

In the Matter of The Commission Initiated Investigation Of The Reasonableness Of Dial Data Service Offered By Northwestern Bell Telephone Company

ISSUE DATE: November 30, 1987

DOCKET NO. P-421/CI-87-631

In the Matter of a Tariff Revision Filing by Northwestern Bell Telephone Company Regarding Standards for Information Providers of Dial Data Service

DOCKET NO. P-421/M-86-533

In the Matter of a Tariff Revision Filing by Northwestern Bell Telephone Company Regarding the Blocking of Calls to Dial Data Information Providers

DOCKET NO. P-421/M-87-602

ORDER GRANTING PETITIONS FOR  
RECONSIDERATION

BACKGROUND

Dial Data is a service in which Northwestern Bell Telephone Company (NWB or the Company) delivers calls from the calling customers to companies called information providers which provide information to these customers for a fee. Customers reach the information providers by dialing 1-976-xxxx. The information providers, rather than callers, are the subscribers to NWB's Dial Data service.

NWB provides network access, call transport, call registering, rating, and billing of calls for the information providers. The service also includes collection of Dial Data Charges from callers, by means of NWB's regular monthly bill, and remittance of the funds collected from callers to the information providers. The information providers in turn pay NWB the approved tariffed rates for Dial Data service. Information providers, not NWB, control the message or information made available to calling customers.

The Commission previously received two filings regarding dial data service. The first filing was made by NWB. NWB initially proposed to address the problem of bills for unauthorized calls to 976 service by offering a tariff to block calls to 976 numbers upon customer request. NWB proposed to charge a one-time fee of \$12.25 and a monthly charge of \$1.00 for blocking or restricting calls to 976 numbers.

The second filing was made by the Residential Utilities Division of the Office of the Attorney General (RUD-AG). RUD-AG indicated it is inappropriate to require customers to pay a fee for blocking access to an unwanted service. RUD-AG proposed that NWB release customers from liability for unauthorized calls, provide the 976 blocking service to customers without charge and that the cost of the blocking service be paid by the information providers. RUD-AG also requested that NWB be directed to give notice to customers that the blocking service is available without charge.

On October 30, 1987, the Commission issued its Order Initiating Summary Investigation and Consolidating Dockets in this matter. Pursuant to Minn. Stat. Section 237.081, the Commission directed that the NWB and RUD-AG call blocking proposals be made part of a summary investigation examining all aspects of 976 dial data service. The Commission required that initial comments be filed by November 19, 1987 and replies to those comments by December 9, 1987. The October 30, 1987 Order did not provide interim relief for the duration of the expedited investigation.

On November 3, 1987, the RUD-AG filed a motion for reconsideration of the part of the Order denying interim relief. The RUD-AG indicated that although the Commission has ordered an expeditious investigation, delay is inevitable. RUD-AG argued that interim relief was necessary to protect customers from large bills for unauthorized 976 dial data calls while the investigation proceeds.

On November 9, 1987 NWB filed a request for reconsideration. NWB recommended that the Company's modified blocking proposal be implemented. The revised proposal waives a 976 blocking service order charge of \$12.25 for 60 days; eliminates the service order charge when a customer changes or orders other services and eliminates a monthly service charge for the blocking service. NWB proposed to notify customers of the availability of 976 blocking by bill insert and when customers place new orders for service.

The RUD-AG replied to the NWB proposal on November 13, 1987. The RUD-AG supported the proposal in general but recommended that the service connection charge of \$12.25 be waived for the duration of the investigation rather than for 60 days.

The Minnesota Department of Public Service (DPS) filed its request for reconsideration and reply to NWB on November 13, 1987 and supported the position of the RUD-AG.

## FINDINGS OF FACT AND CONCLUSIONS OF LAW

The issue before the Commission is whether to authorize some form of interim relief for telephone customers during the Commission's investigation of dial data services.

The Commission is charged by the legislature with the responsibility of assuring that telephone rates are fair and reasonable. Minn. Stat. Section 237.06. Pursuant to that responsibility, the Commission finds that the number and severity of complaints regarding dial data service bills by unauthorized telephone users merit relief during the investigation period.

In general the Commission finds that NWB's proposal is a reasonable attempt to address those complaints and will approve it with one exception. Recognizing that replies to initial comments are not due to be filed until December 9, 1987, the Commission finds that a 60 day period for waiver of the service order charge for blocking may not be sufficient to protect customers. Instead, the Commission believes that a 75 day waiver will more adequately address its concerns if the investigation should become delayed. The Commission further finds that NWB's plan to notify customers of the availability of 976 blocking by bill insert and when customers place new orders for service is a reasonable method of informing customers.

Pursuant to its authority in Minn. Stat. Section 237.06, the Commission concludes that it will order NWB to make 976 call blocking available to all residential customers without charge for 75 days after this Order is issued.

### ORDER

1. Northwestern Bell Telephone Company shall make 976 call blocking service available to all residential customers without either a monthly or a service connection charge for 75 days after the issuance of this Order.
2. Northwestern Bell Telephone Company shall notify its residential customers of the availability and terms of 976 blocking service by customer bill inserts as soon as possible.
3. Northwestern Bell Telephone Company shall also inform customers placing new orders for service of the availability and terms of 976 blocking service.
4. This Order shall become effective immediately.

