

CHAPTER 26. SUBSTANTIVE RULES APPLICABLE TO TELECOMMUNICATIONS SERVICE PROVIDERS.

Subchapter B. CUSTOMER SERVICE AND PROTECTION.

§26.31. Disclosures to Applicants and Customers.

- (a) **Application.** Subsection (b)(4)(C)(viii) of this section does not apply to a deregulated company holding a certificate of operating authority, or to an exempt carrier that meets the criteria of Public Utility Regulatory Act (PURA) §52.154.
- (b) **Certificated telecommunications utilities (CTU).** The disclosure requirements of this subsection only apply to residential customers and business customers with five or fewer customer access lines.
- (1) **Promotional requirements.** Promotions, including advertising and marketing, conducted by a CTU must comply with the following:
- (A) If any portion of a promotion is translated into another language, then all portions of the promotion must be translated into that language. Promotions containing a single informational line or sentence in another language to advise a person on how to obtain the same promotional information in a different language are exempt from this requirement.
- (B) Promotions must not be fraudulent, unfair, misleading, deceptive, or anti-competitive as prohibited by federal and state law.
- (2) **Prior to acceptance of service.** A CTU must provide the following information to an applicant before the applicant accepts service:
- (A) notice that the customer will receive the information packet described in paragraphs (3) and (4) of this subsection;
- (B) an explanation of each product or service being offered;
- (C) a description of how each charge will appear on the telephone bill;
- (D) any applicable minimum contract service terms;
- (E) disclosure of all money that must be paid prior to installation of a new service or transfer of an existing service to a new location, and whether the money is refundable;
- (F) disclosure of construction charges in accordance with §26.22 of this title (relating to Request for Service);
- (G) information about any necessary change in the applicant's telephone number;
- (H) disclosure of the company's cancellation policy; and
- (I) information on whom to call and a working toll-free number for customer inquiries.
- (3) **Terms and conditions of service.** A CTU must provide information regarding terms and conditions of service to customers in writing and free of charge at the initiation of service. Upon request, a customer is entitled to receive an additional copy of the terms and conditions of service free of charge from the CTU every calendar year. Any contract offered by a CTU must include the terms and conditions of service. A CTU is prohibited from offering a customer a contract or terms and conditions of service that waives the customer's rights under federal or state law, or commission rule.
- (A) The information must be:
- (i) sent to the new customer before payment for a full bill is due;
- (ii) clearly labeled to indicate it contains the terms and conditions of service;
- (iii) provided in a readable format written in plain, non-technical language; and
- (iv) provided in the same language in which the CTU markets the service.
- (B) The following information must be included:
- (i) each rate and charge as it will appear on the telephone bill;
- (ii) an itemization of each charge that may be imposed on the customer, including charges for late payments and returned checks;
- (iii) a full description of each product or service to which the customer has subscribed;
- (iv) any applicable minimum contract service terms and fees for cancellation or early termination;

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- (v) all money that must be paid prior to installation of new service or transfer of existing service to a new location and whether the money is refundable;
 - (vi) applicable construction charges in accordance with §26.22 of this title;
 - (vii) any necessary change in the applicant's telephone number;
 - (viii) the company's cancellation or early termination policy;
 - (ix) an operational toll-free number for customer service; and
 - (x) the provider's legal business name used for providing telecommunications services in the state.
- (4) **Customer rights.** At the initiation of service, a CTU must provide to a customer information regarding customer rights in writing and free of charge.
- (A) The informational disclosures relating to customer protections required by subparagraph (C) of this paragraph must be:
- (i) sent to the new customer before payment for a full bill is due;
 - (ii) clearly labeled to indicate the customer protection disclosures contain information regarding customer rights;
 - (iii) provided in a readable format and written in plain, non-technical language; and
 - (iv) provided in the same language in which the CTU markets the service.
- (B) The CTU must also provide:
- (i) the information in subparagraph (C) of this paragraph to each customer at least every other year at no charge; or
 - (ii) a printed statement on the bill or a billing insert identifying where the information in subparagraph (C) of this paragraph can be obtained. The statement must be provided to each customer every six months.
- (C) The following informational disclosures relating to customer protections must be provided by the CTU:
- (i) the CTU's customer credit requirements and the circumstances under which a customer deposit or an additional deposit may be required, the manner in which a deposit and interest paid on deposits are calculated, the time frame and requirements for return of the deposit to the customer, and any other terms and conditions related to deposits;
 - (ii) the time period for payment of outstanding bills without incurring a penalty and the amount and conditions under which a penalty may be applied to delinquent bills;
 - (iii) the grounds for suspension or disconnection of service;
 - (iv) the requirements a CTU must meet to suspend or disconnect service;
 - (v) the requirements a CTU must meet for resolving billing disputes and how disputes affect suspension or disconnection of service;
 - (vi) information on alternative payment plans offered by the CTU, including payment arrangements and deferred payment plans. A CTU must provide to each customer a statement that the customer has the right to request these alternative payment plans;
 - (vii) the requirements to have the customer's service restored or reconnected after involuntary suspension or disconnection;
 - (viii) a customer's right to continue local service as long as full payment for local service is timely made;
 - (ix) information regarding protections against unauthorized billing charges ("cramming") and selection of telecommunications utilities ("slamming") as required by §26.32 of this title (relating to Protection Against Unauthorized Billing Charges ("Cramming")) and §26.130 of this title (relating to Selection of Telecommunications Utilities), respectively;

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- (x) the customer's right to file a complaint with the CTU, the procedures for a supervisory review, and the customer's right to file a complaint with the commission regarding any matter concerning the CTU's service. The commission's contact information: PUCT, Consumer Protection Division, P.O. Box 13326, Austin, Texas 78711-3326, (512) 936-7120 or in Texas (toll-free) 1-888-782-8477, e-mail address: consumer@puc.texas.gov, Internet address: www.puc.texas.gov, and Relay Texas (toll-free) 1-800-735-2989, must accompany this information;
 - (xi) the hours, addresses, and telephone numbers of each CTU office where bills may be paid and customer service information may be obtained, or a toll-free number at which the customer may obtain such information;
 - (xii) a toll-free telephone number or equivalent, such as the use of wide area telephone service or acceptance of collect calls, that a customer may call to report service problems or make billing inquiries;
 - (xiii) a statement that each CTU service is provided without discrimination as to a customer's race, color, sex, nationality, religion, marital status, income level, source of income, or from unreasonable discrimination on the basis of geographic location;
 - (xiv) a summary of the company's policy regarding the provision of credit history based upon the credit history of a customer's former spouse;
 - (xv) notice of any special services such as readers or notices in Braille, if available, the phone number for Relay Texas: 1-800-735-2989, and any teletypewriter or text telephone service offered by the CTU;
 - (xvi) how a customer with a physical disability, and those who care for them, can identify themselves to the CTU so that special action can be taken to appropriately inform these persons of their rights; and
 - (xvii) if a CTU is offering Lifeline Service in accordance with §26.412 (relating to Lifeline Service Program), how information about customers who qualify for Lifeline Service may be shared between each relevant state agency and the customer's phone service provider.
- (5) **Notice of changes.** A CTU must provide each customer written notice between 30 and 60 calendar days in advance of a material change in the terms and conditions of service or customer rights and must give each customer the option to decline any material change in the terms and conditions of service and cancel service without penalty due to the material change in the terms and conditions of service. This paragraph does not apply to changes that are beneficial to the customer such as a price decrease or changes required by law.
- (6) **Right of cancellation.**
- (A) A CTU must provide each residential applicant and customer the right of rescission in accordance with applicable law.
 - (B) If a residential applicant or customer enrolls in a contract with a minimum duration exceeding 31 days, a CTU must promptly provide the applicant or customer with the terms and conditions of service after the applicant or customer has provided authorization to CTU. The CTU must offer the applicant or customer a right to cancel the contract without penalty or fee for a period of six working days after the terms and conditions of service are mailed or sent electronically to the applicant or customer.
- (c) **Dominant certificated telecommunications utility (DCTU).** In addition to the requirements of subsection (b) of this section, the following requirements apply to residential customers and business customers with five or fewer customer access lines.

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- (1) **Prior to acceptance of service.** Before an applicant signs a contract for service, or a DCTU accepts any money for new residential service or transfers a customer's existing residential service to a new location, the DCTU must provide to each applicant the following:
 - (A) information relating to the DCTU's residential service alternatives, beginning with the lowest-priced option, and the range of service offerings available within the applicant's service area with full consideration to the cost associated with applicable equipment options and installation charges; and
 - (B) a statement written in plain English or Spanish that clearly informs the applicant about the availability of Lifeline Service.
- (2) **Customer rights.**
 - (A) If a DCTU provides the same information as required by subsection (b)(4)(C) of this section in the telephone directories provided to each customer in accordance with §26.128 of this title (relating to Telephone Directories), the DCTU must provide a printed statement on each customer's bill or a billing insert identifying the location of the information within the telephone directory. The statement or billing insert must be provided to customers at least every six months.
 - (B) The information required by subsection (b)(4)(C) of this section and this subsection must be provided in plain English and Spanish; however, a DCTU is exempt from the Spanish language requirement if 10% or fewer of its customers are exclusively Spanish-speaking. If the DCTU is exempt from the Spanish language requirement, it must notify each customer through a statement provided in plain English and Spanish, in the customer rights disclosures that the information is available in Spanish from the DCTU, by mail or from the DCTU's offices.
 - (C) The information required in subsection (b)(4)(C) of this section must also include:
 - (i) the customer's right to information about rates and services;
 - (ii) the customer's right to inspect or obtain at reproduction cost a copy of the applicable tariffs and service rules;
 - (iii) information on prohibitions for disconnection of local service for the ill and disabled;
 - (iv) information on the availability of prepaid local telephone service as required by §26.29 of this title (relating to Prepaid Local Telephone Service (PLTS)); and
 - (v) information regarding privacy issues as required by §26.121 of this title (relating to Privacy Issues).