BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

UT-990146

Rulemaking re Telecommunications - Operations, Chapter 480-120 WAC	))	COMMENTS OF SPRINT

Sprint Communications Company, on behalf of United Telephone Company of the Northwest and Sprint Communications Company L.P., (collectively hereafter "Sprint"), submits the following comments in response to the Commission's Notice of Opportunity to file written comments in this docket issued May 2, 2001.

Generally, Sprint applauds the Commission Staff's efforts to simplify these rules. We do have a few concerns, however, as noted below.

WAC 480-120-041 Availability of information

Concerning the requirement for a confirming notice or welcome letter following application for a new service, Sprint asks that the deadline be changed from one to two weeks. In the same spirit, Sprint asks that the deadline for sending a confirming notice of additional or changed service be extended from 3 to 5 business days. These requested timeframes are long established in our company and have never generated any customer complaints or problems. It would be both burdensome and costly to modify our procedures and systems to accommodate the unique requirements of one state.

Sprint notes that Section 6(b) calls for record retention regarding IXC activity for one year, whereas WAC 480-120-139(3) requires submitting carriers to retain such records for two years. Since a LEC may be a "submitting carrier," the Commission may want to consider referencing WAC 480-120-139(3) as an exception to the 480-120-041(6)(b) rule.

WAC 480-120-042 Directory service

The wording in Section 3 has been modified. In the existing rule, customers may request a free directory for exchanges they can call toll-free, even if such exchanges are outside the local service provider's serving territory. The proposed rule would require LECs to supply to each subscriber a free directory or directories that contain listings for all customers who can be called toll-free. Sprint serves many exchanges that have toll-free (EAS) calling to exchanges outside of Sprint's serving territory. Since Sprint does not have access to records concerning other LEC's customers, it would incur significant expense either to purchase the listings and expand its directories, or to purchase directories from other LECs. For instance, if Sprint had to pay $15.50 per directory for all of its customers who have toll-free dialing to exchanges outside Sprint's territory, Sprint estimates it would incur $205,000 of extra expense annually. This cost was never included in the rate development for EAS. Additionally, Sprint is not aware of any customer complaints concerning the current practice. Indeed, some customers who are accustomed to a small directory (e.g., Harrah) may resent the inclusion of large cities (e.g., Yakima) in their directory. Sprint recommends that the Commission retain the wording in the existing rule, Section 3, or postpone acting on this rule until it can obtain more information about the cost companies will incur to comply with this rule.

WAC 480-120-X31 Intercept services

The wording on line 229-230 represents a slight change in wording over the existing rule that changes the meaning of the requirement, and imposes a greater regulatory burden on LECs. The existing rule WAC 480-120-042(8) requires the company to give at least six months notice when it must make number changes to a large group of numbers. The proposed rule calls for at least six months notice when number changes are required for "multiple" customers. Sprint believes the use of the word "multiple" is nearly as vague as "large number" but may be taken as meaning two

or more, whereas “large number” would certainly mean more than two. The proposed rule could, therefore, require the company to wait six months to correct any plant or record problems that gave rise to the number changes more frequently than in the past. Sprint, therefore, recommends the Commission retain the existing language.

WAC 480-120-061 Refusal of service

Line 517 requires companies to “take all actions necessary to obtain rights-of-way, easements, and permits.” The existing rule says a telecommunication company “shall not be required to connect with or render service to an applicant unless and until it can secure all necessary rights of way, easements, and permits.” The Commission should retain the existing language. “Take all actions necessary” is too broad, and too vague. Telecommunications providers should not become captive to private landowners who could use the rule to extort exorbitant prices for easements, nor should companies be forced to continually exercise their rights of eminent domain, since such proceedings are expensive. Both results would ultimately increase the costs that companies must pass on to Washington ratepayers.

WAC 480-120-081 Discontinuance of service – company initiated

Line 615 requires the company to continue to provide 911 access, even on a total disconnect. The idea that a service must still be provided after it is “discontinued” does not make sense. Additionally, this requirement seems to conflict with line 607, which states that a company may disconnect basic local service, including 911 access, for nonpayment of basic local service charges. It also seems at odds with WAC 480-120-061, which permits a company to deny continued service in certain circumstances. Sprint, therefore, recommends that the phrase “but continues to allow 911 access” be stricken from line 615.

Sprint is confused about the requirement beginning on line 677 concerning notification when a customer is moved off a calling plan and must use casual dialing. It is unclear whether this rule is intended for the customer's long distance provider, or LEC. In many instances, the LEC does not bill on behalf of the long distance provider and would have no information regarding transactions between the customer and the long distance provider. Likewise, neither the long distance nor local provider would have any idea what rates the customer may be paying using casual dialing (e.g., 10-10-XXX). Further, it cannot be assumed that another's provider's casual rates will necessarily be higher than what the customer was paying under the calling plan. Sprint recommends that the wording be changed to read:

> If the company disconnection procedure does not result in actual restriction of its service but rather removal from a calling plan to the provider's standard rates, the company must notify the customer that there will not be a noticeable physical interruption of service but that rates may change and specify the rate at which the customer will be billed under the suspension of the calling plan. If the company places a customer on toll-restriction, it must advise the customer that if or when the toll-restriction is lifted, the customer may need to contact his/her toll provider to either continue or restore subscription to the customer's chosen calling plan.

Sprint also recommends that the verbiage concerning the customer's right to select another long distance company be eliminated. Consumers understand that they may switch providers at any time. Sprint would prefer to retain a positive relationship with its customers and does not want its customers to perceive that the company is suggesting they find another provider.

Although Sprint generally disconnects customers within ten business days of notice, Sprint asks that the "ten business day" language on line 692 be changed to allow one calendar month. Sprint notes that it is generally a benefit to the customer to remain connected and the proposed rule language would actually encourage a quick disconnect. Alternatively, we request that the existing language regarding other

arrangements be retained, and not limited to payment arrangements. The new rule would read:

> If the company has not disconnected service within ten business days of the disconnection date stated in the notice, the disconnection notice is void unless the customer and company have agreed upon other arrangements.

With this language in place, the company would have the flexibility to manage its workload, and would have the latitude to grant additional time to the customer without being required to issue another notice.

Sprint is concerned with the requirement regarding disconnection of resellers beginning on line 712. While we can appreciate the Commission's apprehension that the customers of a reseller should not be disconnected without notice, it should not be the competitor's (i.e., the LEC's) responsibility to notify the reseller's customers. The reseller may construe such action as defamation or anti-competitive behavior and take legal action against the LEC, particularly if the reseller has made other arrangements to provide continuous service to its customers. If the reseller has failed to meet its financial obligations and has been notified of impending disconnection, it should be required to notify its customers under the new WAC 480-120-083, "Notice of Cessation of Certain Telecommunications Customers." Finally, it is unclear what is meant by "major newspaper with distribution coverage in each exchange area." If the Commission decides to proceed with the proposal (though Sprint urges they do not), then "major" should be replaced with "local" to ensure the message reaches the target audience.

WAC 480-120-X33 Customer complaints – responding to commission

Section 2(b) requires the Company to ask Commission staff for permission prior to contacting a Sprint customer who has lodged a complaint with the commission. Sprint can see the value in talking to the staff person handling the complaint prior to contacting the customer directly and would be happy to continue this practice as a professional courtesy. However, Sprint respectfully suggests that it should not be

required to seek permission to speak to its customers. There may be instances in which gaining permission may delay action that would resolve the complaint. For instance, the Company may be unable to reach the commission staff person handling the complaint, such as when the Commission has a state holiday off, and company personnel are working. If the commission adopts this new requirement, then Sprint hopes staff will continue to encourage the company to interact with its customers directly, after the initial contact with Staff, so that the company may develop and restore good relations with its customers.

Sprint notes that section (8) seems out of place in WAC 480-120-X33 and is addressed in WAC 480-120-X34.

WAC 480-120-106 Form of bills.

Lines 1050 through 1054 regarding the customer's obligation to make timely payment when the provider is late with billing should be rewritten to improve clarity, and perhaps the meaning. It is unclear what the phrase "when requested by the customer" modifies. Certainly customers should not incur late charges that accrue before the customer receives a bill, but once the bill has been sent, the customer should make timely payment. Otherwise, the rule would be unnecessarily punitive to companies while encouraging potentially irresponsible customer behavior. A Company's working capital is adversely affected when billing is delayed. It should need no further inducement to improve billing timeliness. Moreover, granting customers additional time to make payments while charges continue to accrue increases the risk that customers will be unable to pay their bill(s). Sprint recommends the following language be substituted:

> Companies may not impose late charges until after the customer has received billing and has missed the subsequent payment due date. If the company issues delayed billing, it must allow the minimum time payment after the bill's mailing date pursuant to (2).

Since the Commission is permitting customers the option to use electronic communication when they so desire, line 1057 should be modified to allow electronic customer consent in addition to written customer consent.

Section 11 addresses bill block. Sprint recommends that this section be stricken since Information Delivery Service blocking is already addressed in WAC 480-120-089(2)-(3). The two rules are inconsistent in that the latter rule states that blocking is placed on the customer's bill at no charge whereas the former rule states that blocking of information delivery service is available at no charge the first time. Also, the first rule better explains what bill block encompasses in contrast to the latter rule, which seems to define the service by what it isn't. If the Commission intends for bill block to encompass other services beyond those addressed in WAC 480-120-089, then the new Section 11 in WAC 480-120-106 should explain the difference between the two bill block services and provide some examples. The Commission should also reconcile the blocking of 900 calls that a customer may order under the former rule, with the wording in the latter rule that states a customer or company may not restrict customer-dialed calls and calls using a 10-10-xxx calling pattern. If blocking in the two rules refers to the same service, then Section 11 in the latter rule should be stricken or should merely reference WAC 480-120-089.

Several sections of the rule, such as (5)(d), (7), and (12) seem focused on issues that have surfaced as the result of the inherent limitations of legacy billing systems, complicated rate structures, and past misbehavior by some companies. While Sprint respects the Commission's objective of protecting consumer interests by ensuring full disclosure and clear billing statements, Sprint urges the Commission against adopting rules that are so stringent that they preclude companies from offering innovative new, optional offerings. Such offerings might include options like simplified plans that offer a bundle of services for one single rate without the need for itemized billing (much like

EAS), or discounted rates for customers who are willing to accept summary billing or electronic billing without a paper copy. Certainly optional offerings can be crafted to provide customer and societal benefits (e.g., reduced consumption of paper) without sacrificing the customer's need for clear and accurate billing. One way to ensure that creative options are not precluded would be to add the following language to (13) beginning on line 1161:

> Other services may be exempt from sections (5)(d), (7) and (12) at the Commission's discretion when the company can demonstrate that the service offered is optional and is in adherence with the remaining sections of this rule.

WAC 480-120-130 Changes in local exchange and intrastate toll services

The new exceptions that are being proposed in Section (7)(b), beginning at 1440, should be clarified to indicate that customers will not be obligated to pay PIC change charges associated with a transfer of customer base due to a company merger/ acquisition. As written, the proposed rule infers that a PIC change charge will be assessed, and then should be credited. If no PIC change charge is assessed, then there is no need for a credit. The free PIC change should be limited to the initial PIC change upon transfer, plus an additional PIC change should the customer decide to switch to another provider within six months of the transfer. This practice would be consistent with the way in which the conversion to IntraLATA presubsription was handled.

While Sprint does not have any objection to the commitment to maintain current rates, services, terms and conditions for a period of ninety days from the initial date of transfer when it can be done, there may be instances in which it is impractical, impossible or illegal to do so. One example might be a company that acquires a bankrupt company's customer base without acquiring the requisite billing systems or billing services designed to handle highly unique or specialized services or complex pricing structures. A second example might be a company that acquires a customer

base from a company that was either providing services illegally, or under prices, terms, or conditions that were unlawful. A third example is a company that is fully regulated acquires a customer base from a company that was not subject to certain rules applicable to services, prices, terms, or conditions. The Commission could avoid waiver requests by providing more flexibility in the rule.

The revisions Sprint proposes would read as follows:

> The company must also provide notice to the affected customers thirty days before the date of transfer advising that customers will continue to receive their current rates, services, terms, and conditions for a period of ninety days from the initial date of transfer. If the acquiring company is unable to match the exact prices, services, terms and conditions, then it shall provide comparable prices, services, terms and conditions as long as it fully discloses the differences to customers; and subject to all laws, rules, and regulations that apply to the acquiring company. The company will waive the PIC change charge associated with the initial transfer, or provide a credit equal to any PIC change charge assessed when the transfer occurs. Additionally, the company will waive or provide a credit equal to any PIC change charge assessed if the customer chooses another provider within sixty days following the initial date of transfer.

Conclusion

Again, Sprint appreciates the work that staff undertook to simplify the existing rules. In some instances, however, the proposed rules would: 1) limit the Companies' flexibility to resolve customer issues when special circumstances arrive; 2) create delays in companies' ability to resolve customer issues quickly; and 3) impose additional costs on companies without regard to the long-term impact on end-users. Sprint thanks the Commission for its consideration of Sprint's recommendations to amend the proposed rules to avoid such results.

Respectfully submitted this 22nd day of May, 2001 by

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