THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Shari Feist Albrecht, Chair

Jay Scott Emler

Pat Apple

In the Matter of the Complaint Against) Docket No. 15-QWCT-383-COM CenturyLink by Rod C. Huse)

ORDER CLOSING DOCKET

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

- 1. On March 2, 2015, Mr. Rod C. Huse (Complainant) filed a Formal Complaint against CenturyLink. Complainant stated that CenturyLink, without notice or warning, instituted the following charges on Complainant's monthly bill: inside wire maintenance (IWM) \$6.95; Kansas Service Surcharge \$1.79; and Non-telecom surcharge \$1.99.
- 2. Complainant requested that the Commission "stop utility companies from overcharging customers with phony, petty charges that do nothing more than allow these companies to take advantage of their customers."
- 3. Commission Staff ("Staff") submitted a Report and Recommendation (R&R) in regards to the Formal Complaint on April 21, 2015, attached hereto and made a part hereof by reference.
- 4. Staff states in its R&R that on April 2, 2015, Staff contacted CenturyLink regarding the Formal Complaint to determine whether Complainant was properly charged the IWM fee. CenturyLink indicated that Complainant was issued a full credit for the IWM fee prior to the filing of the Formal Complaint and that CenturyLink was reviewing its verification

procedures for determining when a customer charge is authorized. Additionally, CenturyLink stated that Complainant's other billing concerns related to the Kansas Universal Service Fund (KUSF) surcharge, which is a valid charge.

5. Staff states in its R&R that on April 20, 2015, the internal Public Affairs and Consumer Protection (PACP) division at the Commission contacted Complainant to ensure that the issue regarding the IWM fee was resolved. Complainant indicated that CenturyLink had addressed his concerns; therefore he would withdraw the Formal Complaint.

6. The Commission finds that Complainant's issues have been resolved and that this docket should be closed.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. This docket is closed.

B. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED.

Albrecht, Chair; Emler, Commissioner; Apple, Commissioner

Dated: _____APR 2 8 2015

Amy L. Gilbert Secretary

Order Mailed Date

APR 2 9 2015

MRN

Utilities Division 1500 SW Arrowhead Road Topeka, KS 66604-4027



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Sam Brownback, Governor

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Chair Shari Feist Albrecht

Commissioner Jay Scott Emler

Commissioner Pat Apple

FROM:

Hal Baumhardt, Senior Telecommunications Analyst

Christine Aarnes, Chief of Telecommunications

Jeff McClanahan, Director of Utilities

DATE:

April 21, 2015

SUBJECT:

Docket No. 15-QWCT-383-COM

In the Matter of the Complaint Against CenturyLink by Rod C. Huse

EXECUTIVE SUMMARY

A Formal Complaint was filed March 2, 2015, by a Mr. Rod C. Huse (Complainant or Customer) of 3316 Pahlman Drive, Vassar, Kansas, against CenturyLink regarding unauthorized charges on the Customer's bill.

Public Affairs and Consumer Protection (PACP) contacted the Complainant and advised that two of the charges are surcharges applied to all wireline services. The third charge was for inside wire maintenance (IWM), which was not authorized according to Complainant. Staff recommends that this Complaint be closed as the IWM issue has been resolved and the Complainant is satisfied that the proper service and billing has been restored.

BACKGROUND

A Formal Complaint was filed on March 2, 2015, by a Mr. Rod C. Huse against CenturyLink regarding unauthorized charges on the customer's bill.

The Complainant stated that without notice or warning, CenturyLink implemented the following charges: IWM \$6.95; Kansas Service Surcharge \$1.79; and Non-telecom surcharge \$1.99. The Complainant was advised by the sale representative that said; "this was insurance for inside wire repairs."

The Complainant requested the Commission "stop utility companies from overcharging customers with phony, petty charges that do nothing more than allow these companies to

take advantage of their customers." The Customer further stated that "CenturyLink is the only phone company in my area and I need a landline and Internet."

ANALYSIS

Staff's analysis found that Vassar is an unincorporated community in Osage County, Kansas, and is located along a railroad line four miles northeast of Lyndon, Kansas. The residents are served out of the CenturyLink Lyndon remote switch that is hosted off Junction City¹.

Mr. Huse's Formal Complaint stated that CenturyLink is the only phone company in his area. Staff, however, found that there are four other telecommunications carriers besides CenturyLink: Access Point; First Communications; Granite Telecommunications; and Nex-Tech.²

On April 2, 2015, Staff contacted CenturyLink regarding this Compliant to find out if other customers have experienced unauthorized charges for IWM or if this was an isolated case that inadvertently charged Mr. Huse.

On April 14, 2015, CenturyLink provided its response to Staff's inquiry on other potential unauthorized charges. CenturyLink stated:

CenturyLink's Revenue Assurance team has reviewed recent Kansas customer complaints into its Consumer Advocate Group (CAG) as well as its Executive Services Group since February 1 (these groups are responsible for resolving escalated customer concerns), and there were no additional complaints to these groups associated with a customer being charged for inside wire maintenance without having specifically requested the service. Of course there have been customers who have dropped the service since February 1, but there is no indication the service was dropped because it was not authorized.

In addition to reviewing customer complaints, out of an abundance of caution, CenturyLink is currently undertaking additional measures to verify customer authorization is documented within the customer record. Specifically, CenturyLink's Executive Services team will pull up a representative sample of Kansas customers being billed the IWM charge to ensure the file contains documentation of customer authorization. This process will be done with an understanding that sometimes IWM is part of a bundle offering so the entire undertaking will be a manual review of the accounts.

Specific to Mr. Huse, Mr. Huse contacted CenturyLink on February 27th and a full credit was issued by CenturyLink before Mr. Huse contacted the

¹ Staff confirmed the switching arrangement with CenturyLink.

² Reference http://estar.kcc.ks.gov/estar/portal/kcc/page/ServiceProvidersSearch/portal.aspx.

KCC. At that time, CenturyLink removed the service and issued a credit for the IWM to be issued on the next bill. The notes also indicate that on March 2nd and again on March 3rd, Mr. Huse sent CenturyLink an email inquiring about credits and CenturyLink responded that the service was removed and a full credit will appear on his next bill. Mr. Huse's March 7th bill reflects the credit for inside wire. Mr. Huse's complaint also raised the KUSF surcharge as a concern although this is a valid charge which has been properly assessed and no adjustments were made.

On April 20, 2015, PACP contacted Mr. Huse again to ensure that the Complainant's issue regarding IWM charge was resolved to his satisfaction. PACP reviewed CenturyLink's response with Mr. Huse who stated that "since the response from CenturyLink seemed to address all of his concerns he would withdraw the formal complaint."

RECOMMENDATION:

Staff has not noticed or received any further instances of unauthorized billing charges regarding IWM and the Customer is satisfied that the billing has been resolved. Staff believes this is a one-time occurrence; therefore, Staff is not recommending a penalty be imposed at this time. Staff further recommends the Commission close this Complaint.

DATE

PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NO. CERT. COPIES NO. PLAIN COPIES

NAME AND ADDRESS

MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 ***Hand Delivered***

ROD C. HUSE 3316 PAHLMAN DRIVE VASSAR, KS 66543

JOHN R. IDOUX, DIRECTOR KANSAS GOVERNMENTAL AFFAIRS UNITED TELEPHONE CO. OF KANSAS D/B/A CENTURYLINK 600 NEW CENTURY PKWY NEW CENTURY, KS 66031

TORRY R. SOMERS, ASSOCIATE GENERAL COUNSEL UNITED TELEPHONE CO. OF KANSAS D/B/A CENTURYLINK 6700 VIA AUSTI PKWY LAS VEGAS, NV 89119

Order Mailed Date

APR 2 9 2015