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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: http://www.fcc.gov
TTY: 1-888-835-5322

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News Media Contacts:
Rosemary Kimball at (202) 418-0511
e-mail: rkimball@fcc.gov
Robin Pence at (202) 418-0505
e-mail: rpence@fcc.gov

FEDERAL COMMUNICATIONS COMMISSION ASSURES WORLDCOM CUSTOMERS CONCERNING CONTINUATION OF PHONE SERVICE

Washington, DC –The Federal Communications Commission (FCC) has issued this Consumer Bulletin highlighting the rights and protections consumers have in light of WorldCom's bankruptcy filing.

Michael K. Powell, chairman of the FCC said, "Our consumer bureau has heard many consumer concerns about the WorldCom situation and its effect on telephone service. The FCC will not permit a cut-off of a customer's service in the wake of WorldCom's bankruptcy filing. The FCC has regulations in place to protect consumers' telephone service, and we will vigorously enforce those rules."

The Consumer & Governmental Affairs Bureau (CGB) advises consumers:

- The WorldCom bankruptcy does not mean subscribers will lose their service.
- FCC rules prohibit abrupt cut-off of subscribers' telephone service.
- FCC rules require a telephone company to provide written notice to affected consumers of any planned discontinuance of service. The notice must specifically state the customer has the right to file comments with the FCC.
- After notifying affected customers, telephone companies must file for permission from the FCC to cut-off service.
- The telephone company would not be permitted to terminate service until a minimum of 30 days after the FCC issues a public notice.
- The FCC can extend the termination date.

During the bankruptcy proceedings, WorldCom may sell its customer base to another company. If that occurs, consumers are protected by FCC regulations:

- The new company must provide the customer 30 days' advanced notice of the transfer, including information about its rates and services.

- The customer may accept the new company or choose another company without penalty.

- A customer transferred to a new company without receiving notice is entitled to relief under the FCC's slamming rules.

K. Dane Snowden, Chief of the FCC Consumer & Governmental Affairs Bureau, said, "Recent developments indicate WorldCom has the necessary funding available to continue operations during bankruptcy proceedings, without disruption of telephone service or interruption of the operation of its Internet backbone facilities. The FCC will continue to monitor the situation closely."

Chairman Powell has put WorldCom on notice of the FCC's requirements and stressed the company's obligations to its customers during the bankruptcy process.

In a July 22 letter to WorldCom President and CEO John Sidgmore, Chairman Powell said, ". . . The [FCC's] process is intended to provide customers with a reasonable opportunity to find and transition to a new service provider, and the Commission will act promptly and vigilantly to ensure that customers are provided this opportunity. We will intervene in bankruptcy proceedings to advise the court if WorldCom or any other party to the proceedings takes steps that would result in an unnoticed termination of service." (The full text of Chairman Powell's letter is on the FCC Web site at http://www.fcc.gov/commissioners/powell/72202_sidgmore.pdf.)

The FCC was represented at the first bankruptcy hearing in New York on July 22 and is a party to the proceeding.

State law may offer additional protections. Consumers should contact their state public utility commissions for additional information.

Consumers with questions about the WorldCom situation can visit the FCC's Web site at www.fcc.gov or call the FCC's Consumer Center at 1-888-225-5322 (CALL FCC).

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