

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 10th
day of March, 1994.

In re the application of MCI)
Telecommunications Corporation)
for variance from certain provisions) Case No. TO-94-162
of 4 CSR 240-33.)

ORDER APPROVING VARIANCE AND TARIFF

On November 22, 1993, MCI Telecommunications Corporation (MCI or Applicant) submitted an Application for Variance from Code of State Regulations Sections 4 CSR 240-33.040(1) and 4 CSR 240-33.020(1)(C) which require companies to render a bill each month unless the bill has a zero balance. The variance requested would allow the Applicant to establish an alternate bi-monthly billing program for low-usage customers. This application was accompanied by a proposed tariff which would implement the alternate billing program.

MCI's bi-monthly program is targeted to customers whose monthly usage over the four (4) previous months averages ten dollars (\$10) or less and qualifying customers would be notified by MCI when bi-monthly billing would begin. Customers will retain the option of remaining on a monthly billing plan upon notification of such a request to MCI. Although a customer on a bi-monthly billing may request a change back to monthly, these reversals would be limited to one change in a six (6) month period. MCI has stated that customers' bills are reviewed quarterly and should a customers' average monthly usage exceed twenty dollars (\$20) per month, the customer would then be provided with monthly billing unless the customer specifically requested the opportunity to remain on bi-monthly billing. MCI has stated that it will not charge customers to change from one billing status to the other.

On March 8, 1994, the Public Service Commission Staff (Staff) filed its Memorandum in which it recommended approval of the variance and the tariff. The Staff Memorandum states that MCI has amended the proposed tariff and the proposed tariff, as it now exists, has been extended to an effective date of March 15, 1994. Staff has stated that it believes MCI's proposal, as amended, is reasonable based on the low-dollar thresholds involved and the ability of customers that qualify for bi-monthly billing to retain a monthly billing arrangement at no charge if they should so choose. The Staff has stated that MCI is classified as a competitive telecommunications company, and customers would be free to switch to another carrier if they found the bi-monthly billing arrangement terms unsatisfactory.

The Commission has reviewed the Application of MCI and the recommendation as filed by Staff. The Commission finds that the variance requested by MCI would allow that company to offer a potential service of convenience to its Missouri customers and the Commission further finds that this offer is in the public interest. The Commission further finds that the option for a customer to remain on monthly billing irrespective of that customers' low usage may protect customers who are on a fixed income from the irregularities of bi-monthly billing. The Commission finds that the request for variance of the Regulations is in the public interest and will approve the request and the tariff for the implementation of this program for service on and after March 15, 1994.

IT IS THEREFORE ORDERED:

1. That MCI Telecommunications Corporation be hereby granted a variance from 4 CSR 240-33.040(1) and 4 CSR 240-33.020(1)(C) to allow for an alternate billing program for service rendered on and after March 15, 1994.

2. That the proposed tariff sheets filed in File No. 9400317 on November 22, 1993 by MCI Telecommunications Corporation to establish bi-monthly billing be hereby approved for service rendered on and after March 15, 1994.

3. That MCI Telecommunications Corporation shall file tariffs that reflect the variance granted in Paragraph 1 hereof by April 14, 1994.

4. That this order shall become effective on March 15, 1994.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins
and Kincheloe, CC., Concur.
Crumpton, C., Absent.