

THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE PUBLIC SERVICE)
COMMISSION STAFF'S COMPLAINT AND)
INVESTIGATION INTO QWEST COMMUNICA-)
TIONS CORPORATION'S TERMINATION OF)
THE LONG DISTANCE AND CALLING CARD) PSC COMPLAINT DOCKET
SERVICES OF CERTAIN CUSTOMERS IN) NO. 321-02
2001, AND QWEST'S OVERALL COMPLIANCE)
WITH THE DELAWARE PUBLIC SERVICE)
COMMISSION'S TELEPHONE RULES)
(OPENED APRIL 4, 2002))

ORDER NO. 6010

AND NOW, this 6th day of August, 2002, the Delaware Public Service Commission (the "Commission") having considered the Stipulation of Settlement executed by the parties hereto on or about July 29, 2002 (a copy of which is attached hereto as Exhibit "A" and made a part hereof) (the "Stipulation"), and having determined that the compromises and agreements reflected therein are consistent with the public interest; now, therefore,

IT IS ORDERED:

1. That the Commission approves the Stipulation of Settlement between Qwest Communications Corporation ("Qwest") and the Commission Staff.
2. That pursuant to 29 Del. C. § 217 and the Stipulation, Qwest shall pay a penalty of \$8,000.
3. That pursuant to the Stipulation, for the next twelve months, Qwest shall: (a) file with the Commission, on a quarterly basis, a written certification with the Commission stating whether its disconnect policies remain in accordance with Delaware law; and (b) report to the Commission any violations of Rule 4.7 of the Commission's Telephone Rules that come to the attention of Qwest managers in the ordinary course of business. If, during the next twelve months, Qwest notifies the Commission of any violations of

Rule 4.7, or the Commission notifies Qwest of any termination of the telecommunications services of any Delaware customers in violation of Rule 4.7 and Qwest is unable to rebut this notification by producing evidence that it did not terminate services in violation of Rule 4.7, then Qwest agrees to thereafter provide reasonable written reports requested by the Commission regarding its compliance or noncompliance with the Commission's Telephone Rules and, in addition, shall be subject to further sanctions, including appropriate monetary penalties.

4. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae Chair

/s/ Joshua M. Twilley
Vice Chair

/s/ Donald J. Puglisi
Commi ssi oner

PSC Complaint Docket No. 321-02, Order No. 6010 Cont'd.

/s/ Jaymes B. Lester
Commi ssi oner

/s/ Joann T. Conaway
Commi ssi oner

ATTEST:

/s/ Karen J. Nickerson
Secretary

E X H I B I T "A"

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE PUBLIC SERVICE)
COMMISSION STAFF'S COMPLAINT AND)
INVESTIGATION INTO QWEST)
COMMUNICATION CORPORATION'S)
TERMINATION OF THE LONG)
DISTANCE AND CALLING CARD SERVICES) PSC Docket No. 321-02
OF CERTAIN CUSTOMERS IN 2001,)
AND QWEST'S OVERALL COMPLIANCE)
WITH THE DELAWARE PUBLIC SERVICE)
COMMISSION'S TELEPHONE RULES)

STIPULATION OF SETTLEMENT

WHEREAS, Qwest Communications Corporation ("Qwest") is a carrier certificated by the Commission to provide telecommunications services within Delaware; and

WHEREAS, under its certificate, Qwest is responsible for complying with the applicable provisions of the Delaware Public Service Commission's ("Commission") "Telephone Rules" adopted by PSC Order No. 3232 (Jan. 15, 1991); and

WHEREAS, Rule 4.7 of those regulations list the grounds upon which carriers such as Qwest may suspend or discontinue telecommunications services to an existing customer; and

WHEREAS, Rule 4.7.4 bars carriers, including Qwest, from discontinuing telecommunications services based upon a customer's failure to pay for a different type or class of service, unless the service is provided by the billing utility and unless the fee for such service is included on the same bill; and

WHEREAS, Rule 4.7 requires carriers, including Qwest, to provide "proper notice" prior to any suspension or discontinuance of service, except

those involving a dangerous condition. Such notice must be delivered ten days in advance of the termination date, must be sent by mail or hand delivery to the customer, and must include certain essential information set forth in Rule 4.7.1 (A) - (G); and

WHEREAS, in July 2001, Qwest mistakenly terminated the long distance and associated calling card services of sixteen of its Delaware customers without prior notice, not for nonpayment, but based on an employee's mistaken interpretation of a code placed on the detail of these customers' calls which the employee read as indicating the presence of a dangerous condition; and

WHEREAS, none of the terminations in fact involved a dangerous condition that would excuse Qwest from giving prior notice of the terminations; and

WHEREAS, under the Commission's Telephone Rules, each of the sixteen customers was entitled to prior notice of Qwest's termination of their telecommunications services; and

WHEREAS, Qwest violated the Commission's Telephone Rules by terminating the telecommunications services of the sixteen customers without prior notice, when its employee mistakenly interpreted a code placed on the call detail of certain of these customers' calls which the employee read as indicating the presence of a dangerous condition; and

WHEREAS, Qwest reconnected the long distance and associated calling card services for each of the sixteen customers immediately upon discovering its error, and the longest period any customer was without service was for six days; and

WHEREAS, under 29 Del. C. §217, the Commission may impose a penalty of up to \$1,000 per day for every day a carrier such as Qwest is in violation of a Commission order, including the Commission's Telephone Rules, adopted

by PSC Order No. 3232 (Jan. 15, 1991); and

WHEREAS, on April 4, 2002, the Commission's Staff ("Staff") filed a Complaint and Notice of Investigation into Qwest's termination of the long distance and calling card services of certain customers in 2001; and

WHEREAS, Qwest and the Staff, being the parties in these proceedings, desire a resolution by agreement of the same and of the issues arising thereunder;

NOW THEREFORE, it is stipulated and agreed this 29th day of July, 2002, by the undersigned parties as follows:

5. Pursuant to 29 Del. C. §217, Qwest shall pay a penalty of \$8,000.00.
6. For the next twelve months, Qwest shall 1) file with the Commission, on a quarterly basis, a written certification with the Commission stating whether its disconnect policies remain in accordance with Delaware law, and 2) report to the Commission any violations of Rule 4.7 that come to the attention of Qwest managers in the ordinary course of business. If, during the next twelve months, Qwest notifies the Commission of any violations of Rule 4.7, or the Commission notifies Qwest that Qwest has terminated the telecommunications services of any Delaware customers in violation of Rule 4.7 and Qwest is unable to rebut this notification by producing evidence that it did not terminate services in violation of Rule 4.7, then Qwest agrees to thereafter provide reasonable written reports requested by the Commission regarding its compliance or noncompliance with the Commission's Telephone Rules and in addition, shall be subject to further sanctions, including appropriate monetary penalties.
7. This stipulation is the product of negotiation and compromise, and is made for the purpose of effecting a fair and reasonable resolution of the matters raised in this complaint docket, without the continued delay and expense of further proceedings. It is therefore a condition precedent to

performance under this stipulation that it be approved by the Commission in its entirety, without modification or condition.

Qwest Communications Corporation

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Delaware Public Service Commission

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