

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ALLEGED VIOLATIONS OF KRS 278.160 BY)	CASE NO.
GTE SOUTH INCORPORATED)	2000-208

O R D E R

On May 18, 2000, the Commission initiated this proceeding to investigate the omission by GTE South Incorporated, now known as Verizon South Incorporated ("Verizon") of non-listed number service from its rate schedules. Provision of service without a tariff is a violation of KRS 278.160.

On June 7, 2000, Verizon filed a response to the Commission's Order initiating this proceeding. In its response Verizon indicates that the non-listed number service was inadvertently deleted from the tariff which it had filed in 1984. Thus, 550 customers in the GTE South service area were billed \$0.75 per month for a service for which there was no filed schedule. In addition, in 1993, Verizon filed a tariff to merge the GTE South tariff with the Contel of Kentucky tariff. At that time the non-listed service rate for the Contel service area was \$1.25 per month. In the process of merging these tariffs, the non-listed service was inadvertently omitted from the Contel schedule. Thus, 160 customers received non-listed service at a charge of \$2.90 per month when there was no filed schedule for such service. Verizon argues that the omissions of non-listed service from its filed schedules were inadvertent. As of April 10, 2000, the tariff omissions have been corrected.

Verizon filed a proposed settlement of this matter on June 30, 2000. It proposes to refund amounts paid by customers for its GTE South area and its Contel area for non-listed service for the past 24 months, to June 1998. The proposed settlement would refund to approximately 160 former Contel customers \$2.90 per month and to approximately 550 GTE South customers for \$0.75 per month.

This proposed settlement of Verizon does not comport with the Commission's requirement that rates collected for untariffed service must be refunded. In order for the proposal to be accepted, Verizon should file an affidavit by an officer of its company indicating that applicable customer records are only retained for two years and stating authority to support the proposition that customer records of this nature may be retained for only two years. However, if Verizon has relevant customer records regarding service received prior to 1998, Verizon has the option of refunding the rates paid by current customers to the extent those records are retained, in order to settle this matter without assessment of a penalty pursuant to KRS 278.990.

Having considered Verizon's response to its Order to show cause and having been otherwise sufficiently advised, the Commission HEREBY ORDERS that:

1. Within 30 days of the date of this Order, Verizon shall file an affidavit signed by an officer of the company verifying that customer records regarding service provided prior to 1998 either are, or are not, retained.
2. If such records are, in fact, retained for only two years, Verizon's proposal shall be accepted without further Order and Verizon shall file, within 30 days of the date of this Order, a plan for making refunds to its customers together with a schedule for making such refunds.

3. If applicable customer records exist prior to 1998, within 30 days of the date of this Order, Verizon shall file a plan for refunding the untariffed amounts collected to its current customers to the extent records are retained, together with a schedule for making such refunds; or, in the alternative, it may request a hearing in this matter.

Done at Frankfort, Kentucky, this 12th day of September, 2000.

By the Commission

ATTEST:


Executive Director