

P-407,3110/M-94-424 ORDER ACCEPTING RATE FILING AND GRANTING TIME
EXTENSION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm
Tom Burton
Marshall Johnson
Cynthia A. Kitlinski
Dee Knaak

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Proposal by Contel of
Minnesota, Inc. d/b/a GTE Minnesota and GTE
Midwest, Inc. to Offer CLASS Services

ISSUE DATE: February 14, 1995

DOCKET NO. P-407,3110/M-94-424

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PROCEDURAL HISTORY

On June 17 and December 3, 1993, the Commission issued Orders authorizing CLASS services and setting terms and conditions for offering the services.¹ Among other things, those Orders required companies offering CLASS to file their rates and to distribute notice and educational materials to their customers at least 30 days before implementation of services.

On December 14, 1994, the Commission issued its ORDER AUTHORIZING CLASS SERVICES, REQUIRING NEW RATE FILING, AND GRANTING AND DENYING REQUESTS TO EXTEND DEADLINE TO PROVIDE CLASS SERVICES in the above-captioned matter. In that Order the Commission approved a modified version of the CLASS proposal submitted by Contel of Minnesota, Inc. d/b/a GTE Minnesota (GTE or the Company). Because the Commission was concerned regarding the level of GTE's CLASS service prices, the Company was ordered to reexamine its prices and to submit a revised rate filing. The Commission stated that no CLASS offering could be implemented until the Company had distributed educational materials approved by the Commission or Commission Staff. The Commission also granted GTE 90 days from the date of the Order in which to implement CLASS services.

On December 28, 1994, GTE submitted modified CLASS prices pursuant to the December 14, 1994, Order.

On January 9, 1995, the Department of Public Service (the Department) filed comments recommending acceptance of the Company's filed rates. The Department stated that GTE's prices for CLASS services were within one dollar of the average prices of the four Minnesota large telephone companies (GTE, United, US WEST, and Vista). The Department had no objection to GTE's CLASS prices as modified.

On January 31, 1995, GTE's filing came before the Commission for consideration. At that meeting the Company stated that it faced serious difficulty implementing CLASS services within 90 days of the Commission's December 14, 1994, Order, as required in that Order. The Company explained that it had been necessary to submit multiple drafts of its educational materials to meet Department and Commission Staff requirements. Although the parties had reached agreement regarding the materials, there was now insufficient time to distribute the required notice and educational materials to all GTE customers in the billing cycle. The Company stated that an extension of the implementation deadline of approximately six weeks,

¹ In the Matter of a Commission Initiated Investigation into the Provision of Customer 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).

until April 30, 1995, would allow it to complete the proper notification to all its customers at least 30 days before implementation.

At the January 31, 1995, meeting, the Department stated that the time extension until April 30, 1995, was appropriate and should be granted.

FINDINGS AND CONCLUSIONS

The Commission agrees with the Department that GTE's revised CLASS service prices should be accepted. The price comparisons provided by the Department show that GTE's modified prices are within the "general zone of reasonableness" for CLASS services described in the Commission's December 14, 1994, Order. The Commission will approve GTE's December 28, 1994, price filing.

The Commission also finds that GTE's request for a time extension is reasonable and should be granted. The Company has provided a reasonable explanation for the delay. The time extension is not lengthy and should not prejudice any party. The Commission will grant GTE an extension of its deadline for CLASS implementation until April 30, 1995.

ORDER

1. The Commission approves GTE's prices for CLASS services filed December 28, 1994.
2. The Commission extends GTE's deadline for implementation of CLASS services until April 30, 1995.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)