

# LOUISIANA PUBLIC SERVICE COMMISSION

## GENERAL ORDER

(Amends and Supersedes the June 5, 1998 General Order)

### LOUISIANA PUBLIC SERVICE COMMISSION

#### EX PARTE

---

*Docket No. U-25754 - In re: Possible Amendments to the June 5, 1998 General Order ("Slamming").*

---

(Decided at Business and Executive Session held **April 24, 2002**)

#### BACKGROUND

The June 5, 1998 General Order ("General Order", "Slamming Order") enacted by the Louisiana Public Service Commission ("Commission", "LPSC") provides as follows:

No TSP ("Telecommunication Service Provider") shall submit a PC ("Preferred Carrier") change on behalf of an end-user to an executing carrier unless and until the order has been confirmed in accordance with at least one of the verification procedures listed in this order. See 6/5/98 GO, III A.

The Slamming Order currently allows for three approved methods of verification: Letters of Agency ("LOA's"), Audio Recordings and Welcome Packages. Further, the Slamming Order contains a list of specific requirements that each method of verification must conform with in order to be considered valid. Failing to verify a PC change through one of these methods is a violation of the Slamming Order.

Staff and the Commission have been made aware of a growing practice whereby a customer can handle all personal utility matters, including the changing of TSP's, through electronic mediums. In its current form, the Slamming Order does not recognize electronic methods of verification, thereby thwarting attempts to handle such transactions purely through electronic means. Based on the above, Staff was directed to open the current docket to determine first, whether electronic signatures should be accepted on LOA's as a valid form of verification and second, what type or form of electronic signatures should the Commission accept as valid. This request was published in the Commission's Official Bulletin dated July 20, 2001. Interventions were received by Cox Louisiana Telecom, LLC d/b/a Cox Communications ("Cox"), BellSouth Telecommunications, Inc. ("BellSouth"), ConnectUtilities, MCI WorldCom ("WorldCom"), Sprint Communications Company, LP ("Sprint") and Advanced Tel, Inc. In addition to their interventions, ConnectUtilities and Sprint filed comments.

The validity of Electronic LOA's has recently been addressed by the Federal Communications Commission ("FCC") in the Third Report and Order and Second Order on Reconsideration in CC Docket No. 94-129, adopted July 21, 2000 as FCC Order 00-255 ("FCC Order"). Throughout the FCC Order, references are made to the Congressional "E-Sign Act"<sup>1</sup> and its affects on electronic transactions. As noted in the FCC Order, the "E-Sign Act" specifically mentions Electronic Letters of Agency and their validity.

Following a detailed review of comments, the FCC determined that Electronic LOA's, as well as the electronic signatures contained on them, are valid methods of verification provided they otherwise comply with the requirements set forth for non-electronic LOAs.

---

<sup>1</sup> Staff also noted that in 2001, the Louisiana Legislature adopted the "Louisiana Uniform Electronic Transactions Act", codified in LSA-RS 9:2601, et seq. The text of this Act, including the definition of "electronic signature", closely tracks the language contained in the "E-Sign Act."

Further, the FCC Order sets forth additional requirements specific to Electronic LOAs.<sup>2</sup> In addition to adopting the rules concerning Electronic LOAs, the FCC Order addressed state authority relative to enforcing rules, stating,

21. We note that the amendments to our rules that we adopt in this Order for Internet LOAs represent a minimum threshold for carrier change authorization and verification with which all carriers must comply. State jurisdictions may adopt verification requirements for Internet LOAs, so long as they are consistent with section 258, as implemented by our rules, and the E-Sign Act.... Carriers already must comply with state requirements for written LOAs... and state requirements for Internet LOAs that are consistent with section 258, as implemented by our rules, and the E-Sign Act warrant the same compliance.<sup>3</sup>

In connection with the above, Staff noted that the Louisiana Public Service Commission, by letter dated November 22, 2000 “opted in” to enforcement of the FCC’s Slamming Regulations. Generally, the LPSC’s Slamming Regulations are more stringent than those adopted by the FCC, but as previously noted, the LPSC regulations currently do not allow for the use of Electronic LOAs or Electronic Signatures.

Based on the fact that the LPSC currently enforces the FCC’s Slamming Regulations, that the FCC currently views Electronic LOAs to be valid forms of verification, and with the growth in requests for electronic transactions, Staff recommended that the Commission modify its June 5, 1998 General Order to the extent necessary to likewise allow Electronic LOAs as valid forms of verification. The specific sections to be amended, namely Section III E. (1) c and h, were outlined in Staff’s Final Recommendation. Staff further recommended that Electronic LOAs should be considered valid only if they otherwise comply with the requirements for non-electronic LOAs as contained in the June 5, 1998 General Order. Finally, Staff recommended that electronic signatures also be allowed on Electronic LOAs, provided such signatures comply with the requirements of the E-Sign Act and Louisiana Uniform Electronic Transactions Act.

Staff’s Recommendation was considered by the Commission at its April 24, 2002 Business and Executive Session. On motion of Commissioner Dixon, seconded by Commissioner Field and unanimously adopted, with Commissioner Owen absent, the Commission accepted Staff’s Recommendation.

#### **IT IS THEREFORE ORDERED THAT:**

The following changes shall be made to the “Slamming Order”, Appendix A as attached.

1. The June 5, 1998 General Order, Section III E. (1) shall be modified to include the underlined language, “The TSP must obtain a written or electronic Letter of Agency.”
2. The June 5, 1998 General Order, Section III E. (1) c. shall be modified to include the underlined language, “All LOAs must be signed and dated by the end-user and must indicate which telephone line(s) will be affected by the carrier change. If an Electronic LOA is used, the end-users signature may be in the form of an ‘electronic signature’, provided it conforms to the requirements of the E-Sign Act and the Louisiana Uniform Electronic Transactions Act.”
3. The June 5, 1998 General Order, Section III E. (1) h shall be added to read as follows, “In addition to conforming to the above requirements, electronic LOAs must likewise comply with any additional requirements for electronic LOAs as set forth in applicable FCC regulations.”
4. This Order shall be affective immediately.

#### **BY ORDER OF THE COMMISSION**

---

<sup>2</sup> For example, Electronic LOAs must appear on a separate screen from any inducements or solicitations for a carrier’s service, and contain only the authorizing language required by FCC rules.

<sup>3</sup>FCC Order 00-255, page 12.

**BATON ROUGE, LOUISIANA**  
**APRIL 30, 2002**

/S/ JACK "JAY" A. BLOSSMAN  
DISTRICT I  
CHAIRMAN JACK "JAY" A. BLOSSMAN

/S/ DON OWEN (ABSENT)  
DISTRICT V  
VICE-CHAIRMAN DON OWEN

/S/ IRMA MUSE DIXON  
DISTRICT III  
COMMISSIONER IRMA MUSE DIXON

/S/ C. DALE SITTIG  
DISTRICT IV  
COMMISSIONER C. DALE SITTIG

LAWRENCE C. ST. BLANC  
SECRETARY

/S/ JAMES M. FIELD  
DISTRICT II  
COMMISSIONER JAMES M. FIELD