

1 MR. GILLIS: Yeah. Okay. Could you -- Sally,  
2 could you come to the microphone, please?

3 MS. McMAHON: Good morning, nice to meet you all.  
4 Sally McMahon from WorldCom. On the credit amount, I think  
5 the question is very simple. We're not sure how the LEC  
6 knows how much to credit. So how will the LEC do that?

7 MS. ATTWOOD: I'm sorry. I don't know if I have  
8 the right question.

9 MS. McMAHON: I'm on question three.

10 MS. ATTWOOD: Okay.

11 MS. McMAHON: Should no-fault resolutions include  
12 credit beyond the PIC fee? So if the consumer calls  
13 directly in the LEC and the consumer is due the 30 day  
14 absolution, consumers don't like to call on a 30 day time  
15 frame. The LEC only has the current balance information.  
16 How will the LEC know how much to credit?

17 MS. ATTWOOD: When you have an arrangement with  
18 the LEC to have a credit there, in the case of a customer  
19 dispute, how do you communicate -- how does the LEC know  
20 what to take off the bill in that context?

21 MS. McMAHON: The LEC has, depending on the  
22 billing contract that we have, has various rights on  
23 crediting. But it has to do with the invoice that is in  
24 front of them. And they can give a portion or a full amount  
25 of that credit, depending upon what is in the agreement. It

1 varies somewhat by LEC. But it is only what is on that  
2 invoice. They can't go back in time because they don't have  
3 that information and wouldn't have the customer records. So  
4 one of our concerns, similar to what was just expressed from  
5 AT&T is can the consumer get their full rights under these  
6 rules through a no-fault PIC dispute process.

7           We like the fact that a consumer can call one --  
8 just to finish that -- can call one place and get a no-fault  
9 resolution. It works well in today's environment. We  
10 completely agree with AT&T's points that many of the  
11 complaints that come in through no-fault today have nothing  
12 to do with slamming, everything to do with the customer  
13 wanting to change the PIC. But wanting to change your PIC  
14 does not mean that you are alleging that you are being  
15 slammed.

16           And so we are concerned about how that  
17 determination gets made. And then if the determination is  
18 made because there is no process here for the carrier to  
19 respond, then how does the rules without having to go to the  
20 state, which requires that second step, which I know all of  
21 us here are anxious to avoid.

22           MS. ATTWOOD: I would suggest to you that the new  
23 rules obligate the slamming carrier to pay 30 days credit.  
24 And if that requires -- if you then elect to have as your  
25 billing agent the LEC, then you are going to have to work in

1 your billing contracts a mechanism for the LEC to credit  
2 those 30 days. That's -- or you bill yourself. Either way,  
3 your obligation as a carrier under these rules if you slam  
4 somebody is to pay 30 days. And I would take issue with the  
5 fact that it doesn't have a lot of process for the consumer  
6 to seek redress. I think that's what we are here today to  
7 talk about, the amount of process that is available for the  
8 consumer to seek a full redress.

9           If the question that you are asking is you would  
10 like to be able to have contact with that customer at the  
11 time that the customer is making the call seeking a change  
12 in the PIC or a new carrier because you would like to  
13 discuss with that customer whether or not you had made an  
14 authorized -- you know, you had become the appropriately  
15 authorized carrier, as opposed to being -- you want to  
16 discuss with that customer whether a slam has occurred.  
17 That can get remedied by publicizing the customer to call  
18 you. That can get remedied by your contractual relationship  
19 with your billing agent, by encouraging in your contractual  
20 relationship with your billing agent to have hot cuts, to  
21 have -- when it is a hot transfer, and other mechanisms like  
22 that to encourage the one call.

23           But for the concern that keeps being raised as to  
24 whether the LEC has the right to make as an initial matter  
25 the judgment as whether there is a slam or not a slam, that

1 is a carrier to carrier concern related to the fact that you  
2 have elected to use your LEC as your billing agent. From  
3 the perspective of the regulator, if the customer says I  
4 have been slammed, that obligates the kinds of remedies that  
5 we have talked about in the Act. And we are sensitive to --  
6 if the fact that if these don't work, we need to relook at  
7 some of it.

8 But the point of the view is that from the  
9 perspective at least of the FCC and I know of the states,  
10 when a carrier says he -- and when a customer says he has  
11 been slammed, the customer's rights and remedies kick in.

12 MS. McMAHON: I appreciate the opportunity that  
13 you talk about, that as we start to work through these roles  
14 and we have practical versus theoretical knowledge --

15 MS. ATTWOOD: Right.

16 MS. McMAHON: -- all of us can continue to get  
17 together and find the right way to do this. And I think  
18 meetings like this certainly move us a lot in that  
19 direction, so I'm fully behind that.

20 MS. ATTWOOD: Absolutely.

21 MS. McMAHON: Just to ask one more clarifying  
22 question of you then, is a no-fault complaint then by  
23 default an alleged slam, or are they two different things in  
24 your view?

25 MS. ATTWOOD: Can you give me a --

1 MS. McMAHON: A customer calls the LEC and simply  
2 says this isn't the carrier I want. I want to change. I  
3 don't mean to be here. And the language, I believe, is  
4 similar to that, although as AT&T said, the call doesn't  
5 come to us. But that's what I believe that that  
6 conversation is like. And under today's no-fault tariffs,  
7 the LEC will change that customer to their carrier of  
8 choice, assess no-fault, as the name implies, to the losing  
9 carrier, and apply a charge to us at a higher than normal  
10 PIC rate to transact moving the customer to their preferred  
11 carrier.

12 But there has not been the direct connection made  
13 that a PIC dispute is a slam.

14 MS. SEIDEL: But I think under the reporting  
15 requirements of the last order, though, that is exactly why  
16 I think we are asking for information on consumers that  
17 complain that they didn't choose the PIC or that they have  
18 been slammed versus ones that the carrier investigates and  
19 determines to be what you view to be true slams.

20 So I guess seeing the consumer complaints and  
21 talking to consumers, I just don't think consumers get this  
22 PIC dispute versus slam distinction. Maybe the carriers do.  
23 But a consumer either thinks they chose the PIC or they  
24 think they didn't. And if it is the former, you put it in  
25 the reporting category of, you know, alleged slams. And if

1 it is the latter, you put it into ones that you investigate  
2 and determine to be what you view as true slams.

3 MS. McMAHON: I believe I understand what -- I  
4 believe I understand what you're saying. And for those  
5 complaints that come directly to the company or come to us  
6 via the FCC or via the states, I fully understand what  
7 you're asking us to do with the reporting, and we can comply  
8 with that.

9 MS. SEIDEL: Well, in the scenario that you just  
10 described, it doesn't seem to me that it was a slam or a no-  
11 PIC, or a default. It seems to me that the person changing  
12 -- is calling to make a switch in the carrier of the long  
13 distance provider, which isn't a slam or a no-fault or a no-  
14 PIC.

15 MS. McMAHON: And I think, Pam, that's exactly  
16 where we are as a company today. We don't get the  
17 knowledge, though, if we are required under the reporting  
18 requirements to report all no-faults, which I believe is  
19 what I just heard from the previous conversation. We have  
20 no ability to distinguish out of the no-fault -- if I can  
21 just finish -- out of the no-fault what might have been a  
22 slam complaint from what is simply the consumer trying to  
23 make a change of PIC because this isn't where they want to  
24 be. And the LEC, under their tariffs and under these BNCs  
25 applying credits and moving consumers to PICs and charging

1 carriers higher than normal PIC change fees, that has been  
2 the industry practice. It works.

3 I don't have direct knowledge that PIC disputes  
4 end up at the -- that PIC dispute complaints escalate to the  
5 FCC or escalate to the carriers.

6 MS. SEIDEL: But I guess from my perspective,  
7 though, the things you are describing as PIC disputes are  
8 the things we see in slamming complaints. So I guess -- I  
9 mean the position that it is one spouse consenting and the  
10 other not knowing about it or whatever, I mean, that is what  
11 we see in slamming complaints. So I guess I'm still needing  
12 some more examples of what a PIC dispute that a LEC would  
13 receive versus the kinds of allegations that we see in  
14 slamming complaints.

15 MS. McMAHON: Our analysis, going back and looking  
16 at PIC disputes -- we get very little information on them,  
17 but when we have gone back and looked, what we see is just  
18 about the same type of things you would see in customer  
19 service calls in general. This isn't where I wanted to be.  
20 I changed my mind.

21 MS. SEIDEL: Do we have -- maybe one of the LECs  
22 -- I mean, do we have a LEC here who can talk about --

23 MS. DOLESE: Can I jump in for a second?

24 MS. SEIDEL: Yes.

25 MS. DOLESE: One of the things I think would be

1 helpful -- I mean, you are asking the LECs to tell you why  
2 the customer is switching if they are calling the LEC. And  
3 all we know as regulators, it is very simple from the  
4 customer's point of view, they either authorized the switch  
5 or they didn't. And it is very simple in an otherwise  
6 confusing environment if the customer knows if they can call  
7 a number of the local phone company and say I really don't  
8 want to be with this company, I want to be with that  
9 company, they are going to do that. And if it was  
10 authorized or not, they are finding that that is the  
11 simplest way to do it.

12           If you guys have a problem with that not being  
13 determined to be authorized or not, then I suspect you have  
14 a lot more education to do with customers about how they can  
15 make valid switches with your companies because a lot of  
16 customers don't know how to voice their -- you know, I  
17 really don't want to be with your company; I want to be with  
18 your company. And they are going to the LECs to do that.  
19 And I think you have an opportunity to figure out how to  
20 educate customers about they either made a change or they  
21 didn't make a change.

22           What we hear from customers, though, is that they  
23 do all of these things, and all they know is they don't want  
24 to be with that company, and they want to switch. So that  
25 is why they call the LECs.

1 MS. McMAHON: And the no-fault dispute process  
2 move them expediently to their carrier of choice. The issue  
3 that I'm trying to clarify -- and it may be that we have to  
4 get some experience under our belts and come back and deal  
5 with real situations again versus the theoretical. And I'm  
6 okay with that. It is simply that I think if we are forced  
7 to report all PIC disputes as alleged slams, we are in fact  
8 reporting something that is not so.

9 MS. NELSON: Well, in the end, for us, we ended up  
10 -- if in the scenario that you described, would have  
11 determined that that was not a slam, and the customer would  
12 have been acceptable because most of the customers in our  
13 slamming, alleged slamming, things that turn out to not be  
14 slamming, they are more than happy to say, well, I guess my  
15 husband did this and I wasn't aware of it. But that's  
16 involved in the investigation. And along the way, at some  
17 point it is determined that it wasn't a slam.

18 MS. SEIDEL: Right. And that's why we ask for the  
19 two sets of information. And to the extent that the  
20 Commission gets the information about the number of alleged  
21 slams, we are going to look into those allegations. We're  
22 not going to assume that every alleged slam was indeed a  
23 slam for purposes of enforcement. I mean --

24 MS. McMAHON: Okay. And I'm with you all there.  
25 It will move a lot more volume into the states. And we have

1 had some conversations on that.

2 MS. ATTWOOD: But if you can come -- I mean, also,  
3 in a sense, you frankly to come up with a way to describe  
4 that better. I mean, to the extent --

5 MS. McMAHON: I agree, I agree.

6 MS. ATTWOOD: To the extent that you wanted to  
7 break that information down, we have to have the information  
8 for the reasons we have described. But to the extent that  
9 you feel there is a better way to describe it with more  
10 information and better contacts, that is something that, you  
11 know, we would encourage to see.

12 MR. GILLIS: And again, I would suggest these are  
13 moving into sort of the technical issue side. It is an  
14 issue that we need to deal with, and we will.

15 MS. McMAHON: Okay. Thank you.

16 MR. GILLIS: We have a comment over here, too.

17 MS. BRADLEY: Yeah. I'm Fran Bradley (phonetic)  
18 with Verizon. And I just want to address two points that  
19 both AT&T and WorldCom have made. First of all, when we use  
20 -- when we code an order to change a carrier under the --  
21 and it gets charged back as no-fault, it is because the  
22 customer has said some specific words to our service rep,  
23 like, I was slammed, or I never ordered this carrier  
24 service. So it is not used lightly. I mean, if the  
25 customer just said, I have changed my mind, the order is

1 coded differently, all right?

2 So it is the customer's conversation with our rep  
3 that leads us to use the no-fault. It is not the examples I  
4 have heard used in the room here.

5 The second point about how do I know if I'm the  
6 billing agent and the customer calls in and it is 15 days  
7 after they got slammed, not 30, our methods and procedures  
8 are already written for an automatic follow-up the next  
9 month to take the remaining 15 days off. So that's not a  
10 hard issue, and people shouldn't get hung up about it. I  
11 mean, it can still be one call from the consumer.

12 MR. GILLIS: Okay. Over here.

13 MS. ROLF: Hi. My name is Catherine Rolf. I'm  
14 with the law firm Slyder Lynch Freedman (phonetic). And  
15 listening to these discussions, I wanted to give a couple of  
16 specific examples so that you can understand some of the  
17 problems that --

18 MR. GILLIS: Could you just tell us who you  
19 represent?

20 MS. ROLF: Oh, I represent a number of IXC and  
21 local exchange carriers. And we have seen some specific  
22 examples with respect to the ILECs' practices. One of the  
23 problems here is that the ILEC is not a neutral  
24 administrator, particularly with respect to intraLATA toll  
25 carrier changes. So if a customer calls the ILEC or if the

1 ILEC calls a customer as a win-back call and says, come back  
2 to ILEC today, the customer may or may not have said it was  
3 a slam. We don't -- I don't think we have any kind of  
4 procedure whereby the ILEC has to have third party  
5 verification to record the conversation or record the fact  
6 that the customer did say that it was a slam.

7           It may just be a simple matter of winning back the  
8 customer. Unfortunately, the ILEC has the discretion to  
9 decide whether or not to call this an alleged slam. We have  
10 seen cases where employees of our clients have sent a letter  
11 -- have actually done a test where they will, you know,  
12 switch away from the ILEC to see what happens. They get a  
13 letter in the mail that says, please come home to ILEC  
14 today. And the president of the company, for example, will  
15 sign the letter and say, okay, I'll switch back to you.

16           Promptly, that person, the president of our  
17 client, was listed as having been slammed on his own  
18 account. Now all it was was a simple win-back, where he  
19 signed a letter. He didn't say he was slammed. He was  
20 listed as a slam. And when the implementation of interLATA  
21 toll happened in May, we saw for a number of carriers that  
22 the number of alleged PIC disputes just exploded. And I  
23 think that may be partly what is driving some of the current  
24 concerns that AT&T was discussing. I just wanted to give  
25 you an example of cases where this PIC dispute is not even

1 something that the customer thought was a slam or the  
2 customer even had a concern.

3 Part of my concern with the new rules is that the  
4 ILECs may instruct the customer, by the way, you know, if  
5 this was a slam, you get 30 days free service. And then  
6 they can check it off as a slam. It is my understanding of  
7 the rules that the ILECs are not supposed to be --

8 MS. ATTWOOD: But if they did that, I have got to  
9 believe that you have got good enough -- and you're outside  
10 counsel. So you have written good enough billing contracts  
11 that you can in fact seek remedy from the LEC for poor  
12 performance in their billing contract.

13 I'm not making light of it. I think it is a real  
14 -- I think I share the concerns about the new competitive  
15 environment and the fact that you are entering into  
16 different arrangements. But really, the -- and I appreciate  
17 the specifics because it helps us all in evaluating it.

18 But I think the point here today is to talk about  
19 how in fact we provide a transparent service to the consumer  
20 who has been slammed through the actions of the federal and  
21 state regulators. And to the extent that that forces  
22 discussion about billing relationships among the carriers,  
23 that really is something that is a commercial problem that  
24 you need to resolve. And to the extent that there is any  
25 competitive behavior, you can bring that to the common

1 carrier bureau or to the enforcement bureau, and we can talk  
2 about that as a pattern of practice of anticompetitive  
3 behavior.

4 But in terms of how we implement our slamming  
5 rules, the focus here has to be on how do you get the  
6 consumer the kind of redress that they need. And more  
7 importantly, how do you keep a slam from occurring in the  
8 beginning?

9 MR. GILLIS: I think that's an excellent summary.  
10 And we probably need to move down the agenda.

11 MS. ROLF: I appreciate that. Thank you.

12 MR. GILLIS: Yeah. Unless anybody at the table or  
13 on the phone wants to have a last word on this topic. Let's  
14 move to the next topic, which is referral of customers to  
15 states, which is another very important implementation  
16 issue. And again, the issues from the states' perspective  
17 are making this as effective and as efficient as possible  
18 for the customer so that it is transparent to them and their  
19 concerns are addressed as immediately and in as simple of a  
20 manner as possible.

21 Again, I think one of the principles important to  
22 the states is that the carriers need to continue doing what  
23 they have been doing with respect to resolving LOAs and so  
24 forth, that our perspective is that the new arrangement does  
25 not change those responsibilities. And I know some of the

1 interpretation from some of the carriers is that the call  
2 would come sooner. I mean, the referral to the states would  
3 come sooner without the carriers undertaking actions that  
4 are reasonable to try to resolve the complaints first. And  
5 that is something that obviously we would like to be clear  
6 about, that we expect the carriers to continue doing what  
7 they have been doing in that regard.

8           The states providing carrier contact information  
9 in its consumer education marketing efforts -- of course, we  
10 will be doing that. And again, the truth in billing efforts  
11 by both the -- at the federal level and the state level  
12 address that issue as one part of it, by making sure that  
13 the consumers know where to go to have their complaints  
14 resolved. Then there are some other issues listed under  
15 this category of states and the FCC, including carrier  
16 contact information within the FCC/state complaint database.

17       There is an ongoing workgroup project on that, and we're  
18 working on the details at this moment.

19           The states encourage consumers to contact the  
20 alleged slamming carrier before contacting the state agency  
21 or FCC, and a final issue on the list. But it is this set  
22 of issues that we would like to open up for discussion and  
23 comment at this point; and again, beginning at the table and  
24 on the phone first.

25           MS. MILLER: Commissioner Gillis, from the

1 consumer information perspective, we are absolutely  
2 committed to making sure that the consumer has every bit of  
3 information. We have even been discussing internally if we  
4 can list on our web site all of the carrier contact members.

5 There are so many carriers out there, and we were  
6 discussing earlier this week if we could get that kind of  
7 information from the carriers. We would be more than  
8 willing to put it on our web site. So it would be on the  
9 main FCC web site, and it would link to our specific bureau.

10 But we are absolutely committed. There is going  
11 to be a lot of coordination between us, meaning FCC, and the  
12 states on this that we are not going to leave any gaps. So  
13 they'll know exactly what we are doing and who we are  
14 touching base with.

15 With respect to the consumer education efforts, we  
16 are working with that working group. We are going to put  
17 out pamphlets. We are going to have web sites. We are  
18 going to do a lot of what we call innovative things with the  
19 working group here so that the public knows where they need  
20 to contact. So if they contact the carrier, and the carrier  
21 doesn't resolve it, they'll know immediately which state  
22 they need to contact. And if that state has not opted in,  
23 the FCC is obligated and will process that informal  
24 complaint.

25 So we are geared to make it as easy for the

1 consumer as possible to find out the necessary information  
2 they'll need to get their concerns resolved quickly.

3 MS. DOLESE: Speaking from the Texas perspective,  
4 we are firmly committed to pointing customers to the  
5 carriers that they choose to do business with to get their  
6 concerns resolved, addressed, hopefully fixed. And our job  
7 as the commission is to help customers when that fails,  
8 which we hope is a very infrequent encounter. So we are  
9 willing to do whatever it takes to help consumers deal with  
10 their companies and get the help they need first. And we  
11 stand behind our pledge to do that. We will continually  
12 look for ways to partner with the FCC and other states to do  
13 that as well.

14 MS. NELSON: Well, and a word to the wise might be  
15 sufficient because of the complaints that land on our desk  
16 are people who were unable to get through to your company  
17 for various reasons. And one of the bigger complaints is  
18 you don't have enough consumer reps answering the phones.  
19 They don't like having to spend two hours, three hours, a  
20 half hour, 15 minutes, 20 minutes trying to get somebody to  
21 answer the telephone so that they can register their  
22 complaint. And so after that process has been something  
23 they have experienced, they get fed up, and they call us.

24 In South Dakota, we do a really pretty decent job  
25 of telling people our 1-800 number. And if it gets to us,

1 we are more than happy to handle the problem, and they  
2 shouldn't have to make another call. So I guess -- I think  
3 that there is a lot that needs to be done in terms of  
4 customer service that should be available to these people if  
5 you really want these resolved before they get to us. But  
6 if they come to our -- if they get to our desk, we'll do  
7 what we can to resolve the problem, and it will be their  
8 last call.

9           Your people making things more accommodating to  
10 consumers with more support services there -- and people  
11 like live bodies; they don't like computers that say dial  
12 one, dial two, dial three for this problem, and then nobody  
13 ever gets back to you. Those kinds of complaints end up on  
14 our desk. And I guess you're in control of the solution to  
15 those problems, too.

16           So a lot of this is the ball is in your court.

17           MS. DeMELLO: In Florida, we are not scared to put  
18 out our 800 number. We do a lot of public service  
19 announcements, and I guess I am always soliciting more  
20 business. So we're not afraid of the consumers coming to  
21 us. But I think, more importantly, we have worked well with  
22 the local exchange companies and the IXCs in Florida by  
23 having a way to transfer the consumer to the appropriate  
24 level at a company where they can get immediate help.

25           That means it is not like we are trying to give

1 away our business, but we feel, like Trish said, that the  
2 burden is with the company. And so I have to say we have  
3 done a good job of trying to help the consumer get with who  
4 they need to. And, you know, our motto is to provide the  
5 best consumer services in Florida.

6 One thing I am worried about, though, is this  
7 question No. 1. We're not afraid to take the complaints,  
8 but we hope we'll still have that good working relationship  
9 with the company that we can refer the consumer because we  
10 feel like that, you know, you all have the means to help  
11 these consumers. And that is where we're hoping for some  
12 clarification.

13 MS. NELSON: And South Dakota also believes that  
14 the truth in billing model rules will help eliminate some of  
15 these problems because part of the reasons they don't call  
16 all of you is because it is pretty tough because you have  
17 these billing aggregators, and you are billing for other  
18 people, and sometimes you bill on a quarterly basis and  
19 sometimes you bill on a monthly basis. It is really  
20 difficult for these people to read their bills. And so then  
21 if they have been able to successfully read their bill for  
22 them to determine -- find a number of a contact person.

23 So if you make it pretty easy for these people to  
24 figure out who you want them to talk to, they are more  
25 likely to talk to you, and it will never get to us. And our

1 goal would be, of course, that you don't slam at all.

2 MS. ATTWOOD: Please.

3 MS. RONES: (Off mike.)

4 MR. GILLIS: Could you just use the microphone,  
5 please? Thank you. We have people on the telephone, is the  
6 reason.

7 MS. RONES: I'm sorry. I just want to clarify.  
8 Ms. Miller had talked about the FCC's doing more education.  
9 I just wanted to know, the form that is on the web site,  
10 745, I think, which has the complaint form, whether you will  
11 list whether or not or ask the question has the consumer  
12 dealt directly with the company first or have you also filed  
13 a complaint with a state or whatever so that duplicative  
14 efforts can be avoided?

15 MS. DeMELLO: Yes, we will, yes, definitely  
16 because that is important.

17 MS. ATTWOOD: Yeah. We think that is a very good  
18 suggestion, too.

19 MR. GILLIS: I think we have somebody else making  
20 their way down.

21 MS. GOODSON: Hi. Susan Goodson, SBC. Can you  
22 hear me? I have to adjust the mike. I appreciate the  
23 opportunity to get with the industry and get with you all.  
24 I just wanted to listen. I hate to stand up and ask a  
25 question even. With regards to the first question on the

1 list, a much more fundamental question. Are you looking for  
2 -- we are not looking to do any kind of Miranda notice to  
3 anybody or scare any consumer. But every call, are you  
4 looking for if this information, this is how you would file  
5 a complaint, or are you looking if the customer has been  
6 satisfied that that kind of a notice is not necessary on  
7 that call?

8 MS. ATTWOOD: I think our view is that you don't  
9 need to say here is how you file a complaint. You call the  
10 FCC, you call the state and federal -- state regulator.  
11 Here is the address, here is the telephone number. That is  
12 not what we're looking for. We're looking to make sure that  
13 an individual knows that in fact they have the right if they  
14 are not satisfied to seek further redress. And it can be as  
15 simple as I have just explained it. But the concept is  
16 adequate notice of that right.

17 MS. GOODSON: Okay.

18 MS. ATTWOOD: And understand, I think what is  
19 motivating us and that maybe helps you understand how you  
20 put the -- what is motivating us is to make sure that the  
21 consumer doesn't hear, which unfortunately we have all had  
22 complaints about at various times -- the consumer doesn't  
23 hear, well, you know, if I give you \$5, then that's all you  
24 are entitled to under federal and state law, and in fact you  
25 could have a disruption in your phone service if you pursued

1 it any further.

2 That's not SBC's line, obviously, hopefully. But  
3 the concern is that the consumer needs to know it has a  
4 right in order to exercise its ability to get its full  
5 remedy. But the goal again is to satisfy the customer, not  
6 to create a process that doesn't go anywhere or add any  
7 value.

8 MR. GILLIS: One of the major advantages of states  
9 opting into this process to begin with is that it will allow  
10 consumers to be able to resolve complaints with one call.  
11 We no longer have to tell them, well, this is a federal  
12 issues, and so you have got to call the FCC or whatever.  
13 And so I think that is going to be very helpful to  
14 consumers.

15 MS. NELSON: This isn't anything really new either  
16 because states have already indicated they are handling a  
17 lot of the slamming complaints already. So they obviously  
18 have opted in. So this isn't going to be something new for  
19 them. They have been handling slamming since we had  
20 slamming problems.

21 MR. GILLIS: There is somebody else making their  
22 way to the microphone, I think.

23 MS. BAKER: Hi. I'm Sandy Baker with Sprint. And  
24 I have kind of a follow-up question to SBC's comment. If a  
25 customer does call the local exchange carrier and claims

1 that they were switched without authorization, and the local  
2 company processes the PIC dispute to take care of the \$5  
3 charge or \$10 charge to get the customer switched back, and  
4 if that time the LEC, the local exchange carrier, issues a  
5 30 day credit, the customer may very well be satisfied that  
6 they have been taken care of. But will it also be the LEC's  
7 responsibility to notify them that if this is really a  
8 slamming complaint, they must notify either the carrier or  
9 the state or federal regulatory body, you know, to make sure  
10 that it is a valid claim.

11 If that notification is not done and the customer  
12 walks away believing that they have been satisfied, and IXC  
13 later, 45 days out, 30 days out, checks to see if a  
14 complaint was filed, if one has not been filed, then from  
15 our perspective we are treating it as not a valid slamming  
16 complaint.

17 So, you know, I'm not sure what the answer is, but  
18 that's my question. How do we close that loop?

19 MS. ATTWOOD: I'm confused, I have to say. I'm  
20 sorry. I thought the answer to your first part of the  
21 question is if in fact the customer walks away and says,  
22 I've got what I want, I'm satisfied, it does not get  
23 reported then to the state. It does not go any further.  
24 And that in fact is what we have been talking about. We  
25 hope you resolve -- the carriers resolve these as an initial

1 matter and satisfy the consumer.

2 In that instance, however, there is still a  
3 reporting obligation, a six month reporting obligation. But  
4 there isn't any further process that the consumer goes  
5 through. And I'm confused, I guess, by -- does that help  
6 clarify your point?

7 MS. BAKER: I'm trying to make sure I understand.

8 So if the customer calls the LEC, is switched back, and  
9 receives the 30 day credit, at that point, the customer has  
10 no further obligation and the local exchange carrier has no  
11 further obligation to notify the alleged unauthorized  
12 carrier?

13 MS. ATTWOOD: No. They have to notify the alleged  
14 unauthorized carrier.

15 MS. BAKER: Okay.

16 MS. ATTWOOD: But there is no further process in  
17 the state in processing of that.

18 MS. BAKER: Okay. I think you are answering my  
19 question then. Truly every PIC dispute will need to be  
20 treated as an alleged, unauthorized slam. There will be no  
21 close the loop. Everything that we receive will have to be  
22 treated as an unauthorized --

23 MR. GILLIS: And if anybody on the phone call has  
24 questions, you should let us know. I think the nice  
25 gentleman back there waves at us when we have a -- when you

1 are the line. Then we have to open up the line because we  
2 can't hear you when you just jump in, I think. Is that  
3 right? So, Susan.

4 MS. GOODSON: Susan again. Now that I'm started,  
5 I'm feeling better about this. The carriers have two  
6 different environments that -- the local exchange carriers,  
7 two different environments, the no-fault and then what we  
8 would say a dispute resolution kind of a scenario. It is  
9 not -- and just for clarification back to earlier -- it is  
10 not determined whether or not we do billing for a carrier.  
11 And it is difficult to separate what we do because of fault  
12 or no-fault kind of handling of the slamming complaint  
13 versus what we do as a billing carrier.

14 But SBC also has a question about where we thought  
15 this last question was going. If a carrier does not ascribe  
16 to no-fault, but perhaps we are the B&C carrier, we might  
17 credit the customer. In that case, they have been made  
18 whole financially. If we don't advise that customer this is  
19 your right and this is how you would file a complaint, 30  
20 days out, they haven't filed a complaint with the state, the  
21 unauthorized carrier can rebill the charges. And there is  
22 kind of a hole there. And I thought maybe that was where  
23 the last question was going.

24 Did I make that clear?

25 MS. ATTWOOD: Can you say it again? I'm sorry.

1 MS. GOODSON: Okay. The carrier is not -- has not  
2 opted into our no-fault tariff, okay? And those are the  
3 situations where we would request and try to validate an  
4 LOA, all right? And a no-fault, if the carrier has opted  
5 into no-fault, the carriers have chosen not to try to submit  
6 LOAs. And we believe that the footnote in the order says if  
7 a carrier is a no-fault, then they can't come back and  
8 rebill later. If they are using no-fault, they can't come  
9 back and rebill. But if they are not in no-fault, and we  
10 are doing B&C, and we have credited, the customer might be  
11 happy financially. But there is still an option for that  
12 unauthorized carrier to come back and rebill at a later  
13 date.

14 And we feel like maybe --

15 MS. ATTWOOD: And you are not going to know  
16 necessarily. That is what you are saying because the  
17 customer has been satisfied. You have taken --

18 MS. GOODSON: The customer can be rudely  
19 surprised.

20 MS. ATTWOOD: Right.

21 MS. GOODSON: Yeah.

22 MS. ATTWOOD: That's a good point.

23 MS. GOODSON: Yeah. And --

24 MS. WALTERS: So you are talking about if the  
25 carrier does not have an agreement with you of the no-fault

1 variety, then they are basically going to challenge the  
2 subscriber's allegation, is what you are saying?

3 MS. GOODSON: It means they reserve the right to  
4 do that.

5 MS. WALTERS: Right.

6 MS. GOODSON: If they have opted into no-fault,  
7 then there aren't going to be any LOAs or anything like  
8 that.

9 MS. WALTERS: Well, in that situation, you do -- I  
10 mean, you need to make it -- carriers -- the subscriber is  
11 supposed to know that they have to file a complaint within  
12 30 days. I mean, that is under 64.1160. But that's not in  
13 the no-fault context. I mean, there that means that the --  
14 presumably the unauthorized carrier is going to challenge  
15 it.

16 MS. GOODSON: It means they could challenge it.

17 MS. WALTERS: They could challenge it.

18 MS. GOODSON: Sorry.

19 MS. ATTWOOD: I guess the point would be that in  
20 the scenario the authorized -- the carrier that, quote  
21 unquote, satisfied the customer is in effect reneging on its  
22 word to give the money back? Is that what you're -- because  
23 they are rebilling? In other words, they have said I take  
24 the money off, and then I am going to -- but they go ahead  
25 and rebill?

1 MS. WALTERS: I think what you're --

2 MS. GOODSON: Well, to me you are connecting fault  
3 and no-fault and B and C obligations.

4 MS. ATTWOOD: Okay, okay.

5 MS. GOODSON: And if the customer has said --  
6 calls into us furious, I didn't pick that carrier, I didn't  
7 -- you know, this is not my choice, we're going to under the  
8 B and C contract remove the charges from their bill. But if  
9 they did not opt into a no-fault arrangement, then there  
10 isn't any determination of whether there was really a slam  
11 or not. The customer has been made whole. I guess it is  
12 our belief we should probably go ahead and give the customer  
13 their -- that is what Michele is nodding -- their  
14 notification.

15 MS. ATTWOOD: Yeah.

16 MS. WALTERS: Yes.

17 MS. GOODSON: And probably some notice that they  
18 could be rebilled if they don't file a complaint.

19 MS. WALTERS: Yes.

20 MS. GOODSON: Okay.

21 MS. WALTERS: Because that is a situation where  
22 the carrier has not authorized you to make it. You are sort  
23 of -- you are doing it because you are the billing person.

24 MS. ATTWOOD: That's correct.

25 MS. WALTERS: You are not the -- the unauthorized

1 carrier is not satisfying the customer.

2 MS. GOODSON: Right.

3 MS. WALTERS: You are giving the 30 days  
4 absolution, so you definitely should let them know that they  
5 have the 30 days to file a complaint or they can be  
6 rebilled.

7 MS. GOODSON: Okay. That's where --

8 MS. WALTERS: Even if they are rebilled, they can  
9 still file a complaint outside the 30 days. It says that in  
10 the order. It just means that they don't get the benefit of  
11 that 30 day period.

12 MS. GOODSON: Thank you.

13 MS. ATTWOOD: Sorry for the confusion.

14 MR. BUTLER: Yes. I'm Anthony Butler with Excel.

15 And I just wanted to clarify probably what we have been  
16 talking about for the last five minutes. If we have a no-  
17 fault agreement with a LEC currently, we are basically  
18 saying we'll go ahead and pay the PIC fees for them to be  
19 switched back to the carrier of their choice. After this  
20 ruling on September 5th, are we saying we are agreeing to  
21 pay the PIC fees and also agreeing to credit 30 days worth  
22 of calls on their bill as part of that agreement?

23 MS. ATTWOOD: In all likelihood, yes.

24 MR. BUTLER: Okay. Thank you.

25 MS. ATTWOOD: You're going to have to work through

1 with your -- both on the tariffs and in the billing and  
2 collection contracts, you are going to have to work through  
3 how you want the LEC to handle that for you. But from the  
4 perspective of the obligation of the carrier, when an  
5 allegation has been made that there has been a slam, or I  
6 don't know how I got a carrier, or some -- I don't want to be  
7 with this carrier because I never selected this carrier --  
8 from the perspective of the rules, that is an authorized  
9 switch. And that triggers the obligations and remedies in  
10 the rules. And so how you choose -- it is then effective  
11 and a good business practice and has satisfied consumers to  
12 simply provide them the change in PIC and some remedy.

13 And what we're saying is we have a federal remedy,  
14 and states will have additional remedies if it goes beyond  
15 providing that quick, no-fault solution. And so it is in  
16 your interest to come up with an arrangement where the  
17 consumer is satisfied and given what it is entitled to, and  
18 it doesn't get any further process.

19 MR. BUTLER: Just a quick follow-up question. If  
20 you go away from the no-fault agreement and decide you want  
21 to investigate whatever allegations come to the LEC, do you  
22 view that flow as the customer would call the LEC -- would  
23 the LEC in turn communicate with the alleged slamming  
24 carrier to get in touch with that customer and resolve this?  
25 Or would the LEC take steps to resolve it and then contact