STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

NEWS RELEASE

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NORTH CAROLINA UTILITIES COMMISSION REQUIRES IMPROVED CONSUMER EDUCATION, SIX-MONTH STUDY, AND LIBERAL FORGIVENESS POLICY FOR PER-USE SERVICES

The North Carolina Utilities Commission (NCUC) issued an Order today requiring BellSouth, Carolina Telephone and Central Telephone Companies to substantially improve their customer education efforts with respect to per-use calling services such as Call Return, Repeat Dialing, Call Trace, and Three-Way Calling, and to offer a liberal forgiveness policy with respect to disputed charges for such services. The NCUC also mandated a six-month study period at the end of which time the companies will file information regarding complaint and usage levels to enable the NCUC to "determine whether the problems and protests now being experienced are transient phenomena or whether the tariffs need to be revised or even disallowed."

The NCUC's action came in response to complaints from customers unhappy about the appearance of charges on their bills for services to which they had not presubscribed. The NCUC sought comment from interested parties and the public both in filings and at its regular Commission Conference on July 8, 1996.

In addition to the six-month study, the companies will be expected to provide the NCUC with detailed information as to how their customer representatives will be handling complaints as well as their plans for implementation of a customer education campaign to be developed in consultation with the Public Staff and Attorney General. In addition, the NCUC mandated that the companies' customer representatives and advertising messages must fully disclose information about charges for these services, the companies' forgiveness policies, and the availability of free blocking.

The NCUC furthermore mandated a liberal forgiveness policy regarding disputed charges for these services. Complaining customers are to be forgiven on a one-time basis for charges for which they complain at any point during the six-month study period. Further, customers complaining about Three-Way Calling are to be forgiven any such charges about which they complain pending solution to certain technical problems with the service identified by BellSouth.

Commissioner Laurence Cobb dissented from the Commission's Order, stating that the Commission's actions regarding per-call services are unnecessary. Commissioner Judy Hunt also dissented, urging that consumers should presubscribe to such services before receiving them.