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11/25/97



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Senior Attorney

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November 25, 1997

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NOV 25 1997

James J. McNulty, Acting Secretary  
Pennsylvania Public Utility Commission  
North Office Building - Room G-23  
North Street & Commonwealth Avenue  
Harrisburg, PA 17120

PUBLIC UTILITY COMMISSION  
LEGAL COUNSEL'S OFFICE

Re: Notice of Proposed Rulemaking: Electronic Transaction Auditing  
of Telephone Customer Proprietary Information  
Docket No. L-00970123

Dear Mr. McNulty:

Please find enclosed for filing in the above-captioned matter the original and fifteen copies of the expurgated Comments of AT&T Communications of Pennsylvania, Inc. In addition, we are filing under a seal the proprietary version of those comments. Expurgated copies of this filing also are being served on the parties reflected on the attached certificate of service.

Please do not hesitate to contact me with any questions regarding this filing.

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Very truly yours,

*Robert C. Barber*  
Robert C. Barber

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITIES COMMISSION

NOV 25 1997

PA PUBLIC UTILITY COMMISSION  
PROTHONOTARY'S OFFICE

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RULEMAKING RE: *CONFIDENTIAL*  
ELECTRONIC TRANSACTION AUDITING  
OF TELEPHONE CUSTOMER  
PROPRIETARY INFORMATION

Docket No. L-00970123

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**COMMENTS OF  
AT&T COMMUNICATIONS OF PENNSYLVANIA, INC.**

The proposed amendments to 52 Pa. Code §63.135 should not be adopted. Although the proposals clearly are well-intentioned, the concern for customer privacy that they seek to address already has been more than adequately addressed in the existing Commission regulations and by AT&T and other members of the industry. Just as important, implementation of these proposals would be extremely burdensome even for a company of the size of AT&T. Because these defects cannot be remedied through simple "wordsmithing" of the proposed amendments, they should be rejected in their entirety.

As an initial matter, there is a substantial question as to the need at this time for new Commission regulations protecting the privacy of customer records. As a result of new statutory restrictions set forth in the Telecommunications Act of 1996,<sup>1</sup> the issue of sharing Customer Proprietary Network Information ("CPNI") currently is before the FCC.<sup>2</sup> It clearly would be preferable to await FCC action on this issue before taking the far-reaching steps envisioned in the proposed amendments.

<sup>1</sup> See 47 U.S.C §222.

<sup>2</sup> See CC Docket 96-115.

Even without the pending FCC proceeding, however, it is not at all clear that the extraordinary new measures contemplated in the proposed amendments are at all necessary. The protection of our customer's privacy has always been, and continues to be, of paramount importance to AT&T. Indeed, AT&T already employs security measures for customer proprietary information that are among the very best in an industry that is one of the most regulated in terms of privacy and security concerns. Given the protections we already have in place, there simply is no need for security measures as onerous as those that would result from these amendments.

And there should be no question that the proposals -- which include requirements for the "indefinite" and "permanent" retention of new electronic audit trails -- would be extraordinarily burdensome. Considering the changes that would be necessary for the recordkeeping associated with AT&T's residential customers alone, AT&T estimates that the proposals would require the modification of **[BEGIN AT&T PROPRIETARY] \*\*\*\* [END AT&T PROPRIETARY]** different customer-related systems, as well as software changes to thousands of employee workstations and personal computers. While it is not possible to precisely quantify the total cost associated with these wide-ranging changes, it is estimated that the total expense that would result from compliance with these new rules could be as high as **[BEGIN AT&T PROPRIETARY] \*\*\*\*\* [END AT&T PROPRIETARY]**

Expenditures of this magnitude simply cannot be justified on the basis of an ambiguous reference to "several incidents involving disclosure or improper use" of

customer information.<sup>3</sup> The existing Commission rules already prohibit improper disclosure of customer information, and the new rules will not add to that protection. Instead, they only would attempt to maintain a record of it. The proper remedy for improper use of customer information is to enforce the existing regulations, not create new rules that only will impose an extreme burden with no corresponding benefit.

These general problems are reflected in the specific wording of the proposed regulations. One case in point is the proposed requirement in §63.135(5) for creation of a "permanent record" that will be retained "indefinitely." One obvious problem with this requirement is that it is not limited to Pennsylvania customers -- the breadth of the proposed rule would ostensibly require the continuation of an audit trail even if the customer moved out of Pennsylvania. Even if the provision were limited to Pennsylvania customers, however, it simply would not be feasible to maintain records "permanently" or "indefinitely." Such a requirement would eventually bury an office or computer system with records that would be of no value in protecting customer privacy. Moreover, the expense of maintaining such records for all time would be a monumental burden for a large telephone company, and a completely unrealistic one for small companies that in the state. Indeed, such a requirement could deter companies that are not yet operating in the state from seeking to compete here, effectively creating a barrier to entry in violation of the Telecommunications Act.<sup>4</sup>

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<sup>3</sup> Proposed Rulemaking Order, Docket No. L-00970123, July 10, 1997, at 1.

<sup>4</sup> See 47 U.S.C. §253(a). Although these proposed regulations arguably are intended to "protect the public safety and welfare" and to "safeguard the rights of consumers," they are unlikely to be competitively neutral in their effect, given the disparate expenses they would impose on carriers. Thus, they would not fall within the ambit of section 253(b) of the Act.

Yet another problem with the proposed amendment to §63.135(5) is the requirement that audit data be transferred to "more current media format" when the existing storage format becomes "technologically obsolete." At a minimum, this requirement improperly puts the Commission in the position of making what is properly a business decision. It is the communications providers, and not regulators, who know best when there is a need in their business for updating or changing record retention formats and practices. Moreover, in the ever-changing world of computers and electronics, it would be utterly impossible for the Commission to police a standard as amorphous as "technological obsolescence." Even if this standard could somehow be objectively defined -- and the proposed regulation certainly does not do so -- it should not become the basis for a Commission-mandated requirement for automatic system upgrades, the cost of which ultimately would be borne by ratepayers and shareholders.


These same flaws exist in Commission's proposed amendments to §63.135(6). In addition, that proposal raises other serious concerns. For example, the requirement that a permanent audit trail be established whenever security personnel access a customer's record could undermine the effectiveness of anti-fraud efforts. Routine checks are necessary to root out and prevent fraud. Permanently memorializing these efforts, however, could lead to customer concerns about "big brother." Even worse, they could warn those perpetrating the fraud, as well as provide them with information concerning corporate and government security efforts. In other words, the creation of this new record requirement could have the unintended effect of making customers more vulnerable to telephone fraud.

Overall, the proposed regulations would simply impose a layer of enormously expensive and infeasible recordkeeping requirements on carriers for little or no benefit in enhanced protection of customer privacy. Accordingly, the proposed amendments should not be adopted.

Respectfully submitted,

AT&T Communications  
of Pennsylvania, Inc.

By its Attorneys,



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Robert C. Barber  
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Of counsel:  
Mark A. Keffer

Dated: November 25, 1997

**CERTIFICATE OF SERVICE**

**Docket No. L-970123**

I hereby certify that I have this day caused to be served a true copy of the foregoing Comments of AT&T Communications of Pennsylvania, Inc. upon the persons listed below by U.S. mail postage prepaid in accordance with the requirements of 52 Pa. Code Section 1.56(a) of the Commission's rules.

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Robert C. Barber

Date: November 25, 1997

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INDEPENDENT REGULATORY  
REVIEW COMMISSION

November 25, 1997

**VIA FEDERAL EXPRESS**

James J. McNulty, Prothonotary  
Pennsylvania Public Utility Commission  
North Office Building - Room B20  
North Street & Commonwealth Avenue  
Harrisburg, PA 17120

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NOV 25 1997

PA PUBLIC UTILITY COMMISSION  
PROTHONOTARY'S OFFICE

RE: Rulemaking - Electronic Transaction Auditing Of  
Telephone Customer Proprietary Information,  
Docket No. L- 00970123

Dear Mr. McNulty:

Enclosed for filing in the referenced proceeding is an original and fifteen (15) copies of Bell Atlantic - Pennsylvania, Inc.'s Comments.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Christopher M. Arfaa

CMA/mb

Enclosures

cc: John Levin, Assistant Counsel (via federal express)  
Attached Certificate of Service (via first class mail)

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CERTIFICATE OF SERVICE

I, Christopher M. Arfaa, hereby certify that I have this day served a true copy of Bell Atlantic - Pennsylvania, Inc.'s Comments, upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (related to service by a participant) and 1.55 (related to service upon attorneys). Dated at Philadelphia, Pennsylvania, this 25th day of November, 1997.

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PA PUBLIC UTILITY COMMISSION  
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\_\_\_\_\_  
Christopher M. Arfaa

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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RULEMAKING RE: ELECTRONIC )  
TRANSACTION AUDITING OF )  
TELEPHONE CUSTOMER PROPRIETARY )  
INFORMATION )

Docket L-00970123

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NOV 25 1997

COMMENTS OF BELL ATLANTIC - PENNSYLVANIA, INC. PUBLIC UTILITY COMMISSION  
PROTHONOTARY'S OFFICE

**I. INTRODUCTION**

In response to the Commission's Proposed Rulemaking Order in the above-captioned proceeding, Bell Atlantic-Pennsylvania, Inc. ("BA-PA") provides the following comments concerning the maintenance of permanent electronic transaction auditing records in any instance in which customer information is accessed and when disclosed to persons outside BA-PA, any government entity or BA-PA's security department.

In summary, BA-PA believes that the current regulations contained in 52 Pa. Code Sections 63.131 to 137 (Confidentiality of Customer Communications and Information) are sufficient to protect the confidentiality of customer records and information. There has been no demonstration that these regulations are inadequate to provide the necessary degree of protection for customer records and privacy, and, therefore, the proposed changes to these regulations are unnecessary and unduly burdensome.

## II. THE CURRENT REGULATIONS ADEQUATELY PROTECT THE CONFIDENTIALITY OF CUSTOMER RECORDS

In July of 1992, this Commission adopted regulations at 52 Pa. Code sections 63.131 - .137, which established standards to ensure that public utilities providing regulated telecommunications services maintain the confidentiality of customer communications and information. These regulations started with the premise that all customer information is confidential and, except for certain limited circumstances (such as a valid subpoena, court order, or the like), should not be disclosed except with the consent of the customer. In addition, access to this information was restricted to the degree necessary to provide service or other valid purpose, as specified in the regulations.

Section 63.135(6) of the Commission's existing regulations recognizes that, "[b]ecause of the frequency with which customer information is used and disclosed in the ordinary course of business, it is neither practical nor desirable to record each instance in which customer information is used or disclosed by an employee." However, a record is required in each instance when: 1) customer information is used or disclosed for purposes other than to provide service, collect charges or other ordinary and legitimate business purpose; 2) information is disclosed outside the telephone company; 3) information is disclosed to a governmental entity or telephone company security department; and 4) a record is required by telephone company practice or procedures.

The proposed amendments to these regulations would require that a permanent record be established *any time* a customer record is accessed, copied, printed, changed, deleted or added. This record would be indexed by time, date, requesting individual and

position, affiliation of requesting individual, customer name, customer account number, portion of record accessed and reason for access. In addition, a similar permanent record would have to be created each time customer information is disclosed to a telephone security department or personnel, government agency or person outside the telephone company for any purpose other than to provide or collect charges.

The creation of a database to contain these proposed records is a significant departure from the original intent of the regulations. Indeed, the regulations clearly state that it was *not* the Commission's intent to burden telephone companies with a requirement to make a record for activities conducted in the normal course of business, such as the use of records to answer questions from customers or to provide repair service. Nevertheless, it is the internal practice of BA-PA to require password protection to any system containing customer records, and only authorized employees are permitted to access those systems.

Notwithstanding the bare assertion that "several incidents involving disclosure or improper use of private or proprietary telephone customer information" have occurred, it has not been demonstrated that the current regulations are deficient to deal with the situation. If the referenced incidents have occurred, the proper course of action would be to inform the appropriate company, investigate the complaint, and take appropriate action according to the regulations and applicable established internal company policies. At BA-PA, each employee is required, as a condition of employment, to review, subscribe to, and adhere to a "Code of Business Conduct" each year. An employee may gain access to and use customer records for appropriate business purposes only. Any infraction of this code is punishable by disciplinary measures up to and including termination of



employment. Any company who violates the confidentiality regulations is subject to fines and appropriate action by the Commission. Absent a clear showing that the current regulations fail to provide the requisite degree of protection to the customer – and none has been made here, there is no reason to amend the regulations.

**III. ESTABLISHMENT OF A DATABASE TO RETAIN PERMANENT RECORDS OF THE ACCESS OF ANY CUSTOMER RECORD IS UNDULY BURDENSOME AND UNWARRANTED.**

As stated above, the current regulations do provide for the creation of records when customer information is accessed or disclosed for purposes other than to provide service or collect charges or when disclosure is made outside the telephone company or to telephone company security personnel. These records are subject to retention requirements governed by federal, state, and local laws and regulations. In addition to the requirements set forth in the regulations, customer service records created in the normal course of business are retained by BA-PA for a period of 3 years.

The amendments to the confidentiality regulations propose that any time a customer record is accessed or disclosed, for any reason, the company retain a permanent record cross-referenced by numerous indexes. This will require the collection and retention of records in a database of potentially mammoth proportions which is capable of linking every other database in BA-PA, with no ability to dispose of obsolete documents. There has been *no* demonstration, however, that such a database is necessary or that such a database would increase protection of confidential customer information. The only thing that can be said with any certainty about the proposed database is that it will be large and expensive to maintain, although precisely how large and how expensive


is difficult to determine with certainty. Since no single, centralized, cross-referenced repository of customer records exists today, it is impossible to predict the cost associated with an undertaking of this sort without an extensive study.

#### IV. CONCLUSION

This rulemaking is not warranted and should be terminated. The all important "what problem are we solving" question must first be answered. As described in the rulemaking, the goal is to ensure the privacy and confidentiality of customer records. There has been no demonstration that the existing rules and regulations are insufficient to accomplish this purpose. Given that implementation of the proposed changes to the Commission's regulations would cause telephone companies to incur substantial costs without producing any corresponding benefit, BA-PA respectfully requests that they be rejected.

Respectfully submitted,

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Counsel for  
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DATED: November 25, 1997

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INDEPENDENT REGULATORY  
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James J. McNulty, Acting Secretary, Prothonotary  
Pennsylvania Public Utility Commission  
Room B-18, North Office Building  
Harrisburg, PA 17120

PROTHONOTARY'S OFFICE  
97 NOV 25 PM 4:04


**RE: Electronic Transaction Auditing of Telephone Customer Proprietary Information;  
Docket No. L-00970123; COMMENTS OF THE PENNSYLVANIA  
TELEPHONE ASSOCIATION.**

Dear Mr. McNulty:

Enclosed for filing with the Commission, are an original and fifteen (15) copies of the  
Comments of the Pennsylvania Telephone Association in the above-captioned matter.

If you have any questions regarding this matter, please direct them to me. Thank you for your  
attention to this matter.

Sincerely,

  
Lillian S. Harris

LSH/klb  
Enclosure  
cc: John Levin, Esquire (via hand delivery)

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DEC 01 1997  
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LAW BUREAU

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

97 DEC -2 PM 3:25

RE: ELECTRONIC TRANSACTION :  
AUDITING OF TELEPHONE CUSTOMER :  
PROPRIETARY INFORMATION :

DOCKET NO. L-00970123  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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COMMENTS OF  
THE PENNSYLVANIA TELEPHONE ASSOCIATION

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97 NOV 25 PM 4:04  
PROCEEDINGS OFFICE

AND NOW COMES the Pennsylvania Telephone Association ("PTA") on behalf of certain member companies<sup>1</sup>, by and through its counsel, Malatesta Hawke & McKeon LLP, and responds to the Pennsylvania Public Utility Commission ("Commission") Proposed Rulemaking Order regarding electronic transaction auditing of telephone customer information which was published in the *Pennsylvania Bulletin*, Vol. 27, No. 41, dated October 11, 1997.

### INTRODUCTION

In 1989, this Commission embarked on the lengthy process of developing strong and effective regulations to protect the confidentiality of telephone customer information. The result was a set of current regulations that adequately and effectively protect the interests of consumers in having the sanctity of customer information preserved.<sup>2</sup> These regulations are codified at 52

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<sup>1</sup> The membership of the PTA includes both incumbent and competitive local exchange carriers ("ILECs" and "CLECs", collectively referred to herein as "LECs"). As such, the PTA Member Companies referenced herein are those of its members who have chosen not to file separately in this proceeding.

<sup>2</sup> By Order entered February 10, 1989 at Docket No. L-890046, this Commission instituted an investigation to examine current industry practices pertaining to the confidentiality of customer communications, information and records. All Pennsylvania telephone companies were made parties to that investigation and were directed to cooperate fully in gathering necessary data. Consequently, on March 13, 1989, this Commission served a series of

Pa. Code §§63.131-63.137 under the heading "Confidentiality of Customer Communications and Information."

On July 17, 1997, this Commission entered an Order instituting this Proposed Rulemaking to revise its existing customer confidentiality regulations. The Commission stated that "as a result of several incidents involving disclosure or improper use of private or proprietary telephone customer information, the Commission herewith initiates this proposed rulemaking..."<sup>3</sup> The Commission did not elaborate on the incidents noted.

The PTA commends this Commission for its stalwart consumeristic approach to all regulations, thus assuring itself that the public interest in any undertaking remains its first and foremost concern. However, the PTA asserts that the current regulations are indeed sufficient to ensure the proprietary nature of customer information. Implementation of electronic transaction

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data requests relative to its investigation with responses due by April 12, 1989, upon all jurisdictional telephone companies, including interexchange carriers as well as the 42 LECs existing at that time. Thereafter, this Commission published an Advance Notice of Proposed Rulemaking in the *Pennsylvania Bulletin*, Vol. 19, No. 45, dated November 25, 1989, with a 45-day comment period. According to this Commission's Order entered March 7, 1991, copies of the draft proposed rulemaking were requested by 57 (fifty-seven) parties; written responses were filed by 5 (five) telephone companies, the PTA and the Office of Consumer Advocate. The Commission's proposed rulemaking was then published in the *Pennsylvania Bulletin*, Vol. 21, No. 20, dated May 18, 1991, again with a 45-day comment period. Notice for submission of reply comments within a 14-day period appeared in the *Pennsylvania Bulletin*, Vol. 21, No. 28, dated July 13, 1991. Regulations were promulgated by Order entered February 3, 1992, and effective 60 (sixty) days after publication in the *Pennsylvania Bulletin* which occurred under Vol. 22, No. 30, dated July 25, 1992.

**3 Re: Electronic Transaction Auditing of Telephone Customer Proprietary Information, Docket No. L-00970123; Order at 1.**

auditing would not only be onerous for all telecommunications providers, it would not significantly increase the likelihood that the sanctity of customer information would not be breached. The PTA sincerely believes that the policies and procedures of its member companies, most of which pre-date the current and proposed regulations, demonstrate that they have gone far beyond this Commission's requirements to ensure their customers' privacy and protection. Many PTA member companies have initiated internal policies and procedures regarding customer information which, if violated, would call for termination of the violating employee. This sanction goes far and above the Commission's proposed regulations and indicates the PTA member companies' commitment to preserving the confidentiality of customer information. In accordance with the existing regulations, annual verification is performed to confirm the comprehension and adherence of employees to such policies and procedures. The PTA is pleased to report that no violations leading to a subsequent dismissal of an employee have occurred.

The PTA contends that the proposed rulemaking should be rejected in its entirety for the following reasons, as further clarified herein: (1) the proposed rulemaking would not provide any additional benefit to telecommunications customers in the Commonwealth; (2) customer service would be adversely impacted; (3) the cost to implement the proposed regulations would be unduly burdensome to telecommunications providers; (4) the creation of a new data base is unwarranted; and, (5) electronic transaction auditing is counter-productive and conflicts with the intent of Commission's revised regulatory processes.

## COMMENTS

### 1. The Proposed Rulemaking Does Not Provide Any Additional Benefit to Telecommunications Customers in the Commonwealth.

The Commission's goal in undertaking this proposed rulemaking is to improve customer service by requiring an electronic trail of access and disclosure activity on customer accounts. However, no demonstrable customer benefit will accrue from the proposed new procedures. The minimum standards set forth in the regulations already achieve a maximum level of customer confidentiality. Under the current regulations, a telephone company is required to maintain a written statement of its fundamental policy and obligation to maintain confidentiality of customer communications and information. The current regulations are explicit concerning the documentation of employee commitment to preserve the confidentiality of customer information and the control of employee access to, and use of, customer information.<sup>4</sup>

Furthermore, the current regulations contain provisions to safeguard customer information as follows:

#### 63.135. Customer Information

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(5) *Safeguarding customer information.* A telephone company is responsible for implementing appropriate procedures to safeguard customer information and prevent access to it by unauthorized persons. Tangible customer records such as paper or microfiche records and electromagnetic media shall be stored in secure buildings, rooms and cabinets, as appropriate, to protect them from

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<sup>4</sup> 52 Pa. Code §§63.133, 63.134, 63.135(1).

unauthorized access. Data processing and other electronic systems shall contain safeguards, such as codes and passwords, preventing access to customer information by unauthorized persons.

52 Pa. Code §63.135 (5) (*emphasis added*).

Strong, direct language such as that embodied in the present day regulations has and will continue to accomplish the aim of the proposed rulemaking. Additionally, the Federal Communications Commission ("FCC") adopted like regulations for customer privacy as well a Billing Name and Address, i.e., BNA regulations, which provide further safeguards. Therefore, adequate regulations that apply to customer privacy have been dealt with at the federal level and state level. The Commission's proposed rulemaking would add an unnecessary layer of controls by imposing electronic transaction tracking for telephone companies.

The proposed amendments are not necessary to ensure quality customer service. Personal employee commitment and management integrity are the ultimate deterrent to illegal activities and will surpass the alleged benefit of the proposed rulemaking. The existing regulations should be allowed to remain intact in their entirety.

Furthermore, in the interest of protecting customer confidentiality, the added process of performing an audit against such proprietary information should be viewed as a potential event where such confidentiality could be breached. The best way to maintain confidentiality is to restrict access to the information, which is exactly what the current regulations already demand.



## 2. Customer Service Would Be Adversely Impacted

Contained in the proposed rulemaking is the requirement that every time a telephone company<sup>5</sup> representative accesses a customer's information, an entry into a separate data base must be made to identify the person performing the function, his/her position in the company, the person's "affiliation",<sup>6</sup> the date and time of the access, and the reason for accessing the account. The potential number of electronic entries would be astronomical since there are numerous reasons for accessing a customer's account. For example, a customer's account is accessed every time a bill is rendered, every time any customer inquiry is performed by a service representative, even though such inquiry may not involve proprietary information, every time an account is treated, and every time any repair or installation is scheduled and performed. The performance of data base entries, if not automatic, would take additional time. The impact of additional workload may adversely impact the level of customer service.

Also, the proposed rulemaking calls for an electronic auditing trail of customer information disclosure. However, the proposed method of handling disclosures would most certainly require the company representative to make a manual entry into the data base. Manual entry of the detail, as outlined in the proposed rulemaking, would require the inquiring party to

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<sup>5</sup> As defined at 52 Pa. Code §63.132, a "telephone company" means a public utility which provides regulated telecommunications services subject to Commission jurisdiction, i.e., ILECs, CLECs, interexchange carriers and resellers, and competitive access providers.

<sup>6</sup> Proposed rulemaking at 52 Pa Code §63.135(5); PTA notes that the term "affiliation" as used in the proposed rulemaking is not defined.

stay on the line while the company representative gathers and enters the information necessary for compliance. Extended contact time means delays for other customers trying to reach the company. Furthermore, since LECs are obligated to respond to customer incoming calls within set time periods, delays could equate to a need for additional customer service personnel. PTA is unable to support proposed regulations which likely will result in the deterioration of customer service.

**3. The Cost to Implement the Proposed Regulations Would Be Unduly Burdensome to Telecommunications Providers.**

The cost to implement the proposed alterations would be overwhelming. As mentioned previously, employees accessing customer information would be required to document their entries, and time equates to additional costs. Not only would service representatives be required to make unnecessary documentation, but repair personnel, dispatch technicians, billing personnel, and supervisory and management personnel all would need to make entries. Furthermore, it would be necessary for telecommunications providers to coordinate their existing data bases with the data base required by the proposed rulemaking. This would result in increased operational costs.

The costs to smaller companies could be devastating. In smaller companies, manual processes would have to be automated to register the "fingerprint" at additional unnecessary cost. In order to maintain an efficient operation, most smaller telephone companies have elected to

forego the expense of a fully automated customer data base system. Instead, these smaller telephone companies generally combine manual and automated processes to achieve a feasible system while focusing on other aspects of customer service.

For all companies', systems presently operating efficiently would need to be altered to accommodate the new rules. As mentioned previously, billing systems as well as the process of the present day billing would be altered significantly. Operator service and all customer contact systems would require extensive alternations. The PTA estimates that the expense necessary to revise systems and processes, and to retrain employees would be millions for PTA member companies.

Additional employee and customer time equates to higher cost for telecommunications providers and more importantly, the consumer. It is fair to say that the alleged benefit to be gained (if any) by implementing electronic auditing will not outweigh the costs to consumers and telecommunications providers alike.

#### **4. The Creation of a New Data Base is Unwarranted.**

As mandated by the proposed rulemaking, an entirely new data base would be required to *permanently* store the audit trail information. In essence, all aspects of existing systems that

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<sup>7</sup> It is assumed that the Commission will maintain competitive neutrality by requiring all telecommunications providers, (including new market entrants such as CLECs, interexchange carriers, resellers and all others) to meet existing and any new requirements regarding the preservation of confidential customer information.

touch a customer's information would need to be linked in some fashion to a new additional system. Such linkage would require the merger of various data formats, software and hardware within the same company. PTA is unaware of any programming available today which is capable of accomplishing this task. If such a system was available, an increase in telecommunications staff would be necessary to maintain the new data base. Furthermore, the proposed regulations would dictate that the company engage in a perpetual quest of new technology to ensure that the audit trail is always available. The costs associated with this quest would be great and the alleged benefit of implementing such a procedure has not been demonstrated as necessary.

The proposed rulemaking would require permanent storage of electronic audit records. *Permanent* records mean permanent storage space. In an automated system, this is known as computer memory.

Telecommunications providers have already implemented documentary processes that effectively identify both entries into customer records and disclosures of information. The Commission's Bureau of Consumer Services uses these documented events today to render decisions on informal complaints. Moreover, law enforcement personnel rely on this information to perform investigations and to render convictions. The subpoena process as it is applied today could be jeopardized by the proposed rulemaking. Presently, as a company receives a subpoena from law enforcement personnel, it directs the company representative not to disclose or

document any formal knowledge of the subpoena. The proposed rulemaking will not permit this to occur, thus forcing the company to perform an illegal function and potentially hampering future investigations.

It is the position of the PTA that there is no additional demonstrative information or process required to maintain the confidentiality of customer information. The current regulations contain language which the proposed rulemaking seeks to delete pertaining to the practical application of documenting the use and disclosure of customer information:

63.135 Customer Information

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(6) Recording the use and disclosure of customer information. Because of the frequency with which customer information is used and disclosed in the ordinary course of business, *it is neither practical nor desirable to record each instance in which customer information is used or disclosed by an employee.*

52 Pa. Code §63.135 (6)(emphasis added).

Clearly, the proposed rulemaking goes beyond reasonableness.

**5. Electronic Transaction Auditing is Counter-Productive and Conflicts with the Intent of Commission's Revised Regulatory Process.**

The proposed alterations to the current regulations are unnecessary and counter-productive, and they conflict with the Commission's movement toward a more streamlined telecommunications environment. As noted above, the current regulations were painstakingly crafted over an extended period consisting of three and a half years of information gathering,

comment and reply, and final passage. Although the Commission's Order in this proceeding vaguely alludes to "several incidents involving disclosure or improper use of private or proprietary telephone customer information,"<sup>8</sup> no explanation has been offered regarding the effectiveness, or lack thereof, of the current regulations in addressing such incidents. The PTA asserts that any alleged violation can and should be controlled by the current regulations.

Finally, in recent years, this Commission has adopted a variety of regulations intended to streamline the regulatory process and promote competition in the telecommunications industry.<sup>9</sup> In contrast, the proposed regulations add a new layer of complexity to a telephone company's day-to-day operations in complete contradiction of the current trend. The PTA strongly supports continuation of effective controls on customer information in this new environment. The proposed regulations, however, are overkill.

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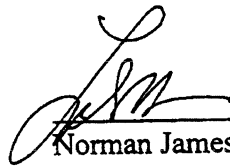
<sup>8</sup> Order at 1.

<sup>9</sup> See Revision to Chapters 1, 3, and 5 of Title 52 of the Pennsylvania Code Pertaining to Practice and Procedure Before the Commission, Docket No. L-00930076, Final Form Rulemaking Order entered August 23, 1996; Implementation of Chapter 30 of the Public Utility Code; Streamlined Form of Regulations, Docket No. M-00930483, Order entered August 25, 1995; In Re: Implementation of the Telecommunications Act of 1996, Docket No. M-00960799, Order entered June 3, 1996, Order on Reconsideration entered September 9, 1996.

## CONCLUSION

For the foregoing reasons, PTA urges the Commission to abandon the proposed rulemaking as unnecessary. The existing regulations adequately and effectively preserve the confidentiality of customer information. Additionally, the PTA urges the Commission to enforce its Customer Confidentiality Regulations in a competitively neutral manner as to all telecommunications providers in the Commonwealth. To do otherwise would be a disservice to consumers and the telecommunications providers who strictly enforce the Commission's regulations today.

Respectfully submitted,



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Malatesta Hawke & McKeon LLP  
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(717) 236-1300

Counsel for Pennsylvania Telephone  
Association

DATED: November 25, 1997



OFFICE OF CONSUMER ADVOCATE  
1425 Strawberry Square  
Harrisburg, Pennsylvania 17120

**COPY**

97 DEC -2 PM 3:30

REGULATORY  
REVIEW COMMISSION

(717) 783-5048

IRWIN A. POPOWSKY  
Consumer Advocate

November 25, 1997

ORIGINAL: 1894  
COPIES: Tyrrell  
Sandusky  
Legal (2)

James J. McNulty, Prothonotary  
Pennsylvania Public Utility Commission  
Room B-20, North Office Building  
P. O. Box 3265  
Harrisburg, PA 17105-3265

PROTHONOTARY'S OFFICE

97 NOV 25 PM 3:41

RECEIVED

Re: OCA Comments concerning Electronic  
Transaction Auditing of Telephone Customer  
Proprietary Information, Docket No. L-  
00970123

Dear Secretary McNulty:

On July 17, 1997, the Commission issued an Order in the above captioned docket which contained proposed rules concerning the Electronic Transaction Auditing of Telephone Customer Proprietary Information. This Order was published in the Pennsylvania Bulletin on October 11, 1997. The Office of Consumer Advocate ("OCA") files these Comments in order to respond to that Order. The OCA supports the proposed regulations and requests that they be approved by the Commission.

The Order relates that there have been problems when telecommunications public utilities have released proprietary or private telephone customer information to "persons outside the telephone company, any government entity or the telephone company security department." Order at 1. Accordingly, the Commission proposes that public utilities should maintain an electronic audit trail in order that the parties to whom this information has been released may be tracked for future review. Order at 2. The Commission then proposed regulations in order to create an audit trail concerning this information. Order at Annex A.

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REGULATORY



November 25, 1997

Page 2

The OCA shares the concern of the Commission that it is important that the extent to which this information is disclosed to any persons outside the public utility, or even the security department within the public utility, should be carefully tracked for later review. The OCA supports the proposal of the Commission in order to track this information in electronic form. As a result, the OCA encourages the Commission to adopt the proposed regulations.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Philip F. McClelland".

Philip F. McClelland  
Christine M. Hoover  
Assistant Consumer Advocates

44807





COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

December 2, 1997

97 DEC -2 PM 3:22

IN REPLY PLEASE  
REFER TO OUR FILE

INDEPENDENT REGULATORY  
REVIEW COMMISSION

The Honorable John R. McGinley, Jr.  
Chairman  
Independent Regulatory Review Commission  
14th Floor, Harristown II  
333 Market Street  
Harrisburg, PA 17101

ORIGINAL: 1894  
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Re: L-970123/57-186  
Proposed Rulemaking  
Electronic Transaction Auditing of  
Customer Proprietary Information  
52 Pa. Code §63.135

Dear Chairman McGinley:

Enclosed is one (1) copy of comments received regarding the above regulation as required under Section 5(10)(b.1) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19).

Very truly yours,

Barbara Bruin  
Executive Director

Comments submitted by:

AT&T  
Pennsylvania Telephone Association  
Bell Atlantic  
Office of Consumer Advocate

cc: First Deputy Chief Counsel Pankiw  
Regulatory Coordinator Leming  
Assistant Counsel Levin

CONFIDENTIAL

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Robert C. Barber  
Senior Attorney

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INDEPENDENT REGULATORY  
REVIEW COMMISSION

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November 25, 1997

**BY OVERNIGHT MAIL**

ORIGINAL: 1894

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Sandberg

PA PUBLIC UTILITY COMMISSION  
NOTARIAL OFFICE

James J. McNulty, Acting Secretary  
Pennsylvania Public Utility Commission  
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Harrisburg, PA 17120

Re: Notice of Proposed Rulemaking: Electronic Transaction Auditing  
of Telephone Customer Proprietary Information  
Docket No. L-00970123

Dear Mr. McNulty:

Please find enclosed for filing in the above-captioned matter the original and fifteen copies of the expurgated Comments of AT&T Communications of Pennsylvania, Inc. In addition, we are filing under a seal the proprietary version of those comments. Expurgated copies of this filing also are being served on the parties reflected on the attached certificate of service.

Please do not hesitate to contact me with any questions regarding this filing.

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DEC 01 1997

PA P.U.C.  
LAW BUREAU

Very truly yours,

*Robert C. Barber*  
Robert C. Barber

cc: Service List

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITIES COMMISSION  
97 DEC -2 PM 3:22

NOV 25 1997

PA PUBLIC UTILITY COMMISSION  
PROTHONOTARY'S OFFICE

<b>RULEMAKING RE: ELECTRONIC TRANSACTION AUDITING OF TELEPHONE CUSTOMER PROPRIETARY INFORMATION</b>	<b>Docket No. L-00970123</b>
	ORIGINAL: 1894 COPIES: Tyrrell Sandusky Legal (2)

**COMMENTS OF AT&T COMMUNICATIONS OF PENNSYLVANIA, INC.**

The proposed amendments to 52 Pa. Code §63.135 should not be adopted. Although the proposals clearly are well-intentioned, the concern for customer privacy that they seek to address already has been more than adequately addressed in the existing Commission regulations and by AT&T and other members of the industry. Just as important, implementation of these proposals would be extremely burdensome even for a company of the size of AT&T. Because these defects cannot be remedied through simple "wordsmithing" of the proposed amendments, they should be rejected in their entirety.

As an initial matter, there is a substantial question as to the need at this time for new Commission regulations protecting the privacy of customer records. As a result of new statutory restrictions set forth in the Telecommunications Act of 1996,<sup>1</sup> the issue of sharing Customer Proprietary Network Information ("CPNI") currently is before the FCC.<sup>2</sup> It clearly would be preferable to await FCC action on this issue before taking the far-reaching steps envisioned in the proposed amendments.

<sup>1</sup> See 47 U.S.C §222.  
<sup>2</sup> See CC Docket 96-115.

Even without the pending FCC proceeding, however, it is not at all clear that the extraordinary new measures contemplated in the proposed amendments are at all necessary. The protection of our customer's privacy has always been, and continues to be, of paramount importance to AT&T. Indeed, AT&T already employs security measures for customer proprietary information that are among the very best in an industry that is one of the most regulated in terms of privacy and security concerns. Given the protections we already have in place, there simply is no need for security measures as onerous as those that would result from these amendments.

And there should be no question that the proposals -- which include requirements for the "indefinite" and "permanent" retention of new electronic audit trails -- would be extraordinarily burdensome. Considering the changes that would be necessary for the recordkeeping associated with AT&T's residential customers alone, AT&T estimates that the proposals would require the modification of **[BEGIN AT&T PROPRIETARY] \*\*\*\* [END AT&T PROPRIETARY]** different customer-related systems, as well as software changes to thousands of employee workstations and personal computers. While it is not possible to precisely quantify the total cost associated with these wide-ranging changes, it is estimated that the total expense that would result from compliance with these new rules could be as high as **[BEGIN AT&T PROPRIETARY] \*\*\*\*\* [END AT&T PROPRIETARY]**

Expenditures of this magnitude simply cannot be justified on the basis of an ambiguous reference to "several incidents involving disclosure or improper use" of

customer information.<sup>3</sup> The existing Commission rules already prohibit improper disclosure of customer information, and the new rules will not add to that protection. Instead, they only would attempt to maintain a record of it. The proper remedy for improper use of customer information is to enforce the existing regulations, not create new rules that only will impose an extreme burden with no corresponding benefit.

These general problems are reflected in the specific wording of the proposed regulations. One case in point is the proposed requirement in §63.135(5) for creation of a "permanent record" that will be retained "indefinitely." One obvious problem with this requirement is that it is not limited to Pennsylvania customers -- the breadth of the proposed rule would ostensibly require the continuation of an audit trail even if the customer moved out of Pennsylvania. Even if the provision were limited to Pennsylvania customers, however, it simply would not be feasible to maintain records "permanently" or "indefinitely." Such a requirement would eventually bury an office or computer system with records that would be of no value in protecting customer privacy. Moreover, the expense of maintaining such records for all time would be a monumental burden for a large telephone company, and a completely unrealistic one for small companies that in the state. Indeed, such a requirement could deter companies that are not yet operating in the state from seeking to compete here, effectively creating a barrier to entry in violation of the Telecommunications Act.<sup>4</sup>

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<sup>3</sup> Proposed Rulemaking Order, Docket No. L-00970123, July 10, 1997, at 1.

<sup>4</sup> See 47 U.S.C. §253(a). Although these proposed regulations arguably are intended to "protect the public safety and welfare" and to "safeguard the rights of consumers," they are unlikely to be competitively neutral in their effect, given the disparate expenses they would impose on carriers. Thus, they would not fall within the ambit of section 253(b) of the Act.

Yet another problem with the proposed amendment to §63.135(5) is the requirement that audit data be transferred to "more current media format" when the existing storage format becomes "technologically obsolete." At a minimum, this requirement improperly puts the Commission in the position of making what is properly a business decision. It is the communications providers, and not regulators, who know best when there is a need in their business for updating or changing record retention formats and practices. Moreover, in the ever-changing world of computers and electronics, it would be utterly impossible for the Commission to police a standard as amorphous as "technological obsolescence." Even if this standard could somehow be objectively defined -- and the proposed regulation certainly does not do so -- it should not become the basis for a Commission-mandated requirement for automatic system upgrades, the cost of which ultimately would be borne by ratepayers and shareholders.

These same flaws exist in Commission's proposed amendments to §63.135(6). In addition, that proposal raises other serious concerns. For example, the requirement that a permanent audit trail be established whenever security personnel access a customer's record could undermine the effectiveness of anti-fraud efforts. Routine checks are necessary to root out and prevent fraud. Permanently memorializing these efforts, however, could lead to customer concerns about "big brother." Even worse, they could warn those perpetrating the fraud, as well as provide them with information concerning corporate and government security efforts. In other words, the creation of this new record requirement could have the unintended effect of making customers more vulnerable to telephone fraud.



Overall, the proposed regulations would simply impose a layer of enormously expensive and infeasible recordkeeping requirements on carriers for little or no benefit in enhanced protection of customer privacy. Accordingly, the proposed amendments should not be adopted.

Respectfully submitted,

AT&T Communications  
of Pennsylvania, Inc.

By its Attorneys,



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Of counsel:  
Mark A. Keffer

Dated: November 25, 1997

CERTIFICATE OF SERVICE

Docket No. L-970123

I hereby certify that I have this day caused to be served a true copy of the foregoing Comments of AT&T Communications of Pennsylvania, Inc. upon the persons listed below by U.S. mail postage prepaid in accordance with the requirements of 52 Pa. Code Section 1.56(a) of the Commission's rules.

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34 Main Street  
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President  
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Richard K. Cutrell  
President/Treasurer  
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Mammoth, PA 15664-0156

Citizens Communications Svcs. Co.  
John Sutphen  
State Regulatory Manager-North  
137 Harrison Street Extension  
P.O. Box 609  
Johnstown, NY 12095-0609

Commonwealth Telephone Company  
Michael I. Gottdenker  
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Dallas, PA 18612

Conestoga Telephone & Telegraph Co.  
John R. Bentz, President  
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Birdsboro, PA 19508

Deposit Telephone Company  
Stephen P. Feehan, General Manager  
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Deposit, NY 13754

Frontier Communications of  
Breezewood, Inc.  
John H. Gehr, State Gen. Manager  
South Breezewood Road  
P.O. Box 303  
Breezewood, PA 15533

Frontier Communications of  
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John H. Gehr, State Gen. Manager  
4 N. Center Street  
P.O. Box 216  
Canton, PA 17724

Frontier Communications -  
Lakewood, Inc.  
John H. Gehr, State Gen. Manager  
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New Holland, PA 17557

Frontier Communications - Oswayo  
River, Inc.  
John H. Gehr, State Gen. Manager  
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P.O. Box 159  
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Frontier Communications of PA, Inc.  
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Hickory Telephone Company  
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Laurel Highland Telephone Co.  
J. Paul Kalp, President  
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Stahistown, PA 15687

Mahanoy & Mahantango Tel. Co.  
Keith Tressler  
Vice President & General Manager  
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Herndon, PA 17830

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Patricia E. Chung-- Vice President  
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Wyomissing, PA 19610

Sprint/United Telephone  
Randy Osler, President & CEO  
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ALLTEL Pennsylvania, Inc.  
212 Locust Street - Suite 500  
Harrisburg, PA 17108

  
Robert C. Barber

Date: November 25, 1997

Copy to J.A.  
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12/16/97

Bell Atlantic - Pennsylvania, Inc.  
1717 Arch Street, 32nd Floor  
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Voice: (215) 963-6023  
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Christopher M. Arfaa  
Regulatory Counsel  
Law Department

JAN 6 PM 4:07  
REVIEW COMMISSION



December 15, 1997

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**VIA FEDERAL EXPRESS**

James J. McNulty, Prothonotary  
Pennsylvania Public Utility Commission  
North Office Building - Room B20  
North Street & Commonwealth Avenue  
Harrisburg, PA 17120

RE: Rulemaking - Electronic Transaction Auditing Of  
Telephone Customer Proprietary Information,  
Docket No. L- 00970123

Dear Mr. McNulty:

Enclosed for filing in the referenced proceeding is an original and fifteen (15) copies of Bell Atlantic - Pennsylvania, Inc.'s Supplemental Comments.

Please note that the enclosed document contains **Proprietary Information**. I have included an expurgated copy for use by the public.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Christopher M. Arfaa

CMA/mb

Enclosures

cc: John Levin, Assistant Counsel (proprietary copy)  
Attached Certificate of Service (expurgated copies)

CERTIFICATE OF SERVICE

I, Christopher M. Arfaa, hereby certify that I have this day served a true copy of Bell Atlantic - Pennsylvania, Inc.'s Supplemental Comments, upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (related to service by a participant) and 1.55 (related to service upon attorneys). Dated at Philadelphia, Pennsylvania, this 15th day of December, 1997.

VIA FEDERAL EXPRESS

Philip F. McClelland, Esq.  
Office of Consumer Advocate  
1425 Strawberry Square  
Harrisburg, PA 17120

David E. Freet, President  
Pennsylvania Telephone Association  
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Kandace F. Melillo, Esq.  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
901 N. 7th Street, 3rd Floor Rear  
Harrisburg, PA 17105

  
\_\_\_\_\_  
Christopher M. Arfaa

Attorney for  
**BELL ATLANTIC-PENNSYLVANIA, INC.**  
1717 Arch Street, 32 NW  
Philadelphia, PA 19103  
(215) 963-6023



BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RULEMAKING RE: ELECTRONIC :  
TRANSACTION AUDITING OF :  
TELEPHONE CUSTOMER : Docket No. L-00970123  
PROPRIETARY INFORMATION :

SUPPLEMENTAL COMMENTS OF  
BELL ATLANTIC - PENNSYLVANIA, INC.

This document contains  
PROPRIETARY INFORMATION  
of Bell Atlantic - Pennsylvania, Inc.

Of Counsel:  
JULIA A. CONOVER

CHRISTOPHER M. ARFAA  
1717 Arch Street, 32 North  
Philadelphia, PA 19103  
(215) 963-6023

Counsel for  
BELL ATLANTIC -  
PENNSYLVANIA, INC.

DATED: December 15, 1997

In response to the Commission's Proposed Rulemaking Order in the above captioned proceeding, Bell Atlantic - Pennsylvania, Inc. ("BA-PA") provides the following supplemental comments concerning the scope and cost of implementing the proposed regulations.

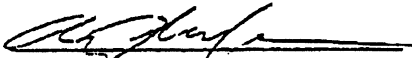
BA-PA estimates that the cost of implementing these regulations would exceed [BEGIN BA-PA PROPRIETARY] \$125,000,000 [END BA-PA PROPRIETARY]. The basis for this estimate is rooted in the extremely high volume of information continuously stored and processed in the daily operations of BA-PA. The customer data that is the subject of this rulemaking is resident in an excess of [BEGIN BA-PA PROPRIETARY] 2500 [END BA-PA PROPRIETARY] databases on our mainframes as well as other flat files and PC based systems. Our current processing rates for the provisioning, maintenance, ordering and billing of services average [BEGIN BA-PA PROPRIETARY] four million [END BA-PA PROPRIETARY] transactions per day.

In addition to the cost of implementing these regulations, the impact of instituting this change and the time for implementation would be extensive. The overhead introduced by these additional auditing transactions will consume resources with potential impact on response time and delay to other processing systems. Tracking and recording each of the items specified in the proposed regulations will require extensive storage and computer power.

The potential cost of implementing these regulations is prohibitive,  
unjustified and of questionable benefit to the protection of customer privacy.  
Therefore, the proposed regulations should not be adopted.

Respectfully submitted,

Of Counsel:  
JULIA A. CONOVER

  
CHRISTOPHER M. ARFAA  
1717 Arch Street, 32 North  
Philadelphia, PA 19103  
(215) 963-6023

Counsel for  
**BELL ATLANTIC -  
PENNSYLVANIA, INC.**

DATED: December 15, 1997



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265 54

December 22, 1997

REGULATORY  
REVIEW COMMISSION

IN REPLY PLEASE  
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The Honorable John R. McGinley, Jr.  
Chairman  
Independent Regulatory Review Commission  
14th Floor, HARRISTOWN II  
333 Market Street  
Harrisburg, PA 17101

Re: L-970123/57-186  
Proposed Rulemaking  
Electronic Customer Proprietary Information  
52 Pa. Code §63.135

REGULATORY  
REVIEW COMMISSION  
97 DEC 22 PM 1:54

Dear Chairman McGinley:

Enclosed is one (1) copy of comments received regarding the above regulation as required under Section 5(10)(b.1) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19).

Very truly yours,

Barbara Bruin  
Executive Director

Comments submitted by:

Bell Atlantic- PA., Inc. (Supplemental)

cc: First Deputy Chief Counsel Pankiw  
Regulatory Coordinator Leming  
Assistant Counsel Levin

COPY

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Christopher M. Arfaa  
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Law Department

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PA PUBLIC UTILITY  
REVIEW COMMISSION



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PA PUBLIC UTILITY COMMISSION  
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VIA FEDERAL EXPRESS

James J. McNulty, Prothonotary  
Pennsylvania Public Utility Commission  
North Office Building - Room B20  
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Harrisburg, PA 17120

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Telephone Customer Proprietary Information,  
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CMA/mb

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Attached Certificate of Service (expurgated copies)

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DEC 17 1997

CERTIFICATE OF SERVICE

I, Christopher M. Arfaa, hereby certify that I have this day served a true copy of Bell Atlantic - Pennsylvania, Inc.'s Supplemental Comments, upon the participants listed below in accordance with the requirements of 52 Pa. Code Section 1.54 (related to service by a participant) and 1.55 (related to service upon attorneys). Dated at Philadelphia, Pennsylvania, this 15th day of December, 1997.

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Harrisburg, PA 17120

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\_\_\_\_\_  
Christopher M. Arfaa

Attorney for  
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1717 Arch Street, 32 NW  
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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

RULEMAKING RE: ELECTRONIC :  
TRANSACTION AUDITING OF :  
TELEPHONE CUSTOMER : Docket No. L-00970123  
PROPRIETARY INFORMATION :

**SUPPLEMENTAL COMMENTS OF  
BELL ATLANTIC - PENNSYLVANIA, INC.**

**This document contains  
PROPRIETARY INFORMATION  
of Bell Atlantic - Pennsylvania, Inc.**

Of Counsel:  
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**BELL ATLANTIC -  
PENNSYLVANIA, INC.**

DATED: December 15, 1997

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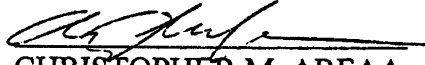


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Respectfully submitted,

Of Counsel:  
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Counsel for  
**BELL ATLANTIC -  
PENNSYLVANIA, INC.**

DATED: December 15, 1997