



State of Missouri

John Ashcroft, Governor

Office of the Public Counsel
Harry S Truman Building - Ste. 250
P.O. Box 7800
Jefferson City, Missouri 65102
Telephone 314/751-4857

Douglas M. Brooks
Public Counsel

June 29, 1988

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

Re: American Operator Services, Case No. TA-88-218; Teleconnect Company,
Case No. TR-88-282; Dial U.S., Case No. TR-88-283; Dial U.S.A., Case
No. TR-88-284; and International Telecharge, Inc., File No. 8800148

Dear Mr. Hubbs:

Enclosed for filing in the above-referenced cases, please find the original and fourteen copies of Public Counsel's Motion to Consolidate. I have on this date mailed or hand-delivered copies to all parties. 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
Mark D. Wheatley
Assistant Public Counsel

MDW:kh
Enclosures

cc: Parties of record

FILED

JUN 29 1988

PUBLIC SERVICE COMMISSION

H.R.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of the application of)
American Operator Services, Inc.)
for a certificate of service) Case No. TA-88-218 ✓
authority to provide Intrastate)
Operator-Assisted Resold Tele-)
communications Services.)

In the matter of Teleconnect Company)
for authority to file tariff sheets)
designed to establish Operator) Case No. TR-88-282
Services within its certificated)
service area in the State of Missouri.)

In the matter of Dial U.S. for)
authority to file tariff sheets)
designed to establish Operator Ser-) Case No. TR-88-283
vices within its certificated service)
area in the State of Missouri.)

In the matter of Dial U.S.A. for)
authority to file tariffs sheets)
designed to establish Operator Ser-) Case No. TR-88-284
vices within its certificated service)
area in the State of Missouri.)

In the matter of International)
Telecharge, Inc. for authority to)
file tariff sheets designed to) File No. 8800148
establish Operator Services within)
its certificated service area in the)
State of Missouri.)

PUBLIC SERVICE COMMISSION

JUN 29 1988

FILED

MOTION TO CONSOLIDATE

Comes now the Office of the Public Counsel (Public Counsel) and respectfully moves the Commission to enter its Order consolidating each of the above-entitled matters with Case Number TA-88-218. In support thereof Public Counsel states as follows:

1. That on February 26, 1988, American Operator Services, Inc. (AOS, Inc.) filed its Application for a Certificate of Public Convenience and Necessity with the Public Service Commission

(Commission) seeking authority to provide operator-assisted long-distance services to the public from facilities provided by institutional customers; and that said Application is now pending before the Commission as Case Number TA-88-218.

2. That on May 27, 1988, Teleconnect Company (Teleconnect) filed proposed tariffs with the Commission pursuant to which Teleconnect desires to establish and provide operator services within the State of Missouri; that on June 17, 1988, the Commission entered its Order suspending Teleconnect's proposed tariffs in order to determine if such services are in the public interest; and that the matter is now pending before the Commission as Case Number TR-88-282.

3. That on June 3, 1988, Dial U.S. filed proposed tariffs with the Commission pursuant to which Dial U.S. desires to establish and provide operator services within the State of Missouri; that on June 17, 1988, the Commission entered its Order suspending the Dial U.S. proposed tariffs in order to determine if such services are in the public interest; and that the matter is now pending before the Commission as Case No. TR-88-283.

4. That on June 3, 1988, Dial U.S.A. filed proposed tariffs with the Commission pursuant to which Dial U.S.A. desires to establish and provide operator services within the State of Missouri; that on June 17, 1988, the Commission entered its Order suspending the Dial U.S.A. proposed tariffs in order to determine if such services are in the public interest; and that the matter is now pending before the Commission as Case No. TR-88-284.

5. That on October 14, 1987, International Telecharge, Inc. (ITT) filed proposed tariffs with the Commission pursuant to which ITT desires to establish and provide Operator Services within the State of Missouri; that ITT subsequently has extended the effective date of the tariffs to the present proposed effective date of July 1, 1988; and that on June 24, 1988, Public Counsel filed with the Commission its Motion to Suspend requesting the Commission enter its Order suspending ITT's proposed tariffs pending further investigation, which Motion and tariffs are now pending before the Commission as File Number 8800148.

6. That in each of the above-entitled matters, each of the companies is seeking authority to offer Operator Services, commonly referred to as Alternative Operator Services (AOS), within the State of Missouri.

7. 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.

8. 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.

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 'O' 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.

9. That the possible abuses and dangers inherent in the type of service which each of the above-named companies proposes to provide within the State of Missouri necessitate a full 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 establish a general policy regarding such services in order to insure an adequate level of service, reasonable rates and an informed choice for the public if such services are allowed.

10. That since each of the above-entitled matters involve identical questions of law and fact concerning the provision of AOS services, the Commission, pursuant to the provisions of 4 CBR 240-2.110(18), "may order a joint hearing of any or all the matters in issue, and it may make such orders concerning proceedings therein as may tend to avoid unnecessary costs or delays."

11. That a consolidation of all of the above-entitled cases with Case Number TA-88-218, the Application of AOS, Inc. for a Certificate of Public Convenience and Necessity, would allow the Commission to develop and enunciate a uniform general policy regarding AOS providers and would allow the Commission to decide the common issues in these cases which would avoid the unnecessary and repetitious costs and delays which would result if each of the above-entitled cases proceeded on an individual basis.

12. That consolidation of the above pending cases would be preferable to the commencement of a generic hearing regarding AOS for the following reasons:

A. That under the applicable "file and suspend" procedures, the Commission will be required to act upon the tariffs filed by Teleconnect, Dial U.S., Dial U.S.A., and ITT within the specified time period which could expire prior to the conclusion of a generic proceeding; and

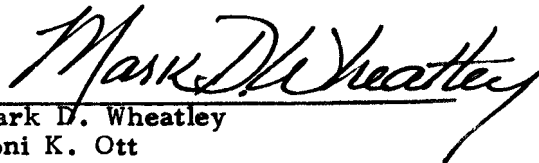
B. That it is Public Counsel's understanding that numerous unauthorized AOS providers are presently providing such operator services within the State of Missouri; and that, therefore, the schedule afforded by consolidation of these cases rather than commencing a generic proceeding would allow the Commission to address the issues presented on a more expedited basis.

WHEREFORE, for the reasons stated herein, Public Counsel respectfully moves the Commission to enter its Order consolidating all of the above-entitled matters 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
Joni K. Ott
Attorneys for the Office of the
Public Counsel

P. O. Box 7800
Jefferson City, Missouri 65102
314/751-4857

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing Motion to Consolidate was served upon the following persons by mailing or hand-delivering the same on this 29th day of June, 1988:

Jeffrey T. Smith
Attorney at Law
2550 M Street, NW
Washington, DC 20037

Attorney for American Operator
Services

Joel W. Mixon
Network Manager
Communications Cable-Laying Co.
d/b/a Dial U.S.A.
1045 East Trafficway
Springfield, Missouri 65802
Mr. Richard S. Brownlee, III
Attorney at Law
Hendren and Andrae
P. O. Box 1069
Jefferson City, Missouri 65102

Attorneys for International
Telecharge, Inc.

James F. Bryan, Director
Telco & Regulatory Relations
6100 Executive Blvd., 4th Floor
Rockville, Maryland 20852

Durward D. Dupre
Vice President
Southwestern Bell Telephone Co.
100 North Tucker, Room 618
St. Louis, Missouri 63101

Philip R. Newmark
Attorney at Law
7777 Bonhomme, Suite 1910
Clayton, Missouri 63105

Dennis Ricca, Manager
Regulatory Affairs
Teleconnect Company
500 Second Avenue, SE
Cedar Rapids, Iowa 52401

Joel W. Mixon
Network Manager
Hedges Communications
d/b/a Dial U.S.
1949 E. Sunshine, Suite 1-220
Springfield, Missouri 65804-1604
Ms. Mary Ann Young
General Counsel
Missouri Public Service
Commission
P. O. Box 360
Jefferson City, Missouri 65102

Mark P. Johnson
Attorney at Law
1400 Commerce Bank Building
1000 Walnut Street
Kansas City, Missouri 64106-2140

Jeremiah D. Finnegan
Attorney at Law
4049 Pennsylvania, Suite 300
Kansas City, Missouri 64111

Attorney for Missouri Hotel &
Motel Association

