



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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RECORDS AND REPORTING

DATE: JANUARY 25, 2001

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

FROM: DIVISION OF LEGAL SERVICES (FUDGE) *[Signature]*
 DIVISION OF CONSUMER AFFAIRS (STOKES) *[Signature]*
 DIVISION OF REGULATORY OVERSIGHT (MCCOY) *[Signature]*

RE: DOCKET NO. 010089-TP - COMPLAINT OF CHARLENE HOAG AGAINST VERIZON FLORIDA, INC. AND SPRINT COMMUNICATIONS COMPANY, LIMITED PARTNERSHIP D/B/A SPRINT FOR ALLEGED IMPROPER BILLING.

AGENDA: 02/20/2001 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\010089.RCM

CASE BACKGROUND

On December 7, 1999, Ms. Charlene Hoag (Ms. Hoag or customer) filed complaint 294613T with Verizon Florida, Inc. (formerly GTE Florida, Inc. and hereafter referred to as Verizon or company) and complaint 294625T with Sprint Communications alleging that her account was billed for calls that she did not make. Verizon is her local provider, while Sprint provides her long distance service.

On December 7, 1999, the Public Service Commission's Division of Consumer Affairs (CAF) requested information from Verizon and Sprint regarding Ms. Hoag's billing concern.

On December 13, 1999, CAF received Sprint's report. The company stated that it last responded to Ms. Hoag in September 1998. Since that time, Sprint reported that it issued a \$25.40

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credit to her account on November 3, 1998. The company stated that the disputed calls were "directly dialed and legitimate."

CAF received a report from Verizon on December 15, 1999. Verizon reported that it contacted several of the disputed telephone numbers on November 16, 1999. Verizon stated that two calls were to Ms. Hoag's mother's residence, calls to her sister's place of business, and to long distance directory assistance. Verizon also reported that as a precautionary measure, it changed the cable pair serving Ms. Hoag's residence on December 9, 1999. The company stated that the isolated cable pair and feed pair do not show up at any other location except to the crossbox and customer's terminal. Verizon asserted that no tampering was found at the customer's protector or terminal.

On January 12, 2000, CAF received Ms. Hoag's January 5, 2000, letter. She alleged that Verizon found a problem on her line on December 3, 1999, and her service was put on another line. Ms. Hoag claimed that the problem was not corrected. She contended that Verizon and Sprint continued to bill her account for calls that she did not make, and to charge daytime rates for nighttime calls. Furthermore, she contended that they charged her late fees for timely payment. Ms. Hoag stated that as of January 5, 2000, Verizon owed her a credit of \$66.66 and Sprint owed her a credit of \$68.84.

CAF received Ms. Hoag's correspondence to the Office of Public Counsel (OPC) regarding her complaints. Her March 8, 2000, letter stated that as of that date, Verizon owed her a credit of \$69.90 and Sprint owed her a credit of \$79.05.

On March 27, 2000, CAF sent Ms. Hoag a letter explaining the outcome of its investigations, which revealed that the disputed calls were dialed directly from her residence. She was also notified that test calls revealed that the calls were placed to her mother's residence and sister's place of business. CAF also noted that although Verizon did not find any problems with her line, it changed the isolated cable pair as a precaution.

On April 17, 2000, CAF received Ms. Hoag's letter requesting an informal conference. Ms. Hoag still maintains that both companies owe her credits for the disputed calls. CAF received a copy of Verizon's June 12, 2000, letter to Ms. Hoag, wherein the company provided copies of her November 1999 through May 25, 2000, bills, and asked Ms. Hoag to mark the disputed calls and return them by June 26, 2000.

Verizon provided CAF with a copy of Ms. Hoag's June 20, 2000, letter to Verizon. Ms. Hoag stated that the bills only covered a six-month period. She stated, "My complaint covers 1 ½ years." Ms. Hoag also enclosed a list of the disputed calls from 1998 to May 25, 2000. She noted that as of June 13, 2000, Verizon owed her a credit of \$78.65 and Sprint owed her a credit of \$89.26.

In Verizon's July 10, 2000, report, it contended that there were no problems with the customer's line. Verizon stated that "considerable" credit was previously issued to the customer's account due to the denied calls. Verizon alleged that Ms. Hoag had a relationship with the majority of the called parties on her disputed-call list or had a purpose for placing the calls. As a result, Verizon asserted that no more credit would be issued to the account.

On August 2, 2000, OPC provided CAF with additional correspondence from Ms. Hoag regarding her complaint and informal conference request. Staff explained to Ms. Hoag that she would be notified of the outcome of her informal conference request. In the meantime, CAF continued its review of the complaints and requested additional reports from both companies.

On November 16, 2000, CAF received a report from Sprint. The company stated that in addition to the \$25.40 credit previously issued, it issued a goodwill gesture credit of \$53.65. These credits equal the long standing disputed charge of \$79.05. CAF notified Verizon about the credit on November 20, 2000. Ms. Hoag was also notified about the \$53.65 credit when she called CAF on December 8, 2000. CAF also explained that it was waiting for an additional report from Verizon.

On December 15, 2000, Verizon provided CAF with a supplemental report which confirmed receipt of the \$53.65 credit from Sprint. The company also reported that since 1998, it has issued a total of \$193.01 in credit to the customer's account as a compromise for valid charges, leaving an outstanding balance of \$144.82 as of December 15, 2000. This Commission has jurisdiction pursuant to Section 364.604, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should the request for an informal conference by Ms. Charlene Hoag be granted?

STAFF RECOMMENDATION: No. Pursuant to Section 25-22.032(8)(c), Florida Administrative Code, the Commission should dismiss Ms. Hoag's request because it states no basis upon which relief may be granted. (STOKES, MCCOY, FUDGE)

STAFF ANALYSIS: Rule 25-4.110(18)(b), Florida Administrative Code, provides that when a customer notifies a billing party that they did not order an item appearing on their bill, the billing party shall issue a credit for the item and remove the item from the customer's bill. However, the billing party does not have to issue a credit for calls the customer directly dialed.

Based on Verizon Florida's reports, no problems were found on Ms. Hoag's service line to indicate that the calls were not directly dialed from the customer's residence. Its report also indicated that a number of the disputed calls were made to the customer's relatives and to other parties that knew Ms. Hoag. Verizon stated that it issued a \$121.90 credit for disputed charges and an \$18 credit for a reconnection charge on October 8, 1998. Verizon also reported that it issued a \$25.40 credit on November 25, 1998, and a \$27.71 credit on June 30, 1999, for disputed calls. In its July 10, 2000, report, Verizon asserted that no more credits would be issued to the customer's account based on its investigations.

As for Sprint, in an effort to resolve the complaint and as a goodwill gesture, it issued a total credit of \$79.05 (\$25.40 on November 3, 1998 and \$53.65 on November 16, 2000) to Ms. Hoag's account to resolve the long standing dispute of that amount.

On December 15, 2000, Verizon reported that it has issued a total credit of \$193.01 to Ms. Hoag's account as a compromise for valid charges. Verizon also confirmed that the \$53.65 credit from Sprint was posted to Ms. Hoag's account on December 13, 2000. Verizon stated that as of December 15, 2000, the outstanding balance on Ms. Hoag's account was \$144.82. Based on a thorough review of Ms. Hoag's complaints and reports from Verizon and Sprint, staff believes that someone did place the disputed calls from Ms. Hoag's residence. As such, staff believes that pursuant to Rule 25-4.110(18)(b), Florida Administrative Code, Ms. Hoag is responsible for payment of the outstanding balance for the disputed calls.

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Rule 25-22.032(8)(c), Florida Administrative Code, provides that a request for informal conference may be dismissed upon a "finding that the complaint states no basis upon which relief may be granted." Therefore, staff recommends that Ms. Hoag's request for an informal conference should be dismissed.

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ISSUE 2: Should this docket be closed?

STAFF RECOMMENDATION: Yes. If no person whose substantial interests are affected by the Commission's order in this docket timely files a protest within 21 days of the issuance of this order, this docket should be closed upon the issuance of a consummating order. (STOKES, MCCOY, FUDGE)

STAFF ANALYSIS: If no person whose substantial interests are affected by the Commission's order in this docket timely files a protest within 21 days of the issuance of this order, this docket should be closed upon the issuance of a consummating order.