

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Determination
of Appropriate Method for
Refunding Overcharges on
Intrastate Long Distance Calls
and Local Toll Calls by AT&T
Communications of the Southern
States, Inc.

DOCKET NO. 970811-TI
ORDER NO. PSC-97-1025-FOF-TI
ISSUED: August 26, 1997

The following Commissioners participated in the disposition of
this matter:

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

NOTICE OF PROPOSED AGENCY ACTION
APPROVING PROPOSED SETTLEMENT FOR REFUNDING OVERCHARGES

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.

AT&T Communications of the Southern States, Inc. (AT&T), an
interexchange carrier, has been providing service since January 1,
1984, and holds Certificate No. 69. AT&T sent out a special
promotion package to various end users to encourage subscription to
AT&T's One Rate Plan in Florida. A system error generated
brochures with the incorrect statement that in-state long distance
calls would be rated at 10 cents per minute. The correct and
tariffed rate is 15 cents for in-state long distance calls and 10
cents for local toll (intraLATA) calls. Approximately 79,000
Florida customers accepted AT&T's erroneous offer.

Rule 25-24.485(1)(e), Florida Administrative Code states, in
part,

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FPSC-RECORDS/REPORTING

No public statement of service quality, rates, or service offerings or billings should be misleading or differ from those stated in the tariff.

Of the 79,000 customers on the plan, 49,570 made calls that require re-rating. Those calls constitute a total of 6.2 million minutes of use. The difference in revenue between the tariffed rate of 15 cents per minute and 10 cents quoted in the materials is \$313,042.20. When we alerted AT&T to the error, the company immediately researched the problem and proceeded to rectify the situation by making the necessary credits to its customers in a timely manner. As of July 24, 1997, 46,000 of the 79,000 customers had received an apology letter with the correct rates. Letters were being sent to the remaining customers. The credits are expected to appear on customer's bills before September 1, 1997. AT&T will credit the affected customers' bills for calls made under the offer during the period October, 1996, through March, 1997. (See June 23, 1997, Letter from AT&T that is attached and incorporated into this Order as Attachment A).

We have considered AT&T's explanation of these overcharges and AT&T's timely efforts to rectify the problem. After reviewing AT&T's procedures for ensuring that all overcharges are refunded to the affected customers, we hereby approve AT&T's proposed settlement. The settlement is appropriate and is in the public interest. In addition, upon completion of the refund, AT&T shall submit a report to Commission staff outlining how and when all the credits were refunded to the affected customers' accounts.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that the proposed settlement by AT&T Communications of the Southern States, Inc., for refunding overcharges is approved. It is further

ORDERED that upon completion of the refund, AT&T Communications of the Southern States, Inc. shall submit a report to Commission staff outlining how and when refunds were completed. It is further

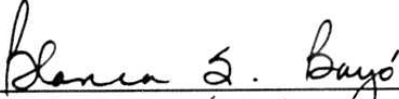
ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036,

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Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission this 26th day of August, 1997.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

BC

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.

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.

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The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 16, 1997.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water 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 of the effective date 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.

Tms 2863

ATTACHMENT A



Doris Franklin
Manager-Regulatory Affairs

Suite 700
101 N. Monroe Street
Tallahassee, FL 32301
904 425-6349

June 23 1997

Mr. Alan Taylor
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: AT&T One Rate Plan

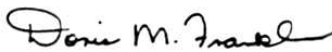
Dear Mr. Taylor:

This is a follow-up to my letter of April 25, 1997, regarding a discrepancy in AT&T's fulfillment package sent to some end user customers subscribing to the AT&T One Rate Plan in Florida. As a solution to this situation, AT&T is currently in the process of re-rating and crediting customers' accounts for the difference between the rate quoted in the fulfillment piece and the tariffed rate. The credits should appear on customers' bills before September 1, 1997.

As I stated in my earlier letter, approximately 79,000 Florida customers received the incorrect system-generated brochure. Of those customers, 49,570 made calls that would require re-rating. Those calls constitute a total of 6.2 million minutes of use. The difference in revenue between the tariffed rate of 15 cents per minute and 10 cents quoted in the materials is \$313,042.20. This money will be returned to the affected customers. The 49,570 customers will receive individual credits based on their calls.

As we stated in our April 25 letter, AT&T regrets that this discrepancy occurred and that it created customer confusion. We feel that these credits will correct the situation in a satisfactory manner.

Yours very truly,


Doris M. Franklin

