

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In Re the Matter of MCI WorldCom)
Communications, Inc. Proposed Tariff) <u>Case No. LT-2004-0616</u>
to Increase its Intrastate Connection) Tariff File No. JL-2004-1424
Fee to Recover Access Costs Charged)
by Local Telephone Companies)

Concurring Opinion of Commissioner Clayton

Although I concur in the Order Approving Tariffs issued by the majority in this case, I have a great concern with hidden fees of this sort being imposed on consumers without sufficient notice. Telecommunications companies use marketing and advertising to sell their products and services; the prices advertised and marketed are generally a "per minute" rate and perhaps a monthly recurring charge. Consumers use these guideposts, as well as the type of service and style of plan offered, when making a telecommunications decision. Rarely is the extra line item fee sufficiently described at the time a service is purchased.

When fees are imposed on consumers beyond the advertised rate, there is a significant opportunity that the consumer will be unhappily surprised when the first bill is delivered. These fees are not included in the basic rates quoted to customers and they allow for certain providers to mask the real cost of calls when marketing an artificially low rate to the public. Consumers deserve an "apples to apples" comparison when shopping for telecommunications services and this type of charge or fee does not afford the public of

that consistent comparison.

In addition, the name of this particular charge, the "Residential Instate Access Recovery Fee" misleads customers to believe that this may be a government-imposed tax, surcharge or fee. It is frustrating reviewing a telephone bill when considering the Federal Line charge, state tax, municipal tax, deaf relay surcharge, local number portability charges, Universal Service fees, Emergency 9-1-1 fees and other government imposed charges. This Commission has a responsibility to monitor the fees listed on phone bills especially when the charges are not governmental mandates yet have the distinct appearance of a Congressional or state legislative or regulatory seal of approval. This fee is neither mandated nor authorized and will certainly be misleading to the public.

I support the Petition filed by the National Association of State Utility Consumer Advocates (NASUCA) to the FCC, which asks for a review of telephone bill fees and charges. By taking no action when a few companies use this method of billing, we inadvertently encourage all other companies in the marketplace to do the same because they are at a competitive disadvantage. I am also in support of our own efforts at improving the accuracy and truthfulness of telephone bills for intrastate calls through the Rulemaking process. This Commission should step forward as a leader in support of these reforms in the event that the FCC fails to act.

I concur in the Commission's Order and voted to approve the Tariff because I do not believe that, under current law and regulation; we have the ability to stop the implementation of this fee. In addition, this increase is for a fee already approved and allowed by a prior Commission. Other companies operating in Missouri also have similar fees in place. To single out one company for an inappropriate fee while leaving others in

place would not be fair treatment for this telecommunications provider.

This Commission should look to the future and find a way to help consumers in the ever-complicated business of buying telecommunications services and to do our best to stop misleading advertising and marketing of calling plans.

Respectfully submitted,



Robert M. Clayton III
Commissioner

Dated at Jefferson City, Missouri,
on this 27th day of July, 2004.