COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BLC MANAGEMENT, LLC D/B/A ANGLES COMMUNICATION SOLUTIONS))
COMPLAINANT)
V.) CASE NO. 2007-00262
BELLSOUTH TELECOMMUNICATIONS, INC. D/B/A AT&T KENTUCKY)))
DEFENDANT)

<u>ORDER</u>

On June 26, 2007, BLC Management, LLC d/b/a Angles Communication Solutions ("Angles") filed a formal complaint against BellSouth Telecommunications, Inc. d/b/a AT&T Kentucky ("AT&T") alleging that AT&T was attempting to wrongfully collect disputed billings for Angles' purchase of wholesale service from AT&T. Angles stated that, since February 2007, the parties have been before the Tennessee Regulatory Authority ("TRA") trying to mediate or litigate the dispute.¹ Angles alleges that since August 2006, it has remained current on all undisputed bills owed to AT&T and requests that the Commission "take jurisdiction over this complaint for the limited

¹ Angles is a Tennessee-based reseller with approximately 3,000 customers in Kentucky.

purpose of ordering the parties to maintain the <u>status quo</u> pending the outcome of Angles' complaint in Tennessee and as long as Angles remains current on its undisputed bills."²

BACKGROUND

Angles alleges that, since June 2006, it has been engaged in a billing dispute with AT&T over bills rendered by AT&T for the period from January 2004 to May 2006.³ Angles states that AT&T informed it in June 2006 that Angles owed an outstanding debt of \$120,402.61. Angles alleges that it promptly paid the bill in full. Angles states that approximately 8 months later, AT&T, claiming a billing error, billed Angles for an additional amount of approximately \$500,000.

In its response, AT&T requests that the Commission: (1) dismiss Angles' complaint; (2) require immediate payment of all past-due amounts on Angles' Kentucky accounts; and (3) authorize AT&T to exercise its right to discontinue service to Angles in Kentucky if Angles fails to timely pay past-due amounts. Regarding the complaint before the TRA, AT&T alleges that, because mediation has failed, it has requested that the TRA empower a hearing officer to resolve the parties' dispute as it exists in Tennessee. AT&T denies that Angles has paid all undisputed charges since June 2006. AT&T also requests that the Commission: (1) deny all relief sought; (2) require Angles to immediately pay AT&T all undisputed amounts owed on its Kentucky accounts; (3) require Angles to immediately pay into escrow all disputed amounts owed

² Complaint at 4 (footnote omitted).

³ It appears from the complaint that Angles disputes the accuracy of all bills rendered by AT&T, not just those rendered for Kentucky.

on its Kentucky accounts pending resolution of the complaint; and (4) authorize AT&T to terminate service to Angles in accordance with the parties' interconnection agreement if Angles fails to pay disputed amounts.

On February 22, 2007, Angles filed a formal complaint with the TRA, disputing AT&T's billings and requested that the TRA staff attempt to resolve the dispute. Angles alleges that it has continued to pay all undisputed charges since June 2006. AT&T asserts that the negotiations before the TRA have been unsuccessful and further alleges that Angles has not remained current in its payments. Although Angles' complaint does not state with specificity the amount in controversy for service provided solely in Kentucky (it simply states the total amount in controversy for service provided in Kentucky, Tennessee, Florida, and Mississippi) AT&T, in its answer, alleges that Angles owes an outstanding, undisputed, debt of \$110,047.08 for services purchased in Kentucky.⁴

DISCUSSION

Despite the assertions of Angles, the Commission cannot discern if the complaint before the TRA has any bearing or potential impact on Angles' complaint before the Commission. A review of the filings in the TRA case⁵ does not clarify whether any charges for service provided in Kentucky are being adjudicated. In fact, as AT&T alleges, it appears that the only charges being disputed in Tennessee are those from

⁴ Answer at 3.

⁵ TRA Docket No. 07-00053, <u>Complaint of BLC Management, LLC d/b/a Angles</u> <u>Communication Solutions Against Bellsouth Telecommunications, Inc. to Resolve Billing</u> <u>Disputes, Enforce the Parties' Interconnection Agreement, and Prevent Interference</u> <u>with Service to Customers</u>, available at *http://www2.state.tn.us/tra/dockets/0700053.htm* (last visited August 21, 2007).

bills rendered in Tennessee. Absent a specific billing dispute involving service offered in Kentucky, the Commission cannot maintain jurisdiction over this complaint. Absent more specific pleadings or allegations, the Commission cannot consider this complaint.

The Commission noted in its July 11, 2007 Order that 807 KAR 5:006, Section 11, provides that, "[w]ith respect to any billing dispute to which Section 10 of this administrative regulation does not apply, customer accounts shall be considered to be current while the dispute is pending as long as a customer continues to make undisputed payments and stays current on subsequent bills." However, as discussed <u>supra</u>, it does not appear that the billing dispute concerns service provided in Kentucky and, thus, the protections of 807 KAR 5:006, Section 11, cannot currently apply to this complaint.

CONCLUSION

Upon further review of Angles' complaint and the filings in the TRA case, it does not appear that Angles' complaint states a claim upon which relief may be based. While a legitimate billing dispute may exist between Angles and AT&T in Kentucky, the specifics of the dispute cannot be discerned from the complaint. Accordingly, the Commission finds Angles' complaint should be dismissed. However, the Commission also finds that Angles shall have an opportunity to amend its complaint to state a claim upon which relief may be based.

IT IS THEREFORE ORDERED that:

1. Within 15 days of the date of this Order, Angles may file an amended complaint with the Commission stating a claim upon which relief may be based.

2. If an amended complaint is not filed, this complaint will be dismissed with prejudice and removed from the Commission's docket.

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Done at Frankfort, Kentucky, this 7th day of September, 2007.

By the Commission

ATTEST:

Robert a amath for the Executive Director