

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

KENTUCKY ASSOCIATED PUBLISHERS, INC.	)	
COMPLAINANT	)	
VS.	)	CASE NO. 8229
GENERAL TELEPHONE COMPANY OF KENTUCKY	)	
DEFENDANT	)	

O R D E R

On April 24, 1981, Kentucky Associated Publishers, Inc., ("Publishers") filed with the Commission a formal complaint against General Telephone Company of Kentucky ("General"), wherein Publishers alleged certain billing and service problems with General, all as more specifically outlined in the complaint. By Order dated April 27, 1981, General was directed to either satisfy or answer the complaint.

On May 7, 1981, General responded to the complaint, stating, among other things, that Publishers had been furnished both WATS and business telephone service, that problems had been experienced with the WATS telephone service and adjustments in bills had been made, and that both the WATS and business services had been disconnected on February 5, 1981, with Publishers indebted to General. General's records indicated the amount of the indebtedness to be \$22,046.44 as of May 7, 1981. General further stated that on April 20, 1981, Publishers had filed a voluntary petition for bankruptcy reorganization under Chapter 11 in the United States District Court for the Eastern District of Kentucky.

Telephone service is presently being provided under the conditions of that bankruptcy proceeding.

A hearing was held on October 4, 1981, in the offices of the Public Service Commission at Frankfort, Kentucky. All parties of interest were allowed to be heard. By letter dated October 6, 1981, Publishers and General were invited to submit memoranda summarizing their positions, to be filed on October 26, 1981. Both parties filed memoranda on that date.

#### DISCUSSION

Publishers has made the following specific complaints against General:

(1) That General failed to provide service for which Publishers was billed on three WATS Lines during the year 1980 and the first month of 1981;

(2) That WATS Line 020-3901 was in service for 4 days but was billed for a full month;

(3) That General has failed to acknowledge that during a period of time when cross talk service problems existed which affected users of WATS service, both of the originating WATS parties involved in the cross talk were billed for the time either of them used their WATS Lines;

(4) That on February 1, 1981, WATS service to Publishers was disconnected by General without notice, and at a time when Publishers was performing in compliance with an extension payment agreement entered into on November 10, 1980. This discontinuance

of service made it necessary for Publishers to subscribe to regular business service, raising its cost of operation 200 percent and forcing it into bankruptcy; and,

(5) That the extension payment agreement entered into on November 10, 1980, by Publishers and General included another account (LeMaster Insurance), and Publishers was forced to pay \$8,400 on such account.

At the public hearing, Publishers testified concerning the above-listed complaints, as well as two additional problems.

These were:

(1) That publishers had been charged for calls made by prior employees of Publishers, and that billing adjustments were denied because Publishers had waited too long to request such adjustments; and,

(2) That WATS Line 020-3901, previously referred to as being in service for 4 days, was not the service requested.

General acknowledged the existence of cross talk problems during the latter part of 1980. Further, both parties agreed that adjustments of \$6,644.81, \$168.00 and \$455.18 were made during 1980 and early 1981 in response to these problems. However, Publishers subscribed to "measured WATS" service wherein a flat amount is paid for a minimum number of hours used each month with additional charges for time exceeding the minimum. Testimony revealed that for all of the months in question, Publishers exceeded the time covered by the minimum rate and was, therefore, charged for WATS usage time. Therefore, the

adjustments made were improper, since they were made on the basis of inability to utilize the excess time for which no charge was actually made, rather than solely for calls which had to be terminated because of cross talk conditions.

The Commission accepts Publishers' claim that some adjustments should be made for improper charges billed to Publishers because of the possibility that General erred in labeling certain jack and plug connections which had the effect of labeling business lines as WATS Lines and the possibility that WATS Line 020-3901 was not the service requested. The effect of these possible errors cannot be measured precisely. In any event the improper adjustments totaling \$7,267.99 appear to be far in excess of those to which Publishers was due.

Both parties agreed that WATS Line 020-3901 was in service for only 4 days, but billed for a month. General's Tariff (P.S.C. Ky. No. 3, Section No. 4, Original Sheet No. 2.1) states that General concurs in the rates and regulations governing WATS as filed by Southern Bell Telephone and Telegraph Company (now South Central Bell Telephone Company ["Bell"]). Bell's Tariff (A19.4.1C) states that the initial period for WATS service is 1 month. Therefore, Publishers was properly charged for 1 month's minimum usage.

Publishers has stated that it charged for WATS usage by other parties during periods when cross talk problems existed. The Commission has carefully examined the testimony of both

parties on this issue, and has determined that since the timing control for WATS usage is totally separate from the actual voice paths used, it is technically impossible for Publishers to have been billed for WATS calls it did not originate. Additionally, actual timing and billing records produced by General at the hearing support this conclusion. Several calls were of extremely short duration, indicating that Publishers attempted to place calls, found that a cross talk condition existed, and disconnected the call, thus stopping the timing and billing process.

Publishers also claimed that WATS service was disconnected on February 1, 1981, even though Publishers was performing in compliance with the extension payment agreement of November 10, 1980. However, Publishers was not in compliance with the agreement since current bills were not paid in a timely manner as required by the agreement.

Publisher's final argument was that the extension payment agreement of November 10, 1980, included another account (LeMaster Insurance) on which Publishers was forced to pay \$8,400. However, both accounts were in arrears at the time the agreement was signed; Mr. Sterling LeMaster extended the agreement in order to obtain the continuation of service for both accounts. The execution of the agreement on behalf of Publishers does not relieve it of the requirement to pay for service rendered on behalf of LeMaster Insurance. There was no testimony that LeMaster Insurance requested separate treatment of these accounts and that Mr. LeMaster was

willing to have LeMaster Insurance's service disconnected, nor that General refused to treat these accounts separately.

The Commission, after consideration of this matter, including the hearing and all evidence of record, and being advised, is of the opinion and finds that:

(1) Although Publishers did experience problems for which adjustments were due, the amount of adjustments made did at least equal, and likely exceed, the adjustments actually due;

(2) General did not act improperly in entering into an extension payment with Publishers, nor in disconnecting service when the conditions of that agreement were not met; and

(3) Publisher's complaint should be dismissed.

IT IS THEREFORE ORDERED that the complaint of Kentucky Associated Publishers, Inc., against General Telephone Company of Kentucky in this matter be and it hereby is dismissed.

Done at Frankfort, Kentucky, this 8th day of December, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Votz  
Chairman

Katherine Randall  
Vice Chairman

Ann Carreaga  
Commissioner

ATTEST:

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Secretary