

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: MAY 17, 2001

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF LEGAL SERVICES (CHRISTENSEN)
DIVISION OF CONSUMER AFFAIRS (LOWERY)
DIVISION OF COMPETITIVE SERVICES (K. CRAIG)

RE: DOCKET NO. 010197-TI - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST SPRINT COMMUNICATIONS COMPANY, LIMITED PARTNERSHIP D/B/A SPRINT FOR APPARENT VIOLATION OF RULE 25-22.032(5) (a), F.A.C., CUSTOMER COMPLAINTS.

AGENDA: 05/29/01 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\010197.RCM

RECORDED
MAY 17 4:11:03
MAY 17 2001

CASE BACKGROUND

- June 27, 1986 - Sprint Communications Company, Limited Partnership d/b/a Sprint (Sprint) obtained Florida Public Service Commission Interexchange (IXC) Telecommunications Certificate No. 83.
- January 29, 2001 - Sprint reported intrastate operating revenue of \$64,265,477.00 on its Regulatory Assessment Fee Return for the period July 1, 2000 through December 31, 2000.
- February 9, 2001 - Staff opened this docket to initiate show cause proceedings against Sprint for apparent violation of Rule 25-22.032(5) (a), Florida Administrative Code, Customer Complaints.

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FPSC-RECORDS/REPORTING

DOCKET NO. 010197-TI
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- April 23, 2001 - Staff received a report from Sprint with the results of the company's investigation concerning the consumer complaints related to Docket No. 010197-TI. Pertinent excerpts from Sprint's report are provided as Attachment A, pages 6 and 7.
- May 2, 2001 - Staff received a letter from Sprint proposing a \$12,000 settlement offer to resolve the case. (Attachment B, page 8)

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.183, 364.285 and 364.337, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Sprint to resolve the show cause proceedings for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints?

RECOMMENDATION: Yes. Staff recommends that the Commission accept Sprint's settlement proposal of a \$12,000 voluntary contribution and assurance that the company will implement measures to ensure future compliance. The voluntary contribution should be received by the Commission within ten business days of the issuance date of an Order approving the settlement offer and should include the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund. **(Christensen/K. Craig)**

STAFF ANALYSIS: The Division of Consumer Affairs (CAF) notified the Division of Competitive Services that it was experiencing difficulty in obtaining responses to consumer complaints from telecommunications companies. Sprint was identified as one of the telecommunications companies that had failed to respond to some consumer complaints. A docket was opened on February 9, 2001, to initiate show cause proceedings against Sprint for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.

Sprint met with staff on April 20, 2001, to review the consumer complaint cases associated with the show cause proceeding. Sprint provided staff a report of the results of its investigation concerning the consumer complaints related to Docket No. 010197-TI. Pertinent excerpts from Sprint's report are provided as Attachment A, pages 6 and 7. Staff concluded that there were eight situations where Sprint had failed to respond to CAF's inquiries. To ensure future compliance, Sprint has offered to:

- Establish a single point of contact for processing letter of agency (LOA) and audio verification requests to ensure a timely follow-up and feedback to the Commission.
- Ensure audio and paper LOA's are provided in a timely manner.
- Reinforce process guidelines with all employees for filing interim reports with the Commission.

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- Review past due reports from the Commission to ensure inquiries are being handled in accordance with guidelines.

Additionally, staff received a settlement letter (Attachment B, page 8) from Sprint on May 2, 2001, in which the company proposes:

- A voluntary contribution of \$12,000 to be paid to the State of Florida General Revenue Fund.
- Institute administrative and process changes to enhance the processing of responses to Commission inquiries (previously detailed in Attachment A, page 6).

Sprint has responded to each of the eight complaints in question. The settlement amount of \$1,500 per complaint in this recommendation is consistent with the Commission's approval of the settlement offered in Order No. PSC-00-2089-AS-TI, issued November 2, 2000, in Docket No. 000399-TI, Initiation of Show Cause Proceedings Against AT&T Communications of the Southern States, Inc. d/b/a Connect N' Save and d/b/a Lucky Dog Phone Co. and d/b/a ACC Business for Apparent Violation of Rule 25-4.043, F.A.C., Response to Commission Staff Inquiries.

Based on the foregoing, staff recommends that the Commission accept Sprint's settlement proposal of a \$12,000 voluntary contribution and assurance that the company will implement measures to ensure future compliance. The voluntary contribution should be received by the Commission within ten business days of the issuance date of an Order approving the settlement offer and should include the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. If the Commission approves staff's recommendation on Issue 1, this docket should remain open pending remittance of the \$12,000 voluntary contribution. Upon staff's verification of receipt of the voluntary contribution, this docket should be closed administratively. **(Christensen)**

STAFF ANALYSIS: If the Commission approves staff's recommendation on Issue 1, this docket should remain open pending remittance of the \$12,000 voluntary contribution. Upon staff's verification of receipt of the voluntary contribution, this docket should be closed administratively.



Harvey L. Spears, Jr.
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April 20, 2001

Ray Kennedy
Bureau of Service Quality
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Show Cause - Sprint Communications Company
Docket 010197-T1

Dear Mr. Kennedy:

Attached are the results of our investigation concerning the customer inquiries related to Docket 010197-T1 with reference to responses not being provided in a timely manner.

Sincerely,


Harvey Spears, Jr.
Docket Manager-Regulatory

APP _____
CAF _____
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CATS # 352016T Timmothy Burke - Complaint was issued by the FPSC 12/22/00 with a response due date of 1/17/01. On January 2, 2001 the attached detailed report was e-mailed to the FPSC at pscreply@psc.state.fl.us.

CATS # 353274T Joy Rock - Complaint was issued by the FPSC 1/2/01 with a response due date of 1/24/01. On January 9, 2001 the attached detailed report was e-mailed to the FPSC at pscreply@psc.state.fl.us.

It is Sprint's desire to provide the information requested by the FPSC and in accordance with the guidelines established for processing customer inquiries. Moreover, to ensure this commitment is met on a consistent basis the following action has been taken:

- The ES center has established a single point of contact for processing requests for LOA's and audio verifications, which will ensure timely follow-up and feedback to the FPSC.
- Sprint's Slamming Action Center (SAC) has communicated with third party verification vendors to ensure the audio's and paper LOA's are provided in a timely manner and obtained commitments to streamline the processes where possible in an effort to reduce the turn around time.
- The process guidelines associated with filing interim reports with the FPSC have been reinforced with all employees.
- The past due reports received from the FPSC are being thoroughly reviewed and reconciled with the ES center's records to ensure customer inquiries are handled in accordance with the process guidelines (interim and final reports) established by the FPSC. If corrective action is necessary, it will be immediate.


Harvey Spears, Jr.
Docket Manager-Regulatory

ORIGINAL



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April 27, 2001

Ray Kennedy
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RE: Proposed Show Cause – Sprint Communications Company
Docket 010197-T1, F.A.C., Response to Commission Staff Inquiries

Dear Mr. Kennedy:

Thank you for meeting with Sprint April 20, 2001 to review the records associated with the proposed show cause proceeding. As a result of our review, it appears there are eight (8) situations where there were opportunities for improvement in the area of Responses to Commission Inquires.

Please be assured that Sprint has instituted administrative and process changes to enhance the processing of responses to Commission inquiries. These changes are reflected in our April 20, 2001 detailed report to the Commission Staff.

Without conceding willfulness or intent required for imposition of a fine in this matter, and despite the fact that the events referenced in the proposed show cause were infrequent, in the interest of compromise and settlement, Sprint offers a voluntary payment of \$12,000 to be paid to the State of Florida General Revenue Fund.

The Commission's concern and attention to this matter has been recognized and communicated with the responsible parties and we respectfully request the Commission's acceptance of the above offer to close this proceeding.

Sincerely,

Harvey Spears, Jr.
Docket Manager-Regulatory

- APP _____
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cc: Ben Poag

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05548 MAY-20
REGULATORY REPORTING