

PUBLIC UTILITIES COMMISSION

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**VIA EMAIL**

Melanie_Tiano@commerce.senate.gov

January 31, 2013

Melanie K. Tiano
Committee on Commerce,
Science, and Transportation
United States Senate
(202) 224-1300

Re: Inquiry Regarding Wireless California Cramming Complaint Data

Dear Ms. Tiano:

The CPUC's Consumer Affairs Branch and Safety and Enforcement Division have compiled the data in the table below in response to your request for information on wireless cramming complaints received by the California Public Utilities Commission (CPUC).

For the first time, beginning in 2011, the CPUC required wireless carriers to submit reports of refunds they issue directly to customers. While these refund reports may include refunds issued for matters other than cramming, in Decision 10-10-034, page 36, the CPUC explained its rationale for adopting refunds as a proxy for complaints.

We believe that the information required in this report reasonably balances our mandate under § 2889.9(d) with the desire to not overly burden the Billing Telephone Corporations. Although §2889.9(d) refers to subscriber "complaints," we have expanded the rule to include "refunds" as a proxy for complaints as a more complete and expedient means to gather appropriate information on a timely basis. This expansion of the rule addresses the concerns raised by the wireless carriers that tallying subscriber complaints of unauthorized charges would be excessively burdensome. We understand that a tally of refunds will necessarily include items beyond unauthorized charges, but over time the resulting data will be useful to indicate unusual increases in customer contacts, which could be the basis for further investigation. In a similar manner, we recognize that a report by California area code may include wireless subscribers who do not reside in California and exclude subscribers who reside in California, but have a wireless handset with a non-California area code.

Year	Month	Reported to the CPUC by Wireless Carriers				Wireless Cramming Complaints Received by the CPUC Directly from Consumers
		Total Amount Billed	Total Amount Refunded	Number of Purchases	Number of Refunds	
2009	January	Data Not Reported to the CPUC				11
	February					9
	March					4
	April					16
	May					11
	June					14
	July					13
	August					4
	September					11
	October					4
	November					8
	December					6
2010	January	Data Not Reported to the CPUC				6
	February					12
	March					7
	April					8
	May					6
	June					7
	July					3
	August					10
	September					8
	October					10
	November					7
	December					11
2011	January	\$16,943,810.60	\$3,114,281.64	1,899,696	301,127	5
	February	\$14,311,602.62	\$2,327,651.90	1,610,883	253,267	7
	March	\$15,055,235.84	\$3,050,870.00	1,701,350	316,558	7
	April	\$12,589,613.01	\$1,963,785.98	1,452,922	207,517	8
	May	\$13,370,799.94	\$1,641,829.30	1,535,213	180,063	1
	June	\$12,902,076.90	\$1,606,947.27	1,480,501	171,642	3
	July	\$13,773,648.35	\$1,759,761.59	1,602,410	178,128	5
	August	\$14,820,585.91	\$1,905,851.72	1,791,979	213,329	9
	September	\$14,284,972.02	\$1,825,903.16	1,639,814	198,607	8
	October	\$14,661,075.67	\$1,960,493.74	1,645,199	220,157	9
	November	\$14,933,453.38	\$1,867,649.65	1,767,291	220,109	9
	December	\$15,997,568.42	\$2,070,808.07	1,947,150	241,666	7
2012	January	\$18,803,809.40	\$2,514,586.83	2,283,163	300,057	8
	February	\$17,370,248.71	\$2,727,785.45	2,100,523	319,043	7
	March	\$19,999,842.45	\$2,636,235.68	2,462,515	311,104	4
	April	\$17,166,987.73	\$2,068,223.76	2,153,630	247,347	10
	May	\$16,940,517.40	\$2,207,149.05	2,140,907	260,095	6
	June	\$16,396,747.30	\$2,261,746.89	2,077,107	264,116	6
	July	\$15,878,659.47	\$2,333,519.23	2,003,274	275,248	8
	August	\$14,026,380.32	\$1,524,248.79	1,782,586	196,657	4
	September	\$13,086,710.07	\$1,202,193.17	1,664,508	161,708	5
	October	Data Not Yet Reported to the CPUC				10
	November					2
	December					0

There are some differences between the above data, and data previously reported to the FCC in 2011, as follows:

- In a June 8, 2011 letter to Stephen Klitzman of the FCC, we stated that wireless carriers reported to the CPUC that they issued **724,491** refunds to California consumers, totaling **\$7,148,692**, for the period from January 1, 2011 to March 31, 2011. One carrier's data was not available at the time of that memo, but is now included in the data in the table above. Updated numbers in the table above show that wireless carriers reported to the CPUC that they issued **870,952** refunds to California consumers, totaling **\$8,492,803.54**, for the period from January 1, 2011 to March 31, 2011.
- In an April 5, 2011 letter to Stephen Klitzman of the FCC, we stated that the CPUC's Consumer Affairs Branch (CAB) received **116** wireless cramming complaints directly from consumers in 2009, and **126** wireless cramming complaints in 2010. In the June 8, 2011 letter to Stephen Klitzman, we stated that CAB received **22** wireless cramming complaints for the period January 1, 2011 to March 31, 2011. Subsequent to those letters, CAB made corrections to their consumer complaint database to remove duplicate cases, which had been caused by an anomaly in the database coding structure. As a result, the numbers in the table above have these updated values for wireless cramming complaints received directly from consumers: **111** received in 2009, **95** received in 2010, and **19** for the period January 1, 2011 to March 31, 2011.

Please let us know if you have further questions.

Sincerely,

/s/ Jeanette Lo, Phillip Enis

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