

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

NOV 18 2005

Before Commissioners: Brian Moline, Chair
Robert E. Krehbiel, Commissioner
Michael C. Moffet, Commissioner

 Docket Room

In the Matter of a General Investigation into)
The Commission's Telephone Billing) Docket No. 06-GIMT-187-GIT
Practices Standards)

**REPLY COMMENTS OF THE
CITIZENS' UTILITY RATEPAYER BOARD**

COMES NOW the Citizens' Utility Ratepayer Board (CURB) and files the following reply comments in this docket related to the Kansas Corporation Commission's (KCC or Commission) August 31, 2005, Order soliciting comments and reply comments regarding the Commission's telephone billing practices standards (standards).

I. INTRODUCTION

1. In CURB's initial comments three specific proposals were presented. First, CURB recommended the Commission require a section on consumer bills labeled, "Government mandated charges," and that government mandated charges be defined as "charges that a carrier is *required* to collect directly from customers, and remit to federal, state or local governments." Second, CURB recommended that any other line items be placed in a separate section of the bill labeled "Carrier Imposed Charges." Third, CURB further recommended that in both sections of the bill, line items be clearly defined and bundling of charges not be allowed. After review of

the comments filed by other parties in this docket, CURB still recommends the Commission adopt these standards in this docket.

II. THRESHOLD ISSUES

2. There are two threshold issues other parties have asked the Commission to rule on. The first is whether any changes to the existing billing standards practices are needed. The second is whether the proposed billing standards will or should apply to wireless carriers.

3. Regarding the issue of a need for new standards, Southwestern Bell Telephone, L.P. and SBC Long Distance (SBC), jointly state, “Unfortunately, the rules contemplated by this docket would not even apply to the majority of bills rendered to Kansas customers today. *Nor should such rules apply, given the fully competitive market in the state.*”¹ SBC further states, “To date, SWBT has not reviewed any such information that would in any way support rules of the size and scope suggested. Instead, SWBT believes its customers are generally satisfied with their bills, and that the level of information contained in the bills is more than adequate.”² AT&T Communications of the Southwest, Inc., (AT&T) states, “Adopting more regulations is not the answer in a competitive market – it will only serve to hinder competition.”³ Alltel Kansas Limited Partnership (Alltel) opines, “A competitive marketplace renders billing standards unnecessary for all service providers, regardless of whether the service is provisioned by a wireline or wireless provider.”⁴

¹ Initial Joint Comments of Southwestern Bell Telephone, L.P. and SBC Long Distance, LLC, p. 2, ¶ 2 (emphasis added).

² *Id.*, p. 3, ¶ 4.

³ Comments of AT&T Communications of the Southwest, Inc., p. 2 (paragraph numbers were not provided by AT&T as required by K.A.R. 82-1-219).

⁴ Comments of Alltel Kansas Limited Partnership, p. 2, ¶ 4.

4. These issues and questions have already been addressed by the Federal Communications Commission (FCC). Regarding whether competition alone is enough to forestall the need for billing standards the FCC stated:

We disagree with those commenters that argue that CMRS providers should be exempted from this requirement because they operate in a competitive marketplace. The Commission specifically rejected this argument in the *Truth-in-Billing Order* noting that, as competition evolves, the provision of clear and truthful bills is paramount to efficient operation of the marketplace. Although we agree that a robustly competitive marketplace provides the best incentive for carriers to meet the needs of their customers and affords dissatisfied customers with an opportunity to change carriers, we also recognize that some providers in a competitive market may engage in misconduct in ways that are not easily rectified through voluntary actions by the industry. As the Commission emphasized in the *Truth-in-Billing Order*, one of the fundamental goals of the truth in billing principles is to provide consumers with clear, well-organized, and non-misleading information so that they will be able to reap the advantages of competitive markets.⁵

5. Although the FCC's Order was addressing CMRS providers, the discussion of competitive markets is equally applicable to all providers in this docket. The conclusion is clear; the presence of competition should not foreclose the Commission from examining and implementing new billing standards.

6. On or about June 24, 2005, NASUCA⁶ filed initial comments regarding the FCC's Truth-in-Billing Rules with the FCC in CC Docket No. 98-170 and CG Docket No. 04-208. In those comments NASUCA states:

The Commission is well aware that many consumers are confused by the manner in which carriers currently denominate their monthly end-user charges and the

⁵ Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking (Truth-In-Billing Order), *In the Matter of Truth-In-Billing and Billing Format*, 20 F.C.C.R. 6448, 6456-57, 20 FCC Rcd. 6448, 35 Communications Reg. (P&F) 1008 (March 18, 2005).

⁶ NASUCA is a voluntary, national association of 44 consumer advocates in 42 states and the District of Columbia, organized in 1979. CURB is a member of NASUCA. NASUCA's members are designated by the laws of their respective states to represent the interests of utility consumers before state and/or federal regulators and in the courts. Members operate independently from state utility commissions, as advocates primarily for residential ratepayers. Some NASUCA member offices are separately established advocate organizations while others are divisions of larger state agencies (e.g., the state Attorney General's office). Associate and affiliate NASUCA members also serve utility consumers, but have not been created by state law or do not have statewide authority.

manner in which carriers place those charges on the customers' bill. The Commission received over 19,000 comments from individual consumers in response to NASUCA's petition for a declaratory ruling in CG Docket NO. 04-208. To NASUCA's knowledge, not one of those 19,000 commenters suggested that consumers were clearly informed as to the origin or basis of the charges appearing on their monthly telephone bills. Similarly, as the Commission noted in its March 18, 2005 order, the bulk of telecommunications consumer complaints received by the Commission involve carrier's bills and charges.⁷

7. While to CURB's knowledge, such an in-depth review of consumer complaints regarding billing issues has not been done in Kansas, the national experience of increased billing concerns warrants their examination in Kansas. Too often we have seen competitive industries, such as airlines and credit card companies, reduce their attention to customer services. While competition generally does result in some benefits to consumers, using competition as a reason to forego implementing improved billing standards is not justified.

8. Regarding the threshold issue of whether billing standards apply to wireless carriers, the FCC states:

We conclude that CMRS carriers should no longer be exempt from 47 C.F.R. § 64.2401(b)'s requirement that billing descriptions be brief, clear, non-misleading and in plain language. In creating this exemption in 1999, the Commission relied upon the fact that the record did not indicate a high volume of complaints in the CMRS content. The Commission's more recent data indicates that complaints regarding wireless "billing & rates" and "marketing and advertising" have increased significantly since that time. For example, in 1999, the Commission received only a few dozen complaints regarding wireless billing. In 2004, the Commission received approximately 18,000 complaints about wireless carrier practices in these categories. This trend is supported by the recent comments of a number of states and consumers in this proceeding. Although we acknowledge that this increase may be due in part to the significant increase in wireless subscribers since 1999, we also believe it is demonstrative of consumer confusion and dissatisfaction with current billing practices.

Though we remove the exemption from 47 C.F.R. § 64.2401(b) for CMRS providers, and thereby erase any ambiguity regarding the necessity of CMRS

⁷ Initial Comments Of The National Association Of State Utility Consumer Advocates, *In the Matter of Truth-In-Billing and Billing Format*, CC Docket No. 98-170, CG Docket No. 04-208. See, http://gullfoss2.fcc.gov/prod/ecfs/retrieve.cgi?native_or_pdf=pdf&id_document=6517990120, pp. 4-5.

carriers to provide clear and non-misleading billing information to their customers under our rules, we recognize that states may wish to play a role in enforcing rules against CMRS and other interstate carriers providing misleading billing information. At a minimum, we emphasize that no action that we take in this Second Report and Order and Declaratory Ruling below limits states' authority to enforce their own generally applicable consumer protection laws, to the extent such laws do not require or prohibit use of line items, nor limits a state's ability to assess taxes or create, for example, a state-specific universal service fund to which carriers must contribute. In the Second Further Notice below, we seek comment on specifically where to draw the line between the Commission's jurisdiction and states' jurisdiction over the billing practices of CMRS and other interstate carriers.⁸

9. Clearly the FCC, and a number of states and consumers have seen and reported an increase in billing complaints regarding wireless carriers. It is also clear that the FCC has not exempted, and in fact in some cases has re-imposed, billing standards for wireless carriers. It is also clear that the FCC has not exempted states from imposing billing standards on wireless carriers.

10. In addition, those wireless carriers that have chosen to be designated as ETCs have the added responsibilities and regulation imposed as universal service providers. Therefore there can be no argument that they are subject to state regulation and billing standards.

III. SPECIFIC RESPONSES TO OTHER PARTIES' COMMENTS

11. In this section CURB will respond to specific comments by other parties in this docket. In the event that an industry workshop is called to discuss these issues, CURB reserves the right to modify its position and to comment on issues not directly addressed in these comments.

⁸Second Report and Order, Declaratory Ruling, and Second Further Notice of Proposed Rulemaking (Truth-In-Billing Order), *In the Matter of Truth-In-Billing and Billing Format*, 20 F.C.C.R. 6448, 6456, 6458, 20 FCC Rcd. 6448, 35 Communications Reg. (P&F) 1008 (March 18, 2005).

A. Section I.A.(1) – Billing Frequency

Telecommunications public utilities must issue monthly bills, except for debit or credit card services, and bills in an amount less than \$5.00, excluding bills where payment has been deferred as stated in Section II B of these standards.

12. CURB agrees with AT&T's position that billing frequency may be less often than monthly, at the customer's option. However, monthly billing should be the standard and no additional charges should be imposed on customers that choose monthly billing.

B. Section I.A.(3)(a) - Billing Period, Mailing Date and Due Date

The period of time or specific from and to dates the new monthly billed service is provided ("billing period"), the approximate date of mailing ("mailing date"), and the final date by which a payment must be received by the company or the company's agent; after which a bill is deemed delinquent.

13. AT&T, Sprint⁹ and WorldNet L.L.C. (WorldNet) assert that the printing of a mailing date provides no useful information to consumers and/or is difficult to ascertain. CURB's concern is when the due date is not separated long enough from the mailing date. Obviously bills take time to get through the mail and take time to be paid and returned. If a provider were claiming a bill is overdue it would be helpful to consumers to know when the bill was actually mailed to them. A possible alternative to printing the mailing date on the bill would be to establish a mailing date requirement of at least 10 days prior to the due date. This is an issue that might be resolved in a workshop discussion. Until and unless CURB's concern is addressed, the requirement for an approximate mailing date should be kept.

⁹ United Telephone Company of Kansas d/b/a Sprint, United Telephone Company of Eastern Kansas d/b/a Sprint, United Telephone Company of Southcentral Kansas d/b/a Sprint and Sprint Missouri, Inc. d/b/a United Telephone Company of Southeastern Kansas, Sprint Communications Company L.P. d/b/a Sprint, and Sprint Spectrum L.P. d/b/a Sprint (Sprint).

C. **Section I.A.(3)(b) - Clear, Itemized Service Charges**

Each recurring and non-recurring service charge to which the customer subscribes shall be itemized and accompanied by a brief, clear, plain language definition. Packaged or bundled service shall be listed on the bill by package or bundle name with each service provided in the package or bundle itemized. Each toll call shall be itemized and include the date, billing start time, length in minutes or seconds, rate code at which billed, place called and telephone number called. Additionally, if the call is a collect, credit card or third number call, the originating telephone number and city shall be shown. An explanation of the rate codes shall be included on the bill. Excluded from this requirement are bills for a block of time purchased by the customer for long distance calls. These packages do not require itemized call detail on the bill; however, this information must be provided to the customer upon request at no charge.

14. AT&T expresses concern over the requirement to itemize charges and the contents of packaged or bundled services. AT&T states that this is a, “good example of why the rules should be limited in application to residential customers.”¹⁰ CURB does not agree that the billing standards should only apply to residential customers. Many small businesses require the same level of detail billing that residential customers receive. However, CURB is willing to discuss an alternative that would address the concern over bills for very large business customers.

15. AT&T also opposes the requirement to provide call detail on block of time long distance plans upon customer request and at no charge. This is another area where CURB is willing to discuss alternatives. While a monthly request for call detail would seem burdensome, an occasional request, perhaps once or twice a year, does not seem overly burdensome. Without a compromise of some sort, the proposed standard should stay. Without the ability to access call detail, consumers have no means to ascertain and verify whether they have used the entire block of time and are therefore liable for additional charges for calls in excess of the applicable block

¹⁰ Comments of AT&T Communications of the Southwest, Inc., p. 4.

of time. In any case, CURB would oppose charges for call detail provided in cases of billing disputes.

16. WorldNet asserts that customers know what is in a bundle when they purchase the bundle or they can look on their website for details. COX Kansas Telecom L.L.C. (Cox) recommends an itemized list of items in a bundle only be shown on the first bill and on the provider's website. SBC states, "the types of charges proposed by this section are absolutely unnecessary and have already been addressed by the marketplace."¹¹ CURB does not agree. It is precisely because of increased customer dissatisfaction with end user bills that this docket is so important. Itemizing and explaining charges is the first step toward billing clarity and increased customer satisfaction. Bundling charges and not providing brief, clear definitions of charges must be eliminated or reduced to the greatest extent possible.

17. SBC argues that itemizing all charges would be particularly burdensome for large business customers. CURB would note that SBC can file a Waiver of Requirements per Section VI of the proposed standards. If SBC can demonstrate that such a waiver is in the public interest, a waiver may be granted. However, CURB opposes the blanket waiver that is the ultimate result of SBC's current proposal.

18. Sprint is concerned about situations where call detail is not available. They recommend adding language stating, "to the extent such information is technically feasible and available to the billing carrier."¹² CURB does not oppose this recommended additional language.

¹¹ Initial Joint Comments of Southwestern Bell Telephone, L.P. and SBC Long Distance, LLC, p. 7, ¶ 15.

¹² Initial Comments of Sprint, Attachment A, p. 2.

D. Section I.A.(3)(c) - Taxes and Fees

All applicable taxes and fees (excise, sales, 911, KUSF, franchise, etc.) shall be itemized. Monthly surcharges or other fees shall only be itemized on the bill if such charges have been expressly mandated by a regulatory agency. Line-item charges associated with federal regulatory action should be identified through standard and uniform labels as defined in the Federal Communications Commission's Truth In Billing docket.

19. Sprint recommends deleting the entire second sentence of the proposed standard and SBC states they are unclear as to the intent of this provision. It is precisely this section that CURB supported in our Initial Comments and that CURB reiterates support for in these Reply Comments. (See CURB's comments in the Introduction to these Comments and see generally CURB's Initial Comments in this docket). SBC further suggests that since the FCC is studying billing requirements, the KCC should wait for the FCC's final decision. Unfortunately, when that decision would be rendered is unknown and CURB recommends against the Commission delaying this docket for an unspecified period of time.

E. Section I.A.(3)(i) - Notice of Late Payment Charge

If a company assesses late payment charges, each bill must inform the subscriber about the late payment charge or percentage which will be assessed after the delinquency date. (See Section II.F. for late payment charge rules.)

20. AT&T opposes this requirement and recommends it be up to the provider's discretion as to how they wish to disclose late payment terms and conditions. CURB strongly opposes AT&T's recommendation. In order to assist and encourage consumers to make appropriate decisions, adequate information must be provided. If a late payment charge is going to be imposed, the provider must inform the consumer in advance of the percentage or amount of the late payment charge to be imposed.

F. Section 1.A(3)(k) - Non-Deniable Charges

The telecommunications public utility may include charges on the bill for special services that are not specifically regulated by the Commission, such as the sale of merchandise, inside wire maintenance plans or directory advertising. Charges for special services shall be designated clearly and separately from charges for telephone services, and must be designated as non-deniable charges, in that non-payment of these charges will not result in the termination or suspension of the customer's local service.

21. Cox asserts that there, “should be a limit on the amount of ‘other’ billing that can be left unpaid before jeopardizing telephone service.”¹³ CURB disagrees. To allow telephone disconnection for “other” charges gives telephone providers an unfair advantage over other businesses. For instance, if you don’t pay your department store bills on time the department store cannot have your phone disconnected. Even other utilities such as gas and electric cannot disconnect your phone because you don’t pay your gas or electric bill. Telephone companies providing non-regulated services should not be provided special authority to disconnect consumers who have failed to pay for non-regulated services, yet have kept current on their telephone services portion of the bill. Consumers should not be placed at risk of losing vital telephone service simply because their provider also happens to provide non-regulated products and services not considered an essential part of basic telephone service.

22. WorldNet raises the issue of a bundle having deniable and non-deniable charges within a bundle. While CURB agrees this presents an administrative problem for WorldNet, nonetheless basic local telephone service should not be disconnected for non-payment of services not connected with basic local service.

23. SBC objects to this section in part because of possible customer confusion over the phrase “non-deniable.” CURB supports the requirements of this section but does agree that the phrasing could be misunderstood. Placing such charges in a clearly marked separate part of

¹³ Comments of Cox Kansas Telecom L.L.C. d/b/a Cox Communications, p. 1, ¶2.

the bill, and clearly indicating the total charges that must be paid to avoid service disconnection should provide consumers the information they need.

G. Section I.B - Alternative Billing Format

If approved by the subscriber, a telecommunications public utility may provide a subscriber's bill through an alternative means (e.g., electronic billing). A telecommunications public utility may provide discounts to those subscribers who will accept an alternative means of billing; however, it may not charge a subscriber for a one-time paper copy of the subscriber's bill, which is requested on an intermittent basis.

24. AT&T and SBC seek clarification of the exact meaning of this section. SBC opposes providing any free paper copies to consumers that have agreed to alternative billing. Sprint supports modifying the standard to apply only to reasonable requests by residential customers. CURB supports this section and believes consumers should never be charged for paper copies in the event of billing disputes.

H. Section I.E - Refunds for Interruptions

The telecommunications public utility shall make an adjustment or refund if a subscriber's service remains interrupted more than 24 hours after reported by the subscriber other than by negligence or willful act of the subscriber. The adjustment or refund shall be a pro rata part of the jurisdictional monthly service charge for the period of time during which service is interrupted; except an adjustment or refund is not required for the time when the company stands ready to repair or restore service and the subscriber does not provide access necessary for the repair or restoration. The adjustment or refund shall be accomplished by a credit on the subsequent bill for telecommunications service.

25. Everest Midwest Licensee, L.L.C. (Everest) states that they do not oppose refunds but that they prefer a case-by-case approach and a longer time to credit the refund. Pager, in several sections, recites why their business model does not fit the normal telephone provider model. CURB maintains that consumers are entitled to prompt credit for interruptions in service.

However, CURB is willing to discuss at a workshop whether providing such a credit on the “subsequent bill” is reasonable and feasible.

26. SBC describes their current process but does not state what explicitly is wrong with the proposed language. As stated in CURB’s Initial Comments, CURB supports this section but recommends that the definition of an interruption include other recurring problems such as unacceptable noise levels, slow dial tone and dropped or disconnected calls.

27. WorldNet states, “this seems patently unfair to the company when the service interruption is due to forces beyond the company’s control...”¹⁴ Clearly these same interruptions are beyond the customers’ control as well. It is also patently unfair to charge customers for service they don’t have, and WorldNet fails to justify why customers rather than the company should bear the responsibility for losses beyond the company’s control. CURB supports the standard as written with the above-noted recommended change.

I. **Section 4F - Notification of Service Changes**

If a subscriber's service of record is changed pursuant to a subscriber request (such as a request to discontinue toll blocking) or at the initiative of the company (such as a rate change), the subscriber must be notified of the change in writing, separate from the normal bill. This notification must be sent out no later than two (2) business days after the request or company initiated change. This communication cannot be used as a marketing tool for the telecommunications public utility.

28. AT&T opposes a requirement to notify customers of rate reductions and opposes the requirement to send out a notice of change within two business days. CURB agrees that notice should not be required for rate reductions. While it is generally in the provider’s interest to provide such a notice, a requirement to provide notice may add costs that do not directly benefit consumers. CURB is also willing to discuss the two-day notice requirement. COX

¹⁴Comments of WorldNet, L.L.C., p. 3, ¶ 6.

recommends no set time but states they usually send a notice within seven days. SBC suggests a five-business day notice requirement. With on-line ordering and dispersed order-taking locations, CURB believes providing notice of change within five business days would be reasonable.

29. The State Independent Alliance (SIA) and the Independent Telecommunications Group, Columbus et al. (Columbus) oppose, among other things, the requirement to notify customers on service changes, stating such notice does not afford the customer any additional benefit or protection. WorldNet voices a similar opinion. CURB disagrees. The ordering of telephone services can be confusing to many consumers and a reaffirmation of what was ordered can be useful information. CURB supports the notice requirement for service changes.

J. Section I.I(1)(a) - Subscriber Rate Information

Subscribers must receive rate notice on or before the date on which an increased rate goes into effect. Only affected subscribers, of which the company is aware, need to be notified (an operator services provider generally will not need to give notice because it will not know its customers in advance).

30. SBC opposes the language and describes their perceived problems meeting the standard. CURB does not feel that SBC has given any justifiable reason for not giving customers advance notice of rate increases. The timing problems they describe are within SBC's control and can be simply addressed by starting notice sooner. Customers need timely, accurate data to make wise purchasing decisions. Receiving notice of a rate change on the day the bill is delivered does not provide consumers adequate time to price compare with other providers. CURB supports the proposed standard as written.

K. Section I.I.(1)(b) - Subscriber Notice

Subscriber notice must be provided through direct mail, bill notice or bill insert. Electronic notice is permitted if approved by the subscriber as in B.

31. AT&T complains that the proposed rule eliminates the currently allowed practice of placing rate change notices in newspapers. Although CURB maintains that direct customer notice is the best method of notifying customers, newspaper notices have been used in the past. Therefore, CURB does not oppose the inclusion of an option for newspaper rate change notices with the current requirements for size and coverage.

L. Section II.A - Due Date/Delinquency Date

A bill shall be deemed delinquent if payment is not received by the telecommunications public utility or its authorized agent on or before the due date stated on the bill. This date shall be no earlier than the next regular billing date.

32. CURB notes that most of the parties disagree with the proposed language. CURB recommends further discussion on this item at a subsequent workshop, as it appears the disagreement is technical rather than substantive in nature.

M. Section II.F - Late Payment Charge

When a bill becomes delinquent, a late payment fee no greater than three percent (3%) of the past due charges owed that have not previously been assessed a late fee may be added to the subscriber's bill, and any collection efforts by the company may be initiated. No charge, in addition to the late payment fee, may be assessed for a collection notice. Notice of the possibility of a late payment fee shall permanently appear on all subscriber bills. If the company charges a disconnect notice fee in lieu of a late payment fee, that notice fee must be based upon the cost to provide such notice. A late payment fee does not apply to installment payments that are made on time by a subscriber that has entered into a payment agreement with the telecommunications public utility for recurring or non-recurring charges.

33. AT&T refers to their earlier comments in Section IA3.i. CURB reiterates our strong support of a requirement to place a notice on every bill if there is a possibility of a late payment charge. See CURB's earlier comments as well.

34. Everest requests the ability to charge past due charges on previous past due charges. CURB opposes this suggestion. Imposing past due charges in this manner can quickly raise the effective interest rate to unreasonable levels.

35. SIA and Columbus recommend that late payment fees *and* disconnect notice fees be allowed concurrently. While different types of costs may be incurred, it appears they can be combined and CURB does not see the need for two separate charges. CURB supports the language as proposed.

36. Sprint opposes the proposed limit of 3% of the past due charges and recommends no ceiling on the late payment charge percentage. CURB opposes Sprint's open-ended recommendation and supports the recommended 3% maximum.

N. Section II.G - Billing During Suspension of Service

When the telecommunications public utility suspends service to the subscriber, the telecommunications public utility shall also cease charging the subscriber for services and equipment as of the date of suspension or shall make an appropriate pro rata adjustment or refund for the period of suspension to the amount owed upon restoration or reconnection of service.

37. AT&T and Sprint oppose the cessation of billing during a suspension of service. Both cite continuing carrier costs during the suspension. CURB notes that the second part of the proposed standard gives a provider the option to, "make an appropriate adjustment or refund for the period of suspension to the amount owed upon restoration or reconnection of service." This appears to allow for some recovery of costs by the provider. CURB would oppose full service

charges but, upon a proper showing by the provider, would not oppose the recovery of some costs during the suspension period provided notice is given to the consumer.

O. Section II.I - Delayed Billing

(1) Unless agreed to by the subscriber, she/he is not responsible for delayed billed charges for service furnished more than three (3) months immediately preceding the date of the bill, except for services obtained through fraud, as defined in Section IV.A.(1)(e).

(2) The telecommunications public utility may petition the Commission for authority to bill for charges outside the above time frames if unusual circumstances exist or if equity would support such a filing.

38. AT&T, SIA and Columbus, and Sprint suggest that delayed billing, beyond three months, be allowed if the provider can support or document why such billing was delayed. COX and WorldNet recommend a six-month maximum for outdated billing. CURB believes the proposed language in Section II. I. (2), allows a telecommunications carrier to petition the Commission for authority to bill for charges outside the three month period if unusual circumstances exist or if equity would support such a filing. As a result, CURB supports the language in this section as drafted.

P. Section III.B (4) - Payment of Deposit in Installments

The telecommunications public utility shall permit payment for any required residential deposit in equal installments over a period of at least two (2) months, and if the initial or additional deposit required is over fifty dollars (\$50), over a period of at least four (4) months. At the option of the subscriber, a deposit based on long distance usage may be paid in more than four (4) installments, but the long distance provider may, at the subscriber's expense, restrict access to the toll network. The toll restriction(s) shall not interfere with the subscriber's ability to make calls to 911, or, where 911 is not available, to law enforcement, ambulance and fire protection numbers.

39. CURB is not clear what COX is responding to in this section. The issue is whether customers should be allowed to make installment payments on deposits. Because deposits can be a significant financial hurdle for some customers, CURB supports the proposed standard as written.

Q. Section IV.A.2(e) - Suspension in Special Circumstances

(2) A telecommunications public utility may not suspend or disconnect local service for any of the following reasons:

...

(e) The failure of a subscriber to pay for non-deniable charges including toll charges.

40. Sprint opposes the inclusion of toll charges with other non-deniable charges and seeks to allow the suspension/disconnection of basic local service for non-payment of toll charges. CURB is concerned with any suspension/disconnection of basic local service because of the undue harm it may cause some consumers. However, CURB recognizes the potential for “carrier hopping” noted by Sprint, and the potential for excessive uncollectible amounts if toll is a non-deniable charge. As a result, CURB would not oppose an addition to the billing standards explicitly stating that toll service may be subject to suspension/disconnection provided notice, as provided in IV.D.(3), has been sent to the subscriber.

R. Section IV.C - Suspension in Special Circumstances

(1) If a residential subscriber notifies the local exchange company and establishes that:

(a) Suspension would be especially dangerous to the safety or health of the subscriber, resident member of the subscriber's family or other permanent resident of the premises where service is rendered, and such subscriber is unable to pay for such service in accordance with the requirements of the company's billing or is able to pay for such service only in installments, the company shall either allow payment in reasonable installments or postpone

suspension of service for at least twenty-one (21) days so that the subscriber may make arrangements for reasonable installment payments.

- (2) In determining whether suspension would be especially dangerous to health, consideration shall be given to the subscriber's (or other resident's) medical condition, age or disability.
- (3) The company may restrict access to the toll network during the period of postponement or installment payments under the conditions set out in Section II.H.

41. MCI proposes additional language for Subsection (2). MCI's proposal requires consumers to get written statements from medical providers on letterhead and requires mailing those statements to the local exchange carrier. CURB does not agree that the additional language is necessary. This places additional onerous burdens on subscribers at what can be a very trying time and may be difficult to comply with in the short time frames involved. CURB supports the proposed standard as written.

S. Section IV.D(3)(f) - Information Included in Suspension/Disconnection Notice

The suspension/disconnection notice shall contain the following information:

...

- (f) A clear and concise statement to apprise the subscriber of the availability of an administrative procedure that may be utilized in the event of a bona fide dispute or under other circumstances, such as provided in Section IV. G. The address, telephone number and name of the company office or personnel empowered to review disputed bills, rectify errors, and prevent suspension, shall be clearly set forth. The notice shall state that the subscriber may talk with an employee of the company and may present his or her reasons for disputing a bill, requesting payment arrangements or requesting a postponement of suspension. The notice shall contain the telephone number of the Commission's Consumer Protection Office.

42. Sprint objects to including the phone number for the Commission's Consumer Protection Office in suspension/disconnection notices. CURB supports the standard. It is vital that consumers be made aware of avenues available to them in potentially disagreeable situations. The inclusion of the phone number and title of the office is not overly burdensome and provides valuable consumer information.

T. Section VI - Waiver of Requirements

The requirements contained in these standards may be waived on an individual case basis by the Commission upon application by the telecommunications public utility and a showing that a waiver is in the public interest.

43. SBC opposes this section and complains it does not balance the interests of the customer and the telecommunication public utility. CURB disagrees. SBC has adequate time to participate in the development of these proposed billing standards. Their active participation in this docket is evidence of that ability. At the time billing standards are approved by the Commission they will be approved based on the Commission's authority that balances the interests of the industry and consumers. Thereafter, if a company seeks a waiver of any standards, by default they are seeking to shift that balance in the company's interests. To maintain balance the Commission must look to the public interest to insure that not only the provider's interests, but also the public's interests are adequately protected. CURB supports the standard as stated.

IV. ADDITIONAL COMMENTS

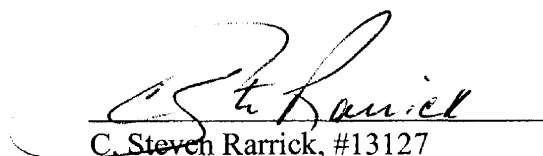
44. In initial comments, AT&T requested a workshop, "wherein industry and Staff would have an opportunity to discuss the proposed changes and the impact the proposed changes may have on the companies in an attempt to determine whether the cost to implement various

changes is equal to or greater than the benefit derived by the customer.”¹⁵ CURB supports this request. Many of the items addressed above lend themselves to discussion and possible resolution in a workshop.

V. CONCLUSION

45. CURB’s proposals in this docket are straightforward. First, CURB recommends the Commission require a section on consumer bills labeled, “Government mandated charges” defined as “charges that a carrier is *required* to collect directly from customers, and remit to federal, state or local governments.” Second, CURB recommends that any other line items be placed in a separate section of the bill labeled “Carrier Imposed Charges.” CURB further recommends that in both sections of the bill, line items be clearly defined and bundling of charges not be allowed. CURB also requests the Commission and the industry act on CURB’s recommendations in these reply comments. CURB appreciates the opportunity provided in this docket to submit comments on behalf of Kansas small business and residential ratepayers regarding the development of accurate, timely and concise consumer bills.

Respectfully submitted,



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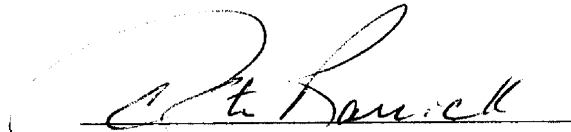
¹⁵ Comments of AT&T Communications of the Southwest, Inc., p. 1.

VERIFICATION

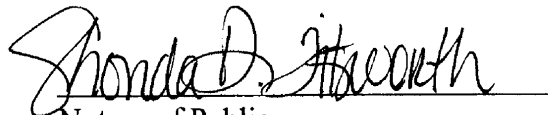
STATE OF KANSAS)
) ss:
COUNTY OF SHAWNEE)

C. Steven Rarrick, of lawful age, being first duly sworn upon his oath states:

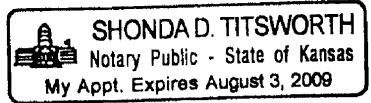
That he is an attorney for the Citizens’ Utility Ratepayer Board; that he has read the above and foregoing document, and, upon information and belief, states that the matters therein appearing are true and correct.


C. Steven Rarrick

SUBSCRIBED AND SWORN to before me this 18th day of November, 2005.


Notary of Public

My Commission expires:



CERTIFICATE OF SERVICE

06-GIMT-187-GIT

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing document was placed in the United States mail, postage prepaid, or hand-delivered this 18th day of November, 2005, to the following:

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