

ORIGINAL

Decision No. 59307

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

RITZ MILLER,
Complainant,

vs.

PACIFIC TELEPHONE CO.
and
CALIFORNIA PUBLIC UTILITIES COMMISSION,
Defendants.

Case No. 6224

Ritz Miller, in propria persona, complainant.
Arthur T. George and Pillsbury, Madison & Sutro,
by Charles B. Renfrew, for defendant.
T. M. Chubb, Chief Engineer and General Manager,
Department of Public Utilities and Transportation
of the City of Los Angeles, by Manuel Kroman, and
Melvin Mezek, for the Commission's staff, both
appearing by special permission to assist in
developing the record.

O P I N I O N

The complaint contains a seven-page prayer comprising 31 specifications of items which complainant desires to have corrected.

Several of the allegations in the complaint and in the prayer items merit action or comment. These items of the prayer are as follows:

Paragraph 3 sets out four items which complainant asserts should be detailed in billing long distance calls; paragraph 5 suggests that the billing show the month for which the services were rendered; paragraph 6 suggests that the defendant install a

device to advise the caller whether or not he is calling outside of the local service area; paragraph 7 suggests a connection to an operator who will place long distance calls and give the caller itemized billing; paragraph 10 prays that the telephone company install equipment to prevent erroneous billing; paragraph 13 prays that the telephone company give the complainant credit for the period between the date complainant's service was disconnected and the billing period ended; and paragraph 16 prays that the telephone company state on its letterhead the proper address to which communications may be sent.

The other portions of the complaint are not proper items for determination herein. For instance, the complainant requests in paragraph 17 that this Commission revoke the rate increase provided last year. This increase was authorized after a full and complete hearing thereon (Decision No. 56652, dated May 6, 1958, in Application No. 39309), and the facts found adequately support the said increase. In paragraph 18 the complainant prays that the defendant be restricted from mailing out "junk mail" to subscribers. The record herein shows, however, that this is not "junk mail" but information to subscribers, as, for instance, notice that subscribers could call the operator and receive detailed billing on long distance calls.

On March 12, 1959, The Pacific Telephone and Telegraph Company, hereinafter referred to as defendant, filed an answer. It set up an affirmative defense in which it states that bulk billing of message unit calls has been in effect in the Los Angeles extended area since 1940 and it has been thoroughly proven to be advantageous to subscribers. In Decision No. 56652, supra, the answer states: "The Commission considered the matter of message unit calls and

concluded that bulk billing should be continued for subscribers who have no need or desire for itemized billing in order that they may continue to receive the economies of such service, and also that subscribers who have need for itemized billing of message unit calls should utilize station toll message calling." The defendant prays that the complaint be dismissed.

Public hearings on the complaint were held before Examiner Kent C. Rogers in Los Angeles on June 22 and 26, 1959, and the matter was submitted. It is now ready for decision.

Prior to the hearing the complainant publicized the matter and invited people to attend and air their alleged complaints against the defendant. It appears that complainant thought the hearing would be treated as a general complaint by a group of subscribers. The examiner refused to permit the matter to proceed in such manner. The action of the examiner in this connection is approved. The complainant then called several of the appearing parties as his witnesses. These parties testified that they were generally dissatisfied with the bulk billing in that they could not determine how much the charges were for specific calls outside their local calling area. In addition, there were complaints that some bills contained charges for calls which the witness was sure he or she did not make.

The gravamen of the complaint is that the defendant could not give him itemized billing on long distance telephone calls defined by him as any call outside the local dialing area which adds to the telephone bill. He requests billing showing the number called, the charges for the call and the date of the call.

On and prior to March 13, 1957, complainant resided at 144 South Edgemont Street, Los Angeles, California. Defendant,

in March 1957, installed a two-party residential telephone service for complainant at said address at a cost of \$3.85 per month, including federal excise tax, payable monthly in advance. The entire Los Angeles exchange, as well as the Beverly Hills exchange, could be dialed directly by complainant from this number at no extra charge.

During the year 1957, complainant made calls from his residential telephone, other than long distance calls, to areas outside his local calling area and was given itemized billing consisting of the date of the call, the number called, and the charge therefor. This service apparently was rendered for complainant at the regular message unit rate because the defendant understood that complainant had questioned the accuracy of the message unit accounting. When it became clear early in 1958 that complainant desired itemization of message unit calls for his own accounting purposes, he was advised that he should place such calls through the operator in order to receive itemized billing. According to the complainant, he was so advised, on July 3, 1958, for the first time, by a letter from the defendant. At that time there was no specific notice to subscribers to that effect in the telephone directories.

On May 6, 1958, this Commission issued its Decision No. 56652 on defendant's Application No. 39309 to increase its rates. Therein the Commission, inter alia, ordered the defendant to advise all of its subscribers in the Los Angeles extended area, within sixty days, that they could have their calls itemized if such calls were made outside the local calling area but within the message-unit calling area. This advice was to be given by means of bill inserts and a notice, prominently displayed

in all of its telephone directories for such areas, on the page or pages devoted to explanation of message units and message unit calling areas, commencing with any issues thereof made ninety days or more after the effective date of said order, to the following effect:

"If an itemized bill is desired on any call made outside of your local calling area, but within the message unit calling area, such call should be placed with the operator by dialing *** and asking her to place the call as a station toll call."

Thereafter, the defendant mailed such bill inserts, in July 1958 or thereabouts, to subscribers, allegedly including the complainant. The June 1959 Los Angeles telephone directory serving complainant's home address included the required information for the first time.

Between the time that complainant's service was inaugurated and April 1958, complainant had correspondence with the defendant relative to his bills. He paid each \$3.85 monthly charge. However, commencing in April 1958, he was unable to secure the itemization of his "long distance" bills and he had a great deal of correspondence with the defendant, the complainant continuously requesting the charges and the telephone number to which the call was made. There is no evidence to indicate that information was given by the defendant to the complainant, until July 3, 1958, relative to the fact that he could secure itemization of his message unit calls. At that time, the defendant advised the complainant that he owed \$2.75 for message unit charges and that if he needed an itemization of the message units, as he had stated in his letter of June 28, he could place these station-to-station calls through the operator at the toll rate and they would be itemized on his bill. Complainant, except on one occasion, requested itemization thereafter, and on one occasion the defendant

erroneously billed a station toll call as a message unit call, although the complainant had requested itemization thereof.

As a result of the differences between the parties and the refusal of the complainant to pay for the long distance calls on which he did not get itemization, the telephone company suspended the complainant's service temporarily on November 13, 1958, and disconnected the service permanently on November 28, 1958. As of November 13, 1958, complainant's monthly telephone bill was paid until November 15, 1958. At that time the complainant owed \$3.65 in message unit charges, i.e., charges for which complainant had requested a bill as long distance calls. At the time the service was temporarily disconnected on November 13, 1958, he had two days of service still due. The telephone company billed him, claiming a balance of \$5.44, which, according to the defendant, included \$3.65 for message units plus \$1.79 service charge for the approximately one-half month between November 15 and November 28.

The complainant testified concerning his idea of itemized billing. The defendant furnishes the date of the call and the exchange in which the called number is located, but does not furnish the number called. There is no rule and regulation touching on this matter.

It should be noted that when the Commission was considering Decision No. 56652, supra, it had before it evidence that the costs of providing the information include the costs of listing the called number (56 Cal. P. U. C. 277, 298).

Defendant's general commercial engineer testified that complainant's services were connected in March 1957 and that all charges were regularly paid during 1957; that, starting on April 15, 1958, complainant withheld charges for multiple message unit calls; that the October 15, 1958 bill amounted to \$7.50, including an unpaid

balance of \$3.65 for message unit charges; that on October 28, 1958, complainant paid \$3.85, the monthly bill; that service was temporarily disconnected on November 13, 1958, and permanently disconnected on November 28, 1958.

Defendant's Los Angeles auditor testified that the monthly exchange service charges are billed in advance and that the message unit charges are billed in arrears; that 21 bills were sent to complainant between April 1957 and December 1958, and that there were no errors in said billing. It was admitted by the defendant at the hearing that at least one bill for which itemization was requested was bulk-billed as a message unit call.

Defendant's Los Angeles area service equipment engineer testified that long distance calls or toll calls can be itemized; that the number called is available for approximately 30 days; that it adds materially to the cost to list the number on the bills, requiring additional punch card operation and additional processing for the accounting office, and that in order to keep the cost of service down, procedures have been established as they are now in effect; that these procedures include itemization, when requested, which shows the date of the call, the exchange called, and the charge. There was no evidence adduced to show the cost of adding the number called to the record of message unit calls treated as long distance calls. The record shows that the demand for itemization is not substantial. In one month checked for the number of requests for itemization, only 2,500 out of 1½ million extended service customers requested such service.

The witness said that the bills unpaid by complainant are as follows:

<u>Date of Bill (1958)</u> ✓	<u>Date of Call (1958)</u> ✓	<u>Number Called</u>	<u>Cost</u>	<u>Total Amount</u>	<u>Message Units</u>	✓
April 15	-	Ticket destroyed or lost	\$ -	\$1.35	29	
May 15	May 9	Exbrook 6-3795	-	.61	13	
June 15	-	Ticket destroyed or lost	-	.79	17	
July 15	June 16	Granite 9-9280	.13	-	3	
"	June 19	Granite 7-0943	.13	-	3	
"	July 6	Exbrook 3-4436	.17	-	4	
			.43	-	-	
			Tax .04	.47	-	
Aug. 15	-	No extra charges	-	-	-	
Sept. 15	Sept. 10	Granite 9-9381	.13	-	3	
"	Sept. 11	Granite 9-9381	.13	-	3	
			.26	-	-	
			Tax .03	.29	-	
Oct. 15	Sept. 16	Granite 9-9381	.13	-	3	
			Tax .01	.14	-	

The total unpaid message unit charges when service was disconnected, including taxes, were \$3.65.

In addition, there is \$1.79 representing the monthly service charge in advance between November 15, 1958 and November 28, 1958, the date that service was permanently disconnected. Between November 13 and November 28, 1958, complainant could not use his telephone.

The defendant failed to provide the complainant with adequate information. The defendant should have explained to complainant how he could secure the desired records, namely, itemization of message unit calls. To recapitulate, complainant commenced his service in March 1957. When he made calls outside his local calling area he asked defendant to itemize the calls. This was done

until April 1958 when apparently he was first told to place such calls through the operator. At that time, the telephone books contained no information as to how to secure itemized billing on message unit calls. Actually, during the time that complainant was a subscriber, there was nothing in the books to advise him how to obtain itemized billing. In July 1958, complainant was first advised that he could get itemized billing by placing the calls with the operator as station toll calls. Thereafter, complainant complied with these instructions. However, the record shows that on September 16, 1958, complainant placed a call to a message unit area number and asked for detailed billing; he was subsequently billed at a message unit rate with no detailed billing. Defendant's witness admitted that mistakes can be made on requests for detailed billing.

Complainant should not be required to pay for monthly service charged after his telephone was disconnected, and we find and conclude that the charges for telephone service after November 13, 1958 should be cancelled. Defendant will be ordered to reconnect complainant's telephone, if complainant so desires, subject to the existing rules and regulations of the defendant. We find that complainant shall not be required to pay any service connection charge or deposit.

We find, therefore, that defendant should amend its tariff to provide that itemized bills show the number called on operator-handled station toll calls placed within the Los Angeles extended area, should the customer request such information. The evidence herein shows that the installation of a device, if possible, to advise the subscriber that he is calling outside his local calling area would cause an unreasonable and unnecessary expense, all of which would be added to the subscriber's telephone

bill. A witness testified that by using the telephone books it is possible to determine whether or not a call is in the no-extra-charge local calling area. A company engineer testified that equipment is now being installed to prevent erroneous billing on mechanically dialed calls. Of course, if the complainant desires itemized billing and places the calls through the operator, there is always the possibility of error and it cannot be absolutely prevented. The request for credit for the period after complainant's service was disconnected is being granted by the order herein. The defendant's envelopes show the office where bills are paid. The telephone directory shows the address of defendant's general office. Inasmuch as the complainant desires to reduce the cost of service, it does not seem appropriate to require the defendant to add printer's costs to its bills by repeating this information in other places.

O R D E R

A complaint having been filed, public hearings having been held thereon, evidence having been presented and the Commission having found that certain changes in defendant's billing should be made and that complainant should not be required to pay any bills claimed to be unpaid on the effective date of this order,

IT IS ORDERED:

1. That defendant cancel all charges allegedly due from the complainant to the defendant on the date of the filing of the complaint herein.

2. That the complainant herein may file an application for telephone service and, if such application is filed, The Pacific Telephone and Telegraph Company shall install telephone service at the complainant's residence at 144 South Edgemont Street, Los Angeles, California, such installation being subject to all duly authorized

rules and regulations of the telephone company and to the existing applicable law, except that complainant shall not be required to pay any service connection charge or deposit.

3. If the customer so requests, the defendant shall provide itemized billing of operator-handled station toll calls placed within the Los Angeles extended area, which shall include the complete telephone number called, the date of the call and the charge for the call.

4. That defendant shall instruct its operators thoroughly in the proper procedures to follow in complying with requests made by callers for itemized billing of toll calls within the Los Angeles extended area, and, if itemization is requested, in keeping accurate records of all calls in accordance with the order herein.

IT IS FURTHER ORDERED that in all other respects the complaint herein be, and it hereby is, dismissed.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 24th day of November, 1959.

Everett W. Page
President

John E. ...

William ...

Edgar Fox

Theodore Jenner
Commissioners