

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**Telecommunications Division  
Carrier Branch \*\***

**RESOLUTION T-16564  
November 8, 2001**

**RESOLUTION**

RESOLUTION T-16564. DUCOR TELEPHONE COMPANY (DUCOR) (U-1007-C). REQUEST FOR AUTHORITY TO IMPLEMENT A CUSTOMER NOTIFICATION AND EDUCATION PLAN (CNEP).

BY ADVICE LETTER 257, FILED ON JULY 23, 2001, AS SUPPLEMENTED BY ADVICE LETTER 257A, FILED ON AUGUST 9, 2001, ADVICE LETTER 257B, FILED ON AUGUST 10, 2001, AND ADVICE LETTER (AL) 257C, FILED ON AUGUST 22, 2001.

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**SUMMARY**

Ducor has installed equipment that would allow customers' Calling Party Number (CPN) to be transmitted on calls between states. In order to ensure the customers of Ducor fully understand the privacy implication of CPN and Calling Party Number Identification Service (Caller ID), Ducor requests for authority to implement a Customer Notification and Education Plan (CNEP).

This Resolution authorizes Ducor to implement a CNEP for the passage of CPN subject to the conditions imposed in this Resolution. Ducor's CNEP will constitute a public education program which focuses on customer privacy and informed consent. The program is consistent with the policies and requirements adopted for Pacific Bell (Pacific), and Verizon California Inc. (Verizon) (formerly GTE of California) in T-15827 and T-15833. With this approach, Ducor should be able to attain the customer awareness level (70%) indicated in this Resolution.

**BACKGROUND**

When a CPN is transmitted, a telephone number will be displayed if the party they are calling subscribes to Caller ID service. The technology that allows the number to be transmitted cannot be controlled according to whether the call is within the state or outside the state, therefore, CPN will be transmitted on ALL calls regardless of destination. In order for the telephone number to be displayed, the party being called

subscribes to Caller ID service and has a display unit attached to the telephone or is part of the telephone.

The customers can decide whether or not the person or business they call gets their telephone number. Decision (D.) 92-06-065 requires FREE blocking services. The customer has the freedom to choose if, when, and how their telephone number will be shown to those they call. California local telephone carriers must develop a comprehensive CNEP to ensure that their customers fully understand the privacy implication of CPN and Caller ID and can make informed choices about their blocking options. Accordingly, Ducor has filed AL 257 and related supplements to request authority to implement its CNEP.

In 1992, the Commission authorized Pacific and Verizon to offer Caller ID 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 requirements for rigorous CNEPs to inform customers about the passage of CPN and the available blocking options.

Under the Commission's 1992 decisions, (D.92-06-065 and D.92-11-062) 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 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.

On February 14, 1996, the Telecommunications Division (TD) (formerly Commission Advisory and Compliance Division) sent a letter to those carriers that had not filed their proposed CNEPs. This letter described TD'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, TD's recommended CNEP requirements included:

- Conducting a community outreach effort
- Sending two bill inserts or direct mail letters

- Sending a special notice to non-published/unlisted customers
- Sending confirmation letters to customers for choice of blocking option or for assigned default blocking
- Advertising in local newspaper(s) and radio
- Conducting an awareness survey or achieving a 70% return of customer ballots indicating their choice of blocking options (Complete/Selective).
- Establishing an 800 or local number for customer assistance, available during some non-business hours
- Developing an ongoing education program

Ducor's proposed CNEP includes the following components:

- Community Outreach – Includes participation in community meetings, personal contact with agencies and businesses having “need to know” status and personal customer contact by customer service representatives. The Exhibit A included with AL 257C includes a list of these contacts Ducor furnished with their CPN information.
- A letter to non-published/unlisted customers – a draft copy of this letter is included in the filing. This will be sent after the first direct mailing to all customers.
- Bill inserts/direct mail – Ducor proposes sending two direct mail notifications with a postage paid return envelope to return the customer's blocking selection ballot.
- 800 or local number – Ducor proposes the establishment of a 24 hour local voice mail number which will provide information, instructions and the opportunity to leave a message for a customer service representative to call back.
- Public service announcement – Ducor will run educational ads in the local newspapers.
- Confirmation Letters – Ducor has included draft letters as well as stickers for placement on telephones to inform users of the blocking status in its proposed CNEP. If no return blocking selection ballot has been received, Ducor proposes to send default confirmation letter on December 14, 2001 to assign the Selective Blocking (minimum privacy protection) option to the customer. This means customer's phone number will be shown on all calls made to those who have caller ID service, unless the customer presses \*67 (or dial 1167 on rotary phones) before the customer makes each call.

- Customer awareness levels – Ducor proposes to reach a 70% blocking choice ballot return by its customers. After the two direct mail notices have been sent, Ducor will conduct a telephone calling campaign to increase ballot returns and give verbal instructions about blocking choices. Ducor will send a report to the Director of Telecommunications Division by December 17, 2001 which will indicate the percentage of customers choosing a blocking option or being assigned the Selective Blocking option.
- Ongoing education – Ducor will continue its 24-hour voice mail system indefinitely. Additionally, Ducor will send new customers notices and ballots concerning CPN passage and will send them confirmation letters with stickers for blocking choice. The telephone directory will include information about CPN passage and blocking options. Monthly billing statements will include a line item that indicates the blocking option assigned to the customer's telephone number. Finally, Ducor's annual notice on available telephone services will include information about passing CPN and blocking options.

### **NOTICE/PROTEST**

AL No. 257 was filed on July 23, 2001, and appeared in the Commission Daily Calendar of July 25, 2001. AL No. 257A was filed on August 9, 2001, and appeared in the Commission Daily Calendar of August 15, 2001. AL No. 257B was filed on August 10, 2001, and appeared in the Commission Daily Calendar of August 13, 2001. AL No. 257C was filed on August 22, 2001, and appeared in Commission Daily Calendar of August 24, 2001. Ducor states that copies of AL Nos. 257, 257A, 257B and 257C have been sent to interested utilities and/or parties. TD has received no protest to AL Nos. 257, 257A, 257B, and 257C.

### **DISCUSSION**

TD has reviewed Ducor's AL and supplements and TD finds that Ducor has filed a thorough CNEP document which adequately fulfills the Commission's guidelines to educate customers about the passing of their CPN. Ducor should report to the Director of Telecommunications Division on or before December 17, 2001, the level of customer's awareness levels achieved by its effort.

We agree with TD that Ducor has made a CNEP filing that is in conformance with our previous decisions. TD may authorize Ducor to begin passing CPN, if a minimum of 70% of Ducor customers have made a blocking option choice. Ducor will not be

allowed to begin passing CPN until it has received a 70% return of blocking request option ballots from its customers.

Commission Decision (D.) 92-06-065 requires that subscribers who pay for unlisted or non-published telephone numbers and who fail to choose a blocking option must receive per-line (Completed) blocking. Other subscribers who fail to make a choice of blocking option will receive a per-call (Selective) blocking.

In order to be consistent with D. 92-06-065, Ducor should provide the complete blocking option to those unlisted or non-published subscribers who do not return their ballots. Other subscribers who fail to return their ballots should receive the selective blocking option. Additionally, Ducor should indicate in the letter being sent to unlisted or non-published subscribers that complete blocking will be the default option unless the subscriber chooses the selective blocking option.

The draft resolution of the Telecommunications Division in this matter was mailed to the parties in accordance with PU Code Section 311 (g). No comments were filed on this resolution.

Commission approval is based on the specifics of the Advice Letter and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

## **FINDINGS**

1. Ducor filed its proposed Customer Notification and Education Plan (CNEP) on July 23, 2001 in Advice Letter No. 257 as supplemented by Advice Letter No. 257A on August 9, 2001, Advice Letter No. 257B on August 10, 2001, and Advice Letter 257C on August 22, 2001.
2. Ducor has installed equipment that would allow customers' Calling Party Number (CPN) to be transmitted on calls between states.
3. The Telecommunications Division (formerly the Commission Advisory and Compliance Division) 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. Ducor's proposed CNEP meets the minimum requirement for a small LEC.
5. In lieu of conducting an awareness survey required of the larger utilities whose CNEPs have been authorized by the Commission, Ducor proposes to send out

blocking selection ballots to customers and have a minimum of a 70% return these ballots before it will pass CPN.

6. Ducor should be required to provide the complete blocking option to those unlisted or non-published subscribers who do not return their ballots. Other subscribers who fail to return their ballots should receive the selective blocking option.
7. Ducor should indicate in the letter being sent to unlisted or non-published subscribers that complete blocking will be the default option unless the subscriber chooses the selective blocking option.
8. Ducor should be required to file a report with the Director of the Telecommunications Division by December 17, 2001 stating the number of customers choosing a blocking option or being assigned the Complete and Selective Blocking options.

**THEREFORE, IT IS ORDERED that:**

1. Ducor Telephone Company (Ducor) Advice Letter No. 257 as supplemented by Advice Letter No. 257A, Advice Letter No. 257B, and Advice Letter No. 257C requesting authorization to implement its Customer Notification and Education Plan (CNEP) is granted subject to the following condition:
  - Within 10 days of the effective day of this Resolution, Ducor shall file a supplement to modify its default blocking options described in Finding (6) to notify customers who fail to return ballots and, Ducor shall also modify the letter being sent to unlisted or non-published subscribers as described in Finding (7).
  - Ducor shall submit to the Director of Telecommunications Division its report on the percentage of customers choosing a blocking option or being assigned the Selective Blocking by December 17, 2001.
2. The Telecommunications Division may authorize Ducor to begin passing CPN once a minimum of 70% of Ducor customers have made a blocking option choice.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on November 8, 2001. The following Commissioners approved it.

/s/ WESLEY M. FRANKLIN

WESLEY M. FRANKLIN  
Executive Director

LORETTA M. LYNCH  
President  
RICHARD A. BILAS  
CARL W. WOOD  
GEOFFREY F. BROWN  
Commissioners

Commissioner Henry M. Duque, being necessarily absent, did not participate.