues such as cramming and slamming are major concerns for Floridians as indicated by complaints. To the extent that billing is made clearer, consumers will be more aware, after the fact, when they have become the victim of fraudulent activity. The FPSC is actively involved in finding ways to both inform consumers when they have been fraudulently billed as well as how to prevent fraudulent billing.

FPSC rules currently address some of the issues raised in the Notice of Proposed Rulemaking (NPRM). For example, FPSC rules address identifying unregulated charges on the bill. Other issues raised in the NPRM (for example, more detailed

requirements on how the bill is organized) may be addressed by us in the near future. Thus, our comments below should be considered preliminary in nature.

The focus of CC Docket No. 98-170 is on the relationship between the carriers and their end user customers, and, in particular, on improving the clarity of telephone bill formats (par. 9 and 13). Our comments below respond to questions raised in the NPRM and are identified by paragraph number in the notice.

Legal Authority/Jursidiction

(Par. 14) The FCC requests comments on how its jurisdiction should complement that of the states. The Florida Public Service Commission recognizes the dual interest of the FCC and the states in issues related to billing practices. The FCC provides a useful forum for discussing issues that impact all states.

A set of national standards has advantages of uniformity which make compliance easier for multi-state companies. However, national standards often fail to take into consideration differences between companies and states and thus may be less restrictive than standards that would be set in an individual state for the specific companies regulated by the state. Standards that are easier for the companies to comply with do not necessarily equate to the best protection for the consumer.

Also, a specific type of billing problem may be common in a given state but not be recognized as a major issue when viewed from a national perspective. For example, a company might target the elderly population for cramming and that could be a bigger issue for sunbelt retirement states than for the nation as a whole. Specific state remedies should be possible.

Therefore, the FPSC recommends that the FCC not adopt mandatory rules which must be followed in each state, but instead serve as a national forum for addressing these issues and adopt a set of model state procedures which each state can then use in developing any rules it believes are appropriate for its consumers and the companies which operate in its state.

We do, however, believe the FCC should require national standardized labels for Federal charges. Thus, this would be the one area where a mandatory national requirement should be instituted.

Organization of the Bill

(Par. 17) The FCC requests comments on whether there should be a requirement that categories of services (local, long distance, miscellaneous) be shown on separate sections or pages on the bill or whether each provider's charges should be shown on a separate section or page of the bill. A choice does not have

to be made between these two options; both of these separations could be required. Each carrier's charges could be shown, carrier by carrier, but within the listing of a carrier's charges, there could be a standard format for listing local versus long distance versus miscellaneous charges.

Charges that may need to be more clearly labeled on the bill are taxes and fees. A common error found on bills relates to incorrect application of local taxes where the carrier does not know whether the customer is located in the jurisdiction of the government levying the tax or fee. Taxes or fees that are lumped together cannot be reviewed by the customer in a meaningful fashion. In order for a customer to adequately review the tax portion of his bill, taxes and fees would need to be stated separately for each provider on the bill and each tax and fee would need to be identified as to the taxing authority and name or a statutory reference for the tax. Taxes and fees also need to indicate to what subtotal of charges or other base the tax or fee applies.

(Par. 18) The FCC seeks comments on what information should be included on a bill summary (e.g., names of presubscribed local and intraLATA and interLATA toll carriers, other service providers on the bill, and the existence of freezes and blocks in

place on the account). An additional item that could be placed on the summary page is separate totals for services for which local service could be disconnected, if not paid, and those for which local service could not be disconnected, if not paid. Not only could current month's charges be so broken out; past due amounts from prior months and the associated totals could be separated in the same way so that in subsequent months they do not reappear as part of the total and thus appear to become charges that could result in disconnection, if not paid.

Descriptions of Services and Identification of Providers

(Par. 23) The FCC proposes that the name of the service provider itself be shown on the bill rather than just a billing aggregator or clearinghouse or, in the case of long distance, the name of an underlying reseller and not the facilities based carrier whose services are being resold. We agree. The lack of information concerning the name of the actual service provider does make it more difficult for the consumer to verify charges on the bill. This wastes consumers' time if they have to go through the local company or billing agent to determine the actual service provider before being able to then question the charge.

(Par. 24) The FCC seeks comment on whether telephone bills should differentiate between "deniable" and "non-deniable"

charges on the bill. FPSC rules have a requirement [FPSC Rule No. 25-4.113(4)(e), F.A.C.] that service cannot be disconnected for failure to pay for a service rendered by the company which is not regulated by the Commission. Florida's Rule 25-4.110(1)(c), F.A.C. requires that each bill shall separately identify unregulated charges. The FPSC thus agrees that telephone bills should differentiate between charges that if not paid would result in disconnection of local service and those that would not. Such charges could be so labeled both on each provider's section of the bill and on the front or summary page of the bill, as well as on any payment slip that accompanies the payment.

Description of Charges Resulting from Federal Regulatory Action

(Par. 27) The FCC requests suggestions for "safe harbor" language which could be used to identify any charges designed to recover the universal service and access charges. Attachment A is a table which the FPSC staff prepared which identifies the various labels used by the four largest long distance companies to identify those fees. As can be seen, those terms vary significantly. In addition, two cellular carriers identify the universal service charge as "Telecom Regulatory Fees" and "Federal Universal Service". Such differences confuse customers and the vagueness of the labels also makes it difficult to

understand the nature of the charge. Instead of "safe harbor" labels, we strongly support a national required label for each Federal fee.

Possible labels for the universal service fee include: "federal universal service fee" or "FCC universal service fee" or "interstate universal service fee". Possible labels for the access charge fee include: "federal long distance access fee" or "FCC long distance access fee" or "interstate long distance access fee". (Par. 30) This language should be included in each month's bill. Whatever label is selected should clearly indicate that the fees are Federal or interstate fees.

The FCC should be the messenger of the charges it authorizes. State commissions should not be placed in the position of having to explain or defend Federal charges. We urge that the FCC expressly state in its order that it will seek to establish sufficient staffing to respond to customer inquiries regarding any authorized Federal end user surcharge. The FCC should also proactively inform consumers of the new charges on their bills. The FCC could provide a consumer hotline, with sufficient staffing, to respond to customers' inquiries regarding the reasons for and nature of these charges. We would be

supportive of the FCC obtaining additional resources for this purpose.

In addition, public service announcements and required bill inserts could help ease the confusion. Companies should be explaining the charges to customers prior to the charges being imposed. Once an end user surcharge is placed on the customer's bill, carriers could place a 1-800 number for customer inquiries regarding that charge.

The FPSC urges the FCC to initiate a national consumer education campaign. While we will do what we can to help, the State commissions should not become, in essence, the "field agents" of the FCC. To the extent that the FCC does not take actions such as a consumer hotline and mandatory bill inserts, the State commissions must use State staff and resources to ease customer confusion regarding the FCC's actions. The FCC should continue to work with states to develop means by which the FCC may better inform consumers about these new Federal developments.

Implementation of the Federal Telecommunications Act has been confusing. Thus far, consumer education as to the reason for the new Federal end user charges has been inadequate. We urge the FCC to ensure that authorized charges are adequately explained. National standardized labels for FCC-authorized

charges should make it easier for the FCC and the carriers to explain to consumers the nature of and reason for the charge.

Provision of Consumer Inquiry/Complaint Information

(Par. 33) The FCC requests comments on the amount of information that could be included on the bill to allow a consumer to dispute charges on the bill. The bill could be required to show not only the billing agent but also the actual provider as discussed in regard to paragraph 23 above. If the actual service provider is on the bill, a toll-free number should also be provided. Including the mailing address may not be necessary as long as the local exchange company is required to provide it upon request.

A key requirement associated with having a toll-free telephone number though is that it has to be answered. If a consumer can never get an answer or is always put on hold when he calls, the number is of no use. Whoever is expected to respond to questions should also be expected to comply with answer time standards and response time standards. In the FPSC's recently adopted slamming rules, we required that 95% of all call attempts to the toll-free number be answered within 60 seconds after the last digit is dialed. In addition, we required that calls be answered by a live operator or recorder to take customer inquiry

information 24 hours a day, 7 days a week. If a recorder is used, a consumer should get a response within a reasonable time.

An alternative to providing customer service by the actual service provider would be to make the actual biller of the services, the local exchange company, responsible for taking all calls and obtaining all information about any item contained on a bill it renders. Then the LEC could follow up with the actual service provider and obtain all information on behalf of the consumer. The consumer would be able to have one point of contact for his single combined bill that contains charges billed by the local company on behalf of a multitude of providers.

Attachment B to our comments is a consumer complaint that illustrates the problems associated with a local company billing for another provider. In the example, the customer's June, 1998 bill from GTE contained a charge for a "Monthly Calling Card Fee" in the amount of \$9.95 billed on behalf of ESBI. It turns out that ESBI was billing on behalf of a company called Vision Telemedia, Inc. ESBI is an affiliate of Billing Information Concepts (BIC) which says it has several customer service units such as Enhanced Service Billing, Inc. (ESBI). BIC responded to the complaint on behalf of ESBI and indicated that the customer had called a toll-free number, was told about Vision Telemedia's

psychic services and the customer agreed to join the psychic club. BIC indicates that the customer's agreement to join was captured on Vision Telemedia's transcriptions recovery system provided by West Teleservices Corporation. However, when requested to provide the recorded confirmation, West Teleservices indicated that a technical difficulty made them unable to produce the proof.

Being faced with a charge for a "Monthly Calling Card" which turned out to really be for membership in some type of psychic services club and then being faced with having to deal with GTE, ESBI, BIC, Vision Telemedia and West Teleservices, it is no wonder this customer was confused and had to turn to a regulatory agency for assistance.

Conclusion

The FCC should pursue identification of common issues relating to billing and should attempt to develop ways to make consumers' bills clearer. There are certain billing issues which do directly concern the FCC such as how FCC-authorized charges should be labeled on the bill and the FCC's role in making sure those labels are not misleading. However, except for standardized labels for Federal charges, the FCC should not establish mandatory rules for billing format but leave that up to

Comments of the Florida Public Service Commission
CC Docket No. 98-170

the states. The FCC should adopt only a set of model rules as
guidelines for state-specific rulemaking.

Respectfully submitted,



CYNTHIA B. MILLER
SENIOR ATTORNEY

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6082

DATED: November 5, 1998

IXC PICC Recovery

	AT&T	MCI	Sprint	WorldCom
<i>What they call it:</i>	Carrier Line Charge	National Access Fee	Presubscribed Line Charge (PLC)	PIC Charge
<i>Residential</i>	\$.85 / Bill	\$ 1.07 / Account	\$.80 / Line	\$.53 / Line
<i>Business Single-Line:</i>	\$.53 / Line	\$ 2.75 / Line	\$.53 / Line	\$2.75 / Line
<i>Multi-Line:</i>	\$2.50 / Line	\$ 2.75 / Line	\$2.75 / Line	\$2.75 / Line
<i>Centrex:</i>		\$.31 / Line	\$.31 / Line	\$.31 / Line
<i>ISDN:</i>		Switched PRI: \$13.75 / Line	BRI: \$.75 / Derived Channel	
			PRI: \$.60/ Derived Channel	

IXC Universal Service Fund Recovery

	AT&T	MCI	Sprint	WorldCom
<i>What they call it:</i>	Universal Connectivity Charge (UCC)	Federal Universal Service Fee	Carrier Universal Service Charge (CUSC)	Local Service Subsidy
<i>Residential</i>	\$.93 / Bill	5% of net interstate & international charges.	4.5% of net interstate & international charges.	None
<i>Business</i>	4.1% of net interstate & international charges.	Small Business: 5% of net interstate & international charges.	4.9% of net interstate & international charges.	4.41% of net interstate & international charges.
		Large Business after 7/31/98: 4.9% of net interstate & international charges.		

****END****

FROM CUST REL FL 813 284 8893

09.25.1998 10:24

P.02

Page: 1 Document Name: Tpx

Billstar Browse Page= 00009 GTFL 813 . 980610 Active

Messages---->

PF7=Up PF8=Down PF9=Top PF10=Last Pg PF5=Acct Select PF6=Bill History PF3=Ex

NON-REGULATED SERVICES

MISCELLANEOUS CHARGES AND CREDITS

CHARGES AND CREDITS FOR 813

0519 MONTHLY CALLING CARD FEE

9.95

9.95



TOTAL

TAXES AND FEES ON NON-BASIC SERVICE

F 3.00% FEDERAL EXCISE TAX (3.00% OF \$9.95)

.30

L01 7.00% CITY UTILITY TAX (7.00% OF \$9.95)

.70

TOTAL

1.00

ESBI NON-REGULATED SERVICE CHARGES

10.95

TOTAL FOR ESBI

10.95

Date: 9/25/98 Time: 11:02:16 AM

7411 John Smith Drive

Suite 200

San Antonio

Texas 78229

Phone (210) 949-7000

Fax (210) 949-7100



Billing Information Concepts

 SEP 24 11 18 AM '98
 September 21, 1998

 Mr. Ray E. Kennedy
 Certification and Compliance Section
 State of Florida
 Public Service Commission
 2540 Shumard Oak Boulevard
 Tallahassee, FL 32399-0850

 RECEIVED
 SEP 24 1998

CMU

Dear Mr. Kennedy:

Billing Concepts is a billing and collections provider for a variety of telephone companies in the telecommunications industry. Billing Concepts has several customer service units including Enhanced Service Billing, Inc. (ESBI). ESBI is a billing agent for Vision Telemedia, Inc. and is contracted to provide the back room customer service function for their customers. ESBI bills for services of non-regulated and enhanced telecommunications services. Its customers include paging services, voice mail, caller ID, and pay-per-call services such as weather, sports, and information services. Our customer service representatives provide end-users with information regarding charges on their bills and assist them through set guidelines issued by our client Vision Telemedia, Inc. Vision Telemedia is a service provider for a variety of products and programs sold throughout the United States.

In regards to Mr. [redacted] complaint, his account was credited and canceled on August 10, 1998. This account was established by Mrs. [redacted] who responded to a television commercial advertising Vision Telemedia's psychic services. Mrs. [redacted] accessed the toll-free number, left her name and number, and was provided with information about fees, terms and conditions regarding membership to the psychic club. Mrs. [redacted] agreement to join the club was captured through Vision Telemedia's transcriptions recovery system.

In response to your request for a copy of our service agreement with Vision Telemedia, Inc., I am unable to accommodate that request due to proprietary and confidential contractual obligations within the agreement. However, should you need further clarification or need assistance regarding Vision Telemedia's services, our Client Relations representative Judie Dunn will be available to assist with your investigation at (210) 949-7128.

Sincerely,

 P. Denise Rodriguez
 Regulatory - Supervisor

 cc: Judie Dunn
 Client Relations Representative - Vision Telemedia, Inc.

Vision Telemedia, Inc.

14 Vandewater Avenue, Ste. 210, Port Washington, N. Y. 11050
(516) 767-3411 - Fax (516) 767-3422

August 18, 1998

Mr. Ray E. Kennedy
Certification and Compliance Section
State of Florida
Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Kennedy:

Thank you for your August 3, 1998 letter concerning consumer
/Account No. 813

Our policy, as well as ESBI, is to immediately cancel any customer who wishes to cancel their membership for any reason, and remove them from further billing, along with a membership refund check.

Vision Telemedia records and maintains audio copies of consumer sign-ups responding to its television commercials. These recordings are maintained for a period of six months from the date of recording. Vision Telemedia believes that six months is a sufficient amount of time to maintain these records, as a consumer will have ample time to see the charge on their phone bill and either cancel or object to the charge if they believed it was unauthorized. Enclosed please find a copy of a letter from West TeleServices Corporation that handles a "voice print" directory for Vision in regards to consumer with telephone number 813-

RECEIVED

AUG 24 1998

CMU

Continued

Please be advised that credit was issued from ESBI in the amount of \$9.95 on 6/18/98 and \$9.95 on 7/20/98.

Please do not hesitate to contact our office if we can be of any further assistance in the above matter.

Cancellation was issued on 8/10/98.

Very truly yours,

CUSTOMER SERVICE



TeleServices Corporation

402/873-1000 800/232-1800

9223 Bedford Avenue • Omaha, NE 68134-4725

August 20, 1998

Interactive Teleservices

Mr. David Gotschalk
 Vision Telemedia, Inc.
 14 Vanderverter Avenue, Suite 210
 Port Washington, NY 11050

Dear David:

I am writing to you regarding your request for the retrieval of a voice print record for 813-

As you know, at your direction West Interactive has had in place for well over a year a process on the Vision Telemedia programs that creates a voice print record for those consumers who call your programs. Callers to your programs are asked to record information which is then routed to a "voice print" directory. The voice print directory then enables the voice record to be retrieved by entering the ANI (originating phone number) of the caller. The voice print records are currently retrievable for a minimum of 180 days. The voice records are also forwarded to a transcription vendor for transcription so that you can provide fulfillment information to your callers.

➔ Due to a technical difficulty, we are unable to retrieve the voice print record for 813-

Although our records reflect a call from this ANI, the voice print file was not processed properly and is not accessible. We apologize for this technical error and want to assure you that we have instituted precautions to help us more readily identify errors of this type in the future. Our enhancements include daily random checking of voice print records to ascertain that they are being recorded properly, a daily custom report which reconciles the number of voice print records created and compares that figure to the number of files loaded into the voice print directory and enhanced error logging and traces on the voice print system to alert our technical staff to any anomalies which may indicate a problem condition.

Again, David please accept my apology for this error, it does not represent the quality of service we typically provide to our clients. I want to assure you that this error is not due to any fault on the part of Vision Telemedia. Please contact me if you have any additional questions.

Sincerely,

Kathy Ritonya
 Vice President, Client Services

**Before the
Federal Communications Commission
Washington, D. C. 20554**

In the Matter of:)
)
Truth-in-Billing and) CC Docket No. 98-170
Billing Format)
_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Comments of the Florida Public Service Commission will be furnished to all parties of record as soon as a service list is received from the Commission's copy contractor, International Transcription Service.



CYNTHIA B. MILLER
SENIOR ATTORNEY