

ORIGINAL

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

RECEIVED

MAR 18 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

DOCKET FILE COPY ORIGINAL

In the Matter of

Implementation of the Subscriber Carrier
Selection Changes Provisions of the
Telecommunications Act of 1996

CC Docket No. 94-129

Policies and Rules Concerning
Unauthorized Changes of Consumers
Long Distance Carriers

COMMENTS

BellSouth Telecommunications, Inc. ("BellSouth") herewith files these comments to the Further Notice of Proposed Rulemaking, released December 23, 1998, in the above-referenced proceeding.¹ The FNPRM seeks comment on a number of initiatives designed to eliminate incentives for slamming and to apply more rigorous criteria to the subscriber verification process. With regard to the specific proposals at issue, BellSouth offers the following for consideration by the Commission:

1. Resellers and CICs

BellSouth has long been the proponent of a system of national registration, which would assign a unique identifier to every service provider, whether or not facilities-based.² Since the transition to four-digit carrier identification codes (CICs) has now ameliorated the problem of CIC exhaust, BellSouth is persuaded that adoption of a mandatory system of CIC code

¹ *Second Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 94-129, FCC 98-334, released December 23, 1998 (hereinafter "FNPRM").

² *See Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers*, CC Docket No. 94-129, *Reply*, Feb. 8, 1995 (proposing creation of a coding system to assign and maintain pseudo-CICs for non-facility based interexchange carriers).

No. of Copies rec'd 049
List A B C D E

assignment will be most effective to facilitate identification of the customer's billing carrier and to curb the incidence of the "soft slam."³

The broad enabling powers granted to the Commission under Sections 154 and 201 of the Act⁴ are clearly sufficient to permit adoption of a requirement which would extend CIC registration to switchless carriers. Moreover, the Commission has been granted plenary authority over numbering administration, to include all aspects of the North American Numbering Plan.⁵ The Commission is empowered to adopt this measure and should be encouraged to do so by the broad industry support already garnered for the proposal.⁶ In addition, the Industry Numbering Committee ("INC") could be delegated the responsibility of developing the CIC assignment guidelines necessary for resellers.

2. Independent Third Party Verification

To preserve the independence of the third party verifier, neither the carrier nor its telemarketing agent should be on line during the verification call. This will preclude the exercise—inadvertent or otherwise—of unwonted influence over the customer at the time carrier selection is confirmed. It will also eliminate any difficulty in identifying the party responding to the verifier's questions and reduce the potential for an ambiguous response.

The role of the third party verifier should be strictly limited to the task of assuring an informed and voluntary consent to the proposed carrier switch. Any questions regarding service

³ A "soft slam" occurs when there is an unauthorized change of billing carrier but no alteration in the method of call routing. Thus a soft slam can be accomplished with no change in service records of the local provider.

⁴ 47 U.S.C. §§ 154 and 201.

⁵ 47 U.S.C. § 251(e).

⁶ See *Report and Recommendations of the CIC Ad Hoc Working Group to the North American Numbering Council (NANC) Regarding Use and Assignment of Carrier Identification Codes (CICs)*, February 18, 1998, at ¶¶ 11-13.

features or rates should be referred to the service provider/marketing agent. To permit such questions to be addressed by the verifier would increase the possibility of conveying erroneous information to the customer and arguably would compromise to some degree the independence and objectivity of the verifier.

BellSouth supports the option of automated systems to perform third party verification. The availability of these systems will provide carriers with a lower cost alternative to live verifier services, making them particularly useful to smaller carriers. BellSouth believes that several automated systems fully compliant with Commission rules are now operational or will be in the near future.

3. Carrier Changes Using the Internet

As noted by the Commission, the Internet has become a popular medium for carrier marketing. This usage will increase as consumers gain familiarity with the Internet as a vehicle for purchasing a wide array of products and services and develop increased confidence in the security of such transactions.

Carrier changes accomplished over the Internet should be held to the same standards governing verification and information disclosure as changes employing other media. With reference to verification, a customer accessing a carrier website could be asked to provide electronically certain identifying information (*e.g.*, mother's maiden name, last 4 digits of Social Security number). In lieu of transmission through e-mail, which BellSouth believes lacks the necessary security protection, the information could be submitted using security protected fields on the web page.

A customer providing this information would be assigned a code number, permitting access to secure portions of the website. The code would be employed in all subsequent

transactions to obtain new service or make changes in existing service. The use of electronic encryption at the website will maintain a level of privacy for this information exchange which is comparable to that afforded in the telephone ordering routinely available from BellSouth and other carriers. In the same manner, BellSouth or any LEC could provide this option as a means for enabling subscribers to directly make a freeze verification or lift a freeze, in addition to making its use available for carrier changes.

Information disclosure on the Internet should be equivalent to that provided using other media. For example, a letter of authorization (LOA) should contain the same level of detail whether posted at a carrier website or provided in hardcopy.

4. Submission of Reports by Carriers

BellSouth does not oppose a reporting requirement, provided this does not lead to the imposition of greater investigative duties on the reporting carrier. BellSouth suggests that a report of unauthorized carrier changes, identified as such by subscribers' allegation of a slam, be furnished to the Commission on a quarterly basis to aid in the detection of trends in slamming activity.

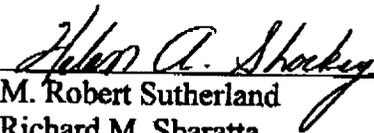
CONCLUSION

BellSouth urges adoption of the foregoing proposals, which will in their cumulative effect significantly deter the incidence of unauthorized carrier changes without sacrificing the convenience and flexibility customers now enjoy in obtaining desired service options.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By:


M. Robert Sutherland
Richard M. Sbaratta
Helen A. Shockey

Its Attorneys

BellSouth Corporation
Suite 1700
1155 Peachtree Street, N.E.
Atlanta, Georgia 30306-3610
(404) 249-3390

Date: March 18, 1999

CERTIFICATE OF SERVICE

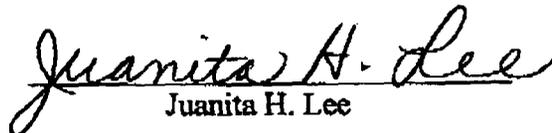
I do hereby certify that I have this 18th day of March 1999 served the following parties to this action with a copy of the foregoing COMMENTS by hand delivery or by placing a true and correct copy of the same in the United States Mail, postage prepaid, addressed to the parties listed below.

*Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W., TWA-325
Washington, D. C. 20554

*Judy Boley
Federal Communications Commission
Room 1-C804
445 12th Street, SW
Washington, D. C. 20554

Timothy Fain
OMB Desk Officer
10236 NEOB
725 17th Street, N. W.
Washington, D.C. 20503

*International Transcription Service
1231 20th Street, N. W.
Washington, D. C. 20036


Juanita H. Lee

* VIA HAND DELIVERY