

FLORIDA PUBLIC SERVICE COMMISSION

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M E M O R A N D U M

APRIL 18, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [GREER] *SLG*
DIVISION OF LEGAL SERVICES [MURPHY, WILSON] *FW* *CM* *FC*

RE : DOCKET NO. 910727-TL - INVESTIGATION INTO SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S COMPLIANCE WITH RULE 25-4.110(2), F.A.C., REBATES.

DOCKET NO. 910163-TL - PETITION ON BEHALF OF CITIZENS OF THE STATE OF FLORIDA TO INITIATE INVESTIGATION INTO THE INTEGRITY OF SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY'S REPAIR SERVICE ACTIVITIES AND REPORTS

AGENDA: AUGUST 18, 1992 - FULL COMMISSION - PARTIES MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

CASE BACKGROUND

The Commission currently has three investigations ongoing against Southern Bell Telephone and Telegraph Company. The first investigation, was established by Order No. 24041 issued in Docket No. 900960-TL, to investigate the allegations that Southern Bell had misbilled its customers for services not requested. This is the NON-CONTACT SALES INVESTIGATION. The second investigation, established by Order No. 24476 issued in Docket No. 910163-TL, was opened to investigate the allegations made by several former employees concerning the falsification of service orders, repair orders and Commission reports. This is the REPAIR INVESTIGATION. The third investigation, established by Order No. 24659 issued in Docket No. 910727-TL, was opened to investigate whether Southern Bell provided rebates to customers pursuant to Commission Rule 25-4.110(2), F.A.C.. This is the REBATE INVESTIGATION.

This recommendation addresses the last two investigations, REPAIR AND REBATE.

DOCUMENT NUMBER-DATE

08746 AUG -6 1992

FPSC-RECORDS/REPORTING

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DISCUSSION OF ISSUES

ISSUE 1: Should the Commission merge Docket No. 910727-TL with Docket No. 910163-TL?

RECOMMENDATION: Yes. Due to the similarities in these investigations, the Commission should merge Docket No. 910727-TL with Docket No. 910163-TL.

STAFF ANALYSIS: On May 6, 1991, the Commission issued Order No. 24476 that established Docket No. 910163-TL. On June 11, 1991 the Commission issued Order No. 24655 which established Docket No. 910727-TL. As stated earlier, the Commission established Docket No. 910163-TL to investigate the integrity of Southern Bell's repair activities. Docket No. 910727-TL was established to address the question of whether Southern Bell provided rebates for service outages that went over 24 hours as required by Commission Rule 25-4.110 (2), F.A.C. That rule provides that:

Each company shall make appropriate adjustments or refunds where the subscriber's service is interrupted by other than the subscriber's negligent or willful act, and remains out of order in excess of twenty-four (24) hours after the subscriber notifies the company of the interruption. The refund to the subscriber shall be the pro rata[e] part of the month's charge for the period of days and that portion of the service and facilities rendered useless or inoperative; except that the refund shall not be applicable for the time that the company stands ready to repair the service and the subscriber does not provide access to the company for such restoration work. The refund may be accomplished by a credit on a subsequent bill for telephone service.

At the May 7, 1991, agenda conference, the Commission discussed at great length whether to make the rebate question an issue in Docket No. 910163-TL or to establish a separate investigation. At that time, it appeared that the two issues were totally separate and the rebate issue could be handled better separately. The Office of Public Counsel argued that the Commission should attempt to get rebates back to customers as soon as possible. From the discussion at that agenda conference, it was evident that the repair docket would require a hearing to resolve the issues and might result in an unnecessary delay in providing rebates for customers that experienced a service outage that went over 24 hours. Thus, the Commission established Docket No. 910727-TL to handle the rebate issue.

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The question that must be addressed in Docket No. 910727-TL is whether customers are due rebates. As the investigation has progressed, it has become apparent that in order to answer that question, it is necessary to understand in detail all aspects of the repair computer system, LMOS - Loop Maintenance Operational System, and how it interacts with the rebate computer system, MOOSA - Mechanized Out-of-Service Adjustment System. The need for this detailed understanding is based solely on the fact that MOOSA retrieves its information from the data fields of LMOS. The LMOS system is a very technical and complex computer system that is the underlying basis for Southern Bell's repair and rebate processes. Due to the intermingled nature of the systems, staff believes it would be more efficient to consolidate Docket Nos. 910727-TL and 910163-TL. This will eliminate redundant Commission consideration of the highly technical operations of the LMOS system. Moreover, in order to determine the full extent of customers deserving rebates, including those possibly not previously identified due to falsification of records, the Docket No. 910163-TL investigation must be completed. Therefore, staff recommends the Commission consolidate Docket No. 910727-TL into Docket No. 910163-TL.

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ISSUE 2: Should the Commission close Docket No. 910727-TL?

RECOMMENDATION: No.

STAFF ANALYSIS: This docket should remain open. The issues in this docket will be addressed in conjunction with Docket No. 910163-TL.