

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<b>In re: Telecommunications Operations</b>	)	
	)	
<b>Consumer Rules</b>	)	
	)	<b>Docket No. UT 990146</b>
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**COMMENTS OF WORLDCOM, INC.**

**I. INTRODUCTION**

On May 2, 2001 the Utilities and Transportation Commission (UTC) issued a Notice of Opportunity to file Written Comments and Notice of Workshop, in which the UTC proposed to establish additional standards on its “Consumer Rules” and solicited comments on the proposed rules from interested parties. WorldCom, Inc. (“WorldCom”) welcomes the opportunity to provide written comments on the UTCs proposed rules. The following comments are submitted for consideration and discussion at the June 5, 6 & 7<sup>th</sup> workshops.

**II. COMMENTS**

**WAC 480-120-041 - Availability of Information**

The applicability of this rule to competitive IXC’s is unclear. For example, (3)(c) requires that “welcome packages” must include the name, address, and toll-free telephone numbers of the customer’s presubscribed interLATA and intraLATA carriers. This is

information unavailable to an interexchange carrier (IXC), unless that carrier is the presubscribed carrier for that service. If the IXC is the presubscribed carrier for that service, the information requested in (3)(a) is essentially duplicative. Further, (3)(d) refers to inclusion of information about the consumer information guide that local exchange carriers (LECs) must publish. Subparagraphs (5), (6) and (7) specifically apply to LECs. WorldCom would request clarification of the scope of this proposed rule. If the aspects of this proposed rule which on their face do not apply solely to non-competitive LECs are to apply to all telephone companies, WorldCom would request some small changes.

First, WorldCom believes that the time limit set in (3) for sending out information or “welcome packages” to customers after signing up for service should be 10 days instead of one week. WorldCom suggests a more reasonable amount of time for the information to be received is 10 days for local carriers as well as IXC’s. In addition, for interexchange services, the customer would almost always be installed or activated prior to the welcome package being received and therefore the install date in the welcome letter is not necessary. It is not feasible for the IXC to include the install date in the welcome package because this could delay the mailing of the welcome package beyond 10 days. An interexchange account is not “activated” until the local exchange carrier PICs the telephone number to the IXC at the LEC’s switch. That information is then transmitted to the IXC’s order entry group, hopefully by automatic CARE (Customer Account Record Exchange), but sometimes manually by telephone or facsimile. To then include that date in the welcome packet would require an IXC’s order entry group to

transmit that CARE record or other record to the IXC's Sales or Fulfillment Department and then personalize the fulfillment by the activation date, which would simply be impossible. WorldCom does not have the systems capability to make such transmissions of information, and knows of no IXC that could do so.

WorldCom strongly objects to subparagraph (4) in that a customer initiated plan change can be confirmed by a call to the toll-free customer service number. Customers are presumed to know what changes have been made to their accounts. With regard to company-initiated changes in service, there is already a notification requirement for rate changes in the tariff and price list rules. The toll-free number for customer service is on every invoice. Furthermore, for competitive service, it is unnecessary to provide a 21-day dispute period when a customer can cancel at any time. WorldCom suggests this requirement be made for non-competitive services only and/or deleting the words "of receiving a customer request for" or subparagraph (4) should be deleted in its entirety.

**WAC 480-120-056 - Establishment of credit - Residential**

This rule appears to contemplate the establishment of credit at the LEC, including protections for a LEC billing for an IXC. WorldCom therefore requests clarification of the scope of this proposed rule. If, however, portions of this proposed rule are intended to apply to IXCs, WorldCom would request that the Commission consider an exception for a remedy limited to deposit requests for high toll where service usage charges exceed established parameters based on the customer's history of usage, which may indicate an unlikelihood of payment or possible fraud. In such instances, greater and faster protection to the consumer and to the carrier are needed beyond the request for a deposit.

WorldCom objects to subparagraph (9) if the intent of the language is that IXCs cannot toll restrict or require pre-invoice payment for charges incurred if fraud is suspected. Most IXCs have developed High Toll and Fraud systems that act to protect both the subscribers and the carriers. Potential fraud is not something that can be measured by unwavering parameters such as usage exceeding customary use over the previous six months by twenty dollars or twenty percent. Imagine the scenario of the residential customer who normally makes no international calls in a month, but High Toll suddenly tracks daily calls to an international destination. IXCs need to be able to act quickly to attempt to verify calling patterns and, if those calling patterns cannot be verified, or payment history cannot be verified, block access to the network until that information is available. Otherwise, both consumers and carriers face fraud loss. WorldCom suggests the following changes to subparagraph (9):

Companies having the authority under their tariff or price list may subsequently require a customer to pay an or additional deposit, may require a customer to make pre-invoice payment based on usage incurred, or may restrict toll access if a customer's toll use exceeds the amount currently held as an interexchange deposit or exceeds established parameters based on the customer's history of usage as determined by the company. Companies must provide notice either verbally or in writing for the requirement of an or additional deposit or a pre-invoice payment based on usage incurred. Interexchange carriers may toll restrict without prior notice, if upon investigation, fraudulent use is suspected. In such instance, written notice by the carrier shall be given within three days of toll restriction. If a notice is mailed, companies may presume receipt on the fourth business day following the date of mailing. Before the close of the next business day following receipt of notice, the customer must be allowed the option to pay either the deposit requested or pre-invoice payment of all charges contained in the notice or all toll charges accrued to the time of payment provided the customer has been notified of liability for toll charges in addition to those charges specified in the notice. If the customer's payment history is not acceptable to the company or unknown or indeterminable to the company, the company can require pre-invoice payments

for usage incurred be made via a valid major credit card from an issuer acceptable to the company. The company must also inform the customer that if the customer is unable to pay either full payment of outstanding toll charges and /or additional deposit or chooses not to pay, service may be toll restricted.

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**WAC 480-120-X21 - Establishment of credit - Business**

WorldCom expresses the same concerns under subparagraph (7) and suggests the same language as in WAC 480-120-056 (9).

**WAC 480-120-081 - Discontinuance of service - Company initiated**

WorldCom believes that the first paragraph of this rule is unclear and should be rewritten as follows:

- (1) A company may discontinue service without notice under the following conditions:
  - i) the customer has tampered with the company's property;
  - ii) the customer has used service through an illegal connection;
  - iii) the customer has vacated the premise without notification to the telecommunications carriers
  - iv) the customer has paid in a means that is dishonored by his financial institution after receiving a delinquency notice; or
  - v) the customer has obtained service by false or deceptive information.

WorldCom strongly objects to this subparagraph (1)(a). Companies should in no way be forced to enter into a relationship with a customer who is a known risk and has obtained service through deceptive means. Restoral should only be required where discontinuance was for non-payment and full payment has been made.

WorldCom also objects to subparagraph (1)(b). A company should be able to disconnect or refuse service on the first finding of service taken through deceptive means. No appeal to the Commission should be allowed, especially in cases of competitive services.

WorldCom believes subparagraph (6) should be re-written to be more clear. Since first class mail is the main and appropriate delivery option, it should be clearly stated first in the rules. A presumption of receipt after four days of mailing first class should also be included in the rule. All other notification options should be listed separately thereafter.

WorldCom believes that the intent of subparagraphs (6) and (7) is to ensure that dial tone is protected as much as possible for consumers. For example, subparagraph (6) discusses additional requirement prior to disconnecting service to facilities with resident patients.

While these types of facilities likely have and would want to continue toll service, there is no need for special treatment of this type of account if toll service is cancelled (i.e., there is no impact to emergency services). WorldCom would therefore request that the scope of application of these subparagraphs be limited to non-competitive LECs, and that disconnection be equated with the loss of dial tone.

That said, WorldCom believes that consumers are entitled to advance notice of cancellation of interexchange services for failure to make prompt payment. WorldCom sends a series of letters prior to canceling the account for non-payment. The customer is given many kinds of opportunities to pay prior to suspension or termination of the account— including the invoice, and a warning letter.

Carriers must be permitted to discontinue service on any day that the carrier has a customer service center available to the customer, regardless of the day of the week after properly notifying the customer under this rule.

**WAC480-120-X22 - Discontinuance of service - customer requested**

WorldCom believes the responsibilities of LECs and IXC need to be clearly delineated in this section. The reality is that the LEC controls the actual date under which service shall be discontinued. For interexchange services, the customer will remain PICed to the IXC until such time as the LEC switches the customer's PIC away from the previous IXC. The industry provides no mechanism by which an IXC may request that the LEC make a PIC change for the customer, nor will LECs accept such a request from an IXC. Should an IXC cancel a customer's account, yet the customer remains PICed to that IXC at the LEC, then the customer will not receive rate plans when using dial 1+. Indeed, WorldCom is prohibited by the FCC from canceling a customer's account until such time as a disconnect request is received from the LEC. WorldCom will cancel a customer's account automatically as of the date of disconnect at the LEC as soon as it receives confirmation that such a disconnect has occurred.

WorldCom disagrees with the wording of this proposed regulation and suggests that it be made clear that subparagraphs (1) through (4) apply only to LECs. As to subparagraph (5), WorldCom suggests the following changes:

**WAC480-120-X22** (5) When a customer directs the local exchange company to discontinue service, the LEC must notify the customer's presubscribed interLATA and intraLATA toll carriers of the discontinuance.

**WAC 480-120- 088 - Automatic dialing-announcing devices**

WorldCom believes that this rule is too restrictive and vague. The rules should be consistent with the Federal Rule governing telephone solicitation, known as the Telephone Consumer Protection Act, or TCPA. WorldCom suggests deleting it in its entirety and replacing with:

**WAC 480-120- 088 - Automatic dialing-announcing devices** "Companies using ADAD's must comply with the Federal TCPA."

If the Commission is not willing to simply require companies doing business in Washington to be bound by the detailed requirements of the TCPA, then WorldCom believes that numerous changes should be made to this proposed rule.

WorldCom believes that subparagraph (3) should be limited only to commercial solicitations. Companies often find it quicker and more consumer friendly to provide information to all of their subscribers concerning matters involving the products and



services already provided to those consumers via an ADAD. In addition, it is often difficult to reach customers in person during permissible calling hours to notify of issues or concerns specific to that customer's account. Using ADADs (which under the TCPA must identify the company calling and provide a toll-free call back number) permits crucial account information or notification to contact the company for crucial account information to be delivered promptly to the consumer.

WorldCom also believes that the requirements of the TCPA as to what must be covered on any prerecorded message is sufficiently detailed to provide protection to consumers, and should be substituted for subparagraph (4). Length of message is simply not a necessary requirement. For example, when WorldCom uses an ADAD to deliver information necessary to a customer, the message is generally measurable in seconds, not in minutes. WorldCom is a national interexchange provider; its ADAD messages are consistent nationwide, and no other state has a requirement that the length of the message be provided. WorldCom recognizes that the Commission may be referring in subparagraph (4) to something other than a customer service type of message. For example, many states exempt nonprofit groups and political groups from TCPA-type requirements. If this is the type of call that subparagraph (4) refers to, "noncommercial solicitation" should be so defined. Exemptions for noncommercial solicitations (defined), noncommercial calls, and calls to customers with whom the company as a prior established business relationship would leave this proposed regulation consistent with the TCPA. The automatic disconnection rule should also be consistent with the TCPA,

which requires disconnection within 5 seconds. Again, this provides consistency in programming the ADADs.

WorldCom again seeks clarification as to the scope of application of subparagraphs (7) - (11). These subparagraphs seem to apply to the situation of a non-telecommunications company seeking to utilize an ADAD on the LEC's network. These subparagraphs should not apply to an IXC utilizing an ADAD to appropriately message its customer base via its own network.

#### **WAC 480-120-101 - Complaints and disputes**

Generally, WorldCom supports this section, with a few minor comments. Regarding subparagraph(1)(e), there is no reason to tell the customer that the decision can be appealed to a supervisor on every call. This should be clarified that this is only when a customer is not satisfied with the handling of the complaint.

#### **WAC 480-120-X33 - Customer complaints - responding to commission**

Generally, WorldCom supports this section.

#### **WAC-120-106 - Form of Bills**

WorldCom objects to subparagraph (3) in practice. Its billing systems are not designed to bill this way (billing cycles are set based on install date) and it would require a complex revamping of the billing system and substantial development. WorldCom has no control

over the billing cycles set by LECs billing our customers for us. WorldCom believes that the intent behind this rule is to ensure that consumers do not lose basic dial tone if the ability to pay bills is premised on work pay cycles. If such is the case, then this rule should be required only on residential local exchange service bills.

Although it appears that most of subparagraph (5)(b) is covered under the Federal Truth in Billing Requirements for Common Carriers (“Federal TIB”), the Commission should consider incorporating the federal rule so that national carriers can apply one standard.

WorldCom strongly objects to subparagraph (5)(e) because it goes beyond the requirements of Federal TIB, which requires bill notification of new service providers only. Further, this requirement would require a tremendous amount of development to provide information to consumers on the bill that is provided via other forums, mainly the customer notification that is required for tariff and price list changes. It is extremely important to balance customer confusion against customer information. A bill should be designed to clearly identify the customer’s service provider, the services that customer used or authorized during that bill period, and the rates charged to the customer during that bill period. These requirements are well articulated in subparagraph (6).

WorldCom believes that it is necessary to permit telephone companies flexibility in providing required bill information to their customers. Billing format is competitive; surveys have shown that customers are aware of how a bill “looks” and make decisions on billing options based on individual preferences. Most of subparagraph (7) seems to

recognize this need for billing flexibility by only making suggestions as to the type of information that should appear on a bill, but not exactly how it must appear. One notable exception, however, is the proposed requirement that a company place on the same line as the corresponding number of minutes of use, a total of direct dial charges and credit card (WorldCom assumes the UTC means calling card) call charges so that the customer can readily calculate the average billed-price per minute is simply not necessary. Price per minute is conveyed to the customer during the sales process and included in the welcome package. On the WorldCom bill, however, this information is easily calculated by totally up total duration for each category of calls and dividing by total cost for those minutes of duration.

Subparagraph (11) appears to be a requirement not intended for IXC's. If this is intended to apply to toll service, WorldCom objects because there are many types of "bill blocks" that an IXC simply cannot provide. One example of this is blocking the billing of 900 service (or, in reality blocking access to it).

**WAC 480-120-X34 - Pro-rata credits**

This rule needs to be clarified. These types of pro-rata credits should only be required when the lack of service is due to a condition within the control of the service provider.

It should be changed to state as follows:

**WAC 480-120-x34 Pro-rata credits.** Every telecommunications company must provide pro-rata credits to customers of a service whenever that service is billed on a monthly basis and is not available for more than 24 consecutive hours due to a condition within the control of the service provider.

**WAC 480-120-139 Changes in local exchange and intrastate toll services.**

WorldCom supports the proposed rule in general, with a few suggestions. Given the passage of the ESIGN act, and given the increased preference of consumers to engage in commerce via the internet, and rules discussing a “writing” should permit for that writing to be handled in accordance with ESIGN. It appears that the Commission recognized that need by permitting a customer’s authorization to submit a PIC change order via a letter of agency to be obtained via either written or electronic means. WorldCom suggests that this concept be taken an additional step to permit a consumer’s request to lift a PIC freeze to be made in any fashion that also meets the requirement of the ESIGN Act. With that in mind, WorldCom suggests that the sentence “Express consent means direct, written or oral direction by the customer.” from the first paragraph of subparagraph (5) and the words “written or” from subparagraph 5(d)(i) be deleted.

As to subparagraph (6), WorldCom notes that Washington has opted in to the Federal Slamming Rules, which provide explicit requirements for consumer remedies for slamming. WorldCom believes that any proposed regulation should be consistent with the rules Washington has already chosen to accept.

WorldCom would suggest that subparagraph (7) be deleted in its entirety as the FCC has just issued its Fourth Report and Order in the Slamming Docket that deals with this procedure. WorldCom would also point out that a carrier acquiring a customer base

would be unable to assure that the customers maintain their previous rates, services, terms and conditions for a period of ninety days from the initial date of transfer. An acquiring company can only offer the most similar rates, services, terms and conditions under its own product offerings.

**WAC 480-120-144 - Use of privacy listings**

These rules are unnecessary and should be deleted. The current federal rules provide sufficient protection for Washington customers with either non-published or published listings.

Submitted this 24th day of May, 2001.

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