

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

Herbert J. Sherdon,)	Formal Complaint No. 1201
Lincoln, Nebraska)	
v.)	DISMISSED
AT&T Communications of the)	
Midwest,)	
Omaha, Nebraska)	Entered: December 20, 1988

OPINION AND FINDINGS

BY THE COMMISSION:

By formal complaint filed October 29, 1985, Herbert J. Sherdon, Director of Communications for the Nebraska Public Service Commission charged that AT&T Communications of the Midwest (AT&T) had failed to comply with its filed tariffs through improper billing and retroactive billing of Foreign Exchange (FX) service.

Ten FX subscribers had contacted the Commission to complain that they had not received an FX bill for six months or more and when the bill was received it contained retroactive billing at substantially higher rates. Customers who contacted the Commission were: Nebraskaland Homes Realty, Yutan; Lee Sapp Ford-Mercury, Ashland; Copple Chevrolet, Louisville Ready Mix, Frank's Body Shop, Ash Grove Cement, Louisville; J. Bragg's, Mills Transfer, Lincoln; Foxley Cattle Company, Omaha; and National Crane, Waverly, Nebraska.

On November 12, 1985, Defendant submitted its Statement of Satisfaction in which it stated that AT&T and its billing contractor, Northwestern Bell Telephone Company (Bell) had corrected the billing system to render complete, accurate and timely bills for FX service and would visit with those FX customers whose accounts gave rise to the complaint.

The FX customers were notified of the Statement of Satisfaction and several indicated that their complaint was not satisfied.

During the pendency of this complaint The Lincoln Telephone and Telegraph Company (LT&T) filed application No. C-634 seeking a declaratory ruling and Ash Grove Cement, et.al., filed application No. C-643 requesting a certificate of public convenience and necessity. Both of these applications concerned the intent of the Louisville FX subscribers to construct their own communications facilities to connect with the Omaha facilities of Bell. A consolidated hearing was held on these applications on June 9, 1986 and orders were entered on October 7, 1986 granting in part the petition for declaratory ruling and dismissing the application for a certificate, in effect denying authority for the subscribers to provide their own facilities. Due to the failure to resolve this formal complaint, the order in C-635 required that Ash Grove Cement, Copple Chevrolet and Louisville Ready Mix be allowed a credit of \$22,090 toward FX

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service charges and that metering equipment be installed in order to bill FX subscribers on minutes of use, or where metering equipment is not technically or economically feasible that an alternative solution be provided which is acceptable to the subscribers and the Commission.

In October, 1986 Bell notified the Commission of adjustments made to the accounts of 13 FX subscribers. Three of these subscribers, Ash Grove Cement, Copple Chevrolet and Louisville Ready Mix were not satisfied with the adjustments offered. Although continuous recording of actual usage was not economically feasible, Bell did record actual usage of these subscribers in December, 1986.

Following a meeting on March 5, 1987 attended by Bell, the subscribers and Commission staff, it was proposed that billing adjustments should be determined as follows:

1. Rates should be calculated on the old schedules until October 7, 1986.
2. Rates should be calculated on the new schedule applied to each subscriber's December 1986 actual use for the period from October 7, 1986 to January 1, 1987.
3. A new lower rate was effective January 1, 1987 and should apply to the December, 1986 usage level for all months of service after January 1, 1987.

In June, 1987 Ash Grove Cement accepted the proposed billing adjustment. The two other subscribers have discontinued their FX service.

The proposed billing adjustment set forth above is reasonable and the formal complaint should be dismissed.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Formal Complaint No. 1201 be and it is hereby dismissed.

MADE AND ENTERED in Lincoln, Nebraska this 20th day of December, 1988.

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller
Chairman

COMMISSIONERS CONCURRING:

Duane D. Gay
//s//James F. Munnelly
//s//Eric Rasmussen
//s//Harold D. Simpson
//s//Daniel G. Urwiller

ATTEST:

Pat R. King
Executive Secretary