

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Complaint of City of)	
Cleveland,)	
)	
Complainant,)	
)	
v.)	Case No. 05-29-TP-CSS
)	
SBC Ohio,)	
)	
Respondent.)	

ENTRY

The attorney examiner finds:

- (1) On January 6, 2005, the City of Cleveland, filed a complaint against SBC Ohio (SBC). In its complaint, the City of Cleveland claims entitlement to a refund for billing errors relating to 13 telephone circuits. The City of Cleveland notes that its discussions with SBC have not resulted in a satisfactory settlement. Through its complaint, the City of Cleveland seeks to recover a refund and interest in the amount of \$759,367.

The City of Cleveland explains that the 13 circuits are part of a group of 26 circuits that the City of Cleveland used to monitor water facilities. Originally, the monitoring system used point-to-point circuits. According to the City of Cleveland, SBC replaced the circuits with a radio system and centrex lines that rendered the circuits useless. In April 1996, the City of Cleveland requested that SBC disconnect the 26 circuits. The City of Cleveland contends that SBC only disconnected 13 circuits, leaving 13 still active. The City of Cleveland's consultant, Cost Control Associates (CCA), discovered the error. On April 21, 2004, CCA submitted a request to SBC demanding that SBC terminate its billing of the 13 remaining disconnected circuits and that SBC issue a refund to account for improper billing. CCA requested that the refund reflect the

period beginning with the termination of the circuits in 1996 to the date on which SBC terminates billing.

Subsequent to its April 21, 2004, demand letter, CCA, with the assistance of technicians from Alltel and SBC, confirmed that the circuits were disconnected. After SBC acknowledged that the circuits were disconnected, SBC offered what the City of Cleveland describes as a "token refund." According to the City of Cleveland, SBC refuses to issue a full refund because it has no written authorization from the customer to disconnect the circuits.

- (2) The City of Cleveland notes that three of the 13 circuits cross into Alltel's territory. Although the circuits are shared by SBC and Alltel, SBC bills the City of Cleveland for all charges. The City of Cleveland alleges that Alltel located disconnection orders for two of the three circuits. Overall, the City of Cleveland concludes that SBC disconnected 13 circuits but continues to bill for them. The City of Cleveland, therefore, believes that it is entitled to a refund for overbilling plus interest.
- (3) Owing to the facts of this case, and in an effort to minimize the expenditure of resources of all involved, this case shall be referred to the Commission's Public Interest Center for mediation. The mediator shall contact the parties to discuss and arrange mediation. The mediation shall extend for a 30-day period during which time SBC's obligation to file an answer shall be suspended. If the parties are unable to negotiate a resolution upon expiration of the 30-day period, or as otherwise determined by the mediator, SBC shall file an answer within 20 days. Furthermore, if mediation is unsuccessful at resolving this complaint, the matter shall be referred to the attorney examiner for formal treatment of the complaint.

It is, therefore,

ORDERED, That this complaint shall be referred to the Commission's Public Interest Center for mediation. It is, further,

ORDERED, That SBC's obligation to file an answer to the complaint shall be suspended until 20 days following the conclusion of mediation. It is, further,

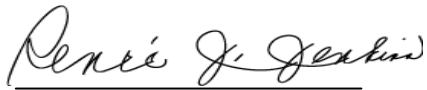
ORDERED, That a copy of this Entry be served upon each party and all interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

By: L. Douglas Jennings
Attorney Examiner

/vrn

Entered in the Journal



Renee J. Jenkins
Secretary

This document was filed with PUCO Docketing on

1/20/2005 @ 8:04:14 AM