

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

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 12<sup>th</sup> day of August, 1999.

By the Commission

ATTEST:

---

Executive Director