STATE OF MAINE
PUBLIC UTILITIES COMMISSION
242 STATE STREET
18 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0018

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November 3, 1998

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

RE: CC DOCKET 98-170, TRUTH IN BILLING AND BILLING FORMAT

Dear Ms. Salas:

Enclosed is an original and six copies of the Maine Public Utilities Commission Comments in the above docket. Please date stamp one copy and return in the enclosed self-addressed stamped envelope.

Sincerely,

Derek D. Davidson, Assistant Director
Consumer Assistance Division

/ddd
ENCLOSURE

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

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

COMMENTS OF THE

MAINE PUBLIC UTILITIES COMMISSION

On September 17, 1998, the Common Carrier Bureau released a Notice of Proposed Rulemaking titled "Truth-in-Billing and Billing Format," which sought comment on proposals to help provide consumers with the information they need to make informed choices in a competitive telecommunications marketplace. The comments of the Maine Public Utilities Commission (MPUC) regarding the Notice of Proposed Rulemaking are attached.

Respectfully submitted,

Dennis L. Keschl,
Administrative Director
Maine Public Utilities Commission
242 State Street, 18 State House Station
Augusta, maine 04333-0018

Listed below are the MPUC's comments on section II (A) - (D) of the Commission's Notice of Proposed Rulemaking.

## A. LEGAL AUTHORITY

Generally, the MPUC supports the FCC's exercise of its general jurisdiction over matters involving common carriers to promulgate these important consumer protections. However, the MPUC submits that we have the right to impose more stringent standards upon carriers operating in Maine if warranted by local circumstances, statutes, rules, and policies. The FCC's goal should be to construct a set of generally applicable standards which establish a minimum level of conduct. The states should then be allowed to add to or modify those minimum protections as necessary to ensure consistency with state statutes and commission rules and to ensure that their consumers are adequately protected.

## B. ORGANIZATION OF THE BILL

The MPUC agrees that telephone bills should be organized to be readable and to present important information clearly and conspicuously. Since the proposed visual separation of services would enhance a consumer's ability to distinguish among different services, the MPUC supports this proposal. The visual separation of services should be used only to separate services provided by the same company. A separate billing sheet should be required for each different service provider. Each billing sheet should list each service provided in separate, discreet

sections (e.g. local service, intrastate toll service, interstate toll service, optional services, and any other services provided by the company), with each section containing a brief description of the service, as well as an itemization and total for all charges associated with that particular service.

A separate bill sheet should be required for each different provider of services for which the customer is being billed. Each provider of services should also be required to visually separate each of the services for which the customer is being billed in the same manner as described above.

The MPUC also supports the concept of a summary section that describes the current status of the customer's services. The summary section should state:

1) the customer's presubscribed intrastate toll carrier;
2) the customer's presubscribed interstate carrier;
3) the customer's local exchange carrier;
4) other service providers, including those providing telecommunications and non-telecommunications services; and
5) whether PIC freezes exist and any blocking mechanisms that have been implemented for any presubscribed telecommunications services.

The summary section should be located on the top of the first page the bill to ensure that this is the first section that customers see.

The MPUC also supports the "Status Changes" proposal in the NPRM, but we believe that this section should be added to the summary section because:

1) the summary section summarizes the current status of the customer's service, so any changes in the status section would logically fit here;

2) the majority of the time, there will not be any information contained in the status change section, so a separate section or separate billing page is not warranted;

3) the status change section should be located in the first section of the bill so customers can detect with a quick glance any changes to their bill; and

4) in combining those sections, the number of pages in customers' bills will be reduced.

## C. FULL AND NON-MISLEADING DESCRIPTIONS

The MPUC agrees that carriers should provide consumers with full and non-misleading descriptions of all charges contained in their telephone bills, as well as with a clear identification of the service providers associated with those charges. Our specific comments to the individual proposals are set forth below.

**Description of Charges**: Requiring carriers to provide an itemization of all charges that includes a description of the services rendered for each charge may be unduly burdensome. Consumers need accurate, plain-language information to understand their bills. As stated in the first paragraph of this section, each billing section should contain a brief description of the service for which the customer is being billed. Requiring a separate description for each charge within each billing section would be redundant and would make the bill too lengthy.

Carriers should be required to use a term in the bill for each charge that accurately and simply describes the service rendered. For instance, carriers should not be allowed to use generic terms such as "monthly fees" or "membership fees" to describe services rendered or use terms that do not accurately describe the service rendered (e.g. using the term "voice mail" to describe membership in an insurance plan). If the charge represents a monthly fee associated with a calling plan or other service, the charge should be identified using the name of the calling plan or service (e.g. Volume Plus Calling Plan). Many carriers label a charge as a particular service (e.g. voice mail or calling card), when in actuality, the service provided may be quite different (e.g. membership in a certain calling plan or insurance plan).

**Identification of Service Provider**: Carriers should be required to place the company's name, address, logo, and toll free telephone number on each bill sheet so that customers know what company provided the services for which the customer is being billed and so that customers have the information they need to contact a company to question or dispute charges. Customers are often unable to determine what company provided services for which they are being charged and therefore have difficulty determining who they need to contact with questions or disputes.

Requiring the company logo (the same logo that companies use in their advertising) to be placed on each bill sheet would provide a visual reference to enable consumers to quickly identify the company furnishing the services for which they are being billed.

The company name placed on bills must be the actual carrier who provided the service. For instance, some IXC resellers use the name and company logo of the underlying carrier. This makes it difficult for customers to know if they have been slammed because their bill appears the same each month, even though their service may have been switched from an underlying carrier to a reseller. It also makes it difficult for customers to know what company they need to contact with questions or complaints. By requiring carriers to provide the name, address, and toll free number for the actual provider of the service, customers will know who provided the service, as well as what company they need to contact with questions or billing problems.

Companies should also be required to use the same name on bills that they use in their advertising and that will be most readily recognized by customers. Companies sometimes use subsidiary names in their billing information that customers may not recognize as the company they accepted service from. By using a consistent name in advertising, billing, and other customer contacts, consumers will readily recognize the company on their bill as the same company from which they accepted service.

Companies that use a third party billing agent should be required to print their company name, address, toll free number, and logo on the bill. Customers often complain that they call the telephone number provided on their bill to question or dispute charges only to reach a billing

agent that either refuses, or claims it cannot, identify the carrier for whom it is billing. This also makes it difficult for customers to detect a billing error when it is unclear what company is actually providing the services for which the customer is being charged. Requiring the company that provides the service to put its name, address, toll free number, and logo on the bill (rather than a billing agent's information), should alleviate those problems.

**Deniable versus Non-Deniable Designation of Charges**: The MPUC agrees that customers need to be aware of what charges need to be paid to maintain their local service or their intrastate and interstate toll service. As stated in the "Legal Authority" section of this response, the MPUC supports the establishment of minimum standards for carrier conduct, but believes the States should be able to determine what charges are considered "deniable" and what charges are considered "non-deniable."

The MPUC also does not support the use of the terms "deniable" and "non-deniable," as they may leave the customer with the impression that some of the charges have to be paid, while others do not. We believe terms should be found that provide customers with accurate information, without creating the possibility that they will believe they are not liable for the sum of the charges.

**Descriptions of Charges Resulting from Federal Regulatory Action (including Access Charges):** Carriers should not be permitted to surcharge rates unless the surcharge has been mandated by a duly authorized regulatory or taxing authority. Line-item surcharges are inherently misleading because they give many ratepayers the impression that they are taxes or

that they cannot be avoided by changing carriers. However, if carriers are permitted to use line-item surcharges, they should be required to clearly and unambiguously state that the surcharges are part of the carrier's rate structure and are not mandated by any regulatory or taxing agency. Furthermore, all advertising by the carrier should be required to quote rates inclusive of the surcharge. In other words, a carrier having a 10 cents a minute rate plus a 10% surcharge should be required to quote and advertise the rate as 11 cents a minute.

If the carriers are permitted to place surcharges on their rates, the Commission should prescribe "safe harbor" language (as proposed) for each of the charges so that customers will recognize and be able to compare the charges from company to company. The Commission should also require carriers that use line-item surcharges to provide a brief description of the charge so that people may understand the nature and the purpose of the charge (e.g. universal service fund charge, access charge, etc.) .

## D. PROVISION OF CONSUMER INQUIRY/COMPLAINT INFORMATION

As stated in the "Identification of Service Provider" section of these comments, the MPUC supports the concept of including the name, address, and telephone number of a service provider on each billing page. The information provided must pertain to the entity that actually provides the service being billed for (see "Identification of Service Provider" section of this response for more detail). The carrier's toll free number should be required to have an adequate number of attendants to effectively handle all customer calls and the attendants must have the

expertise and authority to resolve billing disputes presented to them. A toll free number alone will not guarantee the timely resolution of customer problems.

In closing, the MPUC supports the Commission's efforts to organize bills to be readable and to provide important information clearly and conspicuously, to ensure that bills contain full and non-misleading descriptions of charges, and to disclose information necessary for consumers to make inquiries about charges on their bills. These comments are provided to assist the Commission with this effort.