California Public Utilities Commission



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News Release

FOR IMMEDIATE RELEASE

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NEW STATE EDUCATION INITIATIVE EMPOWERS TELECOMMUNICATIONS CONSUMERS; BRINGS TOGETHER COMMUNITY-BASED ORGANIZATIONS, CONSUMER GROUPS, AND TELECOMMUNICATIONS COMPANIES TO HELP EDUCATE

SAN FRANCISCO, June 29, 2006 -- The California Public Utilities Commission (PUC) today unveiled the first phase of its groundbreaking Consumer Education Initiative, designed to help consumers navigate the increasingly competitive telecommunications market and to learn how to avoid becoming victims of consumer fraud.

This unique education program, part of the Consumer Protection Initiative created by the Commission in March, has brought together community groups, consumer groups, and both landline and wireless telecommunications companies to work with the Commission to design and implement an education program to help consumers better understand telecommunications options and services.

The centerpiece of the Education Initiative is a new consumer website, CalPhoneInfo (www.calphoneinfo.com), which features brochures with information on issues such as understanding phone bills, slamming, cramming, buying wireless telephone service, choosing telecommunications companies and services, prepaid phone cards, and avoiding telephone fraud and misleading ads. The website also features a Tip of the Day, Hot Topics, Frequently Asked Questions, links to other helpful resources in government and the community, and information on how to file a complaint with the Commission.

In an effort to reach out to non-English-speaking or limited-English-speaking consumers, the website is viewable in English and will be viewable in Spanish, and the educational materials are available in English, Chinese, and Spanish. In addition to these three languages, educational materials will be available for download from the CalPhoneInfo website in the following 10 languages: Arabic, Armenian, Cambodian, Farsi, Hmong, Korean, Russian, Tagalog, Thai, and Vietnamese.

To help disabled consumers, the brochures will be available in large font and audio versions will be available in English, Chinese, and Spanish.

The website and educational materials will be continuously updated. New information will be added as the Commission continues working with community and consumer groups and telecommunications companies on the Education Initiative.

"This type of collaboration is groundbreaking and is a model for other initiatives of this Commission and the nation," said PUC President Michael R. Peevey. "My hope in creating the Consumer Education Initiative was to inform consumers of their choices and rights in the fast-changing telecommunications market. The way community and consumer groups and telecommunications companies have stepped up to the plate to help with this endeavor is a testament to the effectiveness of working together to meet goals without imposing burdensome regulation."

"The Consumer Education Initiative puts the Commission on a new regulatory path for telecommunications – one that is more collaborative, innovative, and fast-moving, which is appropriate for the telecom market," said Commissioner Rachelle Chong. "I am proud that our educational materials and website were put together in less than 120 days, all with current PUC resources."

As part of the Consumer Protection Initiative, the Commission created a Telecommunications Consumer Fraud Unit, which will act as a consumer watchdog and monitor fraud and complaint hotline trends; investigate alleged violations of laws and regulations; meet regularly with outside law enforcement officials to compare information and coordinate enforcement activities; and report periodically to the PUC on the activities of the Fraud Unit. California consumers who are victims of telecommunications fraud can report their claims to the PUC via a toll-free hotline: 1-800-649-7570.

The Consumer Education Initiative will expand in the coming months to offer information and advertisements in multiple languages. In addition, the Commission plans to increase the number of staff available to handle consumer complaints.

Please visit the CalPhoneInfo website at www.calphoneinfo.com. For more information on the PUC, please visit www.cpuc.ca.gov.

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Comments on the Consumer Education Initiative:

"Because more than a third of California's Asian American population is considered limited English proficient, they are especially susceptible to telecommunication fraud. It is critical that they receive information in a language that they understand. The California Public Utilities Commission's efforts are a great step forward towards addressing these needs."

- Karin Wang, Vice President of Programs, Asian Pacific American Legal Center

"AT&T fully supports the Commission's Consumer Protection Initiative. In today's competitive market, winning and retaining customers is vital to our success. If there is a problem or question, consumers should know where to go for help and also know that enforcement mechanisms will be in place to protect them. Our company benefits from a more informed and satisfied customer."

- Adrian M. Tyler, General Manager - Regulatory, AT&T California

"DRA commends the Commission as it launches this important aspect of the CPI. Hopefully, consumers will have a better understanding of the terms, conditions, and prices associated with the myriad of service offerings in the market today, and will be able to avoid becoming victims of scams or aggressive marketing. It is critical to DRA that the education process continues to include information about consumer rights and what consumers should do if service providers violate our consumer protection rules."

- Cynthia Walker, Deputy Director, Division of Ratepayer Advocates

"The CPUC's Consumer Protection Initiative is a good start in bridging the lack of consumer information in the telecommunications marketplace. It is also important that the CPUC educate consumers about the avenues to recourse and carry through on its commitment to enforcement if any abuses are committed"

- Luis Arteaga, Executive Director, Latino Issues Forum

"Verizon applauds the Commission's Consumer Education Initiative. Given the array of communications options available today, this new initiative will help California's consumers understand their options and make informed choices about the services that best suit their needs."

- Michelle A. Robinson, Vice President - Regulatory, Verizon

"The CPUC's new consumer education program will provide important information to help consumers select the services that fit their individual needs. The wireless industry's active participation in this program in partnership with consumer groups and the CPUC reflects our commitment to ensure that wireless services in California are of high quality, are clearly understood by consumers, and are responsive to their needs."

- Steve Largent, President and CEO of the CTIA - Wireless Association