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February 16, 1999

Daisy Crockron, Chief of Docketing  
Division  
PUBLIC UTILITIES COMMISSION OF OHIO  
180 East Broad Street  
Columbus, Ohio 43215

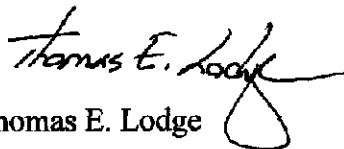
Re: In the Matter of the Amendment of Chapter 4901:1-5 of the Ohio Administrative Code, Public Utilities Commission of Ohio, Case No. 96-1175-TP-ORD

Dear Ms. Crockron:

Enclosed for filing are an original and ten (10) copies of the Information Response Of The ALLTEL Companies In Response to Entries of February 4, 1999, to be filed in connection with the above-referenced matter.

Thank you for your assistance. If you have any questions, please call.

Very truly yours,

  
Thomas E. Lodge

TEL/tjh

cc: Peter Baker, Supervisor -- Consumer Services Compliance  
All Parties of Record  
Stephen B. Rowell, Esq.

Enclosures

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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Amendment of )  
Chapter 4901:1-5 of the Ohio ) Case No. 96-1175-TP-ORD  
Administrative Code )

INFORMATION RESPONSE OF THE ALLTEL COMPANIES  
IN RESPONSE TO ENTRIES OF FEBRUARY 4, 1999

In response to the Commission's Entry of February 4, 1999 in this matter, ALLTEL Ohio, Inc. and The Western Reserve Telephone Company (the "ALLTEL Companies") provide the Information Response attached hereto. The ALLTEL Companies also adopt and incorporate the Initial Comments of the Ohio Telecommunications Industry Association filed in this matter.

Respectfully submitted,

ALLTEL OHIO , INC.  
THE WESTERN RESERVE  
TELEPHONE COMPANY

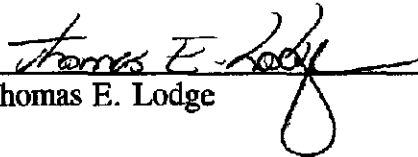
By: Thomas E. Lodge  
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Information Response of The ALLTEL Companies In Response To Entries Of February 4, 1999, were served on the parties shown on the attached service list by first class mail, postage prepaid, this 16th day of February, 1999.

  
\_\_\_\_\_  
Thomas E. Lodge

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**SERVICE LIST**

Case No. 96-1175-TP-ORD

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February 16, 1999

Mr. Pete Baker  
Service Quality Analysis Division  
Public Utilities Commission of Ohio

**RE: Response to Data Request regarding Selective Toll Blocking and  
Uncollectables.**

Response offered by item listed in the January 28, 1999 communication.

**LEC Issues:**

1. The figures stated are indicative of our 30 & 60 day gross balances excluding any and all 900 or 976 charges. Cramming is not an element in this equation and slamming is also not an issue do to immediate crediting to affected accounts and not carried forwarded.

**1996**

30 day :	\$25,717,917.00 -	14.82% of Billed Revenues
60 day:	\$8,232,127.00 -	4.74% of Billed Revenues

**1997**

30 day:	\$26,936,479.00 -	14.88% of Billed Revenues
60 day:	\$9,606,479.00 -	5.30% of Billed Revenue

**1998**

30 day:	\$27,850,624.00 -	14.6% of Billed Revenues
60 day:	\$11,887,282.00 -	6.23% of Billed Revenues

2. Since the implementation of "D-PIC'ing", we have experienced a gradual increase in uncollectables and/or balance carried forward as stated in item 1. Reasons for this activity are caused by several elements:
  - a) Customers become aware that they are not held immediately responsible for their billed toll amounts. ALLTEL's standard treatment rules permit the average customer 45 to 60 days to pay outstanding balances before any disconnection activity is taken. No leverage.
  - b) Customers continue to enjoy dial-around (casual) calling privileges which, most often are billed by ALLTEL due to not being an active account on the toll carrier's database. Also, these calls are being billed at a premium (casual) rate per minute, which further impacts the customer and his ability, or inability to pay the toll bill. In many cases we succumb to the customer's arguments of being over charged and adjust the rate per minute/call.
  - c) Records indicate an ever increasing volume of operator assisted calls, which bill at the premium rate.
  - d) Customers have learned to not select a carrier that bills direct (not through ALLTEL) so as to avoid being denied by the specific carrier.
  - e) A specific example (customer name withheld) of a casual call account: customer came up for toll disconnection for outstanding amount of \$105.23. D-Pic'd 7/27/98. Customer made casual calls and operator assisted calls. Over a period of seven months, this customer induced over \$10,427.00 in casual uncollectable toll charges. We have applied universal toll block. There are many incidents like this, although this particular account stands out and the activity is current.
3. Data is not available by local and toll. Average percent of past due or unpaid balances are: 1996 = 23.43%, 1997 = 25.35%, 1998 = 29.30%. These figures are based on a 90 day accumulation.
4. An Ohio customer enters treatment when the entire bill is over \$100 and over 9 days past due. On the 9<sup>th</sup> day after the bill was due, a Denial Notice is sent to the customer advising amounts for BASIC, TOLL, and NON BASIC services. This notice also advises services could be disconnected if the BASIC and/or TOLL past due is not paid, along with the date the notice is due.

The treatable amount for TOLL is \$45. If a customer's bill is over \$100 and the TOLL portion is over \$45, the customer is DPIC'd in the switch. This continues to give the customer dial-around privileges, the carriers bill these calls at a casual rate (sometimes \$3 per min). We have also seen an increase in the amount of customers having operator assisted/completed calls. Ten days after the DPIC, an order is

completed to note DPIC as the customer's carrier. We send a letter to the customer advising the customer that their TOLL has been disconnected and to call and make arrangements on the past due TOLL or the charges will be sent to a Collection Agency and could affect their credit.

Due to DPIC, we have re-implemented the procedure for Advance Payments and Deposits. A customer applying for new service is checked for any bad debt with ALLTEL and also a credit check is run through EQUIFAX to determine the customer's credit history. It is determined at this time if the customer will be required to pay a \$40 advance payment (payment is applied to the first month's bill to help with connection charges) and a \$40 deposit (which is held for at least 6 months and accrues interest).

5. Deposits and/or advance payments are applied in concurrence with the current MTSS guidelines. ALLTEL does not differentiate between Intra-Lata and Inter-Lata toll for deposit purposes.
6. During the current treatment cycle of an account in arrears, that the customer is keeping payment arrangements, or re-negotiating payment plans, no additional deposits are required.

If the customer fails to pay, the arrears toll bill in its entirety, the D-PICing process is implemented and in extreme cases, such as Item #4, universal blocking may be applied.

**For LEC's Only:**

1. ALLTEL does not have any current agreements with IXC's to specifically collect deposits on their behalf for billed toll.
2. All Uncollectables are reversed to the IXC in the month they are posted to the ledger. Separate ledger accounts are established to track each IXC.

We do not keep track of denied recourse uncollectables. Only those amounts agreed to by common procedure are processed.

3. Disconnection notices are generated when the account reaches two thresholds. The account must exceed \$100.00 total and is nine days past due from the due date.
4. If the customer is temporarily toll disconnected, the past due amount must be paid in full or by acceptable payment arrangements. Toll service is then re-established with no reconnection charges.



Mr. Pete Baker  
Service Quality Analysis Division  
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If the customer does not make, or keep acceptable payment arrangements, the arrears amount is written off the current bill and referred to a Collection Agency and the account is D-PIC'ed.

If the customer induces casual call toll and does not pay amounts that become arrears we may apply universal toll block, write-off the outstanding balances and refer to a Collection Agency.

To have Toll Services re-established, the customer must pay all outstanding amounts due ALLTEL.

NOTE: Should the customer choose to change their PIC to a carrier that ALLTEL does not bill for, that application would be processed without the requirement to pay the arrears.

The foregoing responses to each item is offered as our interpretation permits and limited to information readily available.

Should any item or issue require additional clarification or information, please contact me at 330-650-7560.

Respectfully submitted,



Vincent L. Caruso  
Staff Manager - Customer Service

VLC/rc

CC: K. Hobbs  
T. Carney