

P-424/C-89-1025 REQUIRING CORRECTIVE BILLING AND CLOSING DOCKET

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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

In the Matter of a Complaint against Redwood  
County Telephone Company by Mr. Larry  
DeVries

ISSUE DATE: May 4, 1990

DOCKET NO. P-424/C-89-1025

ORDER REQUIRING CORRECTIVE  
BILLING AND CLOSING DOCKET

PROCEDURAL HISTORY

On November 16, 1989, Mr. Larry DeVries filed a complaint against Redwood County Telephone Company (Redwood), charging discriminatory practices in its adjacent exchange service. Mr. DeVries followed up his complaint with two more letters filed with the Commission.

On November 27, 1990, Mr. Joe H. Beran, Manager of Redwood County Telephone Company, filed a responsive letter with several attachments.

The Department of Public Service (the Department) filed responsive comments on February 5, 1990.

No other parties commented.

The complaint came before the Commission on April 17, 1990, upon the Commission's own motion.

FACTS

Mr. DeVries, who is the manager of Danube Telephone Company (Danube), lives in an area of Renville County served by Danube. On January 13, 1985, Mr. DeVries and his wife signed a contract with Redwood whereby Redwood agreed to extend adjacent exchange service to Mr. DeVries, thus allowing Mr. DeVries toll-free access to the Redwood lines. The contract called for Redwood to install and maintain the additional line necessary to connect Mr. DeVries and for Mr. DeVries to pay a one-time fee of \$100 plus \$25.00 per month for fifteen years to cover Redwood's construction cost. On January 15, 1985, adjacent service under the terms of this contract

commenced.

On February 4, 1986, Danube Telephone Company requested adjacent exchange service from Redwood Telephone Company. Danube wished to have a toll-free "back-up" line installed so that if a digital switch went down, technical support could be received or a data link established via a modem. As a result of Danube's request, it has been receiving adjacent exchange service from Redwood for the normal business rate of \$11.95 per month.

In his complaint, Mr. DeVries accused Redwood of discriminatory practices towards him because of the different rates paid by

Mr. DeVries and Danube. After receiving the complaint, the Department investigated Redwood's tariffs for adjacent exchange service. The Department reported that the rates charged

Mr. DeVries were within Redwood's tariffed rates. The Department recommended that Redwood, which had previously failed to charge Danube the adjacent exchange rate, should do so effective January 1, 1990.

#### FINDINGS AND CONCLUSIONS

The Commission finds that there has been no discrimination against Mr. DeVries on the part of Redwood Telephone Company. Since commencement of service from Redwood, Mr. DeVries has paid the proper tariffed adjacent exchange rate. The fact that Danube did not pay a similar rate seems to be due to a billing error on Redwood's fault, rather than a desire to discriminate against Mr. DeVries. Redwood has apparently inadvertently failed to collect the full amount due from Danube, and the situation will now be corrected.

The Commission agrees with the Department's recommendation that a retroactive billing adjustment should be charged by Redwood to Danube. This procedure will eliminate the disparity in rates charged to Mr. DeVries and Danube. The Commission favors making the backbilling retroactive to January 1, 1990, rather than when the error was begun in 1986. Limiting the back payments will avoid unduly harming Danube, which seems to have been an innocent recipient of a billing error in its favor. The Commission is satisfied that these changes will eliminate any potential discrimination in the situation.

#### ORDER

1. Redwood Telephone Company shall bill Danube Telephone Company the tariffed adjacent exchange rate, effective January 1, 1990.

2. The Commission finds that there has been no discrimination on the part of Redwood County Telephone Company against Mr. DeVries.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)