

P-421/M-88-659 APPROVING AND MODIFYING TARIFF

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of Northwestern Bell Telephone
Company Proposing to Tariff Toll Denial
Service

ISSUE DATE: November 14, 1988

DOCKET NO. P-421/M-88-659

ORDER APPROVING AND MODIFYING
TARIFF

PROCEDURAL HISTORY

On September 30, 1988, Northwestern Bell Telephone Company (NWB or the Company) filed a proposal with the Minnesota Public Utilities Commission (Commission) to tariff its toll denial service. This service allows residential and business customers to restrict dialing of toll calls from residential and business local exchange lines or trunks.

The Company presently offers Toll Denial service for CENTREX main line access at a rate of \$.85 per line, subject to a minimum monthly charge of \$22.10. Non-CENTREX customers have been able to get Toll Denial service through special arrangement service and charges authorized in the Company's General Exchange Tariff.

The Company proposed that CENTREX customers continue to have the same rate and that non-CENTREX customers be charged \$5.00 per month for each of the first 6 lines and \$1.25 for each additional line. An installation charge of \$27.50 would apply to each line for new service. This change will result in a rate decrease for 95% of the customers that have Toll Denial service under the special arrangement charges.

The proposed tariff contained a clause stating: "The provision of Toll Denial does not relieve a customer of the responsibility for payment of completed toll calls."

The Department of Public Service (Department) recommended that the Commission approve the service but require the Company to explain to purchasers that the service is not 100% accurate and that the customer is responsible for any toll calls that occur.

FINDINGS AND CONCLUSIONS

The Company has shown that Toll Denial service has the same cost for all customers and that NWB has been charging all customers the same rate under special arrangement. The Commission concludes that it is appropriate for Toll Denial service to be tariffed because the costs and charges are uniform among customers.

Further, the Commission finds that the rates proposed for the service are fair and reasonable as required by Minn. Stat. Sec. 237.06 (1986). While the proposed rates are above cost, the proposal decreases the rates for 95% of the customers who get Toll Denial under special arrangement. The Commission will approve the proposed rates.

The Commission shares the concerns of the Department regarding the customer's responsibility for the costs of any toll call that may occur due to the fault of the Company. A customer who chooses to buy Toll Denial service rightfully expects that toll calls will be restricted. Further, NWB has assured the Commission that Toll Denial is a high quality service. The Commission concludes that the Toll Denial tariff filed by the Company should state that the Company is responsible for payment of toll calls that are completed due to the fault of the Company. Clearly, the customer has the responsibility for paying the charges for any toll call completed because of fraud by the customer.

ORDER

1. Northwestern Bell Telephone Company's proposed Toll Denial Service tariff is hereby approved with the modification described above.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)