

ISSUE DATE: March 6, 1996

DOCKET NO. P-3149/C-95-1271

P-3149/C-95-1035

P-3149/TC-95-1392

ORDER INITIATING FORMAL COMPLAINT PROCEEDING AND REQUIRING
ANSWER

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Joel Jacobs
Tom Burton
Marshall Johnson
Dee Knaak
Don Storm

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Complaint Against Telstar
Communications, Inc. for Offering Untariffed
Rates and Engaging in Discriminatory Pricing

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PROCEDURAL HISTORY

On January 3, 1996 the Department of Public Service (the Department) filed a report on its preliminary investigation into complaints against Telstar Communications, Inc. (Telstar) by another telecommunications carrier, Rochester Telecom Systems, Inc. Those complaints alleged that Telstar was charging unfiled rates in violation of Minn. Stat. § 237.74, subd. 1 and was engaged in discriminatory pricing in violation of Minn. Stat. § 237.74, subd. 2.

The Department concluded the first allegation was well founded. The agency recommended finding Telstar had violated Minn. Stat. § 237.74, subd. 1 and asking the Attorney General to take remedial action under Minn. Stat. § 237.74, subd. 11. The Department concluded the second allegation merited investigation and urged the Commission to open an investigation into the allegation of discriminatory pricing.

In correspondence with the Department, Telstar denied engaging in discriminatory pricing, arguing the pricing plans at issue were individual pricing plans permissible under Minn. Stat. § 237.74, subd. 3. The matter came before the Commission on February 20, 1996. Telstar did not appear.

FINDINGS AND CONCLUSIONS

The Commission has jurisdiction over Telstar and other telecommunications carriers under Minn. Stat. § 237.74. The allegations at issue -- failure to maintain tariffs or price lists with the Department and discriminatory pricing -- merit investigation. If proven, they would constitute violations of Minnesota telecommunications law, which the Commission is bound to enforce. The Commission will therefore open a formal complaint proceeding to investigate.

The Commission will not act on the Department's recommendation to find Telstar in violation of Minn. Stat. § 237.74, subd. 1 until the Company has had an opportunity to file an answer in this formal complaint proceeding.

Telstar will be required to file an answer to the Department's filing, copy attached, within 20 days of the date of this Order. Under the Commission's rules of practice and procedure, copies of the answer must be served on Rochester Telecom Systems, Inc., the Department, and the Residential and Small Business Utilities Division of the Office of the Attorney General. Minn. Rules 7829.1800.¹

The Commission will so order.

ORDER

1. The Commission hereby initiates a formal complaint proceeding to investigate allegations that Telstar Communications, Inc. has failed to maintain tariffs or price lists on file with the Department and has engaged in discriminatory pricing.
2. Telstar shall file an answer to the filing of the Department of Public Service, copy attached, within 20 days of the date of this Order. Telstar shall serve copies of its answer on Rochester Telecom Systems, Inc., the Department, and the Residential and Small Business Utilities Division of the Office of the Attorney General.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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¹The Commission's procedural rules are set forth at Minn. Rules Chapter 7829. These rules apply to all Commission proceedings and establish specific procedures for formal complaints, including time lines and content requirements for answers, replies, intervention petitions, and comments.