



# California Public Utilities Commission

505 Van Ness Avenue, San Francisco, CA 94102

## Fact Sheet

Docket #: R.00-02-004

### **OVERVIEW OF COMMISSIONER DIAN M. GRUENEICH'S COMPREHENSIVE TELECOMMUNICATIONS CONSUMER PROTECTION PROGRAM**

The alternate proposed decision of Commissioner Dian M. Grueneich, if approved, would implement a comprehensive program to protect California telecommunications consumers from fraud and abuse. The alternate decision contains four elements: a statement of policy principles for telecommunications service in California; rules to implement the policy principles; a consumer education and outreach plan; and an enforcement plan.

The alternate decision proposes to revise the Commission's General Order 168 to include four parts:

- **Consumer Bill of Rights**: Part I would adopt seven basic principles to protect consumers: Choice, Non-Discrimination, Safety, Privacy, Disclosure, Accurate Bills, and Public Participation.
- **The Rules**: Part II proposes a set of comprehensive, but streamlined, set of rules that carriers must follow, as of January 1, 2007. Provisions include:
  - Disclosure of key terms and conditions and presentation of the service contract at the point of sale;
  - Point of sale disclosures and contracts in the same language in which the solicitation or offer of service was made;
  - A 30-day right of rescission;
  - Disclosures for sales of prepaid calling cards and services;
  - Prior notice to consumers of major service changes, including proposed withdrawal or termination of service;
  - Dispute resolution and complaint processes;
  - Mandatory access to 911 service.
- **Anti-cramming Protections**: Part III provides essential protections to consumers, including cell phone customers, to prevent unauthorized charges and to safeguard their right to privacy.
- **Anti-slamming Protections**: The rules in Part IV protect consumers against unauthorized changes in service providers.

The two other elements of the alternate proposed decision cover Consumer Education and Enforcement:

- The Education element contains a plan for extensive outreach to consumers to inform them of their rights and to give them the knowledge they need to make decisions about their telecommunications service. Non-English speaking, low income, and disabled communities would be a special focus.
- The Enforcement element calls for increased monitoring and improved enforcement by the Commission.

While increased competition and technological innovation in telecommunications has given consumers additional choices, more action than mere statements of Commission policy is needed to stem the growing tide of consumer complaints. In particular, the Commission needs to adopt rules that protect cell phone customers, and not just traditional “wireline” customers. Likewise, the Commission needs to respond to changed California demographics by requiring that a customer be offered a contract in the same language as solicitation materials. These and other provisions will protect California consumers while offering telecommunication carriers freedom to develop innovative marketing materials, service offerings, and technological advances.

#### Next Steps

The next steps for this proceeding include an all-party meeting with Commissioner Grueneich on Wednesday, February 1, 2006. Parties wanting to comment on the alternate proposed draft may do so by February 14, 2006, with reply comments to be filed by February 19, 2006. The Commission expects a vote on the alternate and proposed decisions to take place no earlier than March 2, 2006. (Public Utilities Code Sections 311 and 311.5 require a 30-day comment period for alternate decisions.)

For further information contact the Commission’s Public Adviser, Karen Miller at (415) 703-2299 or if you’re a member of the media contact Terrie Prosper at (415) 703-1366.