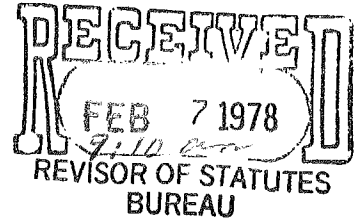


PSC 165

CERTIFICATE



STATE OF WISCONSIN             )  
   )  
 PUBLIC SERVICE COMMISSION)

ss.

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Lewis T. Mittness, Executive Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said Commission, do certify that the annexed rules relating to Information to be Made Available to Telephone Customers were duly approved and adopted by this Commission on February 2, 1978.

I further certify that this copy of the rules has been compared by me with the original on file in this Commission and that the same is a true copy thereof, and of the whole of such rules.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the Commission at the Hill Farms State Office Building in the City of Madison this 6 day of February, 1978.

A handwritten signature in cursive script that reads "Lewis T. Mittness". The signature is written over a horizontal line.

Lewis T. Mittness  
 Executive Secretary  
 PUBLIC SERVICE COMMISSION OF WISCONSIN



COMPARED WITH AND CERTIFIED BY ME  
TO BE A FULL, TRUE, AND CORRECT COPY  
OF THE ORIGINAL ON FILE IN MY OFFICE.

FEB 02 1978

*Louis T. Mittness*  
Executive Secretary  
Public Service Commission of Wisconsin

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

Rules Governing Information to be )  
Made Available to Telephone Customer ) 1-AC-11

ORDER OF THE PUBLIC SERVICE COMMISSION  
OF WISCONSIN ADOPTING RULES

On February 14, 1977 a petition was filed with the commission by David L. Bennett and five others pursuant to s. 227.015, Wis. Stats., for an amendment of s. PSC 165.043, Wis. Adm. Code. Pursuant to ss. 196.02, 196.37 and 227.014, Wis. Stats., the commission directed an investigation and public hearing to consider creation of rules as proposed. Following notice issued on April 12, 1977, hearings were held at Milwaukee on May 11, 1977 and in Madison on May 12, 1977 before Examiner James G. Lawrence.

Appearances are shown in appendix A. No testimony was taken at the May 11, 1977 Milwaukee hearing.

Discussion

Petitioners, telephone utility customers in Wisconsin, proposed that the commission add the following rules to s. PSC 165.043, Wis. Adm. Code, which is entitled "Information Available to Customers":

165.043

(4) All residential customers, upon applying for new telephone service, shall as a minimum be informed by the utility as herein described:

(a) Customers shall be informed of all installation charges.

(b) Customers shall be informed of the various types of limited and unlimited call services offered and the basic monthly service rates for such services, based on the least expensive telephone model available.

(c) The information described in pars. (a) and (b) shall appear on any written telephone service applications used and shall be given verbally for all oral requests for telephone service.

(d) Rate information for additional service features offered shall be provided upon customer request.

(5) No customer shall be provided with any service features in addition to the basic monthly service requested without being informed of the intent of the telephone company to do so and any additional charges for such service features.

Public utilities in Wisconsin are required by statute (s. 196.19) to file rates and rules with the Public Service Commission. These filings are public documents and are available for customers to review; the statute further requires that utilities make rate schedules accessible to the public. Additionally, telephone utilities are subject to s. PSC 165.043(1), Wis. Adm. Code, which reads:

There shall be kept on file in every business office of the utility where customer payments are received copies of the rate schedules applicable in such locality. Copies of these rules and such rules of the utility as are applicable shall be kept on file in every general and local office of the utility. Reasonable notice shall be given customers as to where the foregoing information is available to them.

Petitioners contend that the information as discussed above is not adequate to insure that customers will have accurate and sufficient rate information to help them make an informed choice of telephone service options. Petitioners further contend that rate information provided at the time of a customer's service request may be incomplete to the extent that installation charges are not quoted or that quoted charges include service features which are optional and carry monthly rates in addition to the rate for basic local service alone. Petitioners desire rule amendments so customers are not burdened in their attempts to receive rate information and to insure that complete information is available to customers when services are being ordered.

The commission staff (staff), Wisconsin Telephone Company (WTC), and General Telephone Company of Wisconsin (GTC) presented

testimony relative to the petition; each proposed modifications to the petitioners' rules.

GTC testified that the intent of the proposed rules appeared consistent with company policy. Although GTC regretted that the commission would find such rules necessary, it did not oppose their promulgation.

WTC indicated that its policy is to adequately inform customers of available service. Accordingly, WTC did not oppose the apparent purpose of the petitioners' rules.

The commission staff also testified in general support of the stated intent of the rule revisions that adequate information be provided to customers to enable knowledgeable service choices. Staff cited problems which occur when customers are not fully informed-- for instance, the need for subsequent service changes which result in added costs to both the customer and the utility.

The testimony of all parties in this proceeding has yielded a uniform conclusion: that a customer should have sufficient information at the time of a service request to avoid receipt of services which are unwanted or which are charged for at a rate level of which the customer is unaware. To enable customers to make reasonable decisions relative to their service needs, it is necessary that adequate information be available when services are being considered and ordered.

Modifications to the petitioners' rules were proposed for various clarification and administrative purposes.

Proposed section (4) reads: "All residential customers, upon applying for new telephone service, shall as a minimum be informed by the utility as herein described:" This section was acceptable to all parties; however, the commission has altered this rule slightly for clarification. The section adopted will read: "All applicants, upon applying for new residential telephone service, shall as a minimum be

informed by the utility as herein described:"

Section (4) (a), as proposed--"customers shall be informed of all installation charges"--was modified for language clarification by staff, WTC and GTC. The primary modification is a change of "installation" to "non-recurring;" the latter term is less restrictive to types of potential service work performed on customer orders. The staff's proposed language will be adopted as follows: "Customers shall be informed of all non-recurring charges applicable to services ordered."

Section (4) (b) has generated the most controversy relative to language and substance. As drafted by petitioners this section reads:

"Customers shall be informed of the various types of limited and unlimited call services offered and the basic monthly service rates for such services, based on the least expensive telephone model available."

Staff, GTC and WTC all submitted proposed revisions to the petitioners' language. These proposals on customer information are as follows:

Staff:

Customers shall be informed of the various types of basic services that are available, including single party, multiparty, flat rate and measured rate services where available; and of the rates which apply to each such service, exclusive of any additional, optional service features.

General Telephone Company:

Customers shall be informed of the various types of limited and unlimited basic service offered and the monthly rates for such services, based on the use of a standard (non-premium) instrument.

Wisconsin Telephone Company - Alternate 1

Customers shall be informed that various types of limited and unlimited basic services are available; the company shall inform the customers of the monthly rate for the basic service recommended or ordered and, upon inquiry, the monthly rates for any other basic services, without inclusion of rates for additional service features.

Wisconsin Telephone Company - Alternate 2

Customers shall be informed that various types of limited and unlimited basic services are available; the Company shall inform customers of the lowest fixed monthly rate for service and if a limited service the call allowance and charge for each additional message associated with such service; the basic service recommended or ordered and, upon inquiry, the monthly rates for any other basic services, without inclusion of rates for additional service features.

One matter of concern which developed at the hearing was the definition of basic service. For the most part, in today's industry, basic service is rotary dial service as opposed to touch-tone type service; however, this is not universally the case. Basic service as used by all parties in this case and as used in the rule adopted is dependent on the individual utility situation and is defined as service provided without additional rate or charge beyond the basic rate for local exchange service.

The primary issue of controversy on section (4)(b) concerns the amount of information provided to customers. Petitioners argue for these rule revisions to insure that customers have adequate rate information when ordering service, but further stress their desire to prohibit utilities from quoting, as a basic rate, a charge which includes additional optional service features.

The staff has proposed its rule revision so that customers can have sufficient rate information to make a knowledgeable choice of service. The staff's rule would require a statement of all basic services and their corresponding rates. The advantage to this rule is that the customer is provided with complete data on service availability.

WTC has opposed the full information requirement contained in the other rule proposals; its alternate proposals call rather for a disclosure that a variety of services exist and the quotation of rates for all such services upon request. The concern of WTC is that, with the variety of services it provides, a full quotation of rates may confuse or irritate customers and in fact not lead to a more informed choice.

The purpose of these rules is to make a customer aware that, when appropriate, there are different choices of service and that different rates apply for these services. Ideally, complete information on all available services would enable this purpose to be best fulfilled; however, there are practical limits. To most companies, in fact all except WTC, complete rate information poses no burden; many telephone companies offer only 1-party flat-rate service. Such is not the case for WTC, nor may it be the case in the future for other utilities. More information is not necessarily better information. Informing customers that there are various services or that a range of rates applies to those services will enhance customer awareness of the existence of choices and may lead to customer inquiry if added information is required. Accordingly, the following rule shall be adopted as section (4)(b) in lieu of all previous proposals:

Applicants shall be informed of the number of basic services that are available and given a description of the general service types. The telephone utility shall inform the customer of the range of monthly rates which applies to these services and, if either the high-rated or low-rated service is a measured (limited) service, of the call allowance and charge for additional usage associated with such service. The monthly rates which are quoted for basic services shall be without inclusion of rates for any additional, optional service features.

The petitioners' proposed section (4)(c) concerns the manner in which information is provided to customers. The proposed rule required that, when a written application was made for service, rate information would be provided to the customer in writing. The staff proposed a modification of this rule to clarify that written rate information is not required on the application form itself. In comments filed to the Examiner's Proposed Decision of November 7, 1977, Mr. Robert S. Wilson suggested a modification of this rule to insure that written information on rates could be obtained upon customer request. Such a modification is reasonable and is incorporated in the following rule:

"Information described in paragraphs (a) and (b) shall be provided in writing when written telephone service applications are used or when requested by customers for other, non-written, requests for telephone service."

Section (4)(d) as proposed reads: "Rate information for additional service features offered shall be provided upon customer request." WTC and staff maintained this language but GTC proposed that it be eliminated. GTC cited fears that interpretation could be given to that language which would prohibit utilities from providing additional rate information if not requested. Petitioners stated that such result was not the intent of their proposal, and it is not the meaning that either the staff or the commission attaches to this rule. Section (4) as adopted includes the language "...shall, as a minimum, be informed . . . ." The language of (4)(d) as proposed by petitioners will be adopted for purposes of specifying utility requirements, not of restricting any reasonable sales efforts.

Petitioners proposed a section (5) to read: "No customers shall be provided with any service features in addition to the basic monthly service requested without being informed of the intent of the telephone company to do so and additional charges for such service features." The purpose of this section appears to highlight the utilities' obligations to provide only those services about which the customer has been fully informed. Staff, WTC and GTC all proposed language modification for clarification and consistency of this section. The staff's recommended language as modified will be adopted as follows:

"No residential customer shall be provided with any service feature in addition to the basic monthly service requested without first having been informed of the additional rates and charges for such service features."

Mr. Wilson's comments as discussed above, were the only comments received on the Proposed Decision of the Hearing Examiner.



## Findings of Fact

### THE COMMISSION FINDS:

1. Present statutory requirements and Wisconsin Administrative Code provisions are not adequate to guarantee that telephone utility customers are provided with adequate and accurate rate information when applying for service.
2. To enable reasonable and knowledgeable customer choice of telephone service, customers should be aware that various services are available and should be informed of the range of rates for basic services.
3. Rate information given to customers relative to basic telephone services should be exclusive of charges for any optional or additional service features.
4. Basic service as used in the rules adopted by this order is determined by specific utility circumstances and is considered to be the standard offering exclusive of features which carry an additional rate.
5. Nothing in the rules promulgated by this order is restrictive of reasonable telephone utility efforts to sell additional service features.
6. The rules adopted by this order are reasonable and just and are in the public interest.
7. The revision of Chapter PSC 165, Wis. Adm. Code is classified as a Category 3 Action under s. PSC 2.90(3), Wis. Adm. Code. It consequently does not require an environmental screening under s. 1.11, Wis. Stats., and the Revised Guidelines for the Implementation of the Wisconsin Environmental Policy Act issued by Executive Order No. 26, February 1976.

### Conclusion of Law

### THE COMMISSION CONCLUDES:

That it has authority pursuant to provisions of Chapters

196 and 227, Wis. Stats., to adopt the following rules as additions to s. PSC 165.043, Wis. Adm. Code.

Order Adopting Rules

THE COMMISSION THEREFORE ORDERS:

1. That pursuant to authority vested in the Public Service Commission of Wisconsin by ss. 196.02 and 196.37, and according to the procedure set forth in s. 227.014, Wis. Stats., the Commission hereby adopts rules as follows: Sections PSC 165.043(4) and 165.043(5) of the Wisconsin Administrative Code are adopted to read:

165.043

(4) All applicants, upon applying for new residential telephone service, shall as a minimum, be informed by the utility as herein described:

(a) Customers shall be informed of all non-recurring charges applicable to services ordered.

(b) Applicants shall be informed of the number of basic services that are available and given a description of the general service types. The telephone utility shall inform the customer of the range of monthly rates which applies to these services and, if either the high-rated or low-rated service is a measured (limited service) of the call allowance and charge for additional usage associated with such service. The monthly rates which are quoted for basic services shall be without inclusion of rates for any additional, optional service features.

(c) Information described in paragraphs (a) and (b) shall be provided in writing when written telephone service applications are used or when requested by customers for other, non-written, requests for telephone service.

(d) Rate information for additional services shall be available upon request.

165.043

(5) No residential customer shall be provided with any service feature in addition to the basic monthly service requested, without first having been informed of the additional rates and charges for such service features.

2. That a certified copy of this order be filed with the Secretary of State and Revisor of Statutes as provided in s. 227.023, Wis. Stats.

3. That the rules adopted by this order shall become effective on the first day of the month following their publication in this Wisconsin Administrative Code Register as provided by s. 227.026(1), Wis. Stats.

Dated at Madison, Wisconsin, FEB 02 1978

By the Commission.

Lewis T. Mittness  
Executive Secretary

APPENDIX A  
Appearances

IN SUPPORT:

DAVID J. BENNETT (May 12 only)  
112 North Orchard, Apt. 1  
Madison 53715

HOWARD J. WICKER (May 12 only)  
244 West Gilman  
Madison 53703

MARGO DAUB (May 12 only)  
516 West Washington Avenue  
Madison 53703

CHARLES F. STIERMAN (May 12 only)  
329 North Sherman Avenue  
Madison 53704

RENEE D. BAKER (May 12 only)  
201 Langdon Street, Apt. 301  
Madison 53703

TIM KINAST (May 12 only)  
505 Conklin Place  
Madison 53703

ROBERT S. WILSON (May 12 only)  
217 North Orchard Street, Apt. 12  
Madison 53715

RICHARD A. HYDE (May 12 only)  
738 East Dayton Street, Apt. 16  
Madison 53703

AS INTEREST MAY APPEAR:

WISCONSIN TELEPHONE COMPANY (May 11 and 12)  
by  
Kenneth E. Millard, Attorney  
722 North Broadway  
Milwaukee 53202

GENERAL TELEPHONE COMPANY OF WISCONSIN (May 12 only)  
by  
Donald W. Busse  
Revenues & Regulatory Relations Manager  
100 Communications Drive  
Sun Prairie 53590

OF THE COMMISSION STAFF:

Victor W. Mayer (May 12 only)  
Gary A. Evenson (May 11 and 12)  
Wayne Barndt (May 11 and 12)  
Utility Rates Division

Thomas W. Irwin (May 12 only)  
William J. Green (May 12 only)  
Engineering Division

Steven Levine (May 12 only)  
Assistant Chief Counsel

Karen Frankel (May 11 and 12)  
Coordinator - Consumer Services  
Public Affairs and Publications