

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Investigation and determination of appropriate method for refunding long distance monthly recurring charge overcharges by Sprint Communications Company, Limited Partnership d/b/a Sprint.

DOCKET NO. 050268-TI  
ORDER NO. PSC-05-0931-PAA-TI  
ISSUED: September 20, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
LISA POLAK EDGAR

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING SETTLEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

In February 2005, a consumer contacted this Commission with a concern about a charge on her bill, although she did not file a complaint. The consumer is a Sprint-Florida, Incorporated (Sprint local) local customer and had switched from being presubscribed to Sprint Communications Company, Limited Partnership (Sprint) for long distance services to having no presubscribed carrier for local toll or long distance services in November 2004. However, beginning in January 2005, Sprint began assessing her a monthly recurring charge (MRC) on her Sprint local bill for a Sprint long distance plan.

We sent Sprint a letter requesting it to investigate whether other former customers were erroneously assessed a long distance plan MRC. Sprint responded on April 1, 2005, that as of February 28, 2005, (the latest complete billing data available at the time), it had identified 3,489 accounts that were erroneously billed in this manner. Sprint subsequently corrected this number to 3,092 accounts that will be receiving an adjustment. The number of affected accounts was adjusted downward for two reasons: 1) some customers were already credited for more than they had been billed during the pertinent time frame; and 2) some customers began to have usage on the long distance account and/or changed plan types. Sprint explained that, prior to implementing a new \$3.95 MRC on December 1, 2004, for certain of its calling plans, it took a number of actions to ensure that the charge was applied to the appropriate customers, including

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customer notifications and billing record verifications. Unfortunately, upon receiving a minimal number of customer complaints, it found that a few errors persisted in its billing systems, leading to the aforementioned overcharges.

After correcting its billing systems, Sprint sought to issue refunds as quickly as possible, so it worked with our staff to determine the amount of interest to be applied to amounts that had already been billed (December 2004 through April 2005). For the May and June billing cycles, the MRC was credited on the same bill on which the charge appeared for direct-billed customers, so there was, in effect, no overcharge and no interest due. For customers billed through their local exchange company, Sprint is in the process of refunding those customers, with interest calculated using the commercial paper rates provided by our staff.

Section 364.604(2), Florida Statutes, states that a customer shall not be liable for any charges for telecommunications or information services that the customer did not order or that were not provided to the customer. Sprint erroneously assessed monthly recurring charges to certain customers.

Therefore, we hereby accept Sprint Communications Company, Limited Partnership's proposal to issue a refund of \$72,937.41, plus interest of \$748.00, for a total of \$73,685.41, to the affected customers for erroneously billing a monthly recurring long distance plan charge to customers whose long distance services were no longer provided by Sprint Communications Company, Limited Partnership from December 2004 through June 2005; the company shall submit a report within 30 days of the issuance of the Consummating Order stating, (1) how much was refunded to its customers, (2) the number of customers, and (3) the amount of money due to those customers that cannot be located. Sprint Communications Company, Limited Partnership shall remit any amounts due to customers that cannot be located to this Commission for deposit in the State of Florida General Revenue Fund within 30 days of the issuance of the Consummating Order. Upon receipt of the final report and unrefundable monies, this docket shall be closed administratively

This Order will become final and effective upon issuance of the Consummating Order if no person whose substantial interests are affected timely files a protest within 21 days of issuance of this Order. Based upon the foregoing, it is

**ORDERED** by the Florida Public Service Commission that Sprint Communications Company, Limited Partnership's proposal to issue a refund of \$72,937.41, plus interest of \$748.00, for a total of \$73,685.41, to the affected customers for erroneously billing a monthly recurring long distance plan charge to customers whose long distance services were no longer provided by Sprint Communications Company, Limited Partnership from December 2004 through June 2005 is approved.

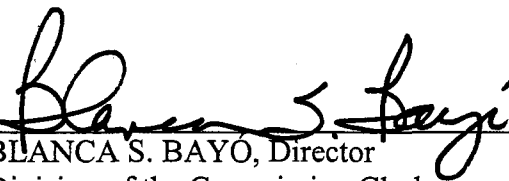
**ORDERED** that Sprint Communications Company, Limited Partnership shall submit a report within 30 days of the issuance of the Consummating Order stating, (1) how much was refunded to its customers, (2) the number of customers, and (3) the amount of money due to those customers that cannot be located. It is further

ORDERED that Sprint Communications Company, Limited Partnership shall remit any amounts due to customers that cannot be located to this Commission for deposit in the State of Florida General Revenue Fund within 30 days of the issuance of the Consummating Order. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that, if this Order becomes final, upon receipt of the final report and unrefundable monies, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 20th day of September, 2005.

  
BLANCA S. BAYO, Director  
Division of the Commission Clerk  
and Administrative Services

(SEAL)

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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 that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 11, 2005.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.