

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review)
of the Minimum Telephone Service) Case No. 00-1265-TP-ORD
Standards as Set Forth in Chapter 4901:1-5)
of the Ohio Administrative Code.)

In the Matter of the Review of the)
Commission's Minimum Telephone Service) Case No. 05-1102-TP-ORD
Standards Found in Chapter 4901:1-5 of the)
Ohio Administrative Code.)

FINDING AND ORDER

The Commission finds:

- (1) On November 14, 2007, United Telephone Company of Ohio dba Embarq (Embarq) filed an application seeking a waiver, pursuant to Rule 4901:1-4-01(E), Ohio Administrative Code (O.A.C.), of specific rules and regulations involving subscriber bills governed by Rule 4901:1-5-07, O.A.C.¹ Embarq has designed two new bill options to address its customers' preference for simpler, shorter bills than Embarq currently provides. According to Embarq, these new bill options include: (a) a complete summary bill, or (b) a detail bill for local services with a summary of Embarq toll and Embarq wireless usage.

Embarq submits that customers will be advised of these new billing options through bill messages. Residential and small to mid-sized business customers will be permitted to switch from the detail bill to one of the other options by calling an Embarq customer service representative. If customers are not satisfied with either version of the summary bill, Embarq asserts that the customers may switch back to the detailed bill at any time and at no charge. All customers may view the customers' detailed bill data at the Embarq.com website or receive a copy of the detailed bill through the mail by contacting a customer service

¹ Due to the filing date of its original application, Embarq also sought a waiver from applicable provisions of Rule 4901:1-5-15, O.A.C. That rule provision has now been replaced by current Rule 4901:1-5-07, O.A.C., effective January 1, 2008. Thus, we need not further consider Embarq's waiver of Rule 4901:1-5-15, O.A.C., in this matter.

representative. Embarq clarifies that there is no charge for providing the detailed bill information to a customer utilizing either one of the summary bill options.

- (2) The specific rule provisions from which Embarq seeks a waiver as well as the company's explanation of what will be provided on the summary bill are delineated below:
 - (a) Rule 07(B)(1). Embarq will summarize regulated competitive telecommunications service charges by provider but will not detail the charges on the summary bill.
 - (b) Rule 07(B)(1). Charges for nonregulated services will appear in summary on the bill; however, these charges will not be itemized on the summary bill.
 - (c) Rule 07(B)(1 and 5). All the detailed information required by this rule and all the subparts will be summarized in the Embarq Local category on the summary bill.
 - (d) Rule 07(B)(2). Embarq will include all of the information required by this rule but will not identify it individually on the summary bill.
 - (e) Rule 07(B)(2). Embarq will not itemize nonrecurring, fractional, and nonbasic service charges. These charges will be included in the Embarq Local summary on the bill.
 - (f) Rule 07(B)(5). Embarq will not provide itemization of local extended area service calls. Any usage-sensitive local charges will be included in the Embarq Local summary on the bill.
 - (g) Rule 07(B)(5). Detail of toll charges required by this rule and all the subparts will not appear on a summary bill.

- (h) Rule 07(B)(6). Taxes and surcharges will be listed separately, but will not be itemized with a description on a summary bill.
 - (i) Rule 07(B)(6). Charges for 9-1-1 will be included in the summary of surcharges and fees, but will not be separately identified.
- (3) The Office of the Ohio Consumers' Counsel (OCC) filed a memorandum contra Embarq's application for waiver on December 3, 2007. In its memorandum contra, OCC does not object to the concept of summary billing, so long as customers control the format of the bill they receive. Moreover, OCC asserts that customers should be permitted to change the type of bill they receive as often as they want and without charge. Should a customer not express a preference, OCC submits that the default bill should be the detailed bill.

OCC also noted several reservations with the Embarq motion. First, OCC submits that Embarq failed to provide a legal basis or standard for reviewing this motion. Namely, it is unclear, OCC asserts, whether Embarq is seeking a "good cause" waiver or a "hardship" waiver. Next, OCC argues that it makes little sense to consider Embarq's need for a waiver under the standards that will no longer apply after the January 1, 2008, effective date of the new minimum telephone service standards (MTSS). Last, OCC submits that the Commission should ensure that Embarq's summary bill provides necessary consumer protections. In support of this position, OCC claims that it is unclear whether Embarq is seeking a waiver of subparagraphs (B)(4), (B)(5), and (B)(7) of Rule 4901:1-5-07, O.A.C., which convey important information that should be included on customers' bills. OCC recommends denying Embarq's request if the company is in fact seeking a waiver of the aforementioned subparagraphs. Finally, OCC avers that it is not readily apparent why Embarq needs a waiver from subparagraphs (B)(1) and (B)(2) of Rule 4901:1-5-07, O.A.C., inasmuch as those subparagraphs do not require the detailed information described by Embarq.

- (4) Embarq filed a reply to the OCC's memorandum contra on December 12, 2007. Embarq submits that its motion for waiver is clear that the company's waiver is predicated upon the good

cause shown standard under current Rule 4901:1-5-02(B)(1), O.A.C. To eliminate any confusion as to whether a waiver was being sought of the old MTSS or the standards taking effect January 1, 2008, Embarq withdrew its request as to the old MTSS. As a final matter, Embarq maintains that, notwithstanding OCC's criticisms, Embarq's summary bills proposal adequately protects consumers. Embarq reiterates that customer participation is entirely optional, customers may still obtain a detailed bill by contacting Embarq customer service or by accessing the customer's account online, and the customer has complete freedom to change from the detailed bill to the summary bill, and back, at any time and at no charge.

- (5) Having fully reviewed all of the comments submitted on this matter, the Commission determines that, as clarified below, Embarq's application for a waiver in order to offer to its customers, at no charge, a summary bill option is reasonable and should be granted. In granting this application for waiver, we note that Embarq has only requested a waiver from certain provisions of Rule 4901:1-5-07, O.A.C., namely, subparagraphs (B)(1), (2), (5), and (6) as delineated above in finding 2. We further determine that this authorization only applies to those subparagraphs and only to the extent discussed in finding 2 so that Embarq may offer the summary bill option to its customers.

Our approval of Embarq's application for waiver is predicated on the modifications addressed below. First, Embarq's application is not clear what the default option will be for a new customer that does not choose a billing option. To alleviate any confusion in this regard, the Commission directs that a new customer that does not affirmatively choose the summary bill option at the time the customer establishes service must be provided a detailed bill as the default option. Also, because a new customer choosing the summary bill option may not know what features of a detailed bill the customer is foregoing, we direct Embarq to provide to new customers choosing the summary bill option, language reflecting that the customer has chosen a summary bill option, a brief description of the features of a summary bill as compared to those of a detailed bill, and an explanation that if the customer desires more detail, the customer may request a detailed bill. Next, regarding third-party providers, we note

that Embarq's application only offered to provide the company name and contact numbers of the third-party providers on Embarq's summary bills. We are concerned that, without a description of the type of service offered by a third-party provider, the customer may not realize that the customer has had unauthorized services or service providers appear on the customers' bill. Therefore, we direct Embarq to include on its summary bills a brief description of the type of service that the customer receives from third-party providers.


We also note that the summary bill examples provided by Embarq with its application did not include the Commission and OCC contact information required by Rule 4901:1-5-07(B)(7), O.A.C., nor did the company seek a waiver from that provision. Therefore, we reiterate that Embarq must include the Commission and OCC contact information on its summary bill as required by Rule 4901:1-5-07(B)(7), O.A.C. As a final matter, we note that the Truth-in-Billing section of the summary bills is not clear on the minimum amount that a customer must pay to maintain the customers' service. Therefore, we direct Embarq to work with Commission staff to modify the Truth-in-Billing section of the summary bills to more clearly delineate the total amount that a customer must pay in order to avoid disconnection of service.

It is, therefore,

ORDERED, That Embarq's application for waiver is granted in accordance with finding 5. It is, further,

ORDERED, That a copy of this finding and order be served upon United Telephone Company of Ohio dba Embarq, its counsel, and the Office of the Ohio Consumers' Counsel.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Alan R. Schriber, Chairman
Paul A. Centolella
Ronda Hartman Fergus
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JRJ/vrm

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Renee J. Jenkins
Secretary