

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE TARIFF FILING OF SOUTH CENTRAL)	
BELL TELEPHONE COMPANY TO INTRODUCE)	CASE NO. 91-218
CALLER ID)	

O R D E R

On June 5, 1991, South Central Bell Telephone Company ("South Central Bell") filed a proposed tariff to introduce Caller ID on a market trial basis. Caller ID is a network based optional feature that will allow a customer to view incoming telephone numbers on a display unit. As proposed, the market trial will extend through July 5, 1992 and after the first six months of the market trial, a study will be commissioned to analyze the benefits of Caller ID. By Order dated July 3, 1991, the Commission suspended South Central Bell's proposed tariff for further investigation of its reasonableness. Intervenor in this proceeding are the Attorney General by and through his Utility and Rate Intervention Division ("AG"), the American Civil Liberties Union of Kentucky, Lexington-Fayette Urban County Government ("LFUCG"), and by Order of the Commission, GTE South Incorporated ("GTE South").

In comments received September 13, 1991, South Central Bell described Caller ID as an additional feature of its TouchStar Service offering which was developed for single line business and residence customers. South Central Bell's proposed tariff is for a one year trial for Caller ID without any generic call blocking.

South Central Bell describes its proposed tariff as responsive to customer demands to have more control over their telephones. South Central Bell enumerates the benefits to residential subscribers as giving more control over incoming calls, discouraging obscene, annoying, and harassing calls, increasing a sense of security and privacy by allowing subscribers to choose which calls to answer, assisting the deaf and hearing impaired community to determine whether incoming calls should be answered with a telecommunications device for the deaf or an automated recording device and, finally, allowing subscribers to store telephone numbers of missed calls to be returned later.

South Central Bell describes the benefits to business customers as giving businesses the ability to personalize service and provide prompt and efficient service enabling businesses to call up customer files and records for referral, providing a way for businesses to verify the accuracy of customer information or location, providing an additional means to return missed calls and, finally, providing a secure method of accessing office data-bases from home.

Further, South Central Bell describes the benefits to the public at large as a reduction in false fire alarms and bomb threats and a generalized reduction in prank calls to law enforcement and other public safety agencies.

South Central Bell proposes to deliver all telephone numbers claiming that the effectiveness of Caller ID is diminished if the total base of numbers is depleted. In response to situations where South Central Bell recognizes that it is not in the public

interest to have the calling number displayed at the called location, South Central Bell proposes three alternatives: (1) limited blocking available on a per-line basis to certified personnel of law enforcement and domestic violence intervention agencies; (2) credit cards issued to personnel authorized by such agencies which would cause the display of "out of area" on the called location display unit; and (3) Calling Party Number Revision, a feature which would permit the calling party to place calls through a special number that accesses the central office. Upon reaching the central office, the calling party dials the number of the party to be called and a fictitious telephone number will appear on the display unit of the called party.

South Central Bell asserts that the availability of these three options to authorized agencies is adequate to protect public interest. Moreover, South Central Bell claims that the provision of a blocking option to the general public reduces the value of Caller ID to the called party and should therefore not be required.

In response to these comments of South Central Bell, the Commission received comments from the AG and from LFUCG. The AG and LFUCG strongly request that the Commission allow South Central Bell to implement Caller ID only on the same basis as GTE South was permitted to provide the service. Thus, free per-call blocking is urged. The AG asserts that the public's reaction involves a mixture of interests and concerns and, thus, states that blocking should be widely available to the public. The AG and LFUCG emphasize the fact that South Central Bell did not

demonstrate any need to deviate from the Commission's established policy. The AG's comments also assert that the abuses and problems with Caller ID are becoming more evident and more serious.¹ The AG's comments detailed specific problems with Caller ID, including concerns not addressed by per-call blocking.

The Commission's initial review of the issues involved in the provision of Caller ID Service occurred in Case No. 90-096.² In that proceeding the Commission, by Order dated October 8, 1990, approved GTE South's proposed provision of Caller ID services but required that it be offered with free per-call blocking made available to all of its customers. Since this Order, the provision of Caller ID has been the subject of lengthy debate in state regulatory commissions across the nation. The instant proceeding has given the Commission the opportunity to revisit the issues involved in the provision of Caller ID services. As stated in the Order of July 11, 1991, the Commission desires to have a uniform policy for the provision of Caller ID and, therefore, made GTE South a party to this proceeding subject to any possible changes regarding the provision of this service.

The issue faced in this proceeding is whether the provision of Caller ID service is reasonable and in the public interest only

¹ AG's response to South Central Bell's tariff, filed July 3, 1991.

² Case No. 90-096, The Tariff Filing of GTE South Incorporated to Establish Custom Local Area Signaling Service.

when offered with free universally available per-call blocking or per-line blocking or both. The record has identified valid concerns as to whether the provision of Caller ID service is reasonable and in the public interest without requiring it to be offered with free universally available per-line blocking. Per-call blocking means that the calling party can input a special code before dialing to prevent number display on the called party's display device. Per-line blocking means that no calling number from the caller's line will be displayed on the called party's Caller ID display device. It is important to enable customers so desiring to retain the same degree of privacy enjoyed before the provision of Caller ID. Accordingly, the Commission finds that the offering of Caller ID services with the offering of free per-call blocking alone is not enough to address the legitimate privacy concerns.

The customers should be given the option of receiving free per-line blocking as well as free per-call blocking in order for the Caller ID service to be reasonable and in the public interest. The additional option of free per-line blocking must be offered to customers to ensure that the wide variety of customer privacy concerns are fully protected. These options will maintain the privacy expectation levels of customers with unpublished and unlisted numbers as well as other customer privacy expectations. Requiring that Caller ID be provided with an offering of free universally available per-call and per-line blocking is a reasonable compromise, balancing interest between the legitimate

privacy concerns without diminishing the benefits and value of the number delivery with Caller ID services.

Customer education regarding the availability of free per-call blocking and per-line blocking is essential in order to address the privacy interest of customers. Customers being made aware of Caller ID service should also be made aware of the availability of the privacy mechanism and the instructions on how to implement any of these services. Therefore, any information or advertising which any provider of Caller ID services supplies should include information on the availability of free per-call blocking and per-line blocking including instructions on how to obtain and utilize these blocking services.

The Commission, having considered South Central Bell's proposed tariff and all comments thereto and having been otherwise sufficiently advised, HEREBY ORDERS that:

1. South Central Bell's proposed tariff filing to introduce Caller ID services is approved with the modification that it is offered with free and universally available per-call blocking and per-line blocking. The free per-call blocking and free per-line blocking shall be available to all South Central Bell customers in exchanges which the TouchStar Service is to be offered. Caller ID shall be approved with the specified modifications on a trial market basis as proposed or on a permanent basis, at the option of South Central Bell.

2. GTE South shall revise its tariff to be consistent with ordering paragraph one.

3. South Central Bell shall inform its customers of the availability of the free per-call blocking and free per-line blocking through the provision of at least three bill inserts over a three month period, one of which must be received by these customers prior to the availability of the new TouchStar Services.

4. South Central Bell shall file an advanced copy of the bill insert with the Commission for its consideration.

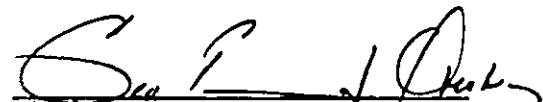
5. Future directories shall include information concerning free per-call blocking and free per-line blocking including how to obtain and utilize these blocking services.

6. Any information or advertising which South Central Bell and GTE South provide to their customers concerning Caller ID shall include information on free per-call blocking and per-line blocking including how to obtain and utilize these blocking services.

7. Tariff sheets containing modifications ordered herein shall be filed by South Central Bell and GTE South within 30 days of the date of this Order.

Done at Frankfort, Kentucky, this 4th day of December, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director

Commissioner