

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15876
Telecommunications Branch April 10, 1996

R E S O L U T I O N

RESOLUTION T-15876. GTE WEST COAST INCORPORATED (GTE WEST COAST). (U-1020C). REQUEST FOR APPROVAL OF CUSTOMER NOTIFICATION AND EDUCATION PLAN (CNEP) IN COMPLIANCE WITH PUBLIC UTILITIES CODE SECTION 2893 AND FEDERAL COMMUNICATIONS COMMISSION (FCC) RECONSIDERATION ORDER 95-187 WHICH MUST BE IMPLEMENTED AND MUST THEREAFTER BE SHOWN TO BE EFFECTIVE TO THE COMMISSION'S SATISFACTION BEFORE GTE WEST COAST CAN PASS CALLING PARTY NUMBERS (CPN) TO INTERCONNECTING CARRIERS.

BY ADVICE LETTER NO. 414, FILED ON FEBRUARY 26, 1996.

SUMMARY

This Resolution authorizes GTE West Coast to implement a CNEP for the passage of CPN subject to the conditions imposed in this Resolution. As modified and implemented, GTE West Coast's CNEP will constitute a public education program which focuses on customer privacy and informed consent. This is consistent with the policies and requirements adopted for other utilities. With this approach, GTE West Coast should initially attain the customer awareness level indicated in this Resolution, with a target of 100% customer awareness for ongoing education efforts. Additionally, by adopting a program using the same terms, definitions and similar messages being used by other utilities throughout the state, customer awareness of the passing of CPN will be increased through recognition and reinforcement by repetition of these messages throughout California.

BACKGROUND

In 1992 the Commission authorized Pacific, GTEC and Contel of California, Inc. (Contel) to offer Caller ID service to their customers. In so doing, the Commission took steps to assure that the service, which allows the calling party's telephone number to be displayed to the called party, would be offered consistent with constitutional and statutory rights of privacy of California citizens. The Commission authorized a choice of blocking options, free of charge, for all customers to prevent nonconsensual number disclosure. For customers dissatisfied with their initial assignment of a blocking option, it granted one free change of this blocking option. It also outlined

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requirements for rigorous CNEPs to inform customers about the passage of CPN and the available blocking options.

Under the Commission's 1992 decisions, each respondent local exchange carrier is required to file its proposed CNEP with and obtain approval of its CNEP from the Commission before implementing a CNEP. After the approval and subsequent implementation of a CNEP the utility must provide a showing to the Commission, subject to approval by the Commission, indicating compliance with the adopted CNEP requirements and providing evidence that all customers have been informed of pending Caller ID service and available blocking options.

Until recently California utilities have declined to offer Caller ID service, pursuing instead Federal preemption of certain aspects of the Commission's conditions for offering Caller ID service. On June 5, 1995 the FCC issued its interstate Caller ID rules in Common Carrier Docket No. 91-281. The FCC substantially deferred to California and all other states, stating that individual state blocking regimes should apply to interstate calls so long as minimum federal privacy standards are met. However, the FCC preempted California's per line (complete) blocking default safety net. This preemption is under appeal by the Commission. Regarding customer education, the FCC adopted the Commission's informed consent standard and deferred to states to determine, in light of special circumstances applicable to a particular state, appropriate requirements for achieving effective education.

The FCC's order required all local exchange carriers to begin passing CPN to interconnecting carriers on December 1, 1995. On June 22, 1995, the Commission Advisory and Compliance Division (CACD) wrote local exchange carriers alerting them to the pending FCC requirement to pass CPN and to CACD's determination of utility requirements to develop and conduct effective CNEPs to satisfy the informed consent standard for the passing of CPN. CACD requested all local carriers to inform it of their ability to comply with the FCC rules, their intent to offer Caller ID service and their plans to file a proposed CNEP with the Commission.

On August 16, 1995, CACD sent local carriers who had not been authorized to offer Caller ID a letter to clarify filing requirements to request authority either to offer Caller ID and pass CPN or just to pass CPN. Utilities planning to offer Caller ID service were instructed to file an application and include a proposed CNEP for review and approval. Utilities not planning to offer Caller ID concurrently with beginning to pass CPN were instructed to file for approval of their proposed CNEPs by advice letter. As it became evident that there was insufficient time for California utilities to implement CNEPs by December 1, 1995, they sought waivers to the FCC of the December 1, 1995 deadline. On December 1, 1995 the FCC granted a 6 month extension, until June 1, 1996, for all California carriers.

In order to explore the possibility of a statewide CNEP plan, the California Telephone Association met on January 22, 1996 for

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the purpose of being briefed on the CNEP elements developed for Pacific by its consultant, with the thought of these elements being used by all carriers. On February 14, 1996, CACD sent a letter to the carriers that had not filed proposed CNEPs. This letter described CACD's recommended basic CNEP requirements for small local exchange carriers (LECs). The goal of the letter was to (1) facilitate the prompt filing by the small LECs so that their CNEPs could be conducted at the same time as those of the large carriers in order to minimize customer confusion and (2) to encourage the use of common CNEP elements.

Briefly CACD's recommended CNEP includes:

- o Conducting a community outreach effort
- o Sending two bill inserts or direct mail letters
- o Sending a special notice to non-published/unlisted customers
- o Sending confirmation letters to customers for choice of blocking option or for assigned default blocking
- o Advertising in local newspaper(s) and radio
- o Conducting an awareness survey or achieving a 70% level of blocking choice by customers
- o Establishing an 800 or local number for customer assistance, available during some non-business hours
- o Developing an ongoing education program

GTE West Coast's proposed CNEP includes the following components:

- o Community Outreach - Copies of GTE West Coast's CNEP were mailed to community based organizations, schools, chambers of commerce, law enforcement agencies, churches and others in the Klamath, Crescent City area. They were invited to an open house/workshop held on March 28, 1996. Besides hearing a presentation on the CNEP, GTE West Coast introduced training materials, a video and other materials which are available for these organizations.

Additionally, the utility staff received training on Caller ID Blocking issues by GTE Corporation staff who developed CNEP materials for GTEC's CNEP.

- o Bill Inserts - If possible, two will be sent prior to June 1st. They will be provided in Spanish as well as English and translated into other languages if necessary. The bill insert will also be made available at GTE West Coast's Crescent City Phone Mart. The Phone Mart staff have been trained in Caller ID Blocking issues and will provide ballots to customers.
- o Letter to Non-published/unlisted customers - The same letter adopted for GTEC and PacBell customers will be adapted for GTE West Coast customers.
- o 800 or local number - The same staff for GTEC will handle GTE West Coast customer calls. English and

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Spanish lines are open Monday - Friday, 7am - 9pm and Saturday 7am - 4pm.

- o Public service announcements - GTE West Coast will run the same ad used for GTEC and Pacific in the local newspaper, the Crescent City Del Norte Triplicate. Additionally, the alternative media press kit developed for Pacific and GTEC will be distributed to local agencies.
- o Confirmation Letters - The proposed CNEP states that confirmation letters with stickers will be sent twice; on 4/15 and 5/15 and thereafter as customers register blocking choices. No draft was provided.
- o Default Letter - GTE West Coast proposes sending a selective blocking letter with a sticker on 5/1. Drafts were not provided in the draft CNEP.
- o Customer awareness levels - GTE West Coast will participate with GTE California in the survey being conducted by Field Research. GTE West Coast did not estimate the awareness levels which it believes can be reached by June 1, 1996.
- o Ongoing education - GTE West Coast will send an annual bill insert (on Caller ID Blocking) to all customers. Additionally the White Pages Directory will include CNEP bill insert information that will also be provided to all new customers.

NOTICE/PROTESTS

Notice of Advice Letter No. 414 was published in the Commission's Daily Calendar on February 28, 1996. No protests or comments have been filed in conjunction with this advice letter.

DISCUSSION

GTE West Coast's proposed plan contains all of the required CNEP components. Moreover, its comprehensive community outreach effort, shown in the development of training materials for the agencies invited to the workshop should contribute to a high awareness level in GTE West Coast's served communities. Unfortunately, the lateness of GTE West Coast's filing may not allow enough time for the customers to be adequately educated by the June 1, 1996 deadline for passing CPN. GTE West Coast did not provide a timeline for its CNEP actions in its AL filing. As it plans to participate in the survey that GTEC has arranged, we are concerned that the program may not be completed before the survey is conducted.

Therefore we recommend that GTE West Coast either file at the FCC for additional time to educate its customers or agree to the approach proposed by the other small companies, whereby they

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will call their customers in order to achieve a 70% action level demonstrated by a choice of blocking option.

In addition, on January 31, 1996, the United States Court of Appeals for the Ninth Circuit denied our appeal of the FCC decision (U.S. Court of Appeals opinion in California v. FCC, 95h Circuit No. 94-70197, et al.). On March 18, 1996 the Commission filed a petition in the Supreme Court to appeal the circuit court opinion. Should the FCC's preemption of the Commission's complete (per line blocking) blocking default be stayed or should the Commission prevail, GTE West Coast should contact subscribers to nonpublished service who have not chosen a blocking option to inform each one of the change in default blocking option. GTE West Coast should submit its proposed notice to customers on the change in the blocking option default to CACD for approval prior to mailing.

Concerning CACD review of GTE West Coast's CNEP messages, we do not anticipate that there will be a need to review and approve them as the messages developed for GTEC will be adapted for GTE West Coast. However, a copy of the materials should be provided to CACD by April 30, 1996. Additionally, GTE West Coast should provide CACD with the results of the community outreach workshop including any feedback resulting in a modification of its plan.

FINDINGS

1. GTE West Coast Incorporated (GTE West Coast) filed its proposed Customer Notification and Education Plan (CNEP) on February 26, 1996 in Advice Letter No. 414.
2. The Federal Communications Commission (FCC) in its reconsideration order of Rules governing interstate Caller ID (Docket 91-281) granted states discretion to adopt customer notification and education plans prior to the passage of CPN.
3. The Commission Advisory and Compliance Division (CACD) sent the small local exchange carriers (LECs) a letter on February 14, 1996 outlining the minimum requirements for a CNEP by a small LEC.
4. GTE West Coast's proposed CNEP satisfies the minimum requirements for a small LEC.
5. GTE West Coast may not be able to complete its CNEP by June 1, 1996.
6. GTE West Coast should be required to either file at the FCC for an extension of time or agree to undertake actions to reach a 70% level of blocking requests by GTE West Coast's customers.
7. GTE West Coast should be required to provide CACD with a timeline for accomplishing its CNEP.

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THEREFORE, IT IS ORDERED that:

1. GTE West Coast Incorporated (GTE West Coast's) Advice Letter No. 414, requesting authorization to implement its Customer Notification and Education Plan (CNEP) is granted subject to the following conditions:

- a. GTE West Coast shall provide the Commission Advisory and Compliance Division (CACD) by April 15, 1996 a timeline for conducting its CNEP.
- b. GTE West Coast shall decide either to file a request for a waiver at the FCC for an extension of time to comply with its June 1, 1996 requirement to begin passing CPN or to commit to taking actions to reach a 70% level of blocking requests by its customers. GTE West Coast shall notify CACD by April 15, 1996 which action it will use.
- c. GTE West Coast shall submit to CACD its report on the percentage of customers choosing a blocking option by May 15, 1996.
- d. In the event that the Commission obtains a stay of the FCC's preemption of the per line (complete) blocking default or prevails in the Supreme Court, GTE West Coast shall contact subscribers to nonpublished or unlisted service who have not chosen a blocking option of the change in the default blocking option.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 10, 1996. The following Commissioners approved it:

Wesley Franklin

WESLEY M. FRANKLIN
Executive Director

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