

P-408/M-94-244 ORDER AUTHORIZING PROVISION OF CLASS SERVICES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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Chair
Commissioner
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In the Matter of a Proposal by East Otter Tail
Telephone Company to Offer CLASS Services
in Minnesota

ISSUE DATE: July 11, 1994

DOCKET NO. P-408/M-94-244

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CLASS SERVICES

PROCEDURAL HISTORY

On March 14, 1994 East Otter Tail Telephone Company (East Otter Tail or the Company) filed a proposal to offer CLASS services. The Company filed a description of the services it planned to offer, a proposed customer education plan, and proposed tariff sheets. On April 29 and May 9, 1994 the Company made supplementary filings. The filings were based on the Commission's June 17 and December 3, 1993 Orders authorizing CLASS services and setting conditions on their provision.¹

On May 18, 1994 the Department of Public Service (the Department) filed a report and recommendation, focusing chiefly on recordkeeping, reporting, and customer education issues. The report noted that, contrary to the terms of the June 17 Order, the Company proposed to offer Last Call Return before it had technology in place to prevent the return of calls from blocked numbers. The report also recommended modifying the Company's proposed Call Trace rates.

The filing came before the Commission on June 7 and June 28, 1994.

¹ In the Matter of a Commission Initiated Investigation into the Provision of Custom Local Area Signaling Services in Minnesota, Docket No. P-999/CI-92-992, ORDER ESTABLISHING CONDITIONS FOR THE PROVISION OF CUSTOM LOCAL AREA SIGNALING SERVICES (June 17, 1993) and ORDER AFTER RECONSIDERATION (December 3, 1993).

FINDINGS AND CONCLUSIONS

I. The Company's Proposal

The Company proposed to offer eight CLASS services:² Caller ID - Number (Caller ID); Continuous Redial (Automatic Recall - Last Number Dialed); Last Call Return (Automatic Recall - Last Incoming Call); Priority Call; Selective Call Acceptance; Selective Call Rejection (Call Rejection); Selective Call Forwarding (Preferred Call Forwarding); and Call Trace (Call Tracing).

The Company proposed to provide the business and residential per-call and per-line blocking options required under the CLASS Orders. The CLASS Orders require different activation codes for per-call blocking and unblocking where technically feasible. The Company proposed to establish different codes when the technology becomes available through its software later this year.

Similarly, the CLASS Orders require companies providing CLASS services to offer Anonymous Call Rejection at no charge, to explain and document any inability to comply with that requirement, and to file proposed time frames for full compliance. The Company stated it plans to provide free Anonymous Call Rejection in late 1994, when it becomes available from its software vendor.

Finally, the Company proposed to limit CLASS services to calls originating and terminating within its own exchanges. None of the Company's connections with other carriers, such as long distance and EAS connections, would carry CLASS information. EAS connections between East Otter Tail exchanges, however, would carry CLASS information.

II. Commission Action

The Commission finds the Company's proposal in substantial compliance with the June 17 and December 3 Orders. The Commission will modify the proposal to bring it into full compliance and will set filing and reporting requirements to aid regulatory review.

III. Last Call Return Not Authorized

Last Call Return allows a called party to call the originating number of the last unanswered call by dialing a standard code. If the originating number is busy, Last Call Return software will keep trying to return the call for 30 minutes. Last Call Return also typically gives the called party the originating number of the last unanswered call.

East Otter Tail's CLASS software does not reveal the originating number of the last unanswered call if the caller was using blocking. The software does, however, transmit the originating number for purposes of allowing the called party to return the call. This violates the June 17 Order's prohibition against transmitting blocked numbers.

The Commission will prohibit the Company from offering Last Call Return until it has technology in place to prevent the feature from returning blocked calls.

IV. Call Trace Rates

² These services are identified first by the names the Commission has used for them in earlier Orders and second by the names the Company used in its filing and promotional materials.

The Company originally proposed Call Trace rates of \$2.95 per month plus \$10.00 for each report to a law enforcement agency. Subsequent discussions with Department and Commission staff prompted the Company to change its proposed Call Trace rate to \$1.00 per activation.

The Company was right to modify its original proposal. As the Commission explained in the December 3 Order, Call Trace appears to be a breakthrough in combatting threatening and harassing telephone calls. It offers more convenience, lower costs, more privacy, and greater accuracy than most traditional call tracing technologies. Therefore, it is important that Call Trace be as widely available as possible, that customers be fully informed on its use, and that it be priced to reflect its overall value to the network, not just its value to particular Call Trace users.

The \$1.00 per activation fee appears reasonable in light of all these considerations. It will be approved. The Commission will continue to explore the issue of Call Trace rate design and will monitor the practical effect of this and other rate designs through the annual reporting required of all companies offering CLASS services.

Finally, to avoid customer confusion, the Commission will require the Company to clarify in its tariffs and educational and promotional materials how Call Trace works and how it is priced.

V. Customer Education Materials and New Tariffs Required

A. Customer Education

As the Commission emphasized in the June 17 and December 3 Orders, public understanding of CLASS services is essential if they are to achieve their potential for giving customers more control over how the telephone affects their lives. Public education programs therefore play a major role when companies introduce CLASS services.

For the most part the educational materials filed by the Company are clear, accurate, and complete. The final customer education mailing should contain the items listed in the Department's report and should be approved by Commission staff before mailing. (The Company may of course choose Commission review over staff review; staff review is offered as a means to expedite implementation of the service.)

B. Tariff Provisions

The Company will be required to file revised tariff pages to reflect modifications to its proposal made in this Order and to clarify portions of its earlier filing. In brief, the revisions will delete references to Last Call Return, reflect a Call Trace rate of \$1.00 per activation, and make the revisions and clarifications listed in the Department's report.

VI. Reporting Requirements

In its June 17 and December 3 Orders the Commission established detailed annual reporting requirements for companies offering CLASS services. The Commission also required an annual report from the Department, which is to include the Department's assessment of public acceptance of CLASS services and its recommendations on how CLASS services should be structured in the future.

The Commission continues to believe regulatory monitoring and oversight are necessary to ensure that this new technology is deployed to serve the public interest. The Commission will therefore require the following additional reports from the Company.

First, the Company will be required to give at least 60 days' notice before making any changes to its CLASS service offering or offering any CLASS service in conjunction with any other telephone company or telecommunications carrier.

Second, to help the Commission evaluate the performance of CLASS services and make informed decisions on what shape they should take in the future, the Company will be required to maintain clear records on customer complaints. Copies of these complaints will be furnished to the Department upon request and summaries will be filed with the Company's annual CLASS report.

Finally, the Company will be required to work closely with the Department in providing any information the Department needs to fulfill its annual reporting responsibilities.

ORDER

1. The Company's proposal to offer CLASS services is approved, as modified herein.
2. The Company shall not offer Last Call Return until it has technology in place to prevent the return of calls for which the caller has used per-line or per-call blocking.
3. The Company shall reduce its rate for Call Trace to \$1.00 per activation, as discussed above.
4. Within ten days of the date of this Order the Company shall file revised tariffs reflecting the modifications to its proposal made in this Order and the revisions and clarifications recommended in the Department's report.
5. The Company shall serve copies of its proposed final customer education materials on the Department and the Residential Utilities Division of the Office of the Attorney General.
6. The Company shall not offer any CLASS service until its filed tariffs and customer education materials have been approved by the Commission or Commission staff. Its customer education materials shall include, but shall not necessarily be limited to, the items listed in the Department's report.
7. The Company shall notify the Commission and the Department at least 60 days in advance of any plan to make any change in its CLASS services or to provide any CLASS service or SS7 technology in conjunction with any other telephone company or telecommunications carrier.
8. The Company shall keep clear and accurate records of all complaints filed in regard to CLASS services. The Company shall provide copies of such complaints to the Department upon request and shall file summaries of such complaints with its annual CLASS report.
9. The Company shall work closely with the Department in providing any information the Department considers necessary to prepare its annual reports on CLASS services.
10. The Company shall keep the Department informed on its efforts to offer Anonymous Call Rejection and its efforts to provide different activation codes for per-call blocking and unblocking. The Company shall file reports on these efforts as specified by the Department.

11. The Company shall file for review and approval by the Commission or its staff all future educational materials on CLASS services.
12. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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