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MORRISON & FOERSTER LLP

SAN FRANCISCO
LOS ANGELES
SACRAMENTO
ORANGE COUNTY
PALO ALTO
WALNUT CREEK
DENVER

ATTORNEYS AT LAW

2000 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20006-1888
TELEPHONE (202) 887-1500
TELEFACSIMILE (202) 887-0763

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Writer's Direct Contact
202-887-1510
ctritt@mofo.com

By Messenger

Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW, TW-A325
Washington, DC 20554

Re: Ex Parte Filing -- CC Docket No. 96-61

Dear Ms. Salas:

The Telecommunications Management Information Systems Coalition (the "Coalition") and the Telecommunications Research & Action Center ("TRAC") submit this letter in the above-referenced proceeding ("detariffing proceeding") to urge the Commission to take prompt action to resolve the pending petitions for further reconsideration and to reinstate a public disclosure requirement for mass market telecommunications services.

Recent events -- including the need for increased slamming enforcement and billing fraud concerns -- have demonstrated that there is more need for consumer disclosure than was evident when the Commission issued the order on reconsideration in this proceeding. In recent weeks in other proceedings, the Commission repeatedly has needed to emphasize the importance of consumer access to information. The Coalition and TRAC agree entirely with these stated Commission views and believe that consistent decision-making requires the same deference to consumer interests in the detariffing proceeding.

For example, in the truth-in-billing notice of proposed rulemaking, the objective of the Commission's proposals was "to help provide consumers with the information they need to make informed choices in this competitive telecommunications marketplace."[1] The Commission clearly acknowledged that "consumers must have

[1] *Truth-in-billing and Billing Format,* CC Dkt. No. 98-170, Notice of Proposed Rulemaking at ¶1 (Sept. 17, 1998).

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adequate information about the services they are receiving, and the alternatives available to them, if they are to reap the benefits of a competitive market."[2]

In that proceeding, the Commission acknowledged that the market is sufficiently complex to make such information a necessity for informed choice, but some Commissioners acknowledged that obtaining accurate information is not easy. For example, Commissioner Powell, in his separate statement, candidly conceded that he is "often personally confounded by [his] bill." Similarly, in her separate statement, Commissioner Ness acknowledged the complex choices available to customers -- even from a single provider -- and noted that carrier customer service representatives "routinely give out inaccurate information."

In addition to providing often inaccurate information, the Coalition and TRAC note that some carriers seem unwilling to make their rate information publicly available at all -- despite some carrier arguments that it inherently would always be in a carrier's interest to publicize its rates without a disclosure requirement. For example, MCI WorldCom recently has declined to provide rate information or confirm rate information for the "Tele-Tips" publication issued by TRAC. A company spokesperson was quoted in trade press reports as saying that MCI WorldCom "didn't have the resources" to provide the requested information.[3] If there were any remaining doubts about the need for basic service information -- on a mandatory basis -- this episode confirms the need is in no way speculative.

Similarly, in a recent order finding MCI's billing of non-subscriber rates for direct-dialed long distance calls to be unreasonable, the Commission again reiterated the importance of consumer information:

> For competition effectively to police the rates, terms and conditions of tariff offerings, consumers must have access to clear information from which to make choices and compare offerings. Indeed, fundamental to the Commission's reliance on market forces to ensure that charges are competitive, and thus reasonable, is the tenet that consumers know what prices they are being charged and what choices they are being given. The market can serve as a constraint on an unreasonable practice only if consumers are aware of the practice. As the Commission has recently stated, "consumers must have adequate information about the services

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[2] *Id.* at ¶3.

[3] *See* "TRAC Says Internet Helps Cut Long Distance Rates," *Telecommunications Reports* at 4 (Dec. 21, 1998); *see also Communications Daily* (Dec. 22, 1998).

> they are receiving, and the alternatives available to them, if they are to reap the benefits of a competitive market."[4]

Most recently, in issuing a notice of apparent liability last week for slamming violations, the Commission found the activities at issue unreasonable, in part, "because it deprived consumers of the ability to decide whether they would purchase a service."[5] More generally, the Commission emphasized that "consumers should have the benefit of information before making decisions regarding their telecommunications services."[6]

Given this clear and demonstrated need for basic consumer information, particularly before choosing a service provider, the Commission must require that a specified, minimum amount of information regarding mass market retail services be made available to the public in order for consumers to make fully informed choices. This information must be in clear, simple English that the average consumer can understand, and should include information regarding monthly fees, monthly minimums, directory assistance and calling card rates, calling card and payphone surcharges, and any special promotions. In addition, carriers must provide sufficient information for a third party to independently recalculate and verify these rates. The Coalition has prepared a list of such information (attached as Exhibit A) with the goal of balancing consumers' needs with minimal inconvenience to carriers. Accordingly, the information in Exhibit A includes only those items that are truly necessary in order to "rate" mass market calls. All of the included information is of a type that the carriers must routinely keep in the normal course of their business for billing purposes and thus should not be onerous to provide upon request to the public.

The Commission should promptly resolve the pending petitions for further reconsideration and require that, for mass market services, carriers make the consumer information described above and the information listed on Exhibit A available to the public upon request.

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[4] *Halprin, Temple, Goodman & Sugrue v. MCI Telecommunications Corporation,* File No. E-98-40, Memorandum Opinion and Order at ¶16 (Nov. 10, 1998) (footnotes omitted).

[5] *Long Distance Direct, Inc. Apparent Liability for Forfeiture,* File No. ENF-99-01, Notice of Apparent Liability for Forfeiture at ¶26 (Dec. 17, 1998).

[6] *Id.* at ¶26 n.102.

Two copies of this letter have been submitted to the Secretary of the Commission for inclusion in the public record, as required by Section 1.1206 of the Commission's rules.

Sincerely,

Andy Schwartzman /JAC
Andy Schwartzman
Cheryl A. Leanza
Media Access Project
Counsel for TRAC

Cheryl A. Tritt /JAC
Cheryl A. Tritt
Counsel for Telecommunications Management Information Systems Coalition

Emmitt Carlton /JAC
Emmitt Carlton
Counsel for TRAC

Attachment

cc: Chairman William E. Kennard
Commissioner Susan Ness
Commissioner Michael K. Powell
Commissioner Harold W. Furchtgott-Roth
Commissioner Gloria Tristani

EXHIBIT A

General Information

1. Carrier and service name, e.g., AT&T Commercial Long Distance
2. Effective date(s) of service introduction and subsequent changes.
3. Universal Service Order Codes (USOC)

Geographic/Jurisdiction Information

1. Rate Center Names, V&H Coordinates and Common Language Location Identifier (CLLI), state/Lata for NXXs
2. Mileage calculation methodology

Rate Information

1. Time periods, rate calendar and application of both.
2. Rounding methods for time and cost; minimum costs and duration
3. Initial and overtime period rates and duration (include Alaska, Hawaii, PR/VI)
4. Fixed and variable (distance sensitive) rates for dedicated services.
5. Rate classes, e.g., direct dialed, operator assisted, etc.
6. Mileage/NPA bands
7. Access methods/types, i.e., switched, dedicated.
8. Non-recurring/installation charges; surcharges
9. Term and volume discount schedules
10. Promotions, including detail on availability, qualifications and times frames.