BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of show cause) DOCKET NO. 960971-TI proceedings and determination of) ORDER NO. PSC-97-0107-AS-TI appropriate method for refunding) ISSUED: January 27, 1997 overcharges on intrastate long distance service provided by OCC, Inc. d/b/a Quest Communications Corporation of Kansas for calls placed from pay telephones.

The following Commissioners participated in the disposition of this matter:

> JULIA L. JOHNSON, Chairman SUSAN F. CLARK J. TERRY DEASON JOE GARCIA DIANE K. KIESLING

FINAL ORDER ACCEPTING SETTLEMENT AND FINDING THAT SHOW CAUSE IS NOT REQUIRED

BY THE COMMISSION:

During April, 1996, our staff evaluated pay telephones in the New Smyrna Beach area. Our staff placed calls to the Commission's test number in Tallahassee and billed the calls to an account that was established for testing purposes. Upon review of the resulting bill our staff determined that the charges exceeded the operator services provider rate requirements as set forth in Rule 25-24.630, Florida Administrative Code.

QCC, Inc., d/b/a Quest Communications Corporation of Kansas (QCC), an interexchange carrier, has been providing operator services since December 12, 1990, and holds Certificate No. 2483. Our staff contacted QCC in May, 1996, regarding the operator services overcharges. QCC informed us that it had improperly added a \$2 surcharge to intrastate long distance calls between July, 1995, and April, 1996, but had promptly corrected the cause of the overcharge. During its research to determine the appropriate refund amount for the overcharged customers, QCC discovered another incident of overcharging which occurred between May and September, 1996. This incident was the result of improper rating done by an independent contractor. QCC again promptly corrected the situation and discontinued the use of contractors to do the rating. Ratings

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are now done only at its data processing center in Kansas. The company also agreed to directly credit overcharged customers through its billing company, Zero Plus Dialing, Inc.

As a result of the foregoing incidents, QCC proposed the following informal resolutions:

- a) All overcharges will be directly refunded to the consumers in a timely manner
- b) It will establish safeguards internally, and through its independent contractors, in its rating program to assure that all call records are processed with QCC's tariffs
- c) It will inform its contracting companies that they cannot process any calls directly, and
- d) It will pay the Commission \$3,000 for deposit in the General Revenue Fund pursuant to Section 364.285 (1), Florida Statutes.

Although this is the second docketed case in two years where QCC has overcharged customers on intrastate calls made from pay telephones, the company has been cooperative in every phase of the investigation. In addition, it voluntarily and promptly notified the Public Service Commission of the second incident of overcharging. In this case, it responded promptly to inquiries, and it immediately took corrective measures to alleviate recurrences. Considering QCC's efforts to resolve the overcharging problems, and its implementation of corrective measures, QCC's settlement offer, as set forth herein, is fair and reasonable.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the settlement offer proposed by QCC Inc., d/b/a Quest Communications Corporation of Kansas, is approved. It is further

ORDERED that QCC make direct refunds to the customers that were overcharged and provide them with credit on their local telephone company statements, no later than February 28, 1997, with the total refund amount being \$6,888.30 (\$6,492.30 in overcharges and \$396.00 in interest). It is further

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ORDERED that QCC Inc., remit any remaining funds, including interest, or funds due unidentified customers, to the Florida Public Service Commission to be deposited in the General Revenue Fund, pursuant to Chapter 364.285(1), Florida Statutes. It is further

ORDERED that QCC Inc., pay a settlement offer of \$3,000 to be deposited in the General Revenue Fund pursuant to Section 364.285(1), within thirty days (30) of the issuance of this order. It is further

ORDERED that QCC Inc., implement and maintain appropriate safeguards that will ensure that its rating program is adequate and that all calls are processed with the appropriate tariff rates. QCC will also inform its contracting companies, in writing, not to process any calls individually or directly. It is further

ORDERED that upon expiration of the stated refund period, this docket shall remain open pending verification of refunds and payment of all funds due the Public Service Commission's General Revenue Fund. This docket shall be closed administratively upon verification that the refunds and deposits have been completed.

By ORDER of the Florida Public Service Commission, this 27th day of January, 1997.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.