Resolution T-16957. Foresthill Telephone Company (U-1009-C). Request For Authority To Implement A Customer Notification And Education Plan.

By Advice Letter 254, Filed On July 11, 2005.

Summary

Foresthill Telephone Company (Foresthill) has installed equipment that would allow its customers’ Calling Party Numbers (CPNs) to be transmitted on calls between states. In order to ensure that Foresthills’ customers fully understand the privacy implication of CPN and Calling Party Number Identification Service (Caller ID), Foresthill requests Commission authority to implement a Customer Notification and Education Plan (CNEP).

This Resolution authorizes Foresthill to implement a CNEP for the passage of CPN subject to the condition imposed in this Resolution. Foresthills’ 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 Ducor Telephone Company, and Verizon California Inc. (formerly GTE California) in T-16564 and T-15833. Subsequent to these resolutions, other small Local Exchange Companies have requested and received Commission approval to implement their respective CNEP proposals. With this approach, Foresthill should be able to attain a 70% customer awareness level as specified in this Resolution.

Background

When a CPN is transmitted, a telephone number will be displayed if the called party 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
must subscribe to Caller ID service and have a Caller ID display unit either attached to
the telephone or integrated into the telephone unit.

The customer can decide whether or not the person or business they call receives the
customer’s telephone number. Commission 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
(LECs) must develop a comprehensive CNEP to ensure that their customers fully
understand the privacy implication of both CPN and Caller ID and can make informed
choices about their blocking options. Accordingly, Foresthill has filed Advice Letter
(AL) 254 to request authority to implement its CNEP. Presently, Foresthill does not
transmit its customers’ telephone numbers on either interstate or intrastate calls.

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 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, the Commission granted customers
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 its 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 (formerly the Commission
Advisory and Compliance Division, the forerunner of the current Telecommunications
Division) sent a letter to small LECs that filed ALs seeking authority to implement their
proposed CNEPs. This letter described TD’s recommended basic CNEP requirements
with the goal being 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.
The Telecommunication Division’s recommended CNEP requirements included:

- Conduct a community outreach effort.
- Send a special notice to non-published/unlisted customers.
- Send two bill inserts or direct mail letters, along with ballot card.
- Train carriers’ employees, have a 24-hour customer service number (an 800 or local number) or at least a voicemail service by which customers could receive information and leave their number for a callback by carrier representative. Customer assistance should also be available during some non-business hours.
- Place public service announcements in local newspapers and/or on local radio stations.
- Send confirmation letters to customers acknowledging their choice of blocking option or to notify them of their assigned default blocking.
- Achieve a 70% return of customer ballots indicating their choice of blocking options (complete or selective).
- Send a report to the Commission which includes the number of customers choosing one of the two blocking options as well as the number of non-responsive customers defaulting to selective blocking.
- Developing an ongoing education program which includes an information packet for new customers, and an annual bill insert or letter to existing customers.

Foresthills’ proposed CNEP includes the following components:

- Notification to Customers – Foresthill will send out an initial letter to all its customers informing them that Caller ID will soon be implemented and detailing the steps its customers can take in ordering the Caller ID blocking option that is best suited to their needs. This initial mailing will also include a ballot on which customers can indicate their blocking option. Customers will return their completed ballots to Foresthill.
- In addition to the initial notification and ballot, a special letter will be sent to non-published and unlisted customers. This notice will inform these
customers about CPN as it specifically applies to their non-published and unlisted numbers. This notice will also inform them how to order the blocking option which best suits their needs.

- All returned ballots will be tabulated and each customer's blocking option will be recorded on their account. Each customer that returns a ballot will receive a confirmation letter and a telephone sticker that indicates their blocking option choice. Foresthill has included draft letters as well as stickers for placement on telephones to inform users of the blocking status in its proposed CNEP.

- For customers who have unlisted or unpublished telephone numbers, and do not return their blocking selection ballot, Foresthill proposes to send these customers a default confirmation letter informing them that Complete Blocking (maximum privacy protection) has been assigned to their account. (This blocking option means the customer's phone number will not be shown on all calls made to those who have Caller ID service, unless the customer presses *82 [or dials 1182 on rotary phones] before the customer makes each call).

- Customers who have listed or published numbers and do not return their blocking selection ballot, will receive a default confirmation letter to inform them that Selective Blocking (minimum privacy protection) has been assigned to their account. (This blocking option means the customer's phone number will be shown on all calls made to those who have Caller ID service, unless the customer presses *67 [or dials 1167 on rotary phones] before the customer makes each call).

- Customer Service Information – Foresthill states that it will maintain a local number, with after business hours recorded message, where consumers can obtain information and leave their own message for a call back by a Foresthill representative.

- Employee Training – Foresthill states that it started to train its employees on August 1, 2005, regarding CNP and call blocking options.

- Media Coverage – Foresthill will run an educational ad in a local newspaper on September 30, 2005. Foresthill has submitted a draft copy of the ad language to the CPUC for approval. Foresthill states there is no local radio station in its territory.

- Community Outreach – Includes participation in community meetings, personal contact with agencies and businesses having a “need to know”
status and personal customer contact by business office customer service representatives. Foresthill states it will begin its community outreach efforts on October 10, 2005.

- Customer awareness levels – Foresthill states it will strive to obtain a 70% return of ballots by its customers. Returned ballots will be tabulated and results reported to the Commission. The report will contain the number of customers choosing selective or complete blocking with a breakdown by non-published, non-listed, and/or published status and the number of customers provided with selective blocking by default. Foresthill maintains that it will send this report to the Commission by November 14, 2005.

- Ongoing Education – Foresthill states that its ongoing consumer education program will consist of: 1) After business hours recorded message, 2) New customer education brochure and stickers, 3) Confirmation and telephone stickers, 4) Annual customer notice and monthly billing statements.

Notice/Protest

AL No. 254 was filed on July 11, 2005, and appeared in the Commission Daily Calendar of July 13, 2005. Foresthill states that copies of AL No. 254 have been sent to interested utilities and/or parties. TD has received no protest to AL No. 254.

Discussion

TD has reviewed Foresthill’s AL No. 254 and finds that Foresthill has filed a thorough CNEP document, which adequately fulfills the Commission’s guidelines to educate customers about the passing of their CPN. On or before November 14, 2005, Foresthill should report to the Director of Telecommunications Division regarding the level of customer awareness of CPN and Caller ID achieved by its effort.

We agree with TD that Foresthill has made a CNEP filing that is in conformance with our previous decisions. TD may authorize Foresthill to begin passing CPN, if a minimum of 70% of Foresthills’ customers have made a blocking option choice. Foresthill will not be allowed to begin passing CPN until it has received a 70% return of blocking request option ballots from its customers.

Foresthill requests authority to revise and move up the implementation date to transmit Calling Party Numbers if customer response levels reach 70% prior to October 10, 2005. TD has considered this proposal and does not believe it is in the best interest of Foresthills’ customers to modify the implementation timeline. TD believes that the timeline must be followed as proposed in order to assure that all customers have an
opportunity to respond and, to also assure that this filing is in conformance with previous decisions.

Pursuant to D.92-06-065, Foresthill has included in its CNEP provisions which address those customers who do not return their ballots and do not respond to Foresthills’ subsequent notices. From this group, those customers who have listed or published telephone numbers will have their blocking option defaulted to per-call Selective Blocking. Those customers who have non-listed or non-published telephone numbers, will have their blocking option defaulted to per-line Complete Blocking.

On August 23, 2005, the draft resolution of the Telecommunications Division in this matter was mailed to the parties in accordance with PU Code Section 311 (g). Since this time 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**

Foresthill filed its proposed Customer Notification and Education Plan (CNEP) on July 11, 2005, in Advice Letter No. 254.

Foresthill has installed equipment that would allow customers’ Calling Party Numbers (CPNs) to be transmitted on calls between states.

Presently, Foresthill does not transmit its customers’ telephone numbers on either interstate or intrastate calls.

The Telecommunications Division sent the small local exchange carriers a letter on February 14, 1996, outlining the minimum requirements for a CNEP by a small LEC.

Foresthills’ proposed CNEP meets the minimum requirement for a small LEC.

In lieu of conducting an awareness survey required of the larger utilities whose CNEPs have been authorized by the Commission, Foresthill proposes to send out blocking selection ballots to customers and have a minimum of 70% of its customers return these ballots before Foresthill will pass through CPNs.

After the 70% minimum ballot return is met, all customers who have not yet returned their ballots and who have not responded to any of Foresthill’s subsequent notices, will be defaulted to the following call blocking options depending on the published and/ or listed status of the customer’s telephone number.
• Non-published and/or non-listed numbers should be assigned the option of per-line “Complete Blocking.”

• Published and/or listed numbers should be assigned the option of per-call “Selective Blocking.”

Foresthill should be required to file a report with the Director of the Telecommunications Division by November 14, 2005, stating the number of its customers and percentage of its customers choosing a blocking option or being assigned the Selective Blocking option.

Foresthills’ request to move up the implementation date to transmit Calling Party Numbers if customer response levels reach 70% prior to October 10, 2005 should not be granted.

TD received no comments on this resolution.

THEREFORE, IT IS ORDERED that:

1. Foresthill Telephone Company (Foresthill) Advice Letter No. 254 requesting authorization to implement its Customer Notification and Education Plan (CNEP) is granted subject to the following condition:

   • Foresthill 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 November 14, 2005.

2. The Telecommunications Division may authorize Foresthill to begin passing CPN once a minimum of 70% of Foresthill customers has made a blocking option choice.

3. After the 70% minimum ballot return is met, all customers who do not return their ballots and have not responded to any of Foresthill’s subsequent notices, and have:

   • Non-published or non-listed numbers shall be assigned the option of per-line “Complete Blocking.”

   • Published or listed numbers shall be assigned the option of per-call “Selective Blocking.”

4. Foresthill’s request to move up the implementation date to transmit Calling Party Numbers if customer response levels reach 70% prior to October 10, 2005 is denied.
This Resolution is effective today.

I hereby certify that the Public Utilities Commission adopted this Resolution at its regular meeting on September 22, 2005. The following Commissioners approved it.

/ s/ STEVE LARSON

STEVE LARSON
Executive Director

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
SUSAN P. KENNEDY
DIAN M. GRUENEICH
JOHN A. BOHN
Commissioners