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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

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JUN 26 2002

1 WILLIAM A. MUNDELL
2 Chairman
3 JIM IRVIN
4 Commissioner
5 MARC SPITZER
6 Commissioner

DOCKETED BY 

6 IN THE MATTER OF RULES TO ADDRESS
7 SLAMMING AND OTHER DECEPTIVE
8 PRACTICES.

Docket No. RT-00000J-99-0034

**QWEST CORPORATION'S REPLY
COMMENTS ON PROPOSED
SLAMMING AND CRAMMING RULES**

9
10 Qwest Corporation ("Qwest") submits the following reply comments pursuant to the
11 Procedural Order issued May 17, 2002. Qwest responds to those comments filed by WorldCom,
12 Inc., Allegiance Telecom of Arizona, Inc., Cox Arizona Telecom, L.L.C., the Arizona Wireless
13 Carriers Group, and AT&T Communications of the Mountain States, Inc. on the proposed rules in
14 this docket. Qwest incorporates its prior written comments and exceptions filed on June 12,
15 2001, August 6, 2001, November 23, 2001, and June 5, 2001, as well as its comments provided at
16 the Special Open Meeting held May 8, 2002, to the extent that Staff did not adopt the revisions
17 suggested therein.
18

19 **PROPOSED SLAMMING RULES**

20 **A.A.C. R14-2-1904. Authorized Telecommunications Company Change Procedures**

21 **Subsection D.**

22 In its written comments on the proposed rules, filed June 7, 2002, AT&T requested that
23 the Commission remove the last sentence of this subsection. Qwest recommends that, rather than
24 delete this sentence altogether, the Commission should instead clarify that the Executing Carrier
25 is absolved of liability only when it receives an Unauthorized Change from another carrier. This
26

1 change in language will address AT&T's concerns with absolving a carrier of liability for an
2 Unauthorized Change caused by its own error. Qwest recommends that the last sentence of this
3 subsection therefore read, "The Executing Telecommunications Company Carrier shall have no
4 liability for processing an Unauthorized Change that is submitted by a Telecommunications
5 Company."
6

7 **A.A.C. R14-2-1905. Verification of Orders For Telecommunications Service**

8 Subsection C.

9 Qwest joins with AT&T in opposing the requirement that notice be provided to all
10 subscribers in both Spanish and English. Because many subscribers specify one of the two
11 languages as their language of choice, it is unnecessarily burdensome and costly to require
12 bilingual notice for all subscribers. In addition, dual language notices may only confuse
13 subscribers who are unable to read the other language. Instead, carriers should have the option to
14 provide notice in the subscriber's language of choice, which will better serve subscribers' needs.
15

16 However, should the Commission decide to accept the proposed rule, Qwest requests that
17 the Commission clarify which information is subject to the dual language requirement. As
18 currently drafted, this rule appears to require both languages for the entire notice, including the
19 name of the Telecommunications Company. Because the rule is confusing as written, Qwest
20 recommends that the Commission limit the dual language requirement to material terms and
21 conditions.
22

23 Qwest further opposes the requirement that notice be provided in any language used at
24 any point in the sales transaction. This requirement will place a serious burden on
25 telecommunications companies, which can only lead to increased subscriber costs. Under this
26

1 rule, telecommunications companies must print notices in any language spoken by the subscriber,
2 even if the provider never responded in that language. The difficulties associated with this
3 requirement are further compounded by the fact that some Native American languages contain no
4 written component. Therefore, Qwest requests that the Commission eliminate this requirement.

5
6 **R-14-2-1909. Customer Account Freeze**

7 Subsections A and C.

8 Qwest requests that the Commission modify this rule to apply to local service as well as
9 intraLATA and interLATA service. The issue of local service freeze has arisen in Dockets T-
10 003471A-02-0025 and T-01051B-02-0073, which have examined the issue in greater detail. In
11 addition, Cox has requested that the Commission examine local service freezes in this docket,
12 because service freezes provide a means to prevent slamming. Because the state does not
13 maintain any standards for local service freeze,¹ carriers are free to offer local service freeze on
14 an individual tariff basis. As written, the proposed rules also fail to provide any regulation of
15 local service freezes, leaving carriers to implement the freeze through tariffs.

16
17 Subsection D.

18 In providing written comments on the proposed rules, WorldCom, Inc. ("WorldCom")
19 requested that the Commission include electronic authorization as a means of verification.
20 WorldCom's request proposes electronic authorization effected through third party verification,
21 which eliminates direct contact with the carrier.² In the *Second Report and Order and Further*
22 *Notice of Proposed Rulemaking* (adopted December 17, 1998 and released December 23, 1998),
23 para. 131, the FCC expressly rejected WorldCom's proposals to use third party verification,
24

25 ¹ Only the FCC regulates local service freeze.

26 ² Attached as Exhibit A is WorldCom's outline of the Electronic Authorization process, which WorldCom included in page 4 of the letter attached to the company's June 5, 2002, Comments in this docket.

1 noting that under third party verification, “subscribers would gain no additional protection from
2 the implementation of a preferred carrier freeze.”

3 Qwest opposes WorldCom’s request, because without direct contact, a provider cannot
4 ensure that the subscriber is not a victim of slamming. As a result, the request would likely
5 increase slamming, which remains a serious problem at WorldCom.³ Qwest maintains that any
6 means of authorization must come directly from the subscriber, including through a valid Letter
7 of Authorization, a position that the FCC supports. Allowing electronic authorization from third
8 parties will increase slamming, which is the precise result these rules intend to prevent.
9

10 **R14-2-1914 and R14-2-2012. Script Submission**

11 Qwest supports the objections made by AT&T Communications of the Mountain States,
12 Inc., WorldCom, Inc., and Cox Arizona Telecom, L.L.C. to script submission as overbroad. The
13 proposed rules require submission of all scripts, many of which have no relation to unauthorized
14 changes or charges. Because the scripts are proprietary and confidential, carriers should not be
15 required to release scripts unrelated to slamming and cramming complaints. Furthermore, the
16 proposed rules fail to specify how often telecommunications providers must file revised scripts.
17 Scripts change constantly, which will result in logistical problems if carriers must constantly
18 refile new scripts. Therefore, Qwest recommends that the Commission require annual filings of
19 only those scripts related to marketing practices.
20
21

22 **PROPOSED CRAMMING RULES**

23 **R14-2-2001. Definitions**

24 As a general matter, Qwest supports the June 7, 2002, Comments made by the Arizona
25

26 ³ As recently as May 2 and May 15, 2002, the FCC issued orders citing WorldCom for slamming.

1 Wireless Carriers Group relative to the Commission's jurisdiction over wireless carriers.

2 Subsection F.

3 In addition, Qwest joins with the Wireless Carriers Group in recommending that the
4 Commission clarify that only charges prohibited by law are incorporated in the definition of
5 Unauthorized Charge. Because many legal charges, including charges by tariff, price list, and
6 surcharges, are not expressly authorized, the proposed rules apparently include these charges
7 under the cramming rules. However, these charges are not prohibited by law, and therefore
8 cannot be included within the scope of cramming regulations.
9

10 **R14-2-2005. Authorization Requirements**

11 Subsection D.

12 Qwest joins AT&T and Cox in recommending that the Commission clarify this provision,
13 which the carriers did not have the opportunity to explore in the related workshops in this docket.
14 As suggested in the May 8, 2002, Special Open Meeting, this provision should only apply when
15 carriers attempt to sell a line product or service. Currently the rule requires telecommunications
16 companies to inform subscribers of the cost of basic service even when the conversation bears no
17 relation to basic services. The proposed rule will lead to increased hold times and increased
18 costs, as carriers must repeatedly state the cost of basic service to subscribers who have already
19 received the information or have no interest in a related service.
20
21

22 **R14-2-2007. Notice of Subscriber Rights**

23 Subsection C(5).

24 As AT&T noted in its Comments dated June 7, 2002, this subsection directly conflicts
25 with R14-2-2006(A)(3), which provides two billing periods to refund or credit an unauthorized
26

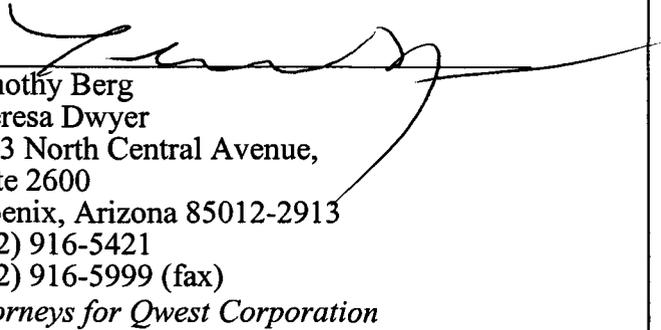
1 charge. In contrast, this subsection allows only 15 days to complete the same lengthy process of
2 investigating unauthorized charges, resolving the complaint, and refunding or crediting the
3 charge. Qwest therefore recommends that, to maintain consistency, the Commission should
4 change the 15-day period to two billing periods in this subsection.
5

6 **CONCLUSION**

7 Qwest respectfully requests that the Commission adopt the recommended changes, which
8 will improve consistency and clarity in the proposed rules.
9

10 RESPECTFULLY SUBMITTED this 26th day of June, 2002.

11
12 FENNEMORE CRAIG

13
14
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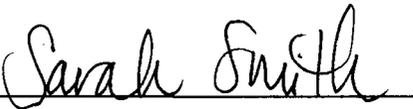
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