

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION NO. T-14094  
Telecommunications Branch September 12, 1990

**R E S O L U T I O N**

PACIFIC BELL. ORDER AUTHORIZING THE REVISION OF TARIFF SCHEDULES FOR EXCHANGE SERVICES (A5), BASIC SERVICE ELEMENTS (5.11.1), CENTRAL OFFICE SERVICES (A9.), CENTREX (9.1.1), AND CALL MANAGEMENT SYSTEMS (9.4) TO BE CONSISTENT WITH SECTION 2893, ARTICLE 3., CUSTOMER RIGHT OF PRIVACY, OF THE PUBLIC UTILITIES CODE, AS REQUESTED IN ADVICE LETTER NO. 15719.

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**SUMMARY**

This resolution authorizes Pacific Bell (Pacific) to revise tariffs connected with the calling number identification provision of Forwarded Call Information (FCI). FCI provides information about the origin and destination of calls in conjunction with automatic call distribution services. Specifically, the information forwarded includes: the called number, the calling number (if the calling party is served by the same central office switch as the called party), the Uniform Call Distribution System or Multi-Line Hunt Group where the call was sent, the number to which calls were forwarded, and the reason the call was forwarded.

As stated in the Advice Letter, Pacific is revising its tariff "to limit Forwarded Call Information - originating calling number identification - to calls placed within the same limited system (intra-system only) or closed user group. Customer display of calling party identification from outside their limited system (closed user group) is prohibited."

This resolution instructs Pacific to purchase equipment to block the telephone number of persons when they call parties having FCI call identification service and who themselves are not members of the FCI closed user group being called. In addition, this resolution orders Pacific to provide public notice of the current capability of callers' telephone numbers being identified by customer owned equipment (with FCI service) and of Pacific's plans to install equipment to prevent unauthorized calling number identification.

The estimated annual revenue effect of the tariff revision is minimal. No protests or comments were received during the 20 day protest period following the filing of Advice Letter No. 15719.

BACKGROUND

Pacific filed, in December of 1989, a proposal to expand its offering of FCI to customers served by AT&T 5ESS central office switches. It has been offering this tariffed service since 1984 in other exchanges served by different types and brands of electronic and digital switches. Although new products, such as facsimile store and forward, ONA non-centrex, etc., can be provided with FCI service, Pacific states that voice mail has been the predominant application to date.

With Pacific's current switching and software arrangement used to provide FCI service, the calling party's telephone number is automatically forwarded to the voice mail machine (or other customer equipment used in place of a voice mail machine). If the caller has been given the direct voice mail number, the caller's telephone number will be provided directly to the voice mail machine.

CACD staff had many discussions with Pacific about the applicability of Section 2893 (the Eaves Bill) to FCI service. Under this statute telephone corporations offering call identification services are required to notify subscribers that their calls may be identified to a called party. They are also required to offer callers the capability of withholding display of their number, free of charge. Additionally, this statute requires the Commission to direct telephone corporations to notify subscribers, by March 1, 1990, that their calls may be identified to a called party, if the telephone corporation is participating in a call identification service prior to January 1, 1990.

According to Pacific, voice mail machines can neither store nor display phone numbers. However, a subscriber could install a console or other equipment in place of, or in combination with, a voice mail machine which could provide for storage and display of callers' telephone numbers provided by FCI. Pacific's 1984 Advice Letter request to introduce FCI service describes computer use, including information display, in conjunction with FCI service. As of February 1990 Pacific had approximately 160 subscribers to this service; however, Pacific does not know if any of them use equipment in place of or in combination with their voice mail machines.

Another issue discussed with Pacific is whether its FCI Centrex service is exempted by the statute. The statute exempts from the notice and blocking requirement call identification service occurring within the same limited system, including, but not limited to, a Centrex or private branch exchange (PBX) system. CACD staff interpret the statutory exemption to refer to the following common business arrangement: employees of an organization subscribing to this Centrex service (or served by a PBX) have their phone numbers displayed when they call each other (closed user group calls); calls from outsiders would not be so identified. Pacific acknowledges that telephone numbers of all callers in the same central office switch serving the FCI subscriber are now being forwarded, not just those of the closed

user group. Pacific requested a CPUC legal opinion on whether its FCI service met this Section 2893 exemption; an informal opinion concluded that it did not.

In light of the above determinations, Pacific filed separately to expand its FCI service offering to customers served by the AT&T 5ESS central office switch, which was approved. It filed this Advice Letter, to show compliance with Section 2893, on April 5, 1990. As stated above, this filing "limits FCI-originating calling number identification, to calls placed within the same limited system (intra-system only) or a closed user group. Customer display of calling party identification from outside their limited system is prohibited."

CACD staff discussed with Pacific how its proposed tariff revision would work to provide a privacy safeguard for callers. CACD staff learned that there would be no change in the current practice of transmitting the caller's telephone number. Additionally, Pacific's intentions are not to inform the public of the possibility that their calls might be identified unless the Commission directs Pacific to do so.

Pacific focuses the potential privacy invasion presented by FCI service solely on the display of the caller's telephone number and excludes the transmittal of the telephone number. The burden for compliance lies, therefore, not on Pacific but on the FCI subscriber, who is prohibited from displaying telephone numbers of callers who aren't members of the subscriber's closed user group. Enforcement would be the same for this tariff as for all Pacific tariffs.

CACD staff asked Pacific if it could block the telephone numbers of non-members of FCI closed user groups (in lieu of customer initiated blocking, which is not yet technically possible). Information from Pacific and equipment vendors indicates that the three switch types used by Pacific can be retrofitted to block calling number identification of essentially all callers. The only exception, with one switch, is for calls made directly to voice mail machines (instead of being forwarded to voice mail machines).

With another switch, the software available on an interim basis (until June 1991) would block call identification of the closed user group members as well as outsiders. Pacific has raised objections to this, as certain voice mail features require the closed user group member's telephone number for activation. One example is single-digit dial back, whereby the equipment recognizes closed user group members, enabling them to return each other's calls with one digit.

Pacific believes that blocking of calling number identification with FCI service should be delayed until Signaling System Seven (SS7), an advanced network signaling system, is deployed in its system. With SS7 Pacific intends to offer CLASS Caller I.D. service and to make per call blocking available for customers. Pacific provided staff an update of its SS7 installation schedule. This indicates that SS7 will not be operational until

4th quarter 1991 in LATAs 1 and 5 and two to four years later in the rest of Pacific's service area.

CACD has also learned that customer controlled blocking of the transmittal of telephone numbers with FCI service will not be automatic with SS7 installation. Two other steps involving software development must be taken. Pacific could not identify any planning efforts to establish per call blocking for FCI service. Therefore CACD staff has no realistic date for the availability of per call blocking for FCI service with SS7.

Regarding customer notification requirements of Section 2893, Pacific does not recommend informing the public of the privacy invasion potential privacy presented by FCI service, believing that it would lead to "considerable confusion". Pacific states that it will comply, however, with any Commission directive. In response to a data request about compliance with the statute, Pacific recommended that any required customer notice should describe all examples of call identification occurring in telephone service today. The notice should not be limited to FCI service.

Since this Advice Letter was filed, General Telephone Corporation of California (GTEC) has made two filings for voice mail application of FCI services. In these filings GTEC states that it will block all calling party information at the central office switch. GTEC will provide FCI service with switches which are, predominantly, the same as those of Pacific. GTEC has informed CPUC staff that it will install central office blocking in order to ensure compliance with the Eaves Bill, considering the enforcement difficulties presented by its lack of control over enhanced service providers.

#### DISCUSSION

The Commission believes the following issues are presented by Pacific's revised tariff: (1) whether Pacific's customers should have the same privacy safeguards which will be offered to GTEC customers; (2) whether Pacific's revised tariff language will be effective in assuring compliance under Section 2893; (3) if not, whether Pacific should install blocking equipment in order to accomplish privacy objectives; (4) whether the potential abuse of privacy with FCI service outweighs the convenience offered by certain voice mail features which require calling number identification; and (5) whether Pacific should provide customer notice about the current potential for calling number identification with FCI service and corrective measures to address this.

The Commission believes that for reasons of consistency and equity, Pacific's customers should be entitled to the same privacy safeguards available to GTEC customers.

The tariff restrictions included in Pacific's revised tariff would appear to comply with the statute which restricts telephone number display to closed user group members. Pacific's proposed implementation of the tariff restriction,

however, raises many questions, including whether "call identification" includes the transmittal of the telephone number or if it can be limited to its retrieval.

Aside from this question of interpretation of call identification, the Commission does not find that placing the responsibility on the subscriber to assure compliance with Section 2893 will be effective. Pacific does not have the resources to police this tariff; Pacific now enforces tariffs through complaint, not through active surveillance. There are no restrictions on the public purchase and use of equipment which might store and display telephone numbers. Therefore, there are no means of preventing subscribers from storing and displaying caller identification.

The information before the Commission makes it clear that use of callers' telephone numbers is incidental to FCI service, especially in comparison with CLASS Caller I.D. or 800 Info 2 services. Both of the latter services sell the direct identification of callers' phone numbers and appear to be easily defined as call identification services under the statute. It is also clear, however, that the technology used to provide FCI service presents the potential for abuse which the Eaves Bill was drafted to prevent. As is stated in the statute, the intent of the bill is to allow customers the right to limit dissemination of their telephone number to persons of their choosing. The Commission interprets this to apply to FCI service as the telephone number is involuntarily transmitted. Currently callers who are not FCI closed user group members are unaware of this fact.

For these reasons the Commission believes that Pacific should purchase and install equipment to block calling telephone numbers of non-members of FCI subscribers' closed user groups. For FCI service customers served by one of Pacific's switches, this would mean an interim loss of some of the convenience features currently enjoyed with voice mail service. The Commission believes that compliance with Section 2893 outweighs the convenience features mentioned above.

Regarding customer notice, the Commission believes the public should be informed of the current call identification potential for all services using FCI technology and Pacific's plans to prevent this. This notice is especially important due to the inability of the available equipment to block direct calls to voice mail machines provided by FCI service with one switch. CACD staff should approve the notice, which should be submitted in draft form to both the CACD and the Public Advisor's office in within 20 days of the effective date of this resolution.

#### FINDINGS

(1) FCI is a tariffed service, used predominantly with voice mail service but also available for other services, such as facsimile store and forward and non-Centrex ONA.

(2) The technology used by Pacific to provide FCI service transmits the caller's phone number either to the voice mail machine, or other equipment which may be used in addition to or in place of voice mail machines.

(3) Voice mail machines currently in use do not store or display calling parties' telephone numbers. Equipment used instead of voice mail machines, such as computer consoles, have the capability to store and display callers' telephone numbers.

(4) Section 2893 (the Eaves Bill) of the PUC code requires that telephone corporations provide customer notice of existing call identification service and provide customers the capability of withholding display of their telephone numbers.

(5) Section 2893 exempts a call identification service from the above requirements if it is used within the same limited system, including Centrex or PBX service.

(6) Pacific's FCI use with Centrex does not meet this exemption, as call identification occurs with all calls in the central office serving area, not just with those of the closed user group.

(7) Equipment is available to block unauthorized calling number identification with FCI service. For one switch it is not possible to block call identification with direct calls to voice mail machines.

(8) Pacific has raised objections to installing equipment to block unauthorized calling number identification with its FCI service and believes that blocking should be delayed until Signaling System Seven is deployed throughout its service area.

(9) Pacific does not want to provide customer notice of the call identification capability associated with its FCI service believing that it could lead to considerable public confusion.

(10) Pacific's tariff places the burden on subscribers to refrain from display of calling number identification.

(11) Pacific's proposed method of implementing the tariff restriction is unenforceable, due to lack of control over subscribers.

(12) GTEC has made two filings for voice mail products, which use the same FCI service and technology as that of Pacific.

(13) The GTEC filings include statements that GTEC will block at the central office calling number identification.

(14) Pacific's customers should have available to them the same privacy safeguards available to GTEC customers.

(15) Pacific should purchase and install equipment to block unexempted call identification of calls to FCI subscriber closed user group members.

(16) Pacific should provide public notice of the current capability of callers' telephone numbers being identified in conjunction with FCI service and of Pacific's plans to comply with Section 2893, Section 3, of the PUC code.

THEREFORE IT IS ORDERED that:

- (1) Pacific is authorized to revise its tariffs as filed.
- (2) Pacific shall block at its central office switches by December 1, 1990 the unexempted calling number identification of calls to members of Forwarding Call Information (FCI) subscriber closed user groups. In the case of the IAESS switch, in which call identification of direct dial telephone calls to voice mail machines cannot be blocked, Pacific is exempted from this requirement until technology to comply is available. Pacific shall provide a plan within 30 days to the Commission Advisory and Compliance Division (CACD) which details Pacific's plans.
- (3) Pacific shall notify ratepayers served by central offices providing FCI service of the call identification potential of this service and of Pacific's plans to comply with Section 2893, Article 3., Customer Right of Privacy, of the PUC Code. Pacific shall file with the CACD and the Public Advisor's Office within 20 days of this order a draft customer notice, to be mailed within 90 days of the effective date of this order. This notice shall be approved by CACD.

The effective date of this Resolution is today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 12, 1990. The following Commissioners approved it:

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
STANLEY W. HULETT  
PATRICIA M. ECKERT  
Commissioners

  
NEAL J. SHULMAN  
Executive Director

Commissioner John B. Ohanian,  
being necessarily absent, did  
not participate.