

Attachment A

Proceeding to Identify the Uses of Customer Proprietary  
Network Information (CPNI),  
PUC Docket No. 25432 - Questions

PUBLIC UTILITY COMMISSION OF TEXAS ~/~ PROJECT  
NO. 25432: PROCEEDING TO IDENTIFY  
USES OF CUSTOMER PROPRIETARY NETWORK INFORMATION  
(CPNI~~ /c~.

During the Public Utility Commission Open Meeting on February 7, 2002, the Commissioners recommended that a project be opened to address the uses of Customer Proprietary Network Information (CPNI) by telecommunications carriers. Specifically, the Commission is interested in hearing from parties who have filed CPNI Notices for Commission Staff approval under P.U.C. Subst. R.26. 122(0(3), and would like those parties to respond to the following questions by February 15, 2002. The Commission will discuss the responses filed in this project at the February 21, 2002 Open Meeting.

Interested parties, please answer the following questions regarding the CPNI Notice filed with the Commission.

- 1) In the CPNI notice that your company has mailed or intends to mail to customers, have you provided information to customers on how their CPNI will be used and with whom you intend to share that information?
- 2) What are your company's policies and practices regarding the sharing of CPNI with third parties (e.g. for telemarketing purposes or for mailings?) Please list how your company intends to utilize this information.
- 3) From a logistical standpoint, how does your company intend to handle responses by those customers choosing to "opt-out"? Please provide information on how phone calls will be handled, including the number of staff involved, and whether the company intends to offer an automated system. Also, please indicate in your response whether or not your company intends to offer customers the choice to use the Internet to "opt-out."

- 4) Is the CPNI notice offered in another language? If so, which language(s)?
  
- 5) Will those customers who chose to “opt-out” receive confirmation of their selection? If so, how will the customer be notified?

interested persons may file written comments addressing these questions by submitting 16 copies to the Filing Clerk, Public Utility Commission of Texas, 1701 North Congress Avenue, P.O. Box 13326, Austin, Texas 787 11-3326. All comments must be filed by February 15, 2002, and should reference Project Number 25432. Interested persons with questions about this notice may contact Tina Gabel at (512) 936-7527 or John Mason at (512) 936-7287. Hearing and speech-impaired individuals with text telephone (TTY) may contact the commission at (512) 936-7136.



**ISSUED BY THE POLICY DEVELOPMENT DIVISION  
ON BEHALF OF THE PUBLIC UTILITY COMMISSION OF TEXAS  
ON THE 8th DAY OF FEBRUARY 2002**

## Attachment B

Telecommunications Companies' responses to questions in  
PUC Docket No. 25432, Proceeding to Identify the Uses of  
Customer Proprietary Network Information (CPNI)

PROCEEDING TO IDENTIFY  
USES OF CUSTOMER  
PROPRIETARY NETWORK  
INFORMATION (CPNI)

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UTILITY  
COMMISSION  
OF TEXAS

RESPONSE OF VERIZON SOUTHWEST

Verizon Southwest (Verizon) hereby files its response to the questions raised by Commissioner Penman at the Public Meeting of January 31, 2001. This response has two parts:

Part I discusses CPNI generally and explains that Verizon's use of CPNI benefits consumers and complies fully with the FCC's rules. Part II responds to Commissioner Penman's specific questions.

I. CPNI Overview

First and foremost, Verizon is committed to **protecting** the information it obtains from providing services to its customers, and Verizon's use of the opt-out process does not change that commitment. For example, Verizon will not sell its customer information. Also, Verizon will not provide its customer information to any party that is not affiliated with (or an authorized agent of) Verizon unless Verizon is required to do so by law or to protect against fraud. Furthermore, Verizon will use CPNI only to the extent permitted by the FCC's rules, and Verizon believes this use of CPNI will result in significant consumer benefits.

Verizon recognizes that not all customers will want Verizon to share information as permitted by the FCC's rules, and these customers can elect to opt-out of the process. We understand that some have expressed concern with the opt-out process, *but it is important to note that the FCC adopted the out-out process after the federal court held that an opt-in approach*

RESPONSE OF VERIZON SOUTHWEST

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*violated the First Amendment of the United States Constitution.* Here's a summary of how and why the opt-out process was adopted:

- I. In 1996, the FCC opened a proceeding to determine, among other things, whether it should adopt an opt-in or opt-out approach to CPNI in implementing the Telecommunications Act of 1996.
2. The FCC received hundreds – if not thousands – of pages on this subject. Indeed, several state commissions filed comments stating that the FCC must impose an opt-in process to provide “superior protection for privacy interests.” The FCC did just that – in its *Second Report and Order* in CC Docket No. 96-115, the FCC adopted an opt-in approach “to ensure that customers’ privacy rights are protected against unknowing and unintended CPNI disclosure.” (*Id.* at para. 94.)
3. On appeal, the federal court carefully reviewed the FCC’s ruling (as well as the voluminous record the FCC claimed supported its ruling) and held that (a) CPNI constitutes “commercial speech” that is protected by the First Amendment, and (b) the FCC failed to demonstrate that its opt-in rule was narrowly tailored to directly and materially advance its interests in protecting privacy and promoting competition. The court also held that the FCC failed to adequately consider an opt-out option, and noted that such a provision is inherently less restrictive of speech. decision. *U S WEST, Inc. v. FCC*. 182 F.3d 1224 (10th Cir. 1999). In response to the court’s ruling, the FCC adopted its opt-out rule.

This summary illustrates a very important point: The current opt-out process is a careful balance of privacy and First Amendment rights, and this balance was reached after extensive review. Verizon will use the opt-out approach to benefit customers by offering more (and better) packages of services, and the marketplace will determine whether Verizon and other carriers are successful.

## II Verizon’s Responses

1. in the CPNI notice that your company has mailed or intends to mail to customers, have you provided information to customers on how their CPNI will be used and with whom you intend to share that information?

RESPONSE OF VEEJZON SOUTHWEST

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Yes. Verizon's opt-out notice, which was filed in Docket No. 20220, clearly describes how a customer's CPNI information will be used and with whom it will be shared. A copy of the notice is attached as Attachment I.

- 2. What are your company's policies and practices regarding the sharing of CPNI with third parties (e.g. for telemarketing purposes or for mailings?) Please list how your company intends to utilize this information.**

*Sharing of CPNI.* The general rule is that Verizon, its affiliates, and its authorized agents will share a customer's CPNI with persons or entities outside Verizon's family of companies only where that customer has provided explicit consent. To date, however, Verizon has not asked its customers for consent to share CPNI outside of Verizon's family of companies. The exception to this rule is that Verizon will provide CPNI to third parties where required to do so by law, e.g., where Verizon receives a valid subpoena, or to prevent fraud.

*Verizon's use of CPNI.* Under the FCC's rules, Verizon will be able to use its CPNI to identify customers who, based on typical customer profiles, would benefit from a particular product or an integrated package of different services, such as local, long distance, wireless and/or Internet access service. For example, studies have shown that customers with a second line may be using the second line for dial-up Internet access, and therefore might benefit from Verizon's Internet Access service and DSL package.

3. From a logistical standpoint, how does your company intend to handle response by those customers choosing to “opt-out”? Please provide information on how phone calls

RESPONSE OF VERIZON SOUTHWEST

PAGE 3

will be handled, including the number of staff involved, and whether the company intends to offer an automated system. Also, please indicate in your response whether or not your company intends to offer customers the choice to use the Internet to “opt-out.”

Verizon uses an automated voice response system. The 1-800 number for this automated system is included in Verizon’s opt-out notice. In addition, customers may call their Verizon service representative and request that an opt-out form be mailed to them.

Verizon’s automated system is designed to handle hundreds of callers simultaneously.

Verizon monitors the capacity of its system on a daily basis, and Verizon is confident that it

can handle the projected load and respond quickly to any unanticipated increase in callers.

Finally, Verizon is investigating the feasibility of allowing customers to opt out via the

Internet, but Verizon does not currently offer this option.

**4. Is the CPNI notice offered in another language? If so, which language(s)?**

Customers can call their Verizon service representative and request that a

Spanish version of the notice be mailed or faxed to them.

5. Will those customers who chose to “opt-out” receive confirmation of their selection? If so, how will the customer be notified?

Yes, customers **receive confirmation**. Customers who call the voice **response** system and successfully **complete** the opt-out process are notified **immediately** by the voice system. A customer may also call his service representative, who can confirm that the customer’s opt-out registration has been processed.

Respectfully submitted,

VERIZON SOUTHWEST

By: \_\_\_\_\_

CHARLES H. CATHERS III  
VERIZON SOUTHWEST  
816 Congress Avenue, Suite 1500  
Austin, Texas 78701  
(512) 370-4231  
Fax: (512)370-4229

ITS ATTORNEY

**RESPONSE OF VERIZON SOUTHWEST**

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Response of Verizon Southwest has been hand-delivered to the General Counsel, this 15<sup>th</sup> day of February, 2002.

**RESPONSE OF VERIZON SOUTHWEST**

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Customer Proprietary Network Information  
Special Notice

Under Federal Law, you have the right to, and we have the duty to protect the confidentiality of your customer information. This information includes where, when, and to whom a customer places a call, as well as the type, technical arrangement, and quantity of telecommunications services you receive. Your customer information also includes how you use those services and the related billing for these services.

**We** may use this information, without further authorization by you, to offer you (i) services of the type you already purchase from us and (ii) the full range of products and services available from Verizon and its affiliates that may be different from the type of services you currently buy from us. In addition to local telephone services, Verizon and Verizon affiliate services include long distance (where authorized), wireless, and Internet services. A more complete description of our companies and service offerings is available at [www.verizon.com](http://www.verizon.com). Use of your information as described in this notice will permit us to offer you a package of services tailored to your specific needs. Without further authorization by you, **we** may also share your information with Verizon affiliates with whom **you** already have an existing service relationship.

No action by you is necessary to permit us to use your information as described in this notice. If **you wish to restrict Verizon or Verizon affiliate use of your Information to offer services different from the type of services you currently buy from us, please register your restriction by calling us at 866-554-5055 within 30 days of**

*(continued)*

## ATTACHMENT I

receipt of this notice. If you do not register your restriction within 30 days, we can use your customer information to offer you products and services you do not currently purchase from us that you may find valuable. You may also call this number at any time after the initial 30 day period to restrict the use of your customer information. You may change your decision at any time and your decision will remain valid until you tell us otherwise. There is no charge for electing to restrict your information. Restricting your information will not affect the products you currently receive from Verizon and may not eliminate all marketing contacts. Even if you restrict the use of your information, it may be used to market services to you when you call us to inquire about such services. "Whatever you decide will not affect our provision of service to you". If you have any questions, please call your service representative or account manager.

Verizon, its affiliates, and authorized agents will not sell, trade, or share your service and usage records with anyone outside of Verizon or others authorized to represent us to offer products and services, except as permitted or required by law.



Customer Proprietary Network Information  
Special Notice

Under Federal Law, you have the right to, and we have the duty to protect the confidentiality of your customer information. This information includes where, when, and to whom a customer places a call, as well as the type, technical arrangement, and quantity of telecommunications services you receive. Your customer information also includes how you use those services and the related billing for these services.

**We** may use this information, without further authorization by you, to offer you (i) services of the type you already purchase from us and (ii) the full range of products and services available from Verizon and its affiliates that may be different from the type of services you currently buy from us. In addition to local telephone services, Verizon and Verizon affiliate services include long distance (where authorized), wireless, and Internet services. A more complete description of our companies and service offerings is available at [www.verizon.com](http://www.verizon.com). Use of your information as described in this notice will permit us to offer you a package of services tailored to your specific needs. Without further authorization by you, we may also share your information with Verizon affiliates with whom you already have an existing service relationship

No action by you is necessary to permit us to use your information as described in this notice. If you **wish to restrict Verizon or Verizon affiliate use of your information to offer services different from the type of services you currently buy from us, please register your restriction by calling us at 866-483-9700 within 30 days**

*(continued)*

## ATTACHMENT I

of receipt of this notice. If you do not register your **restriction within 30 days, we can use your customer information to offer you products and services you do not currently purchase from us that you may find valuable. You may also call this number at any time after the initial 30 day period to restrict the use of your customer information. You may change your decision at any time and your decision will remain valid until you tell us otherwise.** There is no charge for electing to **restrict your information. Restricting your information** will not affect the products you currently receive from Verizon and may not eliminate all marketing contacts. Even if you restrict the use of your information, it may be used to market services to you when you call us to inquire about such services. "Whatever you decide will not affect our provision of service to you". If you have any questions, please call your service representative or account manager. Verizon, its affiliates, and authorized agents will not sell, trade, or share your service and usage records with anyone outside of Verizon or others authorized to represent us to offer products and services, except as permitted or required by law.

SWB  
February 15, 2002

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SOUTHWESTERN BELL TELEPHONE COMPANY’S  
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03. From a logistical standpoint, how does your company intend to handle responses by those customers choosing to “opt-out”? Please provide information on how phone calls will be handled, including the number of staff involved, and whether the company intends to offer an automated system. Also, please indicate in your response whether or not your company intends to offer customer the choice to use the Internet to “opt-out.”

A. Southwestern Bell Telephone Company has set up a user-friendly toll-free IVR system, in both English and Spanish, to handle customers’ “opt-out” requests. As of February 13, 2002, 20,291 customers have called to “opt-out.” In case customers try to call a number other than the one published in the CPN1 notification, all customer-contact personnel have been trained to take the “optout” requests. Given the user-friendly and toll-free nature of Southwestern Bell Telephone Company’s IVR system, there are no plans for an Internet system.

Q4. is the CPNI notice offered in another language? If so, which language(s)?

A. Yes. The entire notice is available to customers in Spanish by request, as is indicated at the end of Southwestern Bell Telephone Company’s notification.

05. Will those customers who chose to “opt-out” receive confirmation of their selection? If so, how will the customer be notified?

## ATTACHMENT I

- A. Yes. The IVR system confirms the telephone number and acceptance of opt-out requests.

Respectfully submitted, ANN E. MEULEMAN

General Counsel-Austin

       / 3       

David F. Brown  
General Attorney  
State Bar No. 03108700

ATTORNEYS FOR SOUTHWESTERN  
BELL TELEPHONE COMPANY  
1616 Guadalupe Street, Room 600  
Austin, Texas 78701-1298  
Telephone: (512) 870-5706  
Facsimile: (512) 870-3420

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Account Number (UD~)

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December 09, 2001

For Your Information SBC Southwestern Bell its affiliates and authorized agents are changing the way we (Continued) offer you products and services, Customer information includes where, when and to

whom a customer places a call, as well as the types of telecommunications services to which the customer subscribes and the extent to which the service is used. Your customer information also includes how you use those services and the related billing of those services. For example, we would use your customer information to advise you of products that may be of interest to you, like DSL with Internet or long distance, even if you do not currently have any services from those SBC affiliates. If these uses of your customer information is acceptable, then no further action on your part is required.

Protecting the privacy of your service and usage records is your right and our duty under federal law. We are required to inform you that you can direct us not to use any of the information about the services you receive from SBC Southwestern Bell, SBC long distance company or other SBC telecommunication provider affiliates to offer additional products and services to you. **If you do not want us to use any of this service and usage information to offer products and services, please call 1-800-315-8303 and follow the prompts within 30 days of receiving this notice. If you do not restrict our use of your customer information by calling the 1-800-315-8303, we can use your customer information to offer you products and services that you may find valuable based on your existing services.** You may call this number at any time after the 30 day period to restrict the use of your customer information. There is **no charge for electing** to restrict your information, Restricting your information will not affect the products you currently have from SBC Southwestern Bell and may not eliminate all marketing contacts. Even if you restrict the use of your information, it may be used to market services to you when you call us. Your election is valid until you affirmatively revoke or limit it.

SBC Southwestern Bell, its affiliates and authorized agents will not sell, trade or share your customer information with anyone outside of Southwestern Bell, the SBC family of companies, or others authorized to represent us to offer products and services, except as authorized by law. The employees and management of all the SBC family of companies would like to take this opportunity to thank you for your continued business. We are proud to carry on our long tradition of providing our community with reliable, technologically advanced and affordable telecommunication services.

A Spanish language version of this bill message can be obtained upon request by calling 800-499-7928. UNA VERSION DE ESTE MENSAJE ESTA A SU DISPOSICION EN ESPANOL LLAMANDO AL 800-499-7928.

SWBell Telephone  
Billing Questions:

1 -800-585-7928

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PROJECT NO.25432

PROCEEDING TO IDENTIFY USES OF  
CUSTOMER PROPRIETARY NETWORK  
INFORMATION (CPNI)

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COMMISSION OF TE~

**RESPONSES OF VALOR TELECOMMUNICATIONS TO QUESTIONS POSED  
BY THE  
PUBLIC UTILITY COMMISSION**

- 1) In the CPNI notice that your company has mailed or intends to mail to customers, have you provided information to customers on how their CPNI will be used and with whom you intend to share that information?

**Answer:** Yes. The Valor notice makes clear that Valor will not be sharing CPNI with unaffiliated third parties other than as required by law. In fact, Valor's ILEC, does not share CPNI with Valor's long distance affiliate or with Valor's ISP affiliate. Valor does provide targeted mailing lists of ILEC customers to our Long Distance and ISP affiliates. Those lists contain no CPNI. Valor does permit its outside telemarketing firm to have access to some CPNI information. The telemarketing firm only uses the CPNI in providing services to Valor customers on behalf of Valor's ILEC. The CPNI notice tells the customer that use of the CPNI will better enable Valor to provide the customer with new services and products as they become available. The notice was filed in Project No. 20220 and is attached as Attachment 1.

- 2) What are your company's policies and practices regarding the sharing of CPNI with third parties (e.g. for telemarketing purposes or for mailings)?

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Please list how your company intends to utilize this information.

**Answer:** **Valor** takes very seriously the privacy concerns of its customers and will not release customer specific CPNT to unaffiliated third parties except where required to do so by law. Information such as the number and type of products and services a customer has on their

## ATTACHMENT I

line(s), when the account shows the last service order having been completed, how long the customer has been with Valor, and what was bought in the last marketing campaign is used for targeting direct mail by Valor or Valor Affiliates. This allows Valor to minimize the amount of marketing mail a customer receives yet makes certain that customers are made of aware of new products and services that may be of interest to them, especially those customers who have not had features such as Caller—ID and other CLASS features available in their areas in the past. Outbound telemarketing lists used by Valor and our telemarketing agents are often derived from products and services a customer has on their line(s) and similar account information as is used for direct mail lists. The outbound telemarketing list filters out any “do not call” and “no telemarketing” customers and both the telemarketing and direct mail lists filter CPNI “opt-out” requests. The use of CPNII in outbound telemarketing campaigns allows Valor and its telemarketing agents to contact customers only about products and services that might be of real interest to the customer and eliminates calls to customers who likely would have no interest in the products. The number of marketing calls a customer receives from Valor is minimized in this way. Valor also uses CPNI information in order to sell products and services to customers who call in to our telerrarketing firm or to our call centers. On inbound calls to Valor’s telemarketing firm all service reps advise the customer that they will be accessing the customer’s account information in an effort to assist the customer. The actual script used by the telemarketing firm’s reps is as follows:

Thank you for calling VALOR Telecom. This is \_\_\_ How may I help you with VALOR Telecom services today? To better assist you I will need to access your account, could you verify your name and phone number? Is VALOR your local telephone company?~ (If yes \_continue \* if no end call)

A customer who calls Valor’s call centers for any purpose, including a call to “opt-out”, is greeted with the following by the customer service rep that answers the call.

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The following Opening Statement is mandatory for all Valor Customer Service Reps.

*“Thank you for calling Valor Telecom.”*

*My name is \_\_\_\_\_ and my operator number is \_\_\_\_*

*“May I have the telephone number you are calling about, area code first please?”*

The following statement is mandatory for all Valor Customer Service Representatives prior to proceeding with the call.

*“May I have permission to access your account?”*

Valor believes that it has struck the appropriate balance between maintaining confidentiality of customer CPNI, minimizing marketing contacts with our customers and letting our customers know about new services they did not previously have available to them.

- 3) From a logistical standpoint, how does your company intend to handle responses by those customers choosing to “opt-out”? Please provide information on how phone calls will be handled, including the number of staff involved, and whether the company intends to offer an automated system. Also, please indicate in your response whether or not your company intends to offer customers the choice to use the Internet to “opt-out”.

**Answer:** The toll free number that appears in Valor’s CPNI customer notice reaches Valor’s telemarketing firm. The telemarketing firm used by Valor has 5 representatives dedicated to this particular line and has all representatives trained on CPNI. The number is staffed from 7 AM to 8 PM central time and there is a voice mail system that takes after hours messages. Those calls are

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returned on the next business day. If a customer calls in to either of Valor's call centers and wishes to "opt-out", any of our customer service reps can assist the customer. Whether the customer calls Valor's customer service call centers or Valor's telemarketing firm wanting to "opt-out", the ASOC CPNI is put on the customer's account in our Customer

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Contact System (CCS) to indicate that the customer does not want us to use their CPNL. In the *Blocks, Restrictions and Screening* section of the customer's account in CCS there will be a notation that reads "*CPNJ Notice*". When a customer service rep accesses the customer's account, the rep will see the notation. As an added step, our telemarketing firm notes a "NTEM" code on their own records for the account so that they know not to place outbound telemarketing calls to this customer. NTEM stands for "no telemarketing." The CPNI ASOC is "filtered" out of list pulls for any telemarketing outbound or direct mail campaign.

Valor's web site is not interactive at this time and we do not have current plans to make it interactive. Also, at this time Valor does not have plans to offer an automated voice response system for customers to use in notifying us of their decision to "opt-out".

- 4) Is the CPNI notice offered in another language? If so, which language(s)?

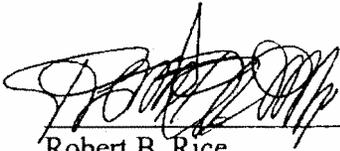
Answer: Valor does not send the CPNI notice in a language other than English.

- 5) Will those customers who chose to "opt-out" receive confirmation of their selection? If so, how will the customer be notified?

Answer: No form of confirmation is sent by Valor to customers who exercise their right to "opt-out". Customers are advised by the rep taking the "opt-out" call that their account has been coded to indicate that the customer's CPNI is

not to be used.

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Robert B. Rice

Regulatory Director & Chief Counsel .Texas  
Valor Telecom  
400 W, 15th Street  
Suite 440  
Austin, TX 78701  
(512) 457-9949  
(512) 457-9991 (fax)  
SBN: 16833900

Respectfully submitted,

**Attachment I**

**CUSTOMER PROPRIETARY NETWORK INFORMATION NOTICE**

Federal law and regulations require Valor to receive your permission to use customer proprietary network information (CPNI) in efforts that Valor may undertake to market Valor's products or services to you. CPNI includes where, when, and to whom a customer places a call, as well as information about the quantity, types, usage, or configuration of telecommunications services you purchase from Valor, and the amount you spend on telecommunications services. You have the right to ensure the confidentiality of your CPNI.

Valor requests permission to use your CPNI in order to more effectively meet your telecommunications needs. Valor intends to contact you in order to advise you of new services, pricing alternatives or special offers that Valor believes may interest you based on the telecommunications services you currently purchase.

**If you agree to give Valor permission to use your CPNI, you do not need to take any further action.**

**If you do not agree to give Valor Permission to use your CPNI as described above, please contact Valor at 1-866-578-2567 within the next 30 days. If you do not restrict our use of your CPNI by calling our toll free number within 30 days of this notice, we can use your CPNI to offer you products and services that we believe may interest you. You may also call this number at any time after the initial 30 day period to restrict the use of your CPNI. If you decide not to allow Valor permission to use your CPNI, this will not affect the provision of services currently provided by Valor to you, nor will there be any charge to you for restricting the use of your CPNI. Even if you restrict the use of your CPNI, this may not eliminate all marketing contacts from us, and we may use your CPNI to market services to you when you call us to inquire about such services. Valor will use your CPNI as described above, or comply with your request to not use your CPNI, until you contact Valor and ask that your CPNI election be changed.**

**Valor, its affiliates and authorized agents will not sell, trade, or share your CPNI with anyone outside of Valor or others authorized to represent us to offer products and services, except as authorized by law.**

Respectfully submitted,

**Attachment C**

**Partial Transcript from the Public Utility Commission of  
Texas February 21, 2002 Open Meeting**

Respectfully submitted,

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1                   AGENDA ITEM NOS. 5 & 9  
2 PROJECT NO. 25432 .PUC PROCEEDING TO  
3 IDENTIFY USES OF CUSTOMER PROPRIETARY  
4 NETWORK INFORMATION;  
5 PROJECT NO. 19813 .FEDERAL MONITORING  
6 AND COMMENTS

5

6                   COMM. KLEIN: Okay. Let's get  
7 back to Agenda Item No. 5. And we were also  
8 going to take up the comments from Agenda Item  
9 No. 9 pertaining to CPNI at the same time. And,  
10 Brett, why don't we try to agree to do this  
11 between now and 1:30 and see if we can't finish.  
12 I was reading the comments that were submitted  
13 by Southwestern Bell and Valor and Verizon, and,  
14 you know, a lot of my questions were answered  
15 through those comments, especially having the  
16 second opportunity to see these notices again.  
17 So I hope that it won't take any longer than  
18 1:30.

19                   COMM. PERLMAN: That will be fine.

20                   COMM. KLEIN: Okay.

21                   COMM. PERLMAN: Do we want to have  
22 a representative from Verizon, Southwestern Bell  
23 and Valor here? You might come up.

24                   COMM. KLEIN: And you have a list  
25 of questions you want to go through? Is that

Respectfully submitted,

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1 how you want to do it?

2                   COMM. PEELMAN: Yeah. You guys  
3 want to idencify yourself for the court  
4 reporter?

5                   MR. RICE: I'm Robert Rice for  
6 Valor.

7                   MR. CARRATHERS: Charles  
8 Carrathers for Verizon, C-a-r-r-a-t-h-e-r-s.

9                   MR. ERHART: Carl Erhart with  
10 Verizon.

11                  MR. BROWN: David Brown,  
12 Southwestern Bell.

13                  COMM. PERLMAN: Okay. You guys  
  
14 are the three that, I guess, are in the state  
15 out of the companies -three of the largest  
16 companies who have -the only companies that  
17 have submitted notices and that are doing opt-in  
18 as I understand it. So I'd like to kind of get  
19 a sense just so I can get a better understanding  
20 of the types of information, how the information  
21 is being used and sort of what some of your  
22 corporate policies are.

23                  But before I do that, I wanted to give  
24 y'all a chance -an opportunity to put  
25 something on the record if you have anything to

Respectfully submitted,

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1 say.

2 MR. BROWN: David Brown  
3 Southwestern Bell. I think that I think that  
4 we've put a lot on the record in the context of  
5 the CPNI rulemaking. I thought we answered your  
6 questions for you, the ones that were published,  
7 so I don't think we have anything to add.

8 COMM. PERLMAN: Okay.

9 MR. CARRATHERS: Charles  
10 Carrathers from Verizon. I echo Mr. Browns  
11 comments, and it's not simply the Texas rules as  
12 well, but, as you know, the federal rules we  
13 filed a lot there.

14 COMM. PERLMAN: Okay.

15 MR. RICE: The only thing I'd say  
16 on behalf of Valor is that Valor does take very  
17 seriously our responsibilities to our customers  
18 and the privacy of their CPNI.

19 COMM. PERLMAN: Okay.

20 MR. RICE: And we feel that we  
21 have a very conservative policy and we've  
22 explained it in our written comments.

23 COMM. PERLMAN: Okay. And I  
24 appreciate that. And I think I've expressed on  
25 the record my concern about privacy. So I just

Respectfully submitted,

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1 wanted to kind of get it all on the record so  
2 I think it's -in a public forum so we can get  
3 a better understanding of how you're using the  
4 information and what your company is doing.

S           So let me just start there. First, I  
6 just want to get from all the companies -  
7 basically, all of you guys have made a corporate  
S decision to implement an opt-out policy. Is  
9 that correct? There's nothing that compels you  
10 to do that. Can I get that from each of the  
11 companies? Is that correct?

12           MR. BROWN: David Brown,  
13 Southwestern Bell. That's right.

14           MR. CARRATHERS: Correct.

15           MR. ERHART: Correct.

16           MR. RICE: That's correct.

17           COMM. PERLMAN: You're aware,  
18 aren't you, that there has been at least one  
19 large ILEC that has decided to retain its opt-in  
20 policy pending the FCC's determination on CPNI,  
21 that request.

22           MR. BROWN: David Brown,  
23 Southwestern Bell. Yes we're aware that Qwest  
24 has changed its program.

25           COMM. PERLMAN: And are you aware

Respectfully submitted,

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1 that in its press release that Qwest announced  
2 that it's going to appoint a chief privacy  
3 officer?

4 MR. BROWN: I'm generally -David  
5 Brown, Southwestern Bell. We're generally  
6 familiar with that.

7 COMM. PERLMAN: Okay. How about  
8 the other companies?

9 MR. RICE: Valor is aware of that.

10 COMM. PERLMAN: Are there similar  
11 sorts of officers at your company?

12 MR. RICE: Robert Rice for Valor.  
13 At Valor we do not have an individual whose sole  
14 job is security and customer privacy issues. It  
15 is a responsibility that rests on **the shoulders**  
16 of our General Counsel and the regulatory  
17 directors in our respective states.

18 COMM. PERLMAN: Okay. And how  
19 about for the other two companies?

20 MR. ERHART: Carl Erhart with  
21 Verizon. Verizon has an executive director  
22 level position responsible for privacy, but  
23 privacy within all of our business units rolls  
24 up under a corporate compliance officer.

25 COMM. PERLMAN: Okay. And

Respectfully submitted,

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1 Southwestern Bell?

2 MR. BROWN: David Brown,  
3 Southwestern Bell. We have a similar structure.  
4 We have many, many lawyers and regulatory people  
5 who keep an eye on customer privacy, CPNI, all  
6 these issues.

7 COMM. PERLMAN: But is there a  
8 specific officer -

9 MR. BROWN: We have a compliance  
10 officer, yes.

11 COMM. PERLMAN: And are there any  
12 restrictions in policies and practices that  
13 you've - corporate policies and practices that  
14 you have that limit the use of CPNI other than  
15 the FCC regulations? Are there internal  
16 corporate limitations from each of the  
17 companies?

18 MR. RICE: Well, at Valor we do  
19 not provide CPNI to our affiliate. For example,  
20 we do not provide it to our Valor long distance  
21 affiliate, We do not provide it to Valor's ISP  
22 affiliate. We retain that information strictly  
23 within the ILEC.

24 COMM. PERLMAN: Okay. Is that  
25 pursuant to some written policy?

Respectfully submitted,

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1 MR. RICE: It is part of our CPNI  
2 policy. We don't have a separate policy apart  
3 from what it appears in the CPNI policy.

4 COMM. PERLMAN: And we looked  
5 at -just for Valor for one second -we looked  
6 on your Web site and didn't see a copy of that  
7 policy. Is that available?

8 MR. RICE: It can be posted there.

9 COMM. PERLMAN: Okay. But it's  
10 not currently posted?

11 MR. RICE: It is not currently  
12 posted on the Web site.

13 COMM. PERLMAN: Okay. For the  
14 other two companies, are there other corporate  
15 policies that you're -corporate restrictions  
16 on the use of CPNI in the form of a written  
17 policy statement?

18 MR. ERHART: Carl Erhart with  
19 Verizon. And, yes, we do have a corporate  
20 privacy policy. And, Commissioner Penman, you  
21 referenced the Web site reference. It is  
22 available on Verizon's Web site. And I did  
23 bring a copy of that for you here today, details  
24 on the privacy policy throughout the  
25 organization.

Respectfully submitted,

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1                   COMM. PERLMAN: We copied it off  
2 the Web site, so I'm assuming this is the same  
3 one.

4                   And how about Southwestern Bell?

5                   MR. BROWN: We have -of course  
6 on the Web site we have certain information  
7 about how we treat customer information, and we  
8 have a price privacy policy associated with  
9 that. It is the public policy, but we also have  
10 a code of business conduct that governs how our  
11 employees deal with the information internally.

12 And that's -it would certainly be consistent  
13 with whatever the FCC and the Texas rules are.

14                   COMM. PERLMAN: Okay. But I'm  
15 looking for additional restrictions on the use  
16 of information beyond what is in the federal  
17 rules or the state rules.

18                   FIR. BROWN: No, I don't think so.

19                   COMM. PERLMAN: I want to turn  
20 now, if I could, to the types of information  
21 that each of you would share under your CPNI  
22 policies, if I could. And let me just go  
23 through the whole -I think I have this right,  
24 but who I call would be a type of information  
25 that could be disclosed if I didn't opt out. Is

Respectfully submitted,

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1 that correct?

2 MR. BROWN: David Brown,

3 Southwestern Bell. When you say "disclose" if

4 you mean disclose -

5 COMM. PEELMAN: Can be used by in

6 furtherance of your -in marketing or in

7 furtherance of other -selling more products

8 and services the information who I call.

9 MR. BROWN: Yes.

10 COMM. PERLMAN: Okay. How about

11 for Verizon?

12 MR. ERHART: Yes, I believe -if

13 I understand your question correctly.

14 COMM. PERLMAN: Yes.

15 MR. CARRATHERS: Chuck Carrathers

16 from Verizon. Again, there is a definition of

17 CPNI that could be used in some instances

18 without customer consent and some instances

19 within ..

20 COMM. PERLMAN: And that would

21 include who do I call ..

22 MR. CARRATHERS: -who we call

23 and calling patterns and number of minutes. I

24 don't believe that definition has changed for

25 years.

Respectfully submitted,

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1                   COMM. PERLMAN: Okay. I just want  
2 to go through each one of those just so I  
3 understand.

4                   MR. RICE: I'm not certain if  
5 you're asking about what we believe would be  
6 legally permissible or what we're actually  
7 doing.

8                   COMM. PERLMAN: Right. I asked  
9 first about what's legally permissible, then I  
10 asked you if you had any corporate restrictions,  
11 and I was told that -

12                   MR. RICE: We do not share -we  
13 do not share CPNI outside the ILEC.

14                   COMM. PERLMAN: But in the ILEC  
15 you would use for marketing purposes who I call  
16 as a customer?

17                   MR. RICE: We could. We currently  
18 are not.

19                   COMM. PERLMAN: Okay. That's  
20 fine.

21                   And how about how much I call or how  
22 often I call? Let's start with Southwestern  
23 Bell.

24                   MR. BROWN: David Brown,  
25 Southwestern Bell. That is CPNI and, yes, we

Respectfully submitted,

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1 could use it.

2                   COMM. PERLMAN: And how about for  
3 Verizon?

4                   MR. ERHART: Verizon would agree.

5                   MR. RICE: And Valor agrees.

6                   COMM. PERUMAN: Okay. How about  
7 when I call ..when I call someone?

8                   MR. BROWN: David Brown,  
9 Southwestern Bell. Same answer.

10                  COMM. PERLMAN: Okay.

11                  MR. ERHART: Agreed.

12                  MR. RICE: Agreed.

13                  COMM. PERLMAN: Okay. And how  
14 about the number and types of services I  
15 subscribe to?

16                  MR. BROWN: Same answer.

17                  MR. ERHART: Agreed.

18                  MR. RICE: Agreed.

19                  COMM. PERLMAN: Okay. And how  
20 about how I use the services?

21                  MR. BROWN: Yeah .David Brown,  
22 Southwestern Bell. The question, of course, is  
23 going to come down to what you're talking about  
24 in terms of how you use it.

25                  COMM. PERLMAN: Well, for example,

Respectfully submitted,

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1 if I make lots of calls late at night.

2 MR. BROWN: That would be CPNI,

3 yes.

4 COMM. PERLMAN: Okay. And how

5 about for the other companies?

6 MR. ERHART: Agreed.

7 MR. RICE: Agreed.

8 COMM. PERLMAN: Okay. And so all

9 these types of information are information that

10 you would consider customer information that

11 could be used for marketing purposes. Is that

12 correct?

13 MR. BROWN: Yes.

14 MR. RICE: Yes.

15 MR. ERHART: Yes.

16 COMM. PERLMAN: Okay. So let me

17 just give you -I want to do a couple of

18 hypotheticals and see whether these

19 hypotheticals would fall under the definition of

20 CPNI and what would be types of information that

21 you use. If I call a lot of 800 numbers, for

22 example, you would have access to that

23 information?

24 MR. BROWN: Yes.

25 MR. ERHART: Yes.

Respectfully submitted,

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1 MR. RICE: Yes, we have access to  
2 it.

3 COMM. PERLMAN: If I call a lot of  
4 900 numbers, you would have access to that  
5 information?

6 MR. BROWN: Yes.

7 MR. ERHART: Yes.

8 MR. RICE: Yes.

9 COMM. PERLMAN: Okay. If I call a  
10 number of medical facilities to inquire about a  
11 medical condition I have, you would have access  
12 to that information?

13 MR. BROWN: We would have the  
14 number to which you called.

15 COMM. PERLMAN: Right.

16 MR. BROWN: Yes.

17 MR. ERHART: Agreed. Generally,  
18 we have information about the number you call.

19 MR. RICE: Yes, but we wouldn't  
20 know why you called.

21 COMM. PERLMAN: If I make a lot of  
22 long distance calls to a specific group of  
23 people, you would have access to that  
24 information?

25 MR. BROWN: Yes.

Respectfully submitted,

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1                   COMM. PERLMAN: Okay. And for the  
2 others?

3                   MR. RICE: Yes, that's true.

4                   MR. ERHART: Access to the numbers  
S that you called, yes.

6                   COMM. PERLMAN: Okay. I want to  
7 talk a little bit about -well, let me just ask  
8 this question: For that sort of information, if  
9 a law enforcement agency were to try to obtain  
10 similar sorts of information, the information  
11 that you've described, how would they do so?

12                  COMM. KLEIN: Obtain it from the  
13 companies you mean?

14                  COMM. PERLMAN: Yeah, obtain it  
15 from the companies. How would they do so?  
16 Would you just give it to them?

17                  MR. RICE: No -I'm sorry, for  
18 Valor, no, we will not release information to  
19 law enforcement agencies without either a court  
20 order or a warrant.

21                  COMM. PERLMAN: Okay. How about  
22 for the other companies?

23                  MR. BROWN: David Brown,  
24 Southwestern Bell, the same for us.

25                  MR. ERHART: The same.

Respectfully submitted,

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1                   COMM. PERLMAN: Okay. So if I  
2 understand it, the **types** of information you're  
3 using for marketing purposes would have to -  
4 you would require a subpoena to turn over to law  
5 enforcement agencies?

6                   MR. BROWN: Yes, that's correct.

7                   COMM. PERLMAN: Okay. Let's talk  
8 about -for a second about who the information  
9 could be shared with. I think each of you  
10 defined the information was shared with a family  
11 of companies. Is that correct?

12                   MR. BROWN: David Brown,  
13 Southwestern Bell. That's correct.

14                   COMM. PERLMAN: And for the  
15 others?

16                   MR. ERHART: Correct for Verizon.

17                   COMM. PERLMAN: Now for Valor may  
18 be a little different -

19                   MR. RICE: At Valor we do not  
20 release customer-specific CPNI to -outside of  
21 the ILEC. We would provide gross CPNI  
22 information or we would provide mailing lists to  
23 our affiliate companies.

24                   COMM. PERLMAN: Okay. And within  
25 that family of companies -and let's just focus

Respectfully submitted,

1 on the two companies that answered the last  
2 request "yes" -that would include such  
3 services or such affiliated companies as  
4 cellular, Internet, perhaps home security, long  
5 distance?

6 MR. BROWN: David Brown,  
7 Southwestern Bell. Those are the types of -if  
8 they're affiliated with us, those are the types  
9 of companies that we would work with.

10 MR. ERHART: Carl Erhart with  
11 Verizon. Generally, yes. Verizon is not in the  
12 home security business, but long distance,  
13 Internet, wireless -

14 COMM. KLEIN: Can you give me some  
15 examples about -when you answered about having  
16 agents authorized to offer products or services  
17 on behalf of your company, just what kind of  
18 agents those would be?

19 MR. BROWN: David Brown,  
20 Southwestern Bell. We do have companies from  
21 time to time who are hired to actually sell  
22 services for us to do telernarketing for  
23 instance. What is shared with **them is typically**  
24 a list of names and telephone numbers, not  
25 necessarily anything further. But even then

1 those companies are -while acting as our  
2 agent -are under strict nondisclosure  
3 agreements that prevent their use of that  
4 information for any purpose other than the  
5 purpose to which we've given it to them.

6                   COMM. KLEIN: Good. You answered  
7 my next question.

8                   MR. ERHART: Verizon's  
9 relationship with its sales agents is the same  
10 as Southwestern Bell.

11                   MR. RICE: We utilize  
12 telemarketing firms, and our policies are the  
13 same.

14                   COMM. PERLMAN: So that answers  
15 also the question about whether you would use  
16 this information to do telemarketing, and the  
17 answer to that, presumably, is 'yes.'

18                   MR. BROWN: Yes.

19                   MR. ERHART: Yes.

20                   MR. RICE: Absolutely.

21                   COMM. PERLMAN: Okay. Do you have  
22 any co-marketing arrangements with unaffiliated  
23 companies for which you share CPNI?

24                   MR. RICE: Commissioner ..

25                   COMM. PERLMAN: You might market

'SB

1 some product and service with another company.

2 I know Sprint is doing this, for example, with  
3 EarthLink.

4 MR. RICE: You said unaffiliated  
5 companies?

6 COMM. PERLMAN: Yeah.

7 MR. RICE: Valor does not have any  
8 such relationships.

9 MR. BROWN: David Brown,  
10 Southwestern Bell. We don't have any right now.

11 COMM. PERLMAN: How about for  
12 Verizon.

13 MR. ERHART: Carl Erhart with  
14 Verizon. Not that I'm aware of, Commissioner  
15 Perlman.

16 COMM. PERLMAN: Okay. If you make  
17 subsequent acquisition into the family of  
18 companies, would those be included within the -  
19 if someone fails to opt out, would they -the  
20 existing -you would continue to use that  
21 information. You wouldn't renotify those folks  
22 about the fact that you've now -that you're  
23 going to use this information for a different  
24 purpose, would you?

25 MR. BROWN: No, we think -David

1 Brown, Southwestern Bell. We think the  
2 notification is thorough enough to cover an  
3 additional affiliate.

4                   COMM. PERLMAN: Current and  
5 existing uses?

6                   MR. BROWN: Yes.

7                   COMM. PERLMAN: And how about for  
8 the other two companies?

9                   MR. ERRANT: Carl Erhat with  
10 Verizon, and TI would agree.

11                   In addition, if I could point out, I  
12 think customers have other options available to  
13 them should they want to be removed from  
14 Verizon's telemarketing list. We do offer and  
15 honor a do-not-call list and customers can do  
16 that also.

17                   MR. RICE: Valor likewise has a  
18 similar list.

19                   COMM. PERLMAN: How about  
20 Southwestern Bell?

21                   COMM. KLEIN: Is it a free list?  
22 Is there any charge? Is it free of charge?

23                   MR. ERHART: It's free of charge.  
24 And once a customer is placed on that list,  
25 they're on that list for ten years until they

1 remove themselves.

2           COMM. PERLMAN: Okay. Is simply  
3 doing the opt-out sufficient to invoke the  
4 do-not-call list or is that a separate type of  
5 action that a customer has to take?

6           MR. BROWN: David Brown,  
7 Southwestern Bell. It's a separate action. It  
8 can happen on the same phone call, but it's a  
9 separate action.

10           MR. ERHART: Carl Erhart with  
11 Verizon. Our policies are the same.

12           MR. RICE: I would echo that as  
13 well.

14           COMM. KLEIN: Is that on -for  
15 those of you who have privacy policies on the  
16 Web site, is that on the Web site?

17           MR. ERHART: Carl Erhart with  
18 Verizon. And it is and it's included in the  
19 packet of information -and I'm sorry -

20           COMM. KLEIN: I have one.

21           MR. ERHART: -I have a packet for  
22 you also.

23           COMM. KLEIN: I have copies of the  
24 Web site information.

25           COMM. PERLMAN: But that

1 information was not included in the notice, I  
2 don't believe.

3 MR. BROWN: This is David Brown,  
4 Southwestern Bell. The notification is one  
5 that's required by PUC law or PUC Staff or -or  
6 rules and by FCC rules. It deals with CPNI  
7 only.

8 COMM. PERLMAN: Okay. So it  
9 didn't go beyond to inform customers of other  
10 rights they might have?

11 MR. BROWN: Or other options they  
12 might have, no.

13 COMM. PERLMAN: And how about the  
14 other two companies?

15 MR. ERHART: Carl Erhart with  
16 Verizon. Our notice is consistent with that.

17 MR. RICE: I agree.

18 COMM. PERLMAN: Okay. And if I  
19 opt out, does that mean I won't -you won't use  
20 me CPNI if I call into the call center, for  
21 example, for like a service quality issue?

22 MR. RICE: I'll answer that  
23 question for Valor.

24 COMM. PERLMAN: Okay.

25 MR. RICE: If a customer calls our

1 call center, we ask the customer's permission to  
2 access the customer's account information. If a  
3 customer asks a question about a particular  
4 service, obviously we'll discuss the service  
5 with the customer. So in that sense we do  
6 access CPNI. But if a customer were to call in  
7 for, say, a repair issue, no, no one is going to  
8 be accessing CPNI for purposes of trying to sell  
9 a product.

10                   COMM. PERLMAN: Okay. For the  
11 others?

12                   MR. ERHART: Carl Erhart for  
13 Verizon. During the course of a customer  
14 contact, yes, that business office associated  
15 representative may ask the customer for  
16 permission to access their information for  
17 purposes of answering their questions.

18                   COMM. PERLMAN: Okay.

19                   MR. DAVIDSON: Southwestern Bell,  
20 Dave Brown. If somebody called in on one of  
21 these calls, we would ask for --we would use  
22 the CPNI only for the same bucket of services;  
23 that is, if they were a local customer and they  
24 called in for a local question, that's what we  
25 would work with.

1                   COMM. PERLMAN: Even **if they had**  
2 **opted out?**

3                   MR. BROWN: Even if they had opted  
4 out.

5                   COMM. PERLMAN: So the opt out  
6 would not have an effect on inbound calling?

7                   MR. BROWN: **Well, that inbound**  
8 calling is sort of a general term that might  
9 cover a couple of different things. There are  
10 two different options available there. One is  
11 duration of the call approval, which can be  
12 obtained on an inbound call -

13                   COMM. PERLMAN: Right.

14                   MR. BROWN: -and the other would  
15 be just what generally happens as we just  
16 discussed.

17                   COMM. PERLMAN: Okay. If I have a  
18 nonpublished number, would you use my CPNI?

19                   MR. BROWN: Pardon me?

20                   COMM. PERLMAN: If I have a  
21 nonpublished number, would you use my CPNI to  
22 market telemarket products to me?

23                   MR. BROWN: Yes.

24                   COMM. PERLMAN: How about for the  
25 other companies?

1 MR. RICE: For Valor, yes.

2 MR. ERRANT: Carl Erhart, Verizon.

3 I believe that's true. I'd have to check.

4 COMM. PERLMAN: It's on your Web  
5 site.

6 MR. EPHART: Okay,

7 COMM. PERLMAN: I want to talk  
8 about win-backs for a second. Are you planning  
9 on using the CPNI in your win-back programs?

10 MR. RICE: For Valor, no.

11 MR. BROWN: David Brown,  
12 Southwestern Bell. Yes.

13 MR. ER|ART: Carl Erhart with  
14 Verizon. Yes. And it's our understanding that  
15 that that consistent with both the existing  
16 federal and state rules.

17 COMM. PERLMAN: That's fine. Just  
18 to talk for a second about logistics, Valor -  
19 the phone center, is it available nights and  
20 weekends for -

21 MR. RICE: I'm sorry?

22 COMM. PERLMAN: Is your phone  
23 center available nights and weekends?

24 MR. RICE: Our call center?

25 COMM. PERLMAN: Your call center.

1           MR. RICE: The call center is open  
2 until 7:00 p.m. central time, and it's open on  
3 Saturdays. I don't remember the exact hours on  
4 Saturday.

5           COMM. PERLMAN: And there's no -

6           COMM. KLEIN: Is this the one  
7 specific for opting out the phone number?

8           MR. RICE: No, no, this is -we  
9 have two call centers, full purpose call  
10 centers. That's what I'm talking about.

11          COMM. KLEIN: Okay.

12          MR. RICE: Are you talking -

13          COMM. PERLMAN: No, I'm talking  
14 about the call center for opting out.

15          MR. RICE: I'm sorry. The number  
16 that is in our CPNI notice actually goes to a  
17 telemarketing firm. They have five  
18 representatives whose full-time job is to answer  
19 that number.

20          COMM. PERLMAN: Right.

21          MR. RICE: That call center is not  
22 open 24 hours a day. Customers can leave a  
23 message if they call after hours and the call  
24 will be returned by a representative the next  
25 business day or at a time a customer requests

1 they be called.

2                   COMM. PERLMAN: Okay. **And** for  
3 Verizon?

4           MR. ERHART: **Carl Erhart with**  
5 Verizon. Verizon is utilizing a slightly  
6 different approach for customer contact. We  
7 utilize an IVR system -

8                   COMM. PERLMAN: Yes, which  
9 actually works pretty well because I tried -

10           MR. ERHART: Yes, a separate  
11 number set up for business and residence. If  
12 the customer was to call one of our business  
13 offices, we can mail to them a copy of the  
14 notice and a form for them to opt out.

15           COMM. PERLMAN: Okay. And,  
16 Southwestern Bell, I called yours last night  
17 and, strangely enough, the voice response system  
18 wasn't working. Any -the number on the notice  
19 doesn't go to a voice -it appears not to go to  
20 a voice response system.

21           MR. BROWN: Well, that's news.  
22 We've had people doing test calls on it  
23 repeatedly over the last few months and  
24 nobody -we've heard no complaints.

25           COMM. PERLMAN: Okay.

1                   COMM. KLEIN: Did you call on a  
2 landline or a cell phone?

3                   COMM. PERJ,,MAN: No, from a  
4 **landline.**        If it's the number in the notice  
5 attached to your -

6                   MR. BROWN: The notification ..  
7 the number in the notification, the IVR, is, as  
8 far as I know, still in operation.

9                   COMM. PERLMAN: okay. Well, it  
10 wasn't last night.

11                   MR. BROWN: I understand.

12                   COMM. PERLMAN: Okay.  
13 Confirmations. If I request to opt out, do I  
14 get a confirmation?

15                   MR. BROWN: David Brown,  
16 Southwestern Bell. Yes, you will. At the  
17 completion of the IVR system you'll get a  
18 confirmation that it is -that your request has  
19 been registered. If you **call our business**  
20 office during the business hours and also an 800  
21 number that's listed in our Web site among other  
22 places, you'll get a confirmation over the phone  
23 that you've been registered.

24                   MR. ERRANT: Carl Erhart with  
25 Verizon. Our process works the same.

1 MR. RICE: At Valor the customer  
2 would be told that they are registered, that  
3 their account has been coded so that they have  
4 opted out.

5 COMM. PERLMAN: And last question:  
6 Notice is in Spanish or other languages for  
7 Valor?

8 MR. RICE: We did not send out a  
9 Spanish language version. Spanish language  
10 version would be made available if a customer  
11 requested.

12 COMM. PERLMAN: Okay.

13 MR. ERHART: Similar -I'm sorry,  
14 Carl Erhart with Verizon, similar for us. Let  
15 me clarify our comments a little bit that we  
16 filed on Friday because we do have, I think, a  
17 unique feature in Texas. Our bill includes a  
18 tag line for customers that's in Spanish that  
19 says -asks the question, "Do you have a  
20 question for Verizon," and provides an 800  
21 number that will link that customer to a  
22 national multilingual center that we maintain.  
23 So they're able to handle not just Spanish  
24 speaking customers but those that speak several  
25 different languages.

1                   And we're able to identify customers  
2 that have either self-identified to us in the  
3 past that they're Spanish speaking or based on  
4 previous contacts with us. We've identified  
5 them as Spanish speaking. That's included as a  
6 tag line on their bill for this and for any  
7 other notice.

8                   COMM. PERLMAN: Okay.

9                   MR. BROWN: David Brown,  
10 Southwestern Bell. As our notification says at  
11 the bottom of it, there's both English and  
12 Spanish language to the effect that you can get  
13 a Spanish notification.

14                   COMM. PERLMAN: Okay. Well,  
15 that's really all the questions I had. I don't  
16 know do you have any?

17                   COMM. KLEIN: No, my questions  
18 were answered in the comments, which I  
19 appreciated them and the questions that were set  
20 out there.

21                   COMM. PERLMAN: I think this has  
22 been helpful just to get a better understanding  
23 of how CPNI is used in each of your businesses,  
24 and I appreciate you being willing to take the  
25 time. I think, you know, one of the things I

1 would suggest to go onto the comments is that we  
2 attach this as a transcript to the -to what we  
3 file with the FCC. I think it's important to -

4                   COMM. KLEIN: To attach the  
S parties' comments?

6                   COMM. PERLMAN: No, to attach the  
7 transcript from the discussion to the comments.

8                   COMM. KLEIN: Okay. That's fine.  
9 And why don't we attach the comments themselves?

10                  COMM. PERLMAN: We can do that,  
11 too.

12                  COMM. KLEIN: That would be easier  
13 reading for them.

14                  COMM. PERLMAN: Right. I mean, I  
15 think the concern that I have was -you know,  
16 is the type of information and the breadth of  
17 which it's shared. Arid I think it's important  
18 as the FCC goes and revisits this policy that  
19 they have at least some factual record on which  
20 to base its decision should they decide to  
21 either continue with the choice policy, to adopt  
22 an opt-out policy or an opt-in.

23                  MR. BROWN: Before you turn ..  
24 David Brown, Southwestern Bell. We just had  
25 someone go out in the hallway and test the IVR

1 system, and it's operating.

2 COMM. PERLMAN: Okay. Good.

3 Great. Thanks.

4 COMM. KLEIN: All right. Thank

5 y'all very much. We appreciate your

6 responsiveness.

7 COMM. PERLMAN: Thank you.

8 COMM. KLEIN: Okay. Let's go

9 ahead and entertain a motion to approve these

10 comments as submitted by Staff to include also

11 these parties' comments that were filed and the

12 transcript.

13 COMM. PERLMAN: So move.

14 COMM. KLEIN: Approved.

15 COMM. PERLMAN: Just to reference

16 that if you could in the text.

17 COMM. KLEIN: Yes.

18 I think that does it for the telecom

19 agenda, and it looks like most everybody is in

20 place for the electric agenda, so we'll -why

21 don't we start with item number -Agenda Item

22 No. 28.

23 COMM. PERLMAN: If I can jump out

24 for one second and grab Connie's material, I'll

25 be right back.