

CASE

NUMBER:

99-324

INDEX FOR CASE: 1999-324
MCI WORLDCOM
Investigation - Service
SLAMMING

IN THE MATTER OF MCI WORLDCOM COMMUNICATIONS, INC. D/B/A
MCI WORLDCOM, INC. A/K/A MCI WORLDCOM ALLEGED VIOLATION(S)
OF KRS 278.535 SWITCHING OF TELECOMMUNICATIONS PROVIDER

SEQ NBR	ENTRY DATE	REMARKS
0001	08/12/1999	Order directing company to resp. to allegations by 9/7;hearing sched.on 12/9.
0002	09/02/1999	Order scheduling an informal conference on 9/29/99 at 10:00 in Conf. Room 1.
M0001	09/08/1999	MCI WORLDCOM KENT HATFIELD-RESPONSE TO PSC ORDER OF AUGUST 12,99
0003	11/15/1999	Order cancelling hearing.
M0002	11/17/1999	KENT HATFIELD MCI-SUPPLEMENTAL RESPONSE TO PSC ORDER OF AUG 12,99
0004	04/14/2000	Final Order dismissing the show cause Order.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
211 SOWER BOULEVARD
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 1999-324
MCI WORLDCOM

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on April 14, 2000.

Parties of Record:

Julie L. Davis
Regulatory Manager
MCI WorldCom
6 Concourse Parkway
Suite 3200
Atlanta, GA. 30328

Honorable C. Kent Hatfield
Counsel for MCI Worldcom, Inc.
Middleton & Reutlinger
2500 Brown & Williamson Tower
Louisville, KY. 40202 3410

Honorable Susan Berlin
Counsel for MCI Worldcom, Inc.
MCI Worldcom, Inc.
6 Concourse Parkway
Suite 3200
Atlanta, GA. 30328

Stephanie J. Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS,)
INC. D/B/A MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM)
_____)

CASE NO. 99-324

ALLEGED VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

O R D E R

A show cause Order was issued alleging that MCI WorldCom Communications, Inc. ("MCI") caused the unauthorized switch of the primary interexchange carrier ("PIC") of six consumers in violation of KRS 278.535 (slamming).

MCI ultimately presented sufficient proof that the PIC switches occurred because of the following: misunderstanding of facts that gave the appearance of a PIC switch, billing errors, "install" data entry errors, and pertinent facts reflecting a grant of authority to make a PIC switch that cannot be deemed willful conduct by the telecommunications provider ("provider").

The Commission has serious concerns regarding the failure of providers to be forthcoming with relevant and substantive facts to Commission Staff. Had MCI provided the available and pertinent information during the investigative stage of these complaints, then a show cause Order would likely not have been issued.

If there has been a switch of a consumer's PIC, the provider must furnish all pertinent information requested by Commission Staff during the period of the investigation of a complaint. Specifically, proof of authorization must be provided pursuant to KRS 278.535. If no PIC switch has occurred, then the provider must furnish all other available and pertinent data and documented explanations at the investigative stage. The use of third-party verifiers does not insulate the provider from its statutory responsibilities.

The Commission, having reviewed the record and being otherwise sufficiently advised, HEREBY ORDERS that the show cause Order herein is dismissed and removed from the docket.

Done at Frankfort, Kentucky, this 14th day of April, 2000.

By the Commission

ATTEST:


Executive Director

MIDDLETON & REUTLINGER

founded in 1854

2500 BROWN & WILLIAMSON TOWER

LOUISVILLE, KENTUCKY 40202-8410

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KENNETH S. HANDMAKER
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JOHN W. BILBY*
C. KENT HATFIELD
TIMOTHY P. O'MARA
D. RANDALL GIBSON
G. KENNEDY HALL, JR.
JAMES R. HIGGINS, JR.**
MARK S. FENZEL
KATHIEJANE OEHLER
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THOMAS W. FRENTZ*
WILLIAM JAY HUNTER, JR.

JAMES E. MILLIMAN
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KIPLEY J. McNALLY
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JASON P. UNDERWOOD
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EDWIN G. MIDDLETON (1920-1980)
CHARLES G. MIDDLETON, JR. (1916-1988)
ALBERT F. REUTLINGER (1917-1998)

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JEFFERSONVILLE, INDIANA 47130
812.282.1132

RECEIVED

NOV 17 1999

PUBLIC SERVICE
COMMISSION

*ALSO ADMITTED INDIANA
**LICENSED TO PRACTICE BEFORE
U.S. PATENT & TRADEMARK OFFICE

November 16, 1999

Ms. Helen C. Helton
Executive Director
Kentucky Public Service Commission
P.O. Box 615
730 Schenkel Lane
Frankfort, Kentucky 40601

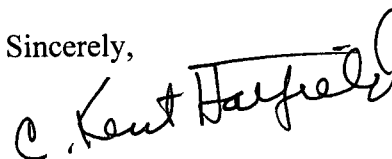
RE: Case No. 99-324

Dear Helen:

Enclosed are the original and ten (10) copies of the Supplemental Response of MCI WorldCom to Commission's Order of August 12, 1999 to be filed in the above-captioned case on behalf of MCI WorldCom. I have also enclosed one additional copy and ask that you indicate its receipt by your office by placing your file stamp on it and returning it to me in the enclosed self-addressed, stamped envelope.

Thank you for your assistance in this matter.

Sincerely,



C. Kent Hatfield

CKH:jms

enclosures

RECEIVED

NOV 17 1999

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS,)
INC. D/B/A MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM)
-----)
ALLEGED VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

CASE NO. 99-324

**SUPPLEMENTAL RESPONSE OF MCI WORLDCOM TO
COMMISSION'S ORDER OF AUGUST 12, 1999**

MCI WorldCom Communications, Inc. ("MCI WorldCom"), by counsel, submits herein its Supplemental Response to the Order of August 12, 1999 of the Kentucky Public Service Commission ("Commission"), in the above-captioned matter. On September 7, 1999 MCI WorldCom submitted its Response to the Commission's Order which charges MCI WorldCom with six counts of unauthorized switching of service by a telecommunications provider in violation of KRS 278.535. In that Response, MCI WorldCom specifically and emphatically denied that any of the listed counts constituted a violation of KRS 278.535.

On September 29, 1999, representatives of MCI WorldCom and the Commission's staff held an informal conference to discuss the facts and circumstances associated with each of the six instances listed by the Commission in its August 12 Order. At the informal conference, MCI WorldCom presented information to the Commission staff with regard to each of the six

instances listed by the Commission. In order to make that information available to the Commission and part of the official record of this proceeding, MCI WorldCom submits herein its Supplemental Response setting forth specific factual information concerning the various instances listed by the Commission. (See Affidavit of Kevin LeVelle verifying the facts stated herein, attached as Exhibit 1). MCI WorldCom firmly and unequivocally maintains that on the basis of the facts set forth herein, none of the six instances listed by the Commission constitutes a violation of KRS 278.535. MCI WorldCom again requests the Commission to dismiss the charges set forth in its August 12 Order, with prejudice.

MCI WorldCom sets forth below specific information concerning each of the six instances listed in the Commission's Complaint. As demonstrated in the discussion that follows, none of the six instances constitutes a statutory violation. Of the six counts, no switching of service to MCI WorldCom even occurred in Counts 2, 4, and 6. Counts 2 and 4 simply involve billing confusion as between MCI WorldCom Network Services, Inc. ("WNS") (as a wholesale carrier) and a reseller customer of WNS. In Count 6, the customer established an MCI WorldCom account nearly seven years ago which was dormant until the customer received a bill for minimum usage. Believing she was switched, the customer complained, but no switch of services occurred.

Count 5 involved an "install" error, either a data entry error or a situation where an MCI WorldCom customer mistakenly gave a non-MCI WorldCom customer's phone number when establishing the account. In Count 3, a TPV tape clearly verifies the switch was agreed upon and consented to by the customer. The tape provides a complete statutory defense to Count 3. Similarly, in Count 1, the customer's consent to switching is implicit given the biographical

information contained in the TPV file. Unfortunately, the TPV contractor could not produce a tape of this verification due to technical difficulties with its recording equipment. In every instance, MCI WorldCom has issued credits or otherwise resolved the matter to the customer's satisfaction.

KRS 278.535(6) requires that the Commission find that a provider has "willfully or repeatedly" violated the statute before it may order corrective action. No violation can be established if an unauthorized switch in the customer's provider has not occurred. Obviously, if no switch in carrier was made, as in three of the six counts, no "unauthorized" switch could possibly occur (Counts 2, 4 and 6). Neither does the statute address install errors or simple data entry errors (Count 5) or erroneous billing situations as between a reseller carrier and its underlying wholesale carrier (Counts 2 and 4).

In short, none of the six instances involves an unauthorized switching of service which was willful. In the one instance, Count 1, where a switch occurred and no TPV tape is available, there is evidence that the switch was consented to and no evidence that the switch was willfully unauthorized. Certainly, when compared with MCI WorldCom's installation of 243,407 new accounts in Kentucky during 1998, this one instance of a new account not verified by a TPV tape, although verified by other contemporaneous TPV evidence, cannot be considered willfully unauthorized. MCI WorldCom submits that the statute is not intended to, and should not be construed to impose strict liability on a carrier where its third party verification company is unable to produce a TPV tape due to equipment problems, but the TPV contractor does provide biographical evidence of consent. MCI WorldCom's reliance in good faith that the TPV contractor would competently perform the tasks it was contracted to perform, negates any

inference of willfulness.¹

MCI WorldCom asks the Commission to review each of the accounts in detail as set forth herein. Since there is no evidence at all of willfully engaging in unauthorized switching, MCI WorldCom asks the Commission to dismiss all counts with prejudice.

Discussion of Count 1

Complainant Name: Roger Mallory
Telephone Number: 502-744-6722

In January 1999, Roger Mallory reported to the Commission that his long distance carrier had been changed to MCI WorldCom without his authorization. MCI WorldCom's representative, Kevin LeVelle, MCI WorldCom External Agency Escalations, responded to the Commission via e-mail regarding this matter in February 1999.

Mr. LeVelle reported that MCI WorldCom established account number 4CW01969 on November 2, 1998 for Mr. Mallory. MCI WorldCom's records indicate the sale was verified on November 2, 1998 at 7:01pm, but the third party verification company ("TPV") was unable to produce a TPV tape due to technical difficulties with the recording equipment. Mr. LeVelle informed the Commission Staff that MCI WorldCom is no longer utilizing this same third party verifier.

Per Mr. LeVelle, a sales representative of MCI WorldCom spoke to someone claiming to be Mr. Mallory on November 2, 1998 at 6:55pm. This individual gave as his address: 7235 Lightfoot Rd., West Paducah, KY 42086. The TPV company then used by MCI WorldCom contacted this individual at the telephone number of 502-476-0997 on November 2, 1998 at 7:01pm to verify authorization to establish service. As further verification, the TPV representative obtained a date of birth, April 23, 1946, to further confirm Mr. Mallory's acceptance of the service.

MCI WorldCom's representatives stated that they do not believe that Mr. Mallory's service was switched without his authorization because, even though a TPV tape was unavailable, they did have on file extensive customer information, including his date of birth as one form of verification.

¹MCI WorldCom no longer retains the services of this TPV company.

Mr. Mallory used long distance service from MCI WorldCom totaling \$52.97 over a three month period. Although MCI WorldCom maintains that Mr. Mallory's account was switched only after his authorization, and declined initially to issue a credit, MCI WorldCom has now credited Mr. Mallory a total of \$52.97 in order to satisfactorily resolve this matter.

Discussion of Count 2

Complainant Name: Barbara Eaton
Telephone Number: 502-222-7954

In April 1999, Ms. Eaton reported that her long distance phone service was changed to MCI WorldCom without her authorization. MCI WorldCom responded to the Commission via e-mail regarding this matter in April 1999.

According to Mr. LeVelle, in researching the complaint, he found that no MCI WorldCom account had been established for Ms. Eaton under the telephone number of 502-222-7954. Working with the Commission's Staff, Mr. LeVelle learned that Ms. Eaton's service had not been switched to MCI WorldCom service but rather to Unidial. MCI WorldCom's initial response failed to note that the Unidial PIC change was implemented on behalf of Unidial by WorldCom Network Services, as Unidial's underlying carrier.

Discussion of Count 3

Complainant Name: Mary Fischer
Telephone Number: 606-267-2022

In May 1999, Mary Fischer reported to the Commission that her long distance carrier had been changed to MCI WorldCom without her authorization. MCI WorldCom responded to the Commission via e-mail regarding this matter in June 1999.

According to Mr. LeVelle, MCI WorldCom established account number 4BH82135 on January 4, 1998. MCI WorldCom added InterLATA service to this account on March 15, 1999. Someone claiming to be Mary Fischer verified the change in service. As further identification, this person gave MCI WorldCom a date of birth of December 10, 1957. Mr. LeVelle provided a copy of the TPV tape to the Commission on June 17, 1999. The TPV tape clearly reveals Ms. Fisher's confirmation of the service.

Discussion of Count 4

Complainant Name: Mrs. Robert O'Brien
Telephone Number: 606-341-7866

In April 1999, Mrs. Robert O'Brien informed the Commission that her long distance carrier had been changed to MCI WorldCom without her authorization. MCI WorldCom responded to the Commission via e-mail regarding this matter in May 1999.

Mrs. O'Brien was a customer of MRP, a reseller customer of WNS or WorldCom Network Services, Inc. For a two-day period, due to a billing error, Mrs. O'Brien's calls were billed by WNS, instead of by WNS's wholesale customer, MRP. Since Mrs. O'Brien did not have an account with WorldCom, the calls were billed at a tariffed rate applicable to non-subscribers. Upon discovery of the billing error, Mr. LeVelle advised that WorldCom issued a credit for \$43.36 to Mrs. O'Brien and sent it to her local telephone company, GTE. The credit reflects a re-rating of the calls from "casual" billing to what she would have paid with MRP. Mrs. O'Brien's preferred carrier was never switched to WorldCom and it never established an account for her.

Discussion of Count 5

Complainant Name: Watson Company
Telephone Number: 606-296-0518

In April 1999, Mark Watson reported to the Commission that long distance service for his fifth telephone number of 606-296-0518 was changed to MCI WorldCom without authorization. Mr. Watson reported that he had four other lines that were not switched and his preferred carrier was Frontier. Mr. Watson wanted to know by whom and how this account was authorized. MCI WorldCom responded to the Commission via e-mail in April 1999.

Mr. LeVelle reported that MCI WorldCom established an account #4DN99264 on November 16, 1998 in the name of James Higgins. The account was established as a "V-net" (virtual network) account. In researching this matter, MCI WorldCom determined that this was an "install error" in that either Mr. Higgins mistakenly gave Mr. Watson's number to MCI WorldCom or else the MCI WorldCom sales representative mistakenly keyed in Mr. Higgins' telephone number. The MCI WorldCom specialist who researched this matter (Wayne Bryant) verified that Mr. Watson was billed \$20.99 in March, and \$18.69 in April, 1999. Mr. Bryant also verified that Mr. Watson's PIC was changed away from MCI WorldCom April 15, 1999. Mr. Watson was billed \$3.95 in PIC fees by his local telephone company, resulting in total charges of \$43.63. To resolve the complaint, MCI WorldCom sent Mr. Watson \$60.00 in certificates for

the charges he incurred. This situation did not involve an unauthorized PIC change, but rather a data entry error or inaccurate information provided by another MCI WorldCom customer, in the course of establishing an account for that other customer.

Discussion of Count 6

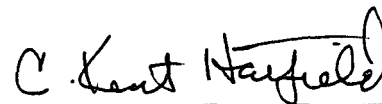
Complainant Name Century 21
Telephone Number 270-442-2100

In May 1999, "Janice," the office manager with Century 21, reported orally to the Commission that she had called MCI WorldCom in April to stop the billing she was receiving. Per Janice, her company never authorized or had service with MCI WorldCom. Per Janice, she was told by MCI WorldCom that the company would terminate the service and the billing would stop but Janice received still another bill in May 1999. MCI WorldCom responded to the Commission via e-mail regarding this matter in May 1999.

Per Mr. LeVelle, this account was established in 1992. See account records attached as Exhibit 2. Because the account was never canceled (and apparently never used), the customer started receiving minimum monthly billing when MCI WorldCom established minimum monthly billing in 1999. Mr. LeVelle canceled this account of Century 21 and issued full credit to the account. The PSC staff informed Mr. LeVelle that the customer was "very happy with this resolution." Because Century 21 had been an MCI WorldCom customer for almost seven years, although the account was dormant until minimum monthly billing was commenced, no switch in carrier occurred.

WHEREFORE, MCI WorldCom requests the Commission to dismiss the Complaint with prejudice.

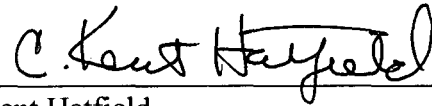
Respectfully submitted,



C. Kent Hatfield
Henry S. Alford
Middleton & Reutlinger
2500 Brown & Williamson Tower
Louisville, Kentucky 40202

CERTIFICATE OF SERVICE

It is hereby certified on this 16th day of November, 1999, this Supplemental Response was mailed to the Kentucky Public Service Commission at 730 Schenkel Lane, Frankfort, Kentucky 40602, and a copy thereof was mailed to Counsel for the Commission, Honorable Dale Wright, Esq. at the same address.



C. Kent Hatfield



COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS)
INC. D/B/A/ MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM -- ALLEGED) CASE NO. 99-324
VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

AFFIDAVIT OF KEVIN LeVELLE

The Affiant, Kevin LeVelle, being first duly sworn, deposes and states as follows:

1. I am an External Agency Escalations Supervisor for MCI WorldCom. My business address is 323 3rd Street SE, Cedar Rapids, Iowa 52401.
2. As an External Agency Escalations Supervisor, my primary job responsibilities are to manage a team of MCI WorldCom research analysts and to respond to complaints received by MCI WorldCom from customers or from state or federal regulatory agencies.
3. I am fully familiar with the allegations asserted against MCI WorldCom in the above-styled docket before the Kentucky Public Service Commission ("KPSC") and of the six (6) underlying alleged "slamming" cases which prompted the initiation of the docket premised on KRS 278.535.
4. As a result of my position with MCI WorldCom, and as a result of my review and verification of pertinent company records, I have personal knowledge of the facts underlying the six (6) slamming cases asserted against MCI WorldCom in Kentucky.

5. I have throughly reviewed MCI WorldCom's Supplemental Response to the KPSC's Order of August 12, 1999 and, to the best of my knowledge and belief, the facts asserted therein are true, accurate and complete.

Further Affiant sayeth naught.

Kevin LeVelle
KEVIN LeVELLE

STATE OF IOWA)
) SS:
COUNTY OF Linn)

The foregoing was subscribed and sworn to before me by Kevin LeVelle on this 3rd day of November, 1999.

Traci A. Tobin
NOTARY PUBLIC

My Commission Expires: _____



CIPRCSN9 - FFCP501
TVNN0068 - N9\$M

NATIONAL MARKETING SYSTEM
NATIONAL LEC INTERFACE SYSTEM
REVIEW TRANSACTION HISTORY

08 23 99
DIVISION SE
PAGE 1

WTN 2704422100 TERM ID ACNA/CIC MCI/0222 NLIS STATUS 05 CNCL
BTN 2704422100 CUST CD TRANS /STATUS 5100 PRIOR T/S 5000
MCI ACCT 4D160327 PAY METH 13 CLASS CUST IND STATUS DATE 990413
CONS NBR 99353121 BILL PRD E.A. DATE 850923 J.I. E INTER
CUS TYPE 80 B FX CODE END OFFICE PADUCAH
N CUS NM C-21 A. ROOF DUKE REALTY
LEC ID 9419 BELL SOUTH (SCB)
C CUS NM

LINE	TRN	DATE	PRC	DATE	SOURCE	TRAN	TRANS	DESC	STATUS	TBI
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2	921120	921120	SYSTEM	5600	PEND BOC	PBA				
3	921119	921123	LEC	2141	ORDER REJECT	REJ				
4	921125	921126	NOPS	5000	INSTALL/CHNG	REJ				
5	921202	921203	NOPS	5300	RESUBMIT	AWEA				
6	921203	921203	SYSTEM	5600	PEND BOC	PBA				
7	921203	921208	LEC	2122	ORDER REJECT	REJ				
8	921209	921210	NOPS	5000	INSTALL/CHNG	REJ				

MORE NBR OF TRANSACTIONS 13

OPTION (ENTER C-CARE. L-LOCATOR. N-NOPS)

FUNC _____ MODE _ TYPE _ VALUE 2704422100+0210442502000 _____

Printed by Kevin

FFCP501 END OF HIST. DATA FOR THIS WTN. TOTAL HIST. BUCKETS IS 13
CIPRCSN9 - FFCP501 NATIONAL MARKETING SYSTEM 08 23 99
TVNN0068 - N9\$M NATIONAL LEC INTERFACE SYSTEM DIVISION SE
REVIEW TRANSACTION HISTORY PAGE 2
WTN 2704422100 TERM ID ACNA/CIC MCI/0222 NLIS STATUS 05 CNCL
BTN 2704422100 CUST CD TRANS /STATUS 5100 PRIOR T/S 5000
MCI ACCT 4D160327 PAY METH 13 CLASS CUST IND STATUS DATE 990413
CONS NBR 99353121 BILL PRD E.A. DATE 850923 J.I. E INTER
CUS TYPE 80 B FX CODE END OFFICE PADUCAH
N CUS NM C-21 A. ROOF DUKE REALTY
LEC ID 9419 BELL SOUTH (SCB)
C CUS NM

LINE	TRN	DATE	PRC	DATE	SOURCE	TRAN	TRANS	DESC	STATUS	TBI
1	930108	930109	NEPS	5300	RESUBMIT	AWEA				
2	930109	930109	SYSTEM	5600	PEND BOC	PBA				
3	930109	930112	LEC	2138	ORDER REJECT	CONF				
4	930113	930114	NOPS	5000	INSTALL/CHNG	CONF				
5	990413	990413	COPS	5100	CANCEL	CNCL				

END NBR OF TRANSACTIONS 13
OPTION (ENTER C-CARE, L-LOCATOR, N-NOPS)
FUNC _____ MODE _ TYPE _ VALUE 2704422100+0210442502000 _____



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

November 15, 1999

Julie L. Davis
Regulatory Manager
MCI WorldCom
6 Concourse Parkway
Suite 3200
Atlanta, GA. 30328

Honorable C. Kent Hatfield
Counsel for MCI Worldcom, Inc.
Middleton & Reutlinger
2500 Brown & Williamson Tower
Louisville, KY. 40202

Honorable Susan Berlin
Counsel for MCI Worldcom, Inc.
MCI Worldcom, Inc.
780 Johnson Ferry Road
Suite 700
Atlanta, GA. 30342

RE: Case No. 99-324

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS,)
INC. D/B/A MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM)
_____)

CASE NO. 99-324

ALLEGED VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

O R D E R

At the informal conference held on September 29, 1999, it was agreed by MCI Worldcom Communications, Inc., d/b/a MCI Worldcom, Inc. a/k/a MCI Worldcom ("MCI"), and Commission Staff that the hearing scheduled for December 9, 1999 should be cancelled. Discussions are ongoing to resolve this matter, and MCI will file a detailed supplemental response.

The Commission, being sufficiently advised, HEREBY ORDERS that the hearing is cancelled.

Done at Frankfort, Kentucky, this 15th day of November, 1999.

By the Commission

ATTEST:


Executive Director

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

RECEIVED
SEP 07 1999

PUBLIC SERVICE
COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS, INC.)
D/B/A MCI WORLDCOM, INC.)
A/D/A MCI WORLDCOM)
_____) CASE NO. 99-324
ALLEGED VIOLATION(S) OF)
KRS 278.535 SWITCHING OF)
TELECOMMUNICATIONS PROVIDER)

**RESPONSE OF MCI WORLDCOM TO
COMMISSION'S ORDER OF AUGUST 12, 1999**

MCI WorldCom, Inc. ("MCI WorldCom"), by counsel submits herein its Response to the Order of August 12, 1999 of the Kentucky Public Service Commission ("Commission"), in the above-captioned matter.

GENERAL STATEMENT

The Commission's Order charges MCI WorldCom with six counts of unauthorized switching of service by a telecommunications provider in violation of KRS 278.535. MCI WorldCom specifically and emphatically denies that any of the listed counts constitute a violation of KRS 278.535. By Order of September 2, 1999, the Commission has scheduled an informal conference in this matter for September 29, 1999. MCI WorldCom welcomes the opportunity to meet with the Commission Staff in an informal conference to discuss the facts and circumstances associated with each of the six instances listed by the Commission in its August 12 Order, as well as to discuss the

previous responses of MCI WorldCom to inquiries from the Commission's Consumer Services Division prior to the August 12 Order.

RESPONSE TO SPECIFIC COUNTS

Count One:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count One with respect to the specific complaint of Roger Mallory to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count One. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statute are not factual allegations and need be neither specifically admitted nor denied.
3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

Count Two:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count Two with respect to the specific complaint of Barbara Eaton to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count Two. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statute are not factual allegations and need be neither specifically admitted nor denied.

3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

Count Three:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count Three with respect to the specific complaint of Mary Fischer to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count Three. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statue are not factual allegations and need be neither specifically admitted nor denied.
3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

Count Four:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count Four with respect to the specific complaint of Mrs. Robert O'Brien to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count Four. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statue are not factual allegations and need be neither specifically admitted nor denied.

3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

Count Five:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count Five with respect to the specific complaint of Mark Watson to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count Five. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statue are not factual allegations and need be neither specifically admitted nor denied.
3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

Count Six:

1. MCI WorldCom is without information sufficient to admit or deny the allegations of Paragraph 1 of Count Six with respect to the specific complaint of Century 21 Real Estate to the Commission Staff, and therefore denies same.
2. MCI WorldCom admits that it received correspondence from the Commission Staff as set forth in Paragraph 2 and 3 of Count Six. MCI WorldCom specifically denies that an unauthorized change in service was made as alleged. References to and characterizations of the statue are not factual allegations and need be neither specifically admitted nor denied.

3. MCI WorldCom specifically denies that it has made an insufficient response to the inquiries of the Commission Staff, and further denies that the facts in questions establish a violation of KRS 278.535.

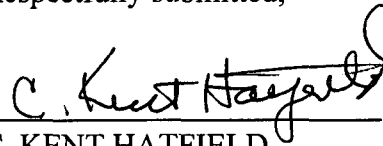
GENERAL DENIAL

1. MCI WorldCom denies each and every other allegation of the August 12 Order not specifically admitted herein.

WHEREFORE, MCI WorldCom requests as follows:

1. That it be afforded appropriate rights of discovery pursuant to the Commission's Rules and Regulations with respect to the allegations contained in the Commission's Order of August 12, 1999;
2. That it be afforded an opportunity for discussion of the allegations with the Commission's Staff at the September 29, 1999 informal conference now scheduled by the Commission;
3. That the charges set forth in the Commission's Order of August 12, 1999 be dismissed, with prejudice; and
4. For any and all other relief to which it may be entitled.

Respectfully submitted,



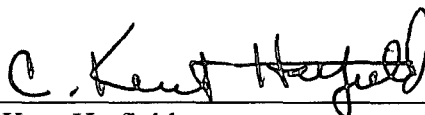
C. KENT HATFIELD
MIDDLETON & REUTLINGER
2500 Brown & Williamson Tower
Louisville, Kentucky 40202
(502) 584-1135

SUSAN BERLIN
MCI WORLDCOM, INC.
780 Johnson Ferry Road
Suite 700
Atlanta, Georgia 30342
(404) 267-5874

COUNSEL MCI WORLDCOM, INC.

CERTIFICATE OF SERVICE

It is hereby certified on this 7th day of September, 1999, this Response was hand-delivered to the Kentucky Public Service Commission at 730 Schenkel Lane, Frankfort, Kentucky 40602, and a copy thereof was mailed to Counsel for the Commission, Honorable Dale Wright, Esq. at the same address.

A handwritten signature in cursive script that reads "C. Kent Hatfield". The signature is written in black ink and is positioned above a horizontal line.

C. Kent Hatfield



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

September 2, 1999

Julie L. Davis
Regulatory Manager
MCI WorldCom
6 Concourse Parkway
Suite 3200
Atlanta, GA. 30328

RE: Case No. 99-324

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS,)
INC. D/B/A MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM)

CASE NO. 99-324

ALLEGED VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

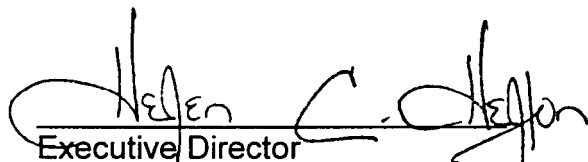
O R D E R

IT IS HEREBY ORDERED that an informal conference in this matter is scheduled for Wednesday, September 29, 1999, at 10:00 a.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 2nd day of September, 1999.

By the Commission

ATTEST:


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

August 12, 1999

Julie L. Davis
Regulatory Manager
MCI WorldCom
6 Concourse Parkway
Suite 3200
Atlanta, GA. 30328

RE: Case No. 99-324

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/hv
Enclosure

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
MCI WorldCom
1133 Nineteenth Street, NW
Washington, D.C. 20036

4a. Article Number
7401 159 098

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
8/16/99

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
X *[Signature]*

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

P 536 201 317

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to: National Registered Agents, Inc.
 Street: MCI WorldCom
 400 West Market Street
 Post Office, State, & ZIP Code: Suite 1800
 Louisville, KY 40202

Postage \$ 1.43

Certified Fee \$ 1.40

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, & Addressee's Address

TOTAL Postage & Fees \$ 4.08


Postmark or Date

Case No. 99-324

[Postmark: FRANKFORT AUG 18 1999 USPS 40601]

PS Form 3800, April 1995

Z 401 159 098


Receipt for Certified Mail
 No Insurance Coverage Provided
 Do not use for International Mail (See Reverse)

Sent to: MCI WorldCom
 Street: 1133 Nineteenth Street NW
 Post Office, State and ZIP Code: Washington, D.C. 20036

Postage \$ 1.43

Certified Fee \$ 1.40

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom & Date Delivered

Return Receipt Showing to Whom, Date, and Addressee's Address

TOTAL Postage & Fees \$ 4.08

Postmark or Date

Case No. 99-324

[Postmark: FRANKFORT AUG 18 1999 USPS 40601]

PS Form 3800, March 1993

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MCI WORLDCOM COMMUNICATIONS,)
INC. D/B/A MCI WORLDCOM, INC.)
A/K/A MCI WORLDCOM)
_____)
ALLEGED VIOLATION(S) OF KRS 278.535)
SWITCHING OF TELECOMMUNICATIONS)
PROVIDER)

CASE NO. 99-324

O R D E R

MCI WorldCom Communications, Inc. d/b/a MCI WorldCom, Inc. a/k/a MCI WorldCom is a communications provider as defined in KRS 278.535(1)(a), is authorized to do business in Kentucky, and is subject to the Commission's jurisdiction. WorldCom Technologies, Inc. is a foreign corporation authorized by the Office of the Secretary of State of the Commonwealth of Kentucky (identification number 0435789) to do business in Kentucky and said authorization occurred on or about July 14, 1997. MCI Telecommunications Corporation is a foreign corporation authorized by the Office of the Secretary of State of the Commonwealth of Kentucky (identification number 0062400) to do business in Kentucky and said authorization occurred on or about February 26, 1973. MCI Telecommunications Corporation merged into WorldCom Technologies, Inc., which resulted in the communications provider named MCI WorldCom Communications, Inc., which is doing business as MCI WorldCom, also known as MCI WorldCom, Inc. Therefore, MCI WorldCom, Inc. a/k/a MCI WorldCom was authorized to do business in Kentucky on or about July 14, 1997. The records maintained by the

Office of Secretary of State show that the principal place of business for MCI WorldCom is 1133 Nineteenth Street, N.W., Washington, D.C. 20036, and show that the registered agent is National Registered Agents, Inc., 400 West Market Street, Suite 1800, Louisville, Kentucky 40202. Commission Staff has information showing other places of business to be: Post Office Box 3187, Cedar Rapids, Iowa 52406 and 780 Johnson Ferry Road, Suite 700, Atlanta, Georgia 30342.

KRS 278.535(7) prescribes specific statutory procedures for the proper changing of the primary telecommunications carrier of a customer.

COUNT I

1. On or about January 20, 1999, Roger Mallory reported to Commission Staff by telephone that his long-distance carrier had been changed from BellSouth Telecommunications, Inc. to MCI WorldCom without his authority or permission. Mr. Mallory's telephone number is 502/476-0997.

2. On January 20, 1999, MCI WorldCom was notified by mail of the complaint received by Commission Staff from Mr. Mallory. A carrier change was made in his service by or on behalf of MCI WorldCom that was unauthorized. The letter requested that MCI WorldCom provide Commission Staff appropriate evidence that the carrier change was authorized by Mr. Mallory. KRS 278.535(2) places the burden of proof on MCI WorldCom to show that Mr. Mallory knowingly authorized the carrier change. A copy of said letter is attached hereto and marked **Appendix Count I-A**.

3. On February 3, 1999, MCI WorldCom was mailed a second notification regarding the complaint lodged by Mr. Mallory. A copy of said letter is attached hereto and marked **Appendix Count I-B**.

4. Commission Staff, after investigation, has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. Mallory that properly authorized the carrier change.

COUNT II

1. On or about April 12, 1999, Barbara Eaton reported by telephone to Commission Staff that her long-distance carrier had been changed from her preferred carrier to MCI WorldCom. The phone number for Ms. Eaton is 502/222-7954. This change was made without authority or permission.

2. By letter dated April 12, 1999, MCI WorldCom was notified of the complaint received by Commission Staff from Ms. Eaton. The carrier change was made in her service by or on behalf of MCI WorldCom which was unauthorized. The letter requested that MCI WorldCom provide to Commission Staff appropriate evidence that the carrier change was authorized by Ms. Eaton. KRS 278.535(2) places the burden of proof upon MCI WorldCom to show that Ms. Eaton knowingly authorized the carrier change. A copy of said letter is attached hereto and marked **Appendix Count II-A**.

3. On or about April 29, 1999, MCI WorldCom was mailed a second notification by Commission Staff regarding the complaint lodged by Ms. Eaton. MCI WorldCom was unable to provide the requisite statutory proof that the change in service

was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count II-B.**

4. Commission Staff, after investigation, has been unable to secure or obtain any written authorization or electronically recorded authorization by Ms. Eaton that properly authorized her carrier change.

COUNT III

1. On or about May 7, 1999, Mary Fischer reported by telephone to Commission Staff that her long-distance carrier had been changed from her preferred carrier to MCI WorldCom. The telephone number for Ms. Fischer is 606/267-2022. This change was made without authority or permission.

2. By letter dated May 7, 1999, MCI WorldCom was notified of the complaint received by Commission Staff from Ms. Fischer. A carrier change was made in her service by or on behalf of MCI WorldCom that was unauthorized. The letter requested that MCI WorldCom provide to Commission Staff appropriate evidence that the carrier change was authorized by Ms. Fischer. KRS 278.535(2) places the burden of proof on MCI WorldCom to show that Ms. Fischer knowingly authorized the carrier change. A copy of said letter is attached hereto and marked **Appendix Count III-A.**

3. On or about May 24, 1999, MCI WorldCom was mailed a second notification by Commission Staff regarding the complaint lodged by Ms. Fischer. MCI WorldCom was unable to provide the requisite statutory proof that the change in service described was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count III-B.**

4. Commission Staff, after investigation, has been unable to secure or obtain any written authorization or electronically recorded authorization of Ms. Fischer that properly authorized the carrier change.

COUNT IV

1. On or about April 30, 1999, Mrs. Robert O'Brien reported by telephone to Commission Staff that her long-distance carrier, Minimum Rate Pricing, Inc., was changed to MCI WorldCom. The telephone number for Mrs. O'Brien is 606/341-7866. This change was made without authority or permission.

2. By letter dated May 28, 1999, MCI WorldCom was notified of the complaint received by Commission Staff from Mrs. O'Brien. A carrier change was made in her service by or on behalf of MCI WorldCom that was unauthorized. The letter requested that MCI WorldCom provide to Commission Staff appropriate evidence that the carrier change was authorized by Mrs. O'Brien. KRS 278.535(2) places the burden of proof on MCI WorldCom to show that Mrs. O'Brien knowingly authorized the carrier change. A copy of said letter is attached hereto and marked **Appendix Count IV-A.**

3. On or about June 15, 1999, MCI WorldCom was mailed a second notification by Commission Staff regarding the complaint lodged by Mrs. O'Brien. MCI WorldCom was unable to provide the requisite statutory proof that the change in service described was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count IV-B.**

4. Commission Staff, after investigation, has been unable to secure or obtain any written authorization or electronically recorded authorization of Mrs. O'Brien that properly authorized the carrier change.

COUNT V

1. On or about April 15, 1999, Mark Watson reported by telephone to Commission Staff that the long-distance carrier for his business of Watson Company, Inc. was changed from Frontier Communications of the West, Inc. to MCI WorldCom. The telephone number for Watson Company, Inc. is 606/296-0518. This change was made without authority or permission.

2. By letter dated May 25, 1999, MCI WorldCom was notified of the complaint received by Commission Staff from Mr. Watson on behalf of his company. A carrier change was made in the business service by or on behalf of MCI WorldCom that was unauthorized. The letter requested that MCI WorldCom provide to Commission Staff appropriate evidence that the carrier change was authorized. KRS 278.535(2) places the burden of proof on MCI WorldCom to show that someone (Mr. Watson) representing the named business knowingly authorized the carrier change. A copy of said letter is attached hereto and marked **Appendix Count V-A**.

3. On or about June 11, 1999, MCI WorldCom was given a second notification by Commission Staff regarding the complaint lodged by Mr. Watson. MCI WorldCom was unable to provide the requisite statutory proof that the change in service at the business aforementioned was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count V-B**.

4. Commission Staff, after investigation, has been unable to secure or obtain any written authorization or electronically recorded authorization of Mr. Watson, or anyone on his behalf, that properly authorized the carrier change.

COUNT VI

1. On or about May 17, 1999, an employee of Century 21 Real Estate, 3201 Coleman Road, Paducah, Kentucky 42001 reported by telephone to Commission Staff that the preferred long-distance carrier for the business phone had been changed to MCI WorldCom without any authority or permission from anyone on behalf of Century 21 Real Estate. The business telephone number is 270/442-2100.

2. By letter dated May 26, 1999, MCI WorldCom was notified of the complaint received by Commission Staff from Century 21 Real Estate. A long-distance carrier change was made in the business service by or on behalf of MCI WorldCom that was unauthorized. The letter requested that MCI WorldCom provide to Commission Staff appropriate evidence that the change in service was authorized by or on behalf of someone representing Century 21 Real Estate. KRS 278.535(2) places the burden of proof on MCI WorldCom to show that someone representing the above-named business knowingly authorized the carrier change. MCI WorldCom was unable to provide the requisite statutory proof that the carrier change was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count VI-A**.

3. On or about June 15, 1999, MCI WorldCom was mailed a second notification by Commission Staff. MCI WorldCom was unable to provide the requisite

statutory proof that the change in service at the business aforementioned was properly authorized. A copy of said letter is attached hereto and marked **Appendix Count VI-B**.

4. Commission Staff, after investigation, has been unable to secure or obtain any written authorization or electronically recorded authorization of any representative on behalf of the aforementioned business that properly authorized the carrier change.

The Commission, based on the foregoing facts, finds sufficient evidence to believe that MCI WorldCom has violated KRS 278.535.

The Commission, on its own motion, HEREBY ORDERS that:

1. MCI WorldCom shall submit to the Commission within 20 days of the date of receipt of this Order a response to the allegations contained in each Count above.

2. MCI WorldCom shall appear on December 9, 1999 at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky for the purpose of presenting evidence in each Count herein regarding the alleged violation(s) of KRS 278.535, and showing cause, if any, why it should not be subject to the penalties prescribed in KRS 278.535(6).

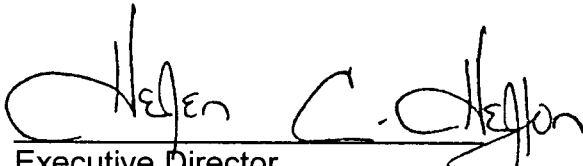
3. The letters attached hereto are made a part of the record herein.

4. Any request for informal conference with Commission Staff to consider any matter which would expedite the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of receipt of this Order.

Done at Frankfort, Kentucky, this 12th day of August, 1999.

By the Commission

ATTEST:


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
(502) 564-3940

January 20, 1999

Kevin LeVelle
MCI/Worldcom
External Agency Escalations
P. O. Box 3187
Cedar Rapids, IO 52406

RE: File No. Roger Mallory, 502-476-0997 and 502-744-6722

Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Roger Mallory of West Paducah, Kentucky, claiming that your company changed his long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, which would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. The Commission, therefore, requests that you provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

- 1) A letter of agency from the customer that:
 - a) authorizes the change;
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or


- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or
- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

Please provide a written admission or denial of the complainant's allegation along with a description of the verification method used by your company to complete the PIC change. Also provide the appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization. We would appreciate receiving your response to this informal complaint no later than February 8, 1999. If you do not respond, the matter may be referred to the Commission for formal resolution.

The Commission considers any violation of KRS 278.535 to be serious and will consider taking appropriate action against a long distance carrier found to have unlawfully "slammed" a customer. KRS 278.535 authorizes the Commission to suspend, restrict, or revoke the certificate of a telecommunications provider to provide service in Kentucky and impose a civil penalty of up to ten thousand dollars (\$10,000) for each violation of the statute.

Your company's cooperation in this matter is greatly appreciated. We look forward to receiving your timely response.

Sincerely,


Bob Johnston, Director
Consumer Services Division



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460
February 3, 1999

Paul E. Patton
Governor

Laura Douglas, Secretary
Public Protection and
Regulation Cabinet

Kevin LeVelle
MCI WorldCom
External Agency Escalations
P.O. Box 3187
Cedar Rapids, IA 52406

Sherry Schelble
MCI WorldCom
780 Johnson Ferry Rd, Ste. 700
Atlanta, GA 30342

Re: File No. 19990171 – Roger Mallory

Dear Sir and Madam:

By letter dated January 20, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that if your utility has not responded to this letter within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to my attention. I can be reached at (502) 564-3940, Extension 403 or at the address above.

Sincerely,

Bob Johnston, Director
Consumer Services Division



AN EQUAL OPPORTUNITY EMPLOYER M

APPENDIX COUNT I-B



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Heiton
Executive Director
Public Service Commission

Paul E. Patton
Governor

April 12, 1999

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

RE: File No. 199901183 – Barbara Eaton (502-222-7954)

Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Barbara Eaton in Crestwood, Kentucky, alleging that your company changed her long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, who would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. Your utility is, therefore, requested to provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

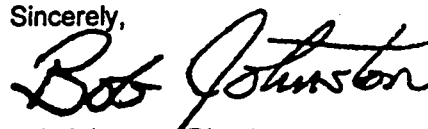
- 1) A letter of agency from the customer that:
 - a) authorizes the change;
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or
- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or
- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

Please provide a written response to the complainant's allegation along with a description of the verification method used by your company to complete the PIC change. Also provide the appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization. We would appreciate receiving your response to this informal complaint no later than April 29, 1999. If you do not respond, the matter may be referred to the Commission for formal resolution.

The Commission considers any violation of KRS 278.535 to be serious and will consider taking appropriate action against a long distance carrier found to have unlawfully "slammed" a customer. KRS 278.535 authorizes the Commission to suspend, restrict, or revoke the certificate of a telecommunications provider to provide service in Kentucky and impose a civil penalty of up to ten thousand dollars (\$10,000) for each violation of the statute.

Your company's cooperation in this matter is greatly appreciated. We look forward to receiving your timely response.

Sincerely,



Bob Johnston, Director
Consumer Services Division





COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460
April 29, 1999

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

Ms. Julie Davis
MCI WorldCom
6 Concourse Pkwy, Suite 3200
Atlanta, GA 30328

Re: File No. 199901183 – Barbara Eaton (502-222-7954)

Dear Mr. LeVelle and Ms. Davis:

By letter dated April 12, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that, if your utility has not responded within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to Bob Johnston, Director of the Consumer Services Division, at (502) 564-3940, Extension 403.

Sincerely,

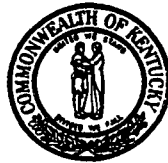
Bob Johnston, Director
Consumer Services Division

Enclosure



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APPENDIX COUNT II-B



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
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FRANKFORT, KENTUCKY 40602
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Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

May 7, 1999

Mr. Kevin LeVelle
MCI WorldCom
External Agency Escalations
P.O. Box 3187
Cedar Rapids, IA 52406-3187

RE: File No. 199901466 – Mary Fischer (606) 267-2022

Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Mary Fischer in Ewing, Kentucky, alleging that your company changed her long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, who would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. Your utility is, therefore, requested to provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

- 1) A letter of agency from the customer that:
 - a) authorizes the change;
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or

- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or

- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

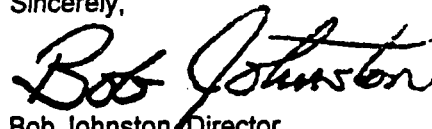
APPENDIX COUNT III-A

Please provide a written response to the complainant's allegation along with a description of the verification method used by your company to complete the PIC change. Also provide the appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization. We would appreciate receiving your response to this informal complaint no later than May 24, 1999. If you do not respond, the matter may be referred to the Commission for formal resolution.

The Commission considers any violation of KRS 278.535 to be serious and will consider taking appropriate action against a long distance carrier found to have unlawfully "slammed" a customer. KRS 278.535 authorizes the Commission to suspend, restrict, or revoke the certificate of a telecommunications provider to provide service in Kentucky and impose a civil penalty of up to ten thousand dollars (\$10,000) for each violation of the statute.

Your company's cooperation in this matter is greatly appreciated. We look forward to receiving your timely response.

Sincerely,



Bob Johnston, Director
Consumer Services Division





COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
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May 24, 1999

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Heleen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

Ms. Julie Davis
MCI WorldCom
6 Concourse Pkwy, Ste. 3200
Atlanta, GA 30328

Re: File No. 199901466 – Mary Fischer (606) 267-2022

Dear Mr. LeVelle and Ms. Davis:

By letter dated May 7, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that, if your utility has not responded within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to Bob Johnston, Director of the Consumer Services Division, at (502) 564-3940, Extension 403.

Sincerely,

Bob Johnston, Director
Consumer Services Division



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APPENDIX COUNT III-B



COMMONWEALTH OF KENTUCKY
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Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

May 28, 1999

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

RE: File No. 199901395 – Mrs. Robert O'Brien (606) 341-7866

Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Mrs. Robert O'Brien in Villa Hills, Kentucky, alleging that your company changed her long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, who would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. Your utility is, therefore, requested to provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

- 1) A letter of agency from the customer that:
 - a) authorizes the change;
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or
- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or
- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

Please provide a written response to the complainant's allegation along with a description of the verification method used by your company to complete the PIC change. Also provide the appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization. We would appreciate receiving your response to this informal complaint no later than June 14, 1999. If you do not respond, the matter may be referred to the Commission for formal resolution.

The Commission considers any violation of KRS 278.535 to be serious and will consider taking appropriate action against a long distance carrier found to have unlawfully "slammed" a customer. KRS 278.535 authorizes the Commission to suspend, restrict, or revoke the certificate of a telecommunications provider to provide service in Kentucky and impose a civil penalty of up to ten thousand dollars (\$10,000) for each violation of the statute.

Your company's cooperation in this matter is greatly appreciated. We look forward to receiving your timely response.

Sincerely,



Bob Johnston, Director
Consumer Services Division





COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
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June 15, 1999

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

Ms. Julie Davis
MCI WorldCom
6 Concourse Pkwy, Ste. 3200
Atlanta, GA 30328

Re: File No. 199901395 – Mrs. Robert O'Brien (606) 341-7866

Dear Mr. LeVelle and Ms. Davis:

By letter dated May 28, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that, if your utility has not responded within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to Bob Johnston, Director of the Consumer Services Division, at (502) 564-3940, Extension 403.

Sincerely,


Bob Johnston, Director
Consumer Services Division



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APPENDIX COUNT IV-B



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
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Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

May 25, 1999

Mr. Kevin LeVelle
MCI WorldCom
External Agency Escalations
P.O. Box 3187
Cedar Rapids, IA 52406-3187

RE: File No. 199901248 – Watson Company, Inc. (606)-296-0518

Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Mark Watson of Watson Company, Inc. in Lexington, Kentucky, alleging that your company changed his long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, who would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. Your utility is, therefore, requested to provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

- 1) A letter of agency from the customer that:
 - a) authorizes the change;
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or
- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or
- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

Please provide a written response to the complainant's allegation along with a description of the verification method used by your company to complete the PIC change. Also provide the appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization. We would appreciate receiving your response to this informal complaint no later than June 11, 1999. If you do not respond, the matter may be referred to the Commission for formal resolution.

The Commission considers any violation of KRS 278.535 to be serious and will consider taking appropriate action against a long distance carrier found to have unlawfully "slammed" a customer. KRS 278.535 authorizes the Commission to suspend, restrict, or revoke the certificate of a telecommunications provider to provide service in Kentucky and impose a civil penalty of up to ten thousand dollars (\$10,000) for each violation of the statute.

Your company's cooperation in this matter is greatly appreciated. We look forward to receiving your timely response.

Sincerely,



Bob Johnston, Director
Consumer Services Division





COMMONWEALTH OF KENTUCKY
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June 11, 1999

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

Ms. Julie Davis
MCI WorldCom
6 Concourse Parkway, Ste. 3200
Atlanta, GA 30328

Re: File No. 199901248 – Watson Company, Inc. (606) 296-0518

Dear Mr. LeVelle and Ms. Davis:

By letter dated May 25, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that, if your utility has not responded within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to Bob Johnston, Director of the Consumer Services Division, at (502) 564-3940, Extension 403.

Sincerely,

Bob Johnston, Director
Consumer Services Division



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APPENDIX COUNT V-B



COMMONWEALTH OF KENTUCKY
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Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

May 26, 1999

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

RE: File No. 199901527 – Century 21 (270) 442-2100

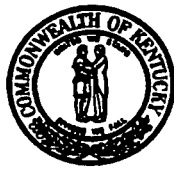
Dear Mr. LeVelle:

The Kentucky Public Service Commission has received an informal complaint from Janice of Century 21 in Paducah, Kentucky, alleging that your company changed her long distance telephone service provider without permission. This matter is currently being investigated by Commission staff, who would like to give you the opportunity to respond to this complaint.

Pursuant to KRS 278.535, a customer's telecommunications provider may not be switched to another provider without the customer's signed letter of agency or the electronically recorded authorization of the customer. Under either method, the authorization must indicate that the customer knowingly approved the specific details of the switch. The statute also states that the burden of proof to show that the customer knowingly authorized the change is placed upon the provider who claims to have obtained customer authorization for the switch. Your utility is, therefore, requested to provide appropriate proof of the customer's authorization in accordance with one of the following three (3) verification procedures prescribed in 807 KAR 5:062, Section 2:

- 1) A letter of agency from the customer that:
 - a) authorizes the change; ,
 - b) demonstrates that the customer understands what occurs when a PIC is changed;
 - c) states the customer's billing name and address and each telephone number to be covered by the PIC change order;
 - d) demonstrates that the customer understands the PIC change fee;
 - e) if the PIC change order applies to a number in an area with a Two-PIC system, clearly states whether the customer has authorized the change of his intraLATA PIC, his interLATA PIC, or both; or
- 2) The IXC has obtained the customer's electronic authorization, placed from a telephone number on which the customer's PIC is to be changed, to submit a PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section. IXCs electing to confirm sales electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. A call to the number(s) will connect a customer to a voice response unit, or similar mechanism, that records the required information and automatically records the originating number; or
- 3) An appropriately qualified and independent third party operating in a location physically separate from the IXC's telemarketing representative has obtained the customer's electronic authorization to submit the PIC change order. The electronic authorization shall include the information described in subsection (1)(a)-(e) of this section and appropriate verification data such as the customer's date of birth or social security number.

APPENDIX COUNT VI-A



COMMONWEALTH OF KENTUCKY
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June 15, 1999

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

Mr. Kevin LeVelle
MCI WorldCom
P.O. Box 3187
Cedar Rapids, IA 52406-3187

Ms. Julie Davis
MCI WorldCom
6 Concourse Pkwy, Ste. 3200
Atlanta, GA 30328

Re: File No. 199901527 – Century 21 (270) 442-2100

Dear Mr. LeVelle and Ms. Davis:

By letter dated May 28, 1999, the Commission requested your utility to provide certain information regarding the above referenced slamming complaint. Specifically, the company was directed to provide a written response to the complainant's allegation along with a description of the verification method used to complete the change of service. The company was also asked to provide appropriate evidence of the authorization such as a signed letter of agency or voice recording of the customer's electronic authorization in accordance with KRS 278.535 and 807 KAR 5:062, Section 2. Commission records indicate that, as of the date of this letter, your utility has not responded to the Commission's request.

Please be advised that, if your utility has not responded within 10 days of the date of this letter, the Commission may initiate appropriate administrative action in accordance with KRS 278.535. For your reference, a copy of KRS 278.535 is enclosed.

Any questions regarding this letter should be directed to Bob Johnston, Director of the Consumer Services Division, at (502) 564-3940, Extension 403.

Sincerely,


Bob Johnston, Director
Consumer Services Division



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APPENDIX COUNT VI-B