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DOCKET NO. 99-049-43

In the Matter of the Request by U.S.     )  
WEST COMMUNICATIONS, INC.,     )  
to Transfer Unclaimed Customer     )  
Refunds into the Universal Service     )  
Fund

REPORT AND ORDER

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ISSUED: September 16, 1999

SYNOPSIS

The Commission finds and concludes that it is in the public interest to approve U.S. WEST COMMUNICATIONS, INC.'s proposal to pay \$311,000 of a refund that cannot be made to customers into the Universal Public Telecommunications Service Support Fund.

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By The Commission:

On August 4, 1999, U.S. WEST COMMUNICATIONS, INC. ("US WEST"), filed a request seeking our approval of its payment of \$311,000 into the Universal Public Telecommunications Service Support Fund ("Universal Service Fund") in satisfaction of its obligation arising out of an overcharge to customers of Message Telecommunications Service ("MTS") during the period from January 5, 1998, until February 20, 1998. US WEST encountered programming problems in implementing the reduction in MTS rates which we ordered in our December 4, 1997 Report and Order, in Docket No. 97-049-08, to be effective January 5, 1998. As a result, US WEST collected \$1,500,000 more in rates from MTS customers than it should have until February 20, 1998, when the programming problems were corrected.

US WEST advised the Division of Public Utilities of the implementation problems and consulted with the Division regarding their resolution. US WEST made diligent efforts to refund the amount overcharged to the customers who were not charged the correct amount for MTS service. After repeated attempts, US WEST has been unable to refund \$311,000 of the \$1,500,000. Therefore, with the Division's concurrence, US WEST proposed to pay the \$311,000 into the Universal Service Fund in full satisfaction of any obligation arising out of the overcharge.

FINDINGS AND CONCLUSIONS

The Commission does not believe there will be any opposition to the this request and, therefore, has considered it under the provisions of Utah Admin. Code R746-110. The matter will be adjudicated informally and our order issued without hearing on a tentative basis, subject to meritorious protest during a period of 20 days following issuance before it becomes effective.

The Universal Service Fund is an expendable trust fund designed to promote equitable cost recovery of basic telephone service through the imposition of just and reasonable rates for telecommunications access and usage, and to preserve and promote universal service within the state by ensuring that customers have access to affordable basic telephone service. Utah Code Ann. § 54-8b-15. One of the policies declared by the Legislature is to endeavor to achieve the universal service objectives of the state, Utah Code Ann. § 54-8b-1.1(1). This policy will be furthered by US WEST's payment of \$311,000 into the Universal Service Fund. Accordingly, we find and conclude that the public interest will be served by approving

US WEST's proposal to pay that portion of the refund that cannot reasonably be made to the customers entitled thereto,

into the Universal Service Fund. We have recently entered an order in Docket No. 88-049-18, similarly providing that any amount of a refund, not actually refunded to customers, be paid into the Universal Service Fund for the same reasons. Upon payment of \$311,000 into the fund, US WEST will have fully satisfied and fulfilled its obligation arising out of the overcharges for MTS service made from January 5, 1998, until February 20, 1998.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. US WEST's request for approval of its payment of \$311,000 into the Universal Service Fund, in full satisfaction of its obligation arising out of an overcharge for MTS service from January 5, 1998, until February 20, 1998 as a result of programming problems in implementing the reduction in MTS rates ordered by the Commission in Docket No. 97-049-08, is approved.

2. US WEST shall pay \$311,000 into the Universal Service Fund within 30 days of the effective date of this order.

3. Upon payment by US WEST of the \$311,000 into the Universal Service Fund, it shall be released of any obligation arising out of its overcharge for MTS service from

January 5, 1998, through February 20, 1998 as a result of programming problems in implementing the reduction in MTS rates ordered by the Commission in Docket No. 97-049-08.

4. This order shall not be effective for a period of 20 days following its date of issuance. Any person may file a protest to this order within the 20-day period. If the Commission finds any protest filed to be meritorious, it shall suspend the effective date of this order pending further proceedings. Absent meritorious protest, the order shall automatically become effective 20 days after issuance without further action by the Commission.

5. Any person aggrieved by this order may file a petition for rehearing, review, or reconsideration with the Commission within 20 days of the date the order becomes effective. Failure to do so will forfeit the right to seek review of this order in the Supreme Court of Utah.

DATED at Salt Lake City, Utah, this 16th day of September, 1999.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary