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**Rules of**  
**Department of Economic**  
**Development**  
**Division 240—Public Service Commission**  
**Chapter 33—Service and Billing Practices for**  
**Telecommunications Companies**

<b>Title</b>	<b>Page</b>
<b>4 CSR 240-33.010</b> General Provisions .....	3
<b>4 CSR 240-33.020</b> Definitions .....	3
<b>4 CSR 240-33.030</b> Minimum Charges Rule .....	3
<b>4 CSR 240-33.040</b> Billing and Payment Standards .....	3
<b>4 CSR 240-33.050</b> Deposits and Guarantees of Payment .....	4
<b>4 CSR 240-33.060</b> Inquiries .....	5
<b>4 CSR 240-33.070</b> Discontinuance of Service .....	5
<b>4 CSR 240-33.080</b> Disputes .....	6
<b>4 CSR 240-33.090</b> Settlement Agreements .....	6
<b>4 CSR 240-33.100</b> Variance .....	7
<b>4 CSR 240-33.110</b> Commission Complaint Procedures .....	7
<b>4 CSR 240-33.150</b> Verification of Orders for Changing Telecommunications Service Provider .....	7



**Title 4—DEPARTMENT OF  
ECONOMIC DEVELOPMENT  
Division 240—Public Service  
Commission  
Chapter 33—Service and Billing  
Practices for Telecommunications  
Companies**

**4 CSR 240-33.010 General Provisions**

*PURPOSE: This rule describes in general terms the provisions of this chapter.*

(1) This chapter applies to all telephone utilities subject to the jurisdiction of the Missouri Public Service Commission.

(2) A telephone utility shall not discriminate against a customer or prospective customer for exercising any right granted by this chapter.

(3) A telephone utility may adopt rules governing its relations with customers and prospective customers which are not inconsistent with this chapter. The rules shall be part of a telephone utility's tariffs.

(4) All telephone utilities shall be in compliance with this chapter on or before December 31, 1977 and shall notify the commission of such compliance.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

**4 CSR 240-33.020 Definitions**

*PURPOSE: This rule defines various terms that are used in this chapter.*

(1) The following definitions shall apply to this chapter:

(A) Bill means a written demand for payment for service or equipment and the taxes and franchise fees related thereto;

(B) Bill insert or insert means a written notice which is enclosed with a bill;

(C) Billing period means a normal usage period of not less than twenty-eight (28) nor more than thirty-one (31) days;

(D) Charge means an amount due for service or equipment and the taxes and franchise fees related thereto;

(E) Complaint means an informal or formal complaint under 4 CSR 240-2.070;

(F) Concurrent service means service for more than one (1) main station to the same customer;

(G) Customer means a person responsible for payment for service;

(H) Cycle billing means a system which results in the rendition of bills to various customers on different days of a month;

(I) Delinquent charge means a charge which is not paid in full on which payment is due;

(J) Deposit means a money advance to a telephone utility for the purpose of securing payment of delinquent charges which might accrue to the customer who made the advance;

(K) Discontinuance of service or discontinuance means a cessation of service not requested by a customer;

(L) Guarantee means a written promise from a responsible party to assume liability up to a specified amount for delinquent accounts which might accrue to a particular customer;

(M) In dispute means any matter regarding a charge or service which is the subject of an unresolved inquiry;

(N) Inquiry means any written or oral comment or question regarding a charge or service which is directed to a telephone utility by a customer or prospective customer;

(O) Main station means the principal telephone associated with each service location to which a unique telephone number is assigned;

(P) Person means an individual, partnership, corporation or other legal entity;

(Q) Preferred payment date plan means a plan in which the delinquency date for the charges stated on a bill shall occur on the same day during each billing period as selected by the customer;

(R) Prospective customer means a person who has requested service but who has not yet entered into a contract for service;

(S) Rendition of a bill means the date a bill is mailed to a customer;

(T) Service means the provision by a telephone utility of telephone service for residential purposes;

(U) Settlement agreement means a written agreement between a customer and a telephone utility which provides for the payment of undisputed charges over a period longer than the customer's normal billing period;

(V) Tariff means a schedule of rates, services and rules approved by the commission;

(W) Telephone utility means a telephone corporation as defined in section 386.020, RSMo (1986);

(X) Termination of service or termination means a cessation of service requested by a customer;

(Y) User means a person, not necessarily a customer, on whose behalf a contract for service has been entered into.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

**4 CSR 240-33.030 Minimum Charges Rule**

*PURPOSE: This rule requires all telephone utilities to inform prospective customers at the time service is requested and at the time a contract for service is entered into of the lowest cost service available and the lowest cost one party service available and the lowest equipment cost available for such types of service so that prospective customers are aware of the lowest cost service and equipment available.*

(1) Upon a request for service and at the time a contract for service is entered into, a telephone utility shall use a prepared statement to inform a prospective customer of the lowest cost service available, including services as measured party service and toll limitation services if offered and the lowest cost one (1) party service available to such prospective customer and the lowest equipment cost for such grades of service.

(2) A copy of all prepared statements required by this rule shall be provided to the commission, its counsel and the public counsel upon request.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

**4 CSR 240-33.040 Billing and Payment Standards**

*PURPOSE: This rule establishes billing and payment standards to be observed by telephone utilities and customers in resolving questions regarding these matters so that reasonable and uniform standards exist for billing and payment practices for all telephone utilities.*

(1) A telephone utility, after the initial bill for new service is rendered, shall render a bill during each billing period except when the bill has a "00" balance.

(2) A telephone utility may render bills on a cyclical basis if a customer receives the bill on or about the same day of each month. Billing cycles may be altered if the affected customers are sent an insert or other written notice explaining the alteration not less than thirty (30) days prior to the effective date of the alteration. This notification is not



required when a customer requests a number change or when the customer disconnects and reconnects service or transfers service from one (1) premises to another.

(3) If a telephone utility does not expressly offer a preferred payment date plan, a customer shall have at least twenty-one (21) days from the rendition of a bill to pay the charges stated except when the customer has had service discontinued under 4 CSR 240-33.070 within the last twelve (12) months or where the customer incurs toll or other charges at any time during the billing period which are equal to at least four hundred percent (400%) of the amount of the deposit or guarantee previously required from the customer, in which case payment may be demanded for the toll charges by a telephone call to the customer followed by written notification of such demand sent by first-class mail. If the toll charges remain unpaid for ten (10) days from rendition of written notification or a mutually established late payment arrangement date or twenty-one (21) days from rendition of the bill, whichever is less, such charges will be deemed delinquent.

(4) If a telephone utility has a preferred payment date plan which it has expressly offered to its customers, a customer, except a preferred payment customer, shall have at least ten (10) days from the rendition of the bill to pay the charges except when the customer has had service discontinued under 4 CSR 240-33.070 within the last twelve (12) months or where the customer incurs toll or other charges at any time during the billing period which are equal to at least four hundred percent (400%) of the amount of the deposit or guarantee previously required from the customer, in which case payment may be demanded for the toll charges by a telephone call to the customer followed by written notification of such demand sent by first-class mail to the customer. If toll charges remain unpaid for ten (10) days from rendition of written notification or on a mutually established late payment arrangement date, the charges will be deemed delinquent. A preferred payment date customer shall pay the charges on or before the due date under the plan.

(5) A telephone utility shall not assess a finance, carrying or penalty fee upon a delinquent account, but may assess a charge to cover no more than the cost of handling the delinquent account which charge must be approved by the commission.

(6) Every bill shall clearly state—

(A) The number of main stations for which charges are stated;

(B) The beginning or ending dates of the billing period for which charges are stated;

(C) A statement of the date the bill becomes delinquent if not paid, either by stating the date payment is due, the actual date of delinquency or the number of days from the billing date when the bill becomes delinquent;

(D) The unpaid balance, if any;

(E) The amount due for basic service and an itemization of the amount due for toll service including the date and duration of each toll call;

(F) An itemization of the amount due for taxes and franchise fees which the telephone utility under its tariffs may pass on to customers;

(G) The total amount due;

(H) The amount of a deposit or of interest accrued on a deposit which has been credited to the charges stated;

(I) The telephone number where inquiries may be made; and

(J) If a deposit is held by the company.

(7) A telephone utility shall render a separate bill for concurrent service unless otherwise requested by the customer.

(8) During the first billing period in which a customer receives service, a customer must receive an insert or other written notice which contains an itemized account of the charges for the equipment and service for which s/he has contracted.

*AUTHORITY: section 386.250.(II), RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977. Amended: Filed Dec. 31, 1979, effective Sept. 2, 1980.*

**4 CSR 240-33.050 Deposits and Guarantees of Payment**

*PURPOSE: This rule establishes uniform standards dealing with the application and requirements of deposits and guarantee of payment so that reasonable and uniform standards exist regarding deposits and guarantees required by telephone utilities.*

(1) A telephone utility may require a deposit or guarantee as a condition of service if the customer or prospective customer—

(A) Is unable to establish that s/he had a previous service account with a telephone utility for a period of at least twelve (12) months for which all undisputed charges were satisfactorily paid; or

(B) Is unable to establish credit rating under standards contained in tariffs of the telephone utility which shall be filed with and approved by the commission, provided that this subsection (1)(B) shall only be applicable if a customer or prospective customer would otherwise be required to post a deposit or guarantee under subsection (1)(A).

(2) A telephone utility may require a deposit or guarantee as a condition of continued service under any of the following circumstances:

(A) The customer has undisputed charges in two (2) out of the last twelve (12) billing periods which have become delinquent. A telephone utility, with respect to each customer, shall maintain a record of all charges which have become delinquent within the last twelve (12) billing periods;

(B) The customer has had service discontinued under 4 CSR 240-3.070(1)(A) or (B) at any time during the preceding twelve (12) billing periods; and

(C) The customer established service with the telephone utility within the preceding six (6) months, and incurs toll or other charges in any one (1) billing period which are equal to at least four hundred percent (400%) of the amount of the deposit or guarantee previously required by the telephone utility.

(3) No deposit or guarantee or additional deposit or guarantee shall be required by a telephone utility because of race, sex, creed, national origin, marital status, age, number of dependents, source of income, condition of physical handicap or geographical area of residence.

(4) A deposit shall be subject to the following terms:

(A) It shall not exceed estimated charges for two (2) months' service based on the average bill during the preceding twelve (12) months or in the case of new applicants for service, the average monthly bill for new subscribers within a customer class;

(B) It shall bear interest at a rate specified in telephone utility tariffs, approved by the commission, which shall be credited annually upon the account of the customer or paid upon the return of the deposit, whichever occurs first. Interest shall not accrue on any deposit after the date on which a reasonable effort has been made to return it to the customer. Records shall be kept of efforts made to return a deposit;

(C) Upon discontinuance or termination, it shall be credited, with accrued interest, to the charge stated on the final bill and the balance,

if any, shall be returned to the customer within twenty-one (21) days of the rendition of such final bill;

(D) Upon satisfactory payment of all undisputed charges during the last twelve (12) billing periods, it shall with accrued interest be promptly refunded or credited against charges stated on subsequent bills. Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent provided it is not in dispute. A telephone utility may withhold refund of a deposit pending the resolution of a dispute with respect to charges secured by such deposit;

(E) A telephone utility shall maintain records which show the name of each customer who has posted a deposit, the current address of such customer, the date and amount of deposit, the date and amount of interest paid and the earliest possible refund date;

(F) Each customer posting a deposit shall receive in writing at the time of posting or within ten (10) days from the date a receipt which contains the following information:

1. Name of customer;
2. Address where the service for which the deposit is required will be provided;
3. Place where deposit was received or a designated code which identifies the location;
4. Date when the deposit was received;
5. Amount of deposit; and
6. The terms which govern retention and refund of the deposit;

(G) A telephone utility shall show on the customer's bill whether or not the customer has a deposit with the company and thereby provide means whereby a person entitled to a refund of a deposit is not deprived of the refund even though s/he may be unable to produce the receipt for the deposit, provided s/he can produce identification to ensure that s/he is the person entitled to the refund. A telephone utility shall maintain a record of the deposit refunded and interest paid on such deposit for a period of at least two (2) years after the refund is made; and

(H) A telephone utility shall permit a customer, concurrent with the beginning of service, to post a deposit in two (2) equal monthly installments or as otherwise agreed upon.

(5) In lieu of a deposit a telephone utility may accept a written guarantee. The limit of the guarantee shall not exceed the amount of a cash deposit.

(6) A guarantor shall be released upon satisfactory payment of all undisputed charges during the last twelve (12) billing periods.

Payment of a charge is satisfactory if received prior to the date upon which the charge becomes delinquent provided it is not in dispute. All telephone utilities shall file tariffs establishing credit criteria and screening procedures, standardized recordkeeping and verification procedures for uncollectible accounts and an interest rate level for deposits to be effective on the effective date of this rule.

*AUTHORITY: section 386.250(II), RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977. Amended: Filed Dec. 31, 1979, effective Sept. 2, 1980.*

#### 4 CSR 240-33.060 Inquiries

*PURPOSE: This rule establishes procedures to be followed when customers make inquiries of telephone utilities so that such inquiries are handled in a reasonable manner.*

(1) A telephone utility shall adopt procedures which will ensure the prompt and thorough receipt, investigation and, where possible, resolution of inquiries. The telephone utility, upon request, shall submit the procedures to the commission and the telephone utility shall notify the commission of any substantive changes in these procedures prior to their implementation.

(2) A telephone utility shall establish personnel procedures which ensure that personnel shall be available during normal business hours to accept customer inquiries within a reasonable time after such inquiries are made by telephone or in person. Within a reasonable time after accepting such an inquiry, a telephone utility will make available appropriate personnel to handle the inquiry.

(3) A telephone utility shall prepare a statement which in layman's terms describes the rights and responsibilities of the telephone utility and its customers under this chapter. This statement shall appear in the front part of the telephone directory or the telephone utility can mail or otherwise deliver such statement to its existing and new customers in a form that would allow the customer to affix the statement in the directory. The statement shall be submitted to the commission for approval at least thirty (30) days prior to being submitted for publication in a directory or distributed as a mailing or otherwise and it shall at least describe—

- (A) Billing procedures;
- (B) Customer payment requirements and procedures;
- (C) Deposit and guarantee requirements;

(D) Conditions of termination, discontinuance and reconnection of service;

(E) Procedures for handling inquiries;

(F) A procedure whereby a customer may avoid discontinuance of service during a period of absence;

(G) Complaint procedures under 4 CSR 240-2.070;

(H) The telephone number and address of all offices of the Missouri Public Service Commission and the statement that this company is regulated by the Missouri Public Service Commission; and

(I) The address of the Office of Public Counsel and a statement of the function of that office.

(4) A notice prominently displayed on the table of contents page or in the absence of a table of contents on the inside of the front cover if the statement is published in the directory, shall state: "This directory contains important information about your rights as a telephone customer on page (here the phone company will insert the page number on which the notice shall appear.)"

(5) At all of its public business offices, a telephone utility shall make available for public inspection a copy of this chapter and the utility's tariffs. At such offices, conspicuous signs shall be posted which indicate that this information is available for public inspection.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1977.*

#### 4 CSR 240-33.070 Discontinuance of Service

*PURPOSE: This rule prescribes the conditions under which service to a customer may be discontinued and procedures to be followed by telephone utilities and customers regarding these matters so that reasonable and uniform standards exist for the discontinuance of service.*

(1) Service may be discontinued for any of the following reasons:

(A) Nonpayment of an undisputed delinquent charge;

(B) Failure to post a required deposit or guarantee;

(C) Unauthorized use of telephone utility equipment in a manner which creates an unsafe condition or creates the possibility of damage or destruction to such equipment;

(D) Failure to substantially comply with terms of a settlement agreement;



(E) Refusal after reasonable notice to permit inspection, maintenance or replacement of telephone utility equipment;

(F) Material misrepresentation of identity in obtaining telephone utility service; and

(G) As provided by state or federal law.

(2) The failure to pay charges not subject to commission jurisdiction shall not constitute cause for a discontinuance unless specifically authorized in telephone utility tariffs approved by the commission.

(3) Subject to the requirements of this chapter, service may be discontinued during normal business hours on or after the date specified in the notice of discontinuance. Service shall not be discontinued on a day when the offices of a telephone utility are not available to facilitate reconnection of service or on a day immediately preceding such day. Service shall not be discontinued for nonpayment of a delinquent charge until five (5) days after a charge has become delinquent except as provided in section (10) of this rule.

(4) Service shall not be discontinued under section (1) of this rule unless written notice by first-class mail is sent or delivered to the customer at least five (5) days prior to the date of the proposed discontinuance. A notice of discontinuance shall not be effective if a customer has pending with the telephone utility a complaint concerning the charge upon which the notice is based. A telephone utility, at the time service is contracted for, shall inquire if the customer will also be the user. If the user is different from the customer, a telephone utility shall maintain a record of this showing the name and address of the user. Unless notified by a customer, a telephone utility shall not be required to know of changes in this status after the initial contract for service has been fully executed.

(5) A notice of discontinuance shall contain the following information:

(A) The name and address and the telephone number of the customer;

(B) A statement of the reason for the proposed discontinuance and the cost for reconnection;

(C) The date after which service will be discontinued unless appropriate action is taken;

(D) How a customer may avoid the discontinuance;

(E) The customer's right to enter into a settlement agreement if the claim is for a charge not in dispute and the customer is unable to pay the charge in full;

(F) The telephone number where the customer may make an inquiry;

(G) A statement that this notice will not be effective if the charges involved are part of an unresolved dispute; and

(H) A statement of the exception for medical emergency under section (7) of this rule.

(6) At least twenty-four (24) hours preceding a discontinuance, a telephone utility shall make reasonable efforts to contact the customer to advise them of the proposed discontinuance and what steps must be taken to avoid it.

(7) Notwithstanding any other provision of this chapter, a telephone utility shall postpone a discontinuance for a time not in excess of twenty-one (21) days if the telephone is necessary to obtain emergency medical assistance for a person who is a member of the household where the telephone service is provided and where such person is under the care of a physician. Any person who alleges such emergency, if requested, shall provide the telephone utility with reasonable evidence of such necessity.

(8) Upon the customer's request, a telephone utility shall restore service consistent with all other provisions of this chapter when the cause or discontinuance has been eliminated.

(9) Payment may be made by the customer for restoration of service in any reasonable manner, including personal check. Payment by personal check may be refused if the customer, within the last twelve (12) months, has tendered payment in this manner and the check has been dishonored, excepting bank error.

(10) Notwithstanding any other provisions of this chapter, service to a customer may be discontinued at any time after written notice has been sent, certified mail, to such customer at his/her last known address and at the address where the service to be discontinued is provided if such customer—

(A) Incurs charges not covered by a deposit or guarantee and evidences an intent not to pay such charges when due; or

(B) Damages or evidences an intent to damage telephone utility equipment.

(11) The notice required by section (10) of this rule shall state how a customer has evidenced an intent not to pay charges when due or evidenced an intent to damage telephone utility equipment.

*AUTHORITY: sections 386.040, 386.250, and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977. Amended: Filed July 5, 1983, effective Feb.*

*II, 1984. Emergency amendment filed Dec. 20, 1983, effective Jan. 1, 1984, expired Feb. II, 1984.*

#### 4 CSR 240-33.080 Disputes

*PURPOSE: This rule establishes the procedures by which disputes between customers and telephone utilities should be resolved so that reasonable and uniform standards exist for handling disputes.*

(1) A customer may advise a telephone utility that all or part of a charge is in dispute by written notice, in person or by a telephone message directed to the telephone utility prior to the delinquent date of the charge.

(2) When a customer advises a telephone utility that all or part of a charge is in dispute, the utility shall record the date, time and place the inquiry is made; investigate the inquiry promptly and thoroughly; and attempt to resolve the dispute in a manner satisfactory to both parties.

(3) Failure of a customer to participate with the telephone utility in efforts to resolve an inquiry which has the effect of placing charges in dispute shall constitute a waiver of the customer's right to continuance of service under this chapter.

(4) If a customer disputes part of a charge, s/he shall pay an amount to the telephone utility equal to that part of the charge not in dispute unless otherwise agreed to by the parties.

(5) If a customer fails to pay the amount of a delinquent charge not in dispute within five (5) days from the date such charge becomes delinquent, a telephone utility may discontinue service under 4 CSR 240-33.070.

(6) If an inquiry which places a charge in dispute is resolved in favor of the customer, amounts due the customer shall be refunded or credited promptly.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

#### 4 CSR 240-33.090 Settlement Agreements

*PURPOSE: This rule establishes a procedure where a customer may obtain an extension of time in which to pay charges due a telephone*

utility so that reasonable and uniform standards are established with regard to payment extensions.

(1) When a customer is unable to pay a charge in full when due, the telephone utility to whom the charge is due shall permit him/her to enter into an initial settlement agreement under which the charge may be paid as mutually agreed to by both parties. A copy of the settlement agreement shall be delivered or mailed to the customer upon request by the customer.

(2) Matters treated by a settlement agreement shall not constitute a basis for a discontinuance as long as the terms of the settlement agreement are followed.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

#### 4 CSR 240-33.100 Variance

*PURPOSE: This rule establishes the procedure to be followed by a telephone utility or customer when either seeks a variance from any provision of this chapter.*

(1) Any telephone utility or customer may request authority for a variance from any provision of this chapter and the commission may grant variances.

(2) A variance request shall be filed in writing with the secretary of the commission. A copy of such request shall be provided to the public counsel.

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

#### 4 CSR 240-33.110 Commission Complaint Procedures

*PURPOSE: This rule sets forth in this chapter the procedures to be followed in filing formal or informal complaints with the commission regarding matters covered in this chapter.*

(1) Any person aggrieved by a violation of any rules in this chapter or the Public Service Commission laws of Missouri relating to telephone utilities may file an informal or formal complaint under 4 CSR 240-2.070.

(2) If a telephone utility and a customer fail to resolve a matter in dispute, the telephone utility shall advise the customer of his/her

right to file an informal or formal complaint with the commission under 4 CSR 240-2.070.

(3) Pending the resolution of an informal or formal complaint filed with the commission, the subject matter of such complaint shall not constitute a basis for discontinuance except as provided in 4 CSR 240-33.070(10).

*AUTHORITY: sections 386.040, 386.250 and 392.200, RSMo 1986. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977.*

#### 4 CSR 240-33.150 Verification of Orders for Changing Telecommunications Service Provider

*PURPOSE: This rule reduces or eliminates the practice of "slamming," the unauthorized change of a customer's preferred telecommunications carrier without the customer's knowledge or consent, by establishing the requirements telecommunications companies must follow in changing telecommunications providers pursuant to customer request.*

(1) Definitions. For the purposes of 4 CSR 240-33.150, the following definitions are applicable:

(A) Submitting carrier: a submitting carrier is generally any telecommunications carrier that—*a*) requests on the behalf of a subscriber that the subscriber's telecommunications carrier be changed, and *b*) seeks to provide retail services to the end user subscriber. A carrier may be treated as a submitting carrier, however, if it is responsible for any unreasonable delays in the submission of carrier change requests or for the submission of unauthorized carrier change requests, including fraudulent authorizations;

(B) Executing carrier: an executing carrier is generally any telecommunications carrier that effects a request that a subscriber's telecommunications carrier be changed. A carrier may be treated as an executing carrier, however, if it is responsible for any unreasonable delays in the execution of carrier changes or for the execution of unauthorized carrier changes, including fraudulent authorizations;

(C) Authorized carrier: an authorized carrier is generally any telecommunications carrier that submits a change, on behalf of a subscriber, in the subscriber's selection of a provider of telecommunications service with the subscriber's authorization verified in accordance with the procedures specified in 4 CSR 240-33.150;

(D) Unauthorized carrier: an unauthorized carrier is generally any telecommunications carrier that submits a change, on behalf of a subscriber, in the subscriber's selection of a provider of telecommunications service but fails to obtain the subscriber's authorization verified in accordance with the procedures specified in 4 CSR 240-33.150;

(E) Unauthorized change: an unauthorized change is a change in a subscriber's selection of a provider of telecommunications service that was made without authorization verified in accordance with the verification procedures contained in 4 CSR 240-33.150; and

(F) Commission: the Missouri Public Service Commission as created by Chapter 386 of the *Missouri Revised Statutes*.

(2) Changes in Subscriber Carrier Selections.

(A) No telecommunications carrier shall submit or execute a change on the behalf of a subscriber in the subscriber's selection of a provider of telecommunications service except in accordance with the procedures prescribed in 4 CSR 240-33.150.

1. No submitting carrier shall submit a change on the behalf of a subscriber in the subscriber's selection of a provider of telecommunications service prior to obtaining: *a*) authorization from the subscriber, and *b*) verification of that authorization in accordance with the procedures prescribed in section (3). For a submitting carrier, compliance with the procedures prescribed in 4 CSR 240-33.150 shall be defined as compliance with 4 CSR 240-33.150(2) and (3). The submitting carrier shall maintain and preserve records of verification of subscriber authorization for a minimum period of two (2) years after obtaining such verification.

2. An executing carrier shall not verify the submission of a change in a subscriber's selection of a provider of telecommunications service received from a submitting carrier. For an executing carrier, compliance with the procedures prescribed in 4 CSR 240-33.150 shall be defined as prompt execution, without any unreasonable delay, of changes that have been verified by a submitting carrier.

3. Where a telecommunications carrier is selling more than one (1) type of telecommunications service (e.g., local exchange, intraLATA/intrastate toll, interLATA/interstate toll, and international toll) that carrier must obtain separate authorization from the subscriber for each service sold, although the authorizations may be made within the same solicitation. Each authorization must be verified separately from any other authorizations obtained in the same solicitation. Each authorization must be verified in accordance with

the verification procedures prescribed in 4 CSR 240-33.150.

(3) Verification of Orders for Telecommunications Service.

(A) No telecommunications carrier shall submit a preferred carrier change order unless and until the order has first been confirmed in accordance with subsection (3)(B), (C) or (D).

(B) The telecommunications carrier has obtained the subscriber's written authorization in a form that meets the requirements of 4 CSR 240-33.150(4).

(C) The telecommunications carrier has obtained the subscriber's electronic authorization to submit the preferred carrier change order. Such authorization must be placed from the telephone number(s) on which the preferred carrier is to be changed and must confirm the information required in section (4) of this rule. Telecommunications carriers electing to confirm sales electronically shall establish one (1) or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) shall connect a subscriber to a voice response unit, or similar mechanism that records the required information regarding the preferred carrier change, including automatically recording the originating automatic numbering identification.

(D) An appropriately qualified independent third party has obtained the subscriber's oral authorization to submit the preferred carrier change order that confirms and includes appropriate verification data (e.g., the subscriber's date of birth). The independent third party—*a*) must not be owned, managed, controlled, or directed by the carrier or the carrier's marketing agent; *b*) must not have any financial incentive to confirm preferred carrier change orders for the carrier or the carrier's marketing agent; and *c*) must operate in a location physically separate from the carrier or the carrier's marketing agent. The content of the verification must include clear and conspicuous confirmation that the subscriber has authorized a preferred carrier change.

(4) Letter of Agency Form and Content.

(A) A telecommunications carrier may use a letter of agency to obtain written authorization and/or verification of a subscriber's request to change his or her preferred carrier selection. A letter of agency that does not conform with this section is invalid for purposes of 4 CSR 240-33.150.

(B) The letter of agency shall be a separate document (or an easily separable document) containing only the authorizing language described in subsection (E) of this section

having the sole purpose of authorizing a telecommunications carrier to initiate a preferred carrier change. The letter of agency must be signed and dated by the subscriber to the telephone line(s) requesting the preferred carrier change.

(C) The letter of agency shall not be combined on the same document with inducements of any kind.

(D) Notwithstanding subsections (B) and (C) of this section, the letter of agency may be combined with checks that contain only the required letter of agency language as prescribed in subsection (E) of this section and the necessary information to make the check a negotiable instrument. The letter of agency check shall not contain any promotional language or material. The letter of agency check shall contain in easily readable, bold-face type on the front of the check, a notice that the subscriber is authorizing a preferred carrier change by signing the check. The letter of agency language shall be placed near the signature line on the back of the check.

(E) At a minimum, the letter of agency shall be printed with a type of sufficient size and readable type to be clearly legible and shall contain clear and unambiguous language that confirms—

1. The subscriber's billing name and address and each telephone number to be covered by the preferred carrier change order;

2. The decision to change the preferred carrier from the current telecommunications carrier to the soliciting telecommunications carrier;

3. That the subscriber designates the submitting carrier to act as the subscriber's agent for the preferred carrier change;

4. That the subscriber understands that only one (1) telecommunications carrier may be designated as the subscriber's interstate or interLATA preferred interexchange carrier for any one (1) telephone number. The letter of agency shall contain separate statements regarding intraLATA/intrastate and interLATA/interstate, although a separate letter of agency for each choice is not necessary; and

5. That the subscriber understands that any preferred carrier selection the subscriber chooses may involve a charge to the subscriber for changing the subscriber's preferred carrier.

(F) Any carrier designated in a letter of agency as a preferred carrier must be the carrier directly setting the rates for the subscriber.

(G) Letters of agency shall not suggest or require that a subscriber take some action in order to retain the subscriber's current telecommunications carrier.

(H) If any portion of a letter of agency is translated into another language then all portions of the letter of agency shall be translated into that language. Every letter of agency shall be translated into the same language as any promotional materials, oral descriptions or instructions provided with the letter of agency.

(5) Preferred Carrier Freezes.

(A) A preferred carrier freeze (or freeze) prevents a change in a subscriber's preferred carrier selection unless the subscriber gives the carrier from whom the freeze was requested his or her express consent. All local exchange carriers who offer preferred carrier freezes must comply with the provisions of this section.

(B) All local exchange carriers who offer preferred carrier freezes shall offer freezes on a nondiscriminatory basis to all subscribers, regardless of the subscriber's carrier selections.

(C) Preferred carrier freeze procedures, including any solicitation, must clearly distinguish among telecommunications services (e.g., local exchange, intraLATA/intrastate toll, interLATA/interstate toll, and international toll) subject to a preferred carrier freeze. The carrier offering the freeze must obtain separate authorization for each service for which a preferred carrier freeze is requested.

(D) Solicitation and Imposition of Preferred Carrier Freezes.

1. All carrier-provided solicitation and other materials regarding preferred carrier freezes must include:

A. An explanation, in clear and neutral language, of what a preferred carrier freeze is and what services may be subject to a freeze;

B. A description of the specific procedures necessary to lift a preferred carrier freeze; an explanation that these steps are in addition to the commission's verification rules in sections 4 CSR 240-33.150(2) and (3) for changing a subscriber's preferred carrier selections; and an explanation that the subscriber will be unable to make a change in carrier selection unless he or she lifts the freeze; and

C. An explanation of any charges associated with the preferred carrier freeze.

2. No local exchange carrier shall implement a preferred carrier freeze unless the subscriber's request to impose a freeze has first been confirmed in accordance with one (1) of the following procedures:

A. The local exchange carrier has obtained the subscriber's written and signed

authorization in a form that meets the requirements of 4 CSR 240-33.150(4); or

B. The local exchange carrier has obtained the subscriber's electronic authorization, placed on the telephone number(s) on which the preferred carrier freeze is to be imposed, to impose a preferred carrier freeze. The electronic authorization should confirm appropriate verification data (e.g., the subscriber's date of birth) and the information required in section (4). Telecommunications carriers electing to confirm preferred carrier freeze orders electronically shall establish one or more toll-free telephone numbers exclusively for that purpose. Calls to the number(s) will connect a subscriber to a voice response unit, or similar mechanism that records the required information regarding the preferred carrier freeze request, including automatically recording the originating automatic numbering identification; or

C. An appropriately qualified independent third party has obtained the subscriber's oral authorization to submit the preferred carrier freeze and confirmed the appropriate verification data (e.g., the subscriber's date of birth) and the information required in section (4). The independent third party must—1) not be owned, managed, or directly controlled by the carrier or the carrier's marketing agent; 2) must not have any financial incentive to confirm preferred carrier freeze requests for the carrier or the carrier's marketing agent; and 3) must operate in a location physically separate from the carrier or the carrier's marketing agent. The content of the verification must include clear and conspicuous confirmation that the subscriber has authorized a preferred carrier freeze.

3. Written authorization to impose a preferred carrier freeze. A local exchange carrier may accept a subscriber's written and signed authorization to impose a freeze on his or her preferred carrier selection. Written authorization that does not conform with this section is invalid and may not be used to impose a preferred carrier freeze.

A. The written authorization shall comply with section (4) of the commission's rules concerning the form and content for letters of agency.

B. At a minimum, the written authorization must be printed with a readable type of sufficient size to be clearly legible and must contain clear and unambiguous language that confirms—

(I) The subscriber's billing name and address and the telephone number(s) to be covered by the preferred carrier freeze;

(II) The decision to place a preferred carrier freeze on the telephone number(s) and particular service(s). To the extent

that a jurisdiction allows the imposition of preferred carrier freezes on additional preferred carrier selections (e.g., for local exchange, intraLATA/intrastate toll, interLATA-/interstate toll service, and international toll), the authorization must contain separate statements regarding the particular selections to be frozen;

(III) That the subscriber understands that she or he will be unable to make a change in carrier selection unless she or he lifts the preferred carrier freeze; and

(IV) That the subscriber understands that any preferred carrier freeze may involve a charge to the subscriber.

(E) Procedures for Lifting Preferred Carrier Freezes. All local exchange carriers who offer preferred carrier freezes must, at a minimum, offer subscribers the following procedures for lifting a preferred carrier freeze:

1. A local exchange carrier administering a preferred carrier freeze must accept a subscriber's written and signed authorization stating her or his intent to lift a preferred carrier freeze; and

2. A local exchange carrier administering a preferred carrier freeze must accept a subscriber's oral authorization stating her or his intent to lift a preferred carrier freeze and must offer a mechanism that allows a submitting carrier to conduct a three (3)-way conference call with the carrier administering the freeze and the subscriber in order to lift a freeze. When engaged in oral authorization to lift a preferred carrier freeze, the carrier administering the freeze shall confirm appropriate verification data (e.g., the subscriber's date of birth) and the subscriber's intent to lift the particular freeze.

(6) Carrier Liability for Charges. Any submitting telecommunications carrier that fails to comply with the procedures prescribed in 4 CSR 240-33.150 shall be liable to the subscriber's properly authorized carrier in an amount equal to all charges paid to the submitting telecommunications carrier by such subscriber after such violation. The remedies provided in 4 CSR 240-33.150 are in addition to any other remedies available at law.

*AUTHORITY: sections 386.040, RSMo 1994 and 386.250, 392.200, and 392.540, RSMo Supp. 1998. \* Emergency rule filed Oct. 21, 1998, effective Jan. 1, 1999, expired June 29, 1999. Emergency rule filed June 17, 1999, effective June 30, 1999, expired Dec. 26, 1999. Original rule filed July 8, 1999, effective Nov. 30, 1999.*

*\*Original authority: 386.040, RSMo 1939; 386.250, RSMo 1939, amended 1963, 1967, 1977, 1980, 1987, 1988, 1991, 1993, 1995, 1996; 392.200, RSMo 1939, amended 1987, 1988, 1996; 392.540, RSMo 1998.*