

950-T-206

PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1333 H STREET, N.W., SUITE 200-WEST, WASHINGTON, D.C. 20005

ORDER

October 30, 2000

**FORMAL CASE NO. 950, IN THE MATTER OF THE INVESTIGATION INTO
THE PAYMENT CENTER OPERATIONS OF VERIZON-WASHINGTON, D.C., INC.,
Order No. 11818**

I. INTRODUCTION

1. On January 16, 1996, Bell Atlantic-Washington, D.C., Inc. (now Verizon-DC) announced plans to close the D.C. Payment Center located at 722 12th Street, N.W. In lieu of one downtown payment center, Verizon-DC planned to provide payment services through Authorized Payment Locations (APLs) throughout the District of Columbia.¹ On June 25, 1996, the Public Service Commission of the District of Columbia ("Commission") granted Verizon-DC's request to close the D.C. Payment Center effective, the close of business, July 19, 1996 and subject to the following ten (10) conditions:²

- (1) Verizon-DC must arrange for at least one (1) payment location in each of the eight (8) Wards of the District, such locations, to be on a major transportation route readily accessible to the disabled;
- (2) Verizon-DC must set and enforce standards for all payment locations regarding acceptance of payment, particularly acceptance of check and credit card payments;
- (3) If a charge is levied against a Verizon-DC customer at any point for processing payments at Travelers Express or any other alternative payment locations, the charge shall be no more than the prevailing price of a first-class postage stamp;
- (4) Verizon-DC must have at least one (1) payment location in the District which serves Spanish-speaking persons and must inform the public of this location;
- (5) Verizon-DC must make available a one (1) page flyer at each payment location which: (a) states the procedure by which a customer may make an in-person complaint, make in-person arrangements for a payment plan, or

¹ On February 1, 1996, the Public Service Commission of the District of Columbia initiated an investigation into this matter. Order No. 10754.

² Order No. 10811.

arrange for a payment plan by phone; and (b) informs of Verizon-DC's low-income services, with the appropriate contact names and telephone numbers for further information. The flyers must be printed in both English and Spanish;

- (6) All payment locations must display a sign that clearly indicates to the general public that Verizon-DC payments may be made at the location;
- (7) Verizon-DC must print a bill insert during the August 1996 billing cycles, on colored paper giving notice of the closing of the D.C. Payment Center which lists the locations and telephone numbers of all alternative payment locations and a telephone which customers may use to obtain information regarding new payment locations;
- (8) Verizon-DC must give the Commission notice of the closing of any payment location within five (5) days of the date Verizon-DC is notified;
- (9) Verizon-DC must give the Commission a schedule, covering the twelve (12) month period following the closing of the D.C. Payment Center, which states, by ward, the number of new payment locations and the proposed timetable for the opening of each. In addition, the statement shall provide a timetable for the opening of each new payment location; and
- (10) Beginning twelve (12) months after the closing of the D.C. Payment Center and for the next twelve (12) month period, Verizon-DC shall file quarterly reports regarding the openings and closings of payment locations. Thereafter, Verizon-DC shall file an annual report regarding the openings and closings of such locations.³

³

Id. at 2-3.

II. DISCUSSION

2. In August and September, 1998, the Commission's Office of Consumer Services ("Consumer Services") inspected all APLs to determine whether they were in compliance with the conditions for closing the D.C. Payment Center set forth in Order No. 10811. On December 3, 1998, Consumer Services forwarded a memorandum to the Commission summarizing the results of the inspections.⁴ Consumer Services found:

- With one exception all APLs were located on a major public transportation route and were readily accessible to the disabled. Thus, notwithstanding that exception, Verizon-DC was in compliance with Condition No. 1;
- There were two (2) APLs which served Spanish-speaking individuals. Thus Verizon-DC was in compliance with Condition No. 4;
- None of the APLs had Verizon-DC flyers that stated the procedure by which a customer may make an in-person complaint, make in-person arrangements for a payment plan, or arrange for a payment plan by phone; or informing customers of Verizon-DC's low income services, as required by Condition 5; and
- With one exception, all of the APLs displayed a sign indicating that Verizon-DC payments may be made there. Thus, notwithstanding that exception, Verizon-DC was in compliance with Condition No. 6.

Consumer Services did not make any findings with respect to whether Verizon-DC was in compliance with Condition No. 3.⁵ In addition, Consumer Services found that a number of consumers had been advised by Verizon-DC to visit the Commission's office to discuss their problems in-person, because Verizon-DC had no office where customers could walk-in to discuss their billing problems.

3. On November 5, 1998, Verizon-DC informed the Commission of its plan to change the vendor for its APL services from Travelers Express to Global Express. On December 4, 1998, the Commission held an informal hearing given of its concerns about the transition to a new vendor

⁴ That memorandum was docketed in this matter on March 20, 2000. Docket No. 183.

⁵ Conditions Nos. 2, 7 and 9 required Verizon-DC to set standards for all payment locations regarding acceptance of payment, to give notice of the closing of the D.C. Payment Center through a bill insert, and to file with the Commission a 12 month schedule for the opening all APLs. In Order No. 10869, the Commission found that the company had complied with these conditions. Conditions No. 8 and 10 require Verizon-DC to give the Commission notice of the closing of any APL location and to file with the Commission annual reports of the openings and closings of APLs. Verizon-DC has been in compliance with these reporting requirements.

for the APLs as well as other APL-related issues.⁶

4. At the hearing, the Commission expressed its concern about Verizon-DC's lack of a "walk-in office" where customers could discuss problems face-to-face with a company representative. Such problems had previously been handled at the payment center at 722 12th Street, N.W. At the hearing, Letita Wiggins McCoy, Assistant People's Counsel, Office of People's Counsel ("OPC") stated that OPC had received complaints from customers about the lack of a "walk-in office."⁷ OPC also received complaints from a consumer who was unable to get the Verizon-DC Business Office to schedule in-person meetings with them.⁸ Marie C. Johns, President and Chief Executive Officer of Verizon-DC, assured the Commission that the company would provide "walk-in" services in the future.⁹ On January 22, 1999, Commission staff met with BA-DC as a follow up to the December 4, 1998 hearing. At that meeting, Verizon-DC reported that it had established an office at 21st and L Streets, N.W., for handling in-person complaints.

5. During the week of March 22, 1999, Consumer Services again inspected all APLs to determine whether they were in compliance with the conditions for closing the D.C. Payment Center set forth in Order No. 10811. On April 14, 1999, Consumer Services forwarded a memorandum to the Commission summarizing the results of the inspections.¹⁰ Consumer Services found that:

- With one exception all APLs were located on a major public transportation route and were readily accessible to the disabled. Thus, notwithstanding that exception, Verizon-DC was in compliance with Condition No. 1;
- None of the APLs charged consumers a processing fee. Thus, Verizon-DC was in compliance with Condition 3;
- There were two (2) APLs which served Spanish-speaking individuals. Thus, Verizon-DC was in compliance with Condition No. 4;
- All APLs had a flyer posted with information indicating the procedure by which a customer may make an in-person complaint, make in-person arrangements for a payment plan, or arrange for a payment plan by phone; and information about Verizon-DC's low-income services, with the

⁶ Tr. at 5-6.

⁷ Tr. at 31.

⁸ Tr. at 31-2.

⁹ Tr. at 33. Ms. Johns also stated that she only heard about the problem with walk-ins for the first time at the December 4, 1998 hearing. *Id.*

¹⁰ That memorandum was docketed in this matter on March 20, 2000. Docket No. 184.

appropriate telephone numbers for further information. Thus, Verizon-DC was in compliance with Condition No. 5; and

- All APLs displayed a sign indicating that Verizon-DC payments may be made there, as required by Condition No. 6.¹¹

6. From March 15, 1999 to May 3, 1999, Consumer Services conducted a survey of 192 APL consumers in all eight (8) wards of the District. On May 5, 1999, Consumer Services forwarded a memorandum to the Commission summarizing the results of the survey.¹² The overwhelming majority of consumers, ninety-four (94) percent, stated that they were able to handle all of their Verizon-DC related concerns at the APLs. Ninety (90) percent of consumers found the APLs to be convenient. Most consumers, sixty-seven (67) percent, said the APL staff was courteous, although such a survey result causes concern over the remaining thirty-three (33) who did not express satisfaction. Sixty-two (62) percent of customers used the APLs monthly to pay their Verizon-DC bills. Consumer Services concluded that customers are pleased with the services that the APLs provide.

7. During the months of March, April, May and June 2000, Consumer Services inspected all APLs for a third time to determine whether they were in compliance with the conditions for closing the D.C. Payment Center set forth in Order No. 10811. On June 26, 2000, Consumer Services forwarded a memorandum to the Commission summarizing the results of the inspections.¹³ Consumer Services found that, without qualification, all APLs were in compliance with Conditions 1, 3, 4, 5, and 6 of Order No. 10811.

8. Consumer Services has found that Verizon-DC is in compliance with the conditions for closing the D.C. Payment Center set forth in Order No. 10811. Since Verizon-DC is in compliance with these conditions, there is no need for Verizon-DC to reopen the D.C. Payment Center. However, Consumer Services will continue to monitor the services provided by the APLs to insure that Verizon-DC meets the conditions subject to which the Commission granted Verizon-DC's request to close the D.C. Payment Center.¹⁴ To this end, Consumer Services will continue to perform annual inspections of all APLs to assure compliance with Commission conditions as well as efficient and courteous treatment of District of Columbia consumers. In addition, Consumer Services will monitor the quality of service provided by the Verizon-DC office at 21st and L Streets, NW established to handle in-person complaints.

¹¹ See note 5, *supra*, and accompanying text regarding Verizon-DC's compliance with Conditions 2 and 7 through 10.

¹² That memorandum was docketed in this matter on October 20, 1999. Docket No. 169.

¹³ That memorandum was docketed in this matter on July 6, 2000. Docket No. 192.

¹⁴ See Order No. 10811, *supra*, note 2 and accompanying text.

9. For the reasons stated above, the Commission finds that Verizon-DC is in compliance with the conditions for closing the D.C. Payment Center set forth in Order No. 10811.

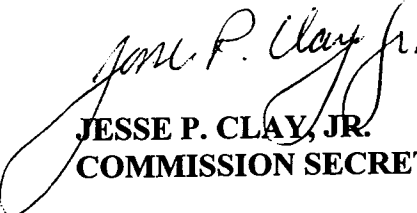
THEREFORE, IT IS HEREBY ORDERED THAT:

10. Verizon-DC may continue to provide payment services to its customers through Authorized Payment Locations throughout the District of Columbia in compliance with the conditions as set forth in Commission Order No. 10811.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:

CHIEF CLERK


JESSE P. CLAY, JR.
COMMISSION SECRETARY