

the customer's current telecommunications provider. AT&T states that the sole relevant consideration in executing a change order is identification of the carrier to whose service the change is being authorized, not the identity of the carrier being displaced. AT&T asserts that requiring carriers to compile and provide the identity of the customer's current carrier is disruptive, superfluous and burdensome. On reconsideration, we agree that it is unnecessary for a subscriber to identify in an independent third party verification the identity of the displaced carrier. Accordingly, we find that such identification need not be provided by the subscriber, either in LOAs or independent third party verifications.

D. Effecting Freeze Lifts and Change Requests in the Same Three-Way Call

6. AT&T asks the Commission to require executing carriers to lift freezes and to process carrier change requests in the same three-way call. We agree that AT&T fails to raise any arguments that were not thoroughly considered in previous orders in this proceeding. In the *Second Report and Order*, the Commission declined to enumerate all acceptable procedures for lifting preferred carrier freezes. Rather, parties were encouraged to develop other methods of accurately confirming a subscriber's identity and intent to lift preferred carrier freezes, in addition to offering written and oral authorization.

E. Registration Requirement

7. In the *Third Report and Order*, the Commission adopted a requirement that all new and existing common carriers providing interexchange telecommunications service must register with the Commission. The Commission further concluded that facilities-based carriers shall have an affirmative duty to ascertain whether a potential carrier-customer (*i.e.*, a reseller) has filed a registration with the Commission prior to providing that carrier-customer with service." WorldCom asks that Commission to clarify that underlying carriers are not under a duty to take any action with regard to carrier-resellers if: (1) the underlying carrier "does not receive a notification of registration from an existing carrier-customer," and/or (2) the underlying carrier's "existing carrier-customer does not appear on the list maintained by the Commission. As noted in the *Third Report and Order*, a facilities-based carrier will not be responsible for the accuracy of the registration information, nor will such a carrier, relying in good faith on the

absence of such registration, be liable under section 251 of the Act for withholding service from the unregistered entity. The Commission may, however, after giving appropriate notice and opportunity to respond, impose a fine on carriers that fail to determine the registration status of carrier customers.

II. Liability for Unauthorized Carrier Changes

8. *Customer referral to unauthorized carrier.* In its petition, WorldCom asserts that the Commission should require carriers contacted by a subscriber alleging slamming to inform the subscriber that he or she should contact and seek resolution from the alleged unauthorized carrier, in addition to informing the subscriber of their right to file a complaint if necessary and of their right to absolution. We currently require carriers contacted by a subscriber alleging slamming to inform the subscriber of their right to file a complaint with the appropriate governmental agency. On reconsideration, we will also require carriers to inform the subscriber that he or she may contact and seek resolution from the alleged unauthorized carrier and, in addition, may contact the authorized carrier.

9. *Removal of charges from subscriber bills when a subscriber has not yet paid the charges.* WorldCom also asks the Commission to reconsider its rule requiring alleged unauthorized carriers to remove all charges assessed for the first 30 days of services from a subscriber's bill upon the subscriber's allegation that he or she was slammed. We decline to modify our rule requiring removal by the unauthorized carrier of all charges assessed for the first 30 days of service upon a subscriber's allegation that he or she was slammed.

10. *Amounts owed by unauthorized carriers when the subscriber has paid the unauthorized carrier.* Section 258 mandates that the unauthorized carrier "shall be liable to the carrier previously selected by the subscriber in an amount equal to all charges paid by such subscriber after such violation." The Commission stated that, once a carrier has been found guilty of slamming, the unauthorized carrier shall be required to disgorge to the authorized carrier an amount adequate to satisfy both of these obligations. The Commission found that an approximate proxy for this amount is 150% of the amounts collected by the unauthorized carrier from the subscriber following a slam. Upon receipt of the money, the authorized carrier is required to remit one third (*i.e.*, 50% of what the subscriber paid to the

unauthorized carrier) to the injured subscriber. WorldCom asks that the Commission reconsider its requirement that unauthorized carriers pay the subscriber's authorized carrier 150% of all charges paid by such subscriber. We decline to modify our finding that unauthorized carriers must pay the subscriber's authorized carrier 150% of all charges paid by such subscriber and, upon receipt of the money, that the authorized carrier is required to remit one third (*i.e.*, 50% of what the subscriber paid to the unauthorized carrier) to the injured subscriber.

11. *Unauthorized carrier changes resulting from LEC actions.* In their Petitions, Sprint and WorldCom note that subscribers sometimes request carrier changes by communicating directly with LECs. Sprint and WorldCom ask that the Commission reconsider its "apparent decision" to classify as an IXC slam any unauthorized carrier change that occurred as a result of a LEC mistakenly executing a carrier change and informing an IXC that it had gained a customer. We agree with Sprint that it would be unfair to hold IXCs liable for slamming pursuant to section 258 when the unauthorized carrier change was the result of a LEC's action.

III. Other Issues

12. *Toll-Free Service Accounts.* SBC also seeks clarification that the carrier change verification requirements set forth in the *Second Report and Order* do not apply to verifications of Responsible Organization ("RespOrg") changes for toll-free service accounts. A RespOrg is the entity that a consumer seeking to acquire a toll-free number must contact. In a subsequent *Clarification Order*, the Common Carrier Bureau stated that, by requiring "proper written authorization," it did not intend to preclude the current SMS/800 administrator practice of accepting LOAs for RespOrg change requests that contain a subscriber's personal identification number in lieu of the subscriber's signature. Inasmuch as SBC is seeking a requirement that all RespOrg change requests include LOAs with customer signatures, we note that the *Clarification Order* disallows such a result.

13. *New Lines and New Installations.* AT&T asks the Commission to clarify, or in the alternative reconsider and hold, that the slamming rules apply to customers' initial carrier selections for newly installed lines. We decline AT&T's request to clarify, or in the alternative reconsider and hold, that our slamming rules apply to new installations. As noted previously,