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April 4, 2000

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> DANA K. JOYCE General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

RE: Case No. TA-2000-309

FILED² APR 0 4 2000 }

Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of the STAFF'S SUPPLEMENTAL SUGGESTIONS.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Wm K Hass William K. Haas

Deputy General Counsel

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WKH/lb Enclosure

cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

FILED²
APR 0 4 2000

Service Commission

In the Matter of the Application of Qwest
Communications Corporation for a
Certificate of Authority to Provide Basic
Local and Local Exchange Intrastate
Telecommunications Service Within the
State of Missouri.

Case No. TA-2000-309

STAFF'S SUPPLEMENTAL SUGGESTIONS

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and states:

- 1. In an Order Directing Filing, issued on March 29, 2000, the Missouri Public Commission (Commission) directed the Staff to file, no later than April 5, 2000, revised or supplemental suggestions based upon Staff's review of Qwest Communications Corporation's (Qwest) Response to Staff Report. Qwest's Response includes the Slamming Compliance Plan of Qwest Communications International, Inc., submitted to the Federal Communications Commission (FCC).
- 2. In the attached Memorandum, which is labeled Appendix A, the Staff, having reviewed Qwest's anti-slamming compliance plan, recommends approval of Qwest's application with the condition that Qwest shall submit to the Staff any independent audit reports prepared pursuant to the FCC compliance plan.

Respectfully submitted,

DANA K. JOYCE General Counsel

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 4th day of April 2000.

Wax K Hoos

MEMORANDUM

To:

Missouri Public Service Commission Official Case File

Case No. TA-2000-309

Qwest Communications Corporation

From:

Sara Buyak(3)

Telecommunications Department

Utility Operations Division/Date

Qwest Communications Corporation investigation

Date:

Subject:

March 24, 2000

On February 1, 2000, the Missouri Public Service Commission's (Commission) Order Directing Additional Staff Review and Directing Filing requested Staff to review whether Qwest Communications Corporation (Qwest) has pending or final decisions or judgments against it from any state or federal agency involving service and marketing to customers or rates charged.

On March 9, 2000, the Telecommunications Department Staff (Staff) filed its report. On March 21, 2000, Qwest filed its response to Staff's report. The response lists pending formal complaints and final decisions and judgments against Qwest and/or its affiliates since 1998. The company further explains Qwest's new policies and procedures to control slamming. Qwest's response summarizes the current anti-slamming procedures that have been implemented by the company.

In Staff's opinion, the company appears to have taken positive steps to address slamming concerns. Some of the steps include terminating the company's relationship with a significant number of sales representatives who were previously associated with slamming complaints. The company states it now checks the background of prospective sales representatives if Qwest is not already aware of the business reputation of the prospective sales representative. The company also forbids sales representatives to utilizing contests or other marketing techniques. The distributor's commissions and fees are charged back or withheld if sales representatives fail to respond in a timely manner to slamming disputes.

Qwest also appears to have gotten more involved in checking and validating service provider change orders. All sales representatives are now required to submit all letters of agencies (LOAs) to Qwest. Qwest checks these orders for completeness and validity. In addition these LOAs are scanned into the company's computer system. The company is exploring ways to electronically use this data in comparison with other data to identify forged signatures or falsified information. Qwest also mails a welcoming postcard notifying new customers of the order with the intent the postcard will provide the customer an opportunity to detect an improper order and make corrections more easily and readily. The company also plans to flag and prevent reinstallation of Qwest service for telephone numbers previously involved in slamming disputes with Qwest.

Qwest Communications Corporation Case No. TA-2000-309

Staff remains cautious about whether the company has adequately addressed slamming concerns. Nevertheless the company appears sincere in its efforts to correct slamming problems. The company's service provider change procedures are consistent with requirements for changing telephone service providers contained in 4 CSR 240-33.150. Staff notes the company's response included an intent to engage, upon the release date of an FCC order, an independent auditor to annually examine the company's anti-slamming reporting and data tracking mechanisms as well as enforcement procedures. Qwest's proposal would be effective for a period of two years beginning the release date of an FCC order. Staff recommends the Commission approve Qwest's application for certificate of service authority to provide basic local telecommunications services on the condition the company submits such annual reports to the Commission Staff. The submission of such reports should help ensure the company will have resolved slamming problems on a going-forward basis.

Service List for Case No. TA-2000-309 April 3, 2000

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