



State of Missouri

John Ashcroft, Governor

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Douglas M. Brooks
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June 24, 1988

FILED
JUN 24 1988
PUBLIC SERVICE COMMISSION

Mr. Harvey G. Hubbs, Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

Re: International Telecharge, Inc.
File No. 8800148

Dear Mr. Hubbs:

Enclosed for filing in the above-referenced case please find the original and fourteen copies of Public Counsel's Motion to Suspend. Please "file" stamp the extra enclosed copy and return it to this office.

Thank you for your attention to this matter.

Very truly yours,

Mark D. Wheatley
Assistant Public Counsel

MDW:kl
Enclosures

cc: Mr. Richard S. Brownlee
Ms. Mary Ann Young

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of International
Telecharge, Inc. for authority
to file tariff sheets designed
to establish Operator Services
within its certificated service
area in the State of Missouri.

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Case No. 7A-88-12

File No. 8800148

FILED

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MOTION TO SUSPEND

PUBLIC SERVICE COMMISSION

Comes now the Office of the Public Counsel (Public Counsel) and respectfully moves the Commission to suspend the proposed tariffs filed by International Telecharge, Inc. (ITI) in the above-styled matter. In support thereof, Public Counsel states as follows:

1. That on September 25, 1987, ITI was granted a Certificate of Public Convenience and Necessity by the Public Service Commission (Commission) to provide intrastate intraLATA and interLATA toll telecommunications services in Missouri, which Certificate became effective on October 15, 1987.

2. That ITI filed its original proposed tariffs, which are the subject of this motion, on October 14, 1987, with a proposed effective date of December 1, 1987; but that ITI subsequently has extended the effective date of the tariffs to the present proposed effective date of July 1, 1988.

3. That pursuant to the proposed tariffs, ITI is seeking to offer operator services, commonly referred to as Alternative Operator Services (AOS), within the State of Missouri.

4. That AOS constitutes a separate and unique class of telecommunications service whereby the AOS provider contracts with a subscriber, usually a hotel, motel, hospital, coin telephone owner or

provider or other business which has telephones available to "transient" users, to be the exclusive operator services provider for the telephones located on the subscriber's premises; and that since the end user of the service is not the subscriber, neither the subscriber nor the AOS provider has any incentive to keep the applicable rates low or service adequate.

5. That complaints regarding AOS services throughout other jurisdictions have included the following:

A. End users are charged high and excessive rates which sometimes also include additional charges added by the subscribing hotel, motel or other business. (See ITI's tariff -- Mo. P.S.C. No. 1, Sheet No. 36).

B. Lack of sufficient notice given to the end user, who is usually in a captive or transient context, to make an informed choice regarding services since the AOS provider often fails to announce or identify their company even though dialing '0' automatically routes the end user to the AOS provider.

C. Lack of choice for the end user since the AOS provider sometimes will not or cannot transfer the end user to the end user's preferred long distance company if different from the AOS provider.

D. Billing and collection abuses including the following:

1. Billing for calls which are not completed.

2. No notification given to the end user when using telephone credit cards such as AT&T, MCI or US Sprint, that the call will be completed and billed by the AOS company at its rates rather than those of the credit card issuer.

3. Local exchange companies billing and collecting payments for uncertified AOS providers with the possibility that the user's local telephone service might be cut off if the AOS charges are not paid.

E. Problems with properly handling emergency calls made by the end user.

F. Failure or inability to disclose prices of services to the end user.

6. That ITI failed to serve Public Counsel with copies of its Application for a Certificate of Public Convenience and Necessity, its original proposed tariff or its subsequent proposed revision of the tariff, all in violation of Section 386.710(2), RSMo 1977; and that had proper service been made upon Public Counsel of its Application, Public Counsel would have opposed the Application and certainly opposes the proposed tariffs filed by ITI for the reason that the tariffs are not just and reasonable and the proposed services are not in the public interest.

7. That the possible abuses and dangers inherent in the type of service which ITI proposes to provide within the State of Missouri necessitate that ITI's proposed tariffs be suspended pending further investigation of this new and unique class of service in order to determine whether such services and rates are in the public interest and in order to allow the Commission to take appropriate action to insure an adequate level of service, reasonable rates and an informed choice for the public if such services are allowed.

WHEREFORE, for the reasons stated herein, Public Counsel respectfully moves the Commission to suspend the proposed tariffs of ITI pending further investigation and to enter such other and further orders as shall seem just and proper under the circumstances.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By Mark D. Wheatley
Mark D. Wheatley
Joni K. Ott
Attorneys for the Office of the
Public Counsel

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing Motion to Suspend was served upon the following persons by mailing or hand-delivering the same on this 24th day of June, 1988:

Mr. Richard S. Brownlee, III
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Ms. Mary Ann Young
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