

State of Florida



Public Service Commission

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DATE: August 18, 2005

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Competitive Markets & Enforcement (Lewis) *CKL*
Division of Economic Regulation (Lester) *ML*
Office of the General Counsel (Scott) *KS JK*

ALM 198

RE: Docket No. 050195-TL – Approval of refund of directory assistance overcharges by GTC, Inc. d/b/a GT Com. *UW*

AGENDA: ^{*30 kb*} 08/11/05 – Regular Agenda – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\CMP\WP\050195.RCM.DOC

Case Background

Commission staff evaluated the service quality of GTC, Incorporated (GT Com) operations from June 7, 2004, through June 30, 2004. Part of the evaluation process includes testing Directory Assistance for correct telephone numbers and proper charges. Staff discovered a billing problem that resulted in Directory Assistance calls being randomly overcharged. Some of staff's test calls were charged \$0.95 instead of GT Com's tariff rate of \$0.45. All of the test calls were directed to the local directory assistance number of 411.

GT Com worked with its Directory Assistance provider (Sprint-Florida, Incorporated) to resolve the problem. Staff summarized and analyzed the initial billing data provided by GT Com

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and requested additional information. As a result, GT Com revised its data and determined that the subscribers were overcharged \$43,020.

In addition, GT Com's investigation revealed that some Operator Assisted Directory Assistance calls were also overcharged during the same period. The total amount overcharged for Operator Assisted Directory Assistance calls was \$1,943.50. Subsequently, GT Com submitted a refund proposal for the Commission's approval to provide direct credits to the affected subscribers. Staff determined the total amount needed to be refunded is \$46,732.65 which includes calculated interest.

Discussion of Issues

Issue 1: Should the Commission approve GT Com's proposed refund of \$44,644.05 (\$43,020.00 plus \$1,624.05 interest) for direct dialed Directory Assistance and refund of \$2,016.05 (\$1,943.05 plus \$72.55 interest) for Operator Assisted Directory Assistance in accordance with Rule 25-4.114 (3), Florida Administrative Code, in overcharges through direct credits to the accounts of the affected subscribers?

Recommendation: Yes. (C. Lewis, Lester, Scott)

Staff Analysis: Staff dialed 411 to test GT Com's directory assistance service which GT Com contracts for through Sprint-Florida, Incorporated. Staff reviewed the billing detail of the directory assistance test calls and determined that some calls were charged a \$.95 rate and some were charged a \$.45 rate. GT Com's tariff lists the appropriate charge as \$.45. GT Com and Sprint-Florida identified the problem as a billing system programming error and corrected the program in February 2005. GT Com believes the problem began around February 2003 because Sprint made changes to its system during this time frame. GT Com and Sprint corrected the corrupted translation tables.

On March 22, 2005, GT Com provided a spreadsheet which listed each affected telephone number (by month) for the period of February 2004 through February 2005. On August 9, 2005, GT Com revised its report to reflect the period of February 2003 through February 2005.

GT Com's proposed refund plan provides an immediate refund, plus interest, to the affected subscribers. Staff believes this is an appropriate resolution to this matter. Therefore, staff recommends that the Commission approve GT Com's proposal to refund \$46,732.65 (\$45,036.05 plus \$1,696.60 interest) in overcharges through direct credits to the accounts of the affected subscribers.

Issue 2: Should this docket be closed?

Recommendation: The Order issued from this recommendation will be a proposed agency action. Thus, the Order will become final and effective upon issuance of a Consummating Order if no person whose substantial interests are affected timely files a protest within 21 days of issuance of the Order. The company should submit a report within 60 days of the issuance of the Consummating Order to the Commission stating, (1) how much money was refunded to its customers, (2) the total number of customers that were refunded, and (3) the amount of money (including interest) due to those customers that cannot be located; and remit any amounts due to customers that cannot be located to the Commission for deposit in the State of Florida General Revenue Fund. Upon receipt of GT Com's report and staff's review, this docket should be closed administratively. **(Scott)**

Staff Analysis: The Order issued from this recommendation will be a proposed agency action. Thus, the Order will become final and effective upon issuance of a Consummating Order if no person whose substantial interests are affected timely files a protest within 21 days of issuance of the Order. The company should submit a report within 60 days of the issuance of the Consummating Order to the Commission stating, (1) how much money was refunded to its customers, (2) the total number of customers that were refunded, and (3) the amount of money (including interest) due to those customers that cannot be located; and remit any amounts due to customers that cannot be located to the Commission for deposit in the State of Florida General Revenue Fund. Upon receipt of GT Com's report and staff's review, this docket should be closed administratively.