

FLORIDA PUBLIC SERVICE COMMISSION
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M E M O R A N D U M

AUGUST 22, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF LEGAL SERVICES (EDMONDS) *SMC*
DIVISION OF COMMUNICATIONS (ISLER) *RNT*
DIVISION OF CONSUMER AFFAIRS (RASBERRY) *SA*

RE: DOCKET NO. 960824-TL - COMPLAINT REGARDING REQUEST FOR
SEPARATE RESIDENTIAL LONG DISTANCE BILLING BY GUERINO
VARANO, A CUSTOMER OF BELL SOUTH TELECOMMUNICATIONS, INC.

AGENDA: SEPTEMBER 3, 1996 - REGULAR AGENDA - INTERESTED PERSONS
MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\LEG\WP\960824TL.RCM

CASE BACKGROUND

In March, 1995, Mr. Guerino Varano (customer) sent a written complaint to the Division of Consumer Affairs (CAF) concerning the billing of AT&T Communications (AT&T) charges by Southern Bell (BellSouth). Mr. Varano did not want to be billed by BellSouth. Instead, he requested that CAF require BellSouth to remove the bill of \$192.75 and have AT&T bill him directly. The customer stated in his letter that he was disputing the long distance billing through BellSouth in accordance with Rule 25-22.032, Florida Administrative Code. Mr. Varano contended that since he was no longer an AT&T customer he wanted to be billed separately from BellSouth to coincide with the separate long distance billing system he had with Touch One.

The customer never disputed that he made the long distance calls in question, but has refused to pay because the billing parties have not been changed. The customer believed that because he was disputing the way he was being billed, he should not be denied service until the dispute is settled. Even though the contractual disputes are not regulated by the Commission, the customer's service has not been denied for non-payment of the \$192.75 bill.

DOCUMENT NUMBER-DATE

08929 AUG 22 1996

FPSC-RECORDS/REPORTING

DOCKET NO. 960824-TL
AUGUST 22, 1996

BellSouth reported that on March 28, 1995, Ms. Barbara Steedman spoke with Mr. Varano, and explained that his concern was with AT&T's billing procedures, and that he needed to discuss his special request with them. Ms. Steedman also suggested that Mr. Varano make payments on his account. On that same day, Ms. Steedman spoke with Bobby Howell, an AT&T Account Specialist, who advised her that AT&T does not bill separately for residential accounts.

On March 29, 1995, Ms. Steedman spoke with the customer and reiterated that since the customer did not dispute the AT&T toll charges, only the billing procedure, he was responsible for payment to BellSouth.

Mr. Varano was told by staff in a letter dated July 25, 1995 that BellSouth could pursue collection action on his account since it was not in violation of its tariff or any rules of the Public Service Commission. The customer maintained that he had a right to receive separate bills. The customer demanded that either the total amount of \$192.75 be dismissed or he wanted an informal conference. Again BellSouth was called by staff on August 3, 1995 to discuss the possibility of granting this customer's request for separate bills. On August 10, 1995, BellSouth responded that their contract with AT&T does not allow them to adjust calls if a customer doesn't want to pay, and that AT&T does not directly bill residential customers. According to the contract, BellSouth would have to absorb the loss if the bill was written off, and BellSouth was not willing to do this.

On September 15, 1995, an informal conference was considered; however, none was held because staff was still discussing the issues with the companies and the customer. Mr. Varano wanted the charges billed directly by AT&T or written off, and BellSouth was contractually not able to rebill the amount and refused to write the bill off.

The customer agreed to a telephone conference and on July 2, 1996, an informal telephone conference was held between the customer, BellSouth, and staff. This conference ended without a settlement being reached. Therefore, staff makes the following recommendation.

DISCUSSION OF ISSUES:

ISSUE 1: Should the request of Guerino Varano to have the billed amount of \$192.75 transferred and billed directly by AT&T or be completely credited from his local telephone bill be granted?

RECOMMENDATION: No. There are no rules or regulations or tariffs that require the billed amount for \$192.75 to be transferred to AT&T for direct billing or be credited. Therefore, the complaint should be dismissed.

STAFF ANALYSIS: On March 20, 1995, Mr. Guerino Varano (customer) wrote a letter disputing the way his bill of \$192.75 was sent along with the BellSouth monthly billing. He based this dispute on Rule 25-22.032, Florida Administrative Code. The customer admits to having made the calls but was protesting the fact that BellSouth would not bill him separately from AT&T. Because he was no longer an AT&T customer, he wanted his long distance charges billed separately from BellSouth. By doing this, the customer said he could have his billing coincide with his separate long distance billing system with Touch One (another long distance company).

On March 29, 1995, Ms. Barbara Steedman of BellSouth explained to this customer that based upon the billing agreement between BellSouth and AT&T, his concern was with AT&T's billing procedures and not with BellSouth.

Staff told the customer in July, 1995 that BellSouth could pursue collection action on his account since the company was not in violation of its tariff or any Commission rules. The customer has maintained that he has a right to receive separate bills and that because he was not a party to the agreement between BellSouth and AT&T, he should not be responsible to abide by their contractual agreement.

The charges for \$192.75 are legitimate, and the customer does not dispute having made the calls. BellSouth is a billing agent for AT&T and this customer should pay this bill directly to BellSouth. The issue that this customer disputes regarding the contractual agreement between BellSouth and AT&T is not regulated by the Commission. The Commission has no jurisdiction to require AT&T to direct bill the customer, and there are no rules or statutes which provide a basis for granting the customer's request. Even when viewed in the light most favorable to the customer, the facts of this docket do not constitute grounds on which the Commission can provide relief. As a result, staff recommends that the Commission dismiss the instant complaint and request.

DOCKET NO. 960824-TL
AUGUST 22, 1996

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes.

STAFF ANALYSIS: Upon approval of Issue 1, this docket should be closed since there are no remaining issues.