B ✓
Ko
mP
PB

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 December, 1997.

In the Matter of the Proposed Tariff of Southwestern Bell Telephone Company on Telecommunications Revenue Interactive Management System (TRIMS)	))))	**Case No. TT-98-97**

ORDER PROVIDING NOTICE, SUSPENDING TARIFF AND SETTING PREHEARING CONFERENCE

On August 14, 1997, Southwestern Bell Telephone Company (SWBT) submitted tariff No. 9800131 which contains SWBT's Telecommunications Revenue Interactive Management System (TRIMS). TRIMS is an automated system designed to assist residential customers in avoiding disconnection for unpaid toll charges while providing continued and uninterrupted access to local service. This proposed tariff was filed with an effective date of September 18. On September 5 SWBT extended the effective date to October 3, on September 25 SWBT again extended the effective date to October 24, on October 20, SWBT extended the date to November 14, and on November 7 SWBT submitted its last extension of the proposed effective date to the current effective date of December 12.

On August 2, the Office of the Public Counsel (Public Counsel) filed a Motion To Suspend, and in that motion Public Counsel requested hearings on the issues set out in the proposed tariff. Public Counsel stated that it has fundamental objections to the use of general consumer credit reports as a basis for making decisions on whether to extend telecommunications services, as well as the conditions for providing such service. Public

Counsel went on to voice its concern that other local exchange companies (LECs) and interexchange carriers (IXCs) may adopt this system as a guide to implementing similar customer credit worthiness programs or toll blocking programs. Public Counsel is concerned that this proposal could lead to a greater denial of service and access to the telecommunications network.

However, Public Counsel has affirmed its belief that customers should be required to pay for the services they use and should not avoid their just debts. Public Counsel agreed that uncollectibles due to fraud and avoidance of financial obligations increase the costs to the rest of the customers, and action should be taken against these accounts.

On September 18, MCI Telecommunications Corporation (MCI) filed its Application to Intervene, Entry of Appearance, and Suggestions Opposing Public Counsel's Motion To Suspend. However, on October 30, MCI filed a Motion For Clarification in which it qualified its earlier suggestions. In its motion for clarification, MCI stated that although it continues to support the concept of the tariff filing, which enables toll restriction in appropriate circumstances on toll services billed by SWBT, it nevertheless does not support the portion of the tariff which might impose toll restrictions on MCI customers who are direct-billed by MCI.

In short, MCI has alleged that the implementation of this tariff may result in a situation where SWBT is unnecessarily restricting access to toll service for a MCI customer who is not in arrears for toll service. In the Response to MCI's Motion for Clarification filed by MCI on November 7, SWBT does not clearly dispute that this might occur, but has suggested that MCI could provide a listing of its current customers to SWBT, perhaps as often as on a daily basis, to avoid this possibility. On November 13, MCI filed a Reply To SWBT's Response To The Motion For Clarification, and in MCI's reply it has objected to the necessity for MCI to supply a list of its customers to SWBT on a daily basis or under any other circumstance.

On September 11, SWBT filed its Response to the Office of the Public Counsel's Motion to Suspend, and on November 7, SWBT filed its Response to MCI's Motion for Clarification. In SWBT's September 11 response, SWBT noted that TRIMS is an automated system designed to assist residential customers in avoiding disconnection of local service for unpaid toll charges. Under TRIMS, a customer would be allowed to retain dialtone even though that customer might be unable to incur additional toll charges after exceeding a predetermined toll limit. This proposed system eliminates the potential for disconnection and removal of customers from the telecommunications network and provides that such customers will retain local service. SWBT has argued that TRIMS incorporates the same established "credit" review procedures approved by the Commission in April of 1997. See In re the Proposed Tariff of SWBT on Application Scoring and Advanced Payments, Order Approving Tariff, Case No. TT-97-40 (April 18, 1997). SWBT highlighted the fact that "contrary to OPC's argument, the customer is not denied access to the telecommunications network." Rather, "the enduser's ability to access local service is greatly improved since he will be allowed continued access to local service. Under the current practice, his local service would be disconnected for the failure to pay his toll charges."

On December 5, the Staff of the Public Service Commission (Staff) filed its Motion To Suspend Tariff. Staff has also expressed reservations about the implementation of the proposed tariff and its toll blocking features.

Although the issue of blocking IXC customers who are direct-billed by their company and not in arrears remains unclear, it appears that SWBT has acquiesced to MCI over this issue. In any event, it is not clear to the Commission that the TRIMS tariff may be implemented without unnecessary restriction on customers who are current with their respective IXC. For that reason, the Commission finds that it is in the public interest to suspend the tariff and schedule a prehearing conference for the clarification and resolution of this issue.

Therefore, the Commission will suspend the proposed tariff for a period of 120 days and will schedule a prehearing conference at which the parties may specifically address this issue.

The Commission shall order its Records Department to direct a copy of this order to all Local Exchange Companies and Interexchange companies certificated to provide telecommunications services in Missouri. In addition, the Commission shall provide a period for applications for intervention. Any such Application To Intervene shall be mailed to the Secretary of the Commission, P.O. Box 360, Jefferson City, Missouri, 65102-0360 and copies of any such application shall be sent to the company's attorney: Diana Harter, Attorney for SWBT, 100 N. Tucker, Room 630, St. Louis, Missouri, 63101-1976.

IT IS THEREFORE ORDERED:

1. That the proposed Telecommunications Revenue Interactive Management System tariff filed as Tariff File No. 9800131 and docketed under Case No. TT-98-97 is suspended until April 9, 1998.

2. That the Application to Intervene by MCI Telecommunications Corporation is granted.

3. That the motions of the Office of the Public Counsel and the Public Service Commission's Staff to suspend the tariff for investigation are granted.

4. That any party seeking to participate in this case shall file an Application To Intervene, as set out herein, not later than December 29, 1997.

5. That the parties shall appear for a prehearing conference at the Commission's Offices in Room 530 of the Harry S Truman Building at 10:00 a.m. on December 30, 1997.

6. If any person has special needs as addressed by the Americans With Disabilities Act, please contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one of the following numbers: Consumer Services' Hotline -- 1-800-392-4211 or TDD Hotline -- 1-800-829-7541.

7. That the Records Department shall issue notice as set out herein.

8. That this order shall become effective on December 10, 1997.

BY THE COMMISSION

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton,
Murray, and Drainer,
CC., Concur.

Roberts, Chief Regulatory Law Judge