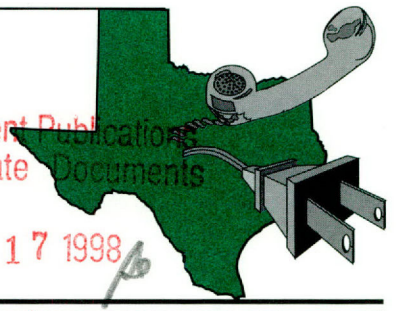


P3750.6

P9660

1:1

Public Utility Connection



Government Publications
Texas State Documents

Jul 17 1998

Depository
Dallas Public Library

Volume 1 Issue 1

Public Utility Commission of Texas

Spring 1998

Wrong Numbers

These companies received the most complaints from the PUC since Sept. 1997.

Slammers and Crammers

1. Axces Communications
2. AT&T
3. Payless Communications
4. Business Discount Plan
5. Sprint

The lists below are adjusted for the number of customers.

Electric Companies

1. Cherokee County Electric Co-Op
2. Entergy Gulf States, Inc.
3. Trinity Valley Electric Co-Op
4. Texas-New Mexico Power Co.
5. Denton County Electric Co-Op

Local Telephone Companies

1. United Telephone Co. of Texas
2. Century Telephone of San Marcos, Inc.
3. Alltel Sugarland Telephone Co.
4. Fort Bend Telephone Co.
5. GTE Southwest, Inc.

These complaints do not necessarily indicate wrongdoing by the companies, because, in many cases, the complaints are not yet resolved.

Information helps Texans make smart utility choices

This is the first edition of **Public Utility Connection**. The **Connection** is dedicated to providing customers with information that will enable them to choose wisely and exercise their rights as telephone and electric utilities become more competitive.

Customer choice requires customer information. The Public Utility Commission (PUC) believes that educated consumers are the best defense against abusive business practices.

To help you choose, we will publish in each edition the **Wrong Numbers** list (left), the names of companies that have received the largest number of customer complaints at the PUC during the previous quarter.

Complaints come by call, letter, e-mail or fax. Some require that the customer provide follow-up documentation. When the docu-

mentation, if needed, is provided, PUC staff works with the utility to resolve the complaint.

The **Wrong Numbers** list is based on complaints that have been documented and sent to utilities for resolution. These complaints do not necessarily indicate wrongdoing by the companies because, in many cases, the complaints are not yet resolved.

Companies with large numbers of customers are likely to consistently receive more complaints than smaller companies, so our local telephone and electric company lists are adjusted for the number of customers the company reports. We cannot adjust the list of other telephone service providers this way because the information necessary to do this is proprietary and confidential and often not available to us.

Customers get high priority at PUC

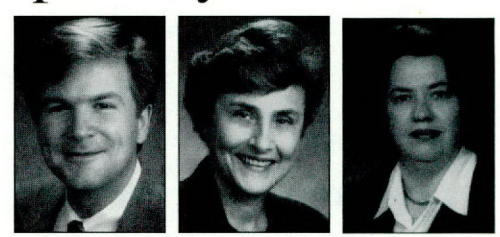
Dear Customer,

Public utilities are rapidly entering a new world of competition. Telephone service is largely deregulated. Wholesale electrical power is now deregulated in Texas, and retail competition may be on the way.

Competition should bring such advantages as lower prices, new services, and better technology. But it can also bring consumer confusion, misleading marketing and abusive practices. At the PUC, protecting customers is one of our highest priorities.

One way to protect customers is to provide Texans with the information necessary to make wise choices. That is the purpose of this newsletter. It also will provide tips for avoiding costly consumer problems.

Another way we serve customers is by trying to resolve complaints against utility companies. Our complaint specialists try to work out problems. We investigate patterns of



Wood Walsh Curran

abuse and have authority to fine utilities for violating the law.

We can't solve all the problems. Sometimes we must ask the Legislature for new authority, as we did when slamming became a major problem. As a result, changing your telephone service provider without your permission is now illegal in Texas.

Welcome to the **Public Utility Connection**.

Sincerely,
Chairman Pat Wood, III
Commissioner Judy Walsh
Commissioner Patricia Curran



Texas anti-slamming law protects phone customers

If your local or long distance telephone provider has been switched without your

knowledge or consent, you've been slammed. And you're not alone.

Since Sept. 1, 1997, when slamming became illegal in Texas, the Public Utility Commission has received more than 5,300 slamming complaints -- that's almost 50 percent of all the utility complaints the PUC gets from customers.

Protect yourself from slamming:

- Never sign anything

without reading it thoroughly.

- If you receive a notice "verifying" a change in service that you did not autho-

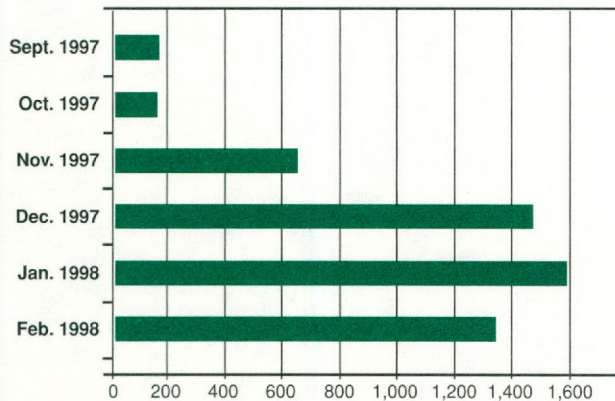
rize, notify the company that you do not want to change.

- Call your local telephone company to confirm your preferred long distance carrier.
- Be sure others in your home understand who is authorized to change service.
- Read your phone bill carefully each month and report unfamiliar charges to your local telephone company.
- Complete a form available from your local phone company that will prevent a change in service without a written request.

If you've been slammed:

- Call the PUC's customer hotline at 1-888-PUC-TIPS to report it.
- Tell your local phone company you did not request a change in your long distance service. Ask the company to reconnect you to your preferred long distance carrier and remove unauthorized charges from your bill.
- Call your preferred long distance carrier and ask to be reconnected.

Slamming Complaints
PUC Office of Customer Protection
Fiscal Year 1998



Public Utility Connection
Office of Customer Protection
Public Utility Commission of Texas
P.O. Box 13326
Austin, TX 78711-3326

Editor: Drew Douglas

Contributors: Katy Bohuslav,
Leslie Kjellstrand, Patti Pulis,
Gayle Smith, Saralee Tiede
Publication design: Henry Garza

For a free subscription to this newsletter, please contact the Public Utility Commission of Texas. This newsletter may be reproduced, and any articles within may be reproduced and reprinted without permission.

PHONE: 512-936-7140

FAX: 512-936-7003

TTY: 512-936-7136

QUESTIONS OR COMPLAINTS

1-888-782-8477

customer@puc.state.tx.us

WEB SITE:

http://www.puc.state.tx.us

Who are we?

The Public Utility Commission of Texas (PUC) is the state agency that regulates telecommunications and investor-owned electric utilities. PUC duties are carried out by three commissioners, Chairman Pat Wood, III, Commissioner Judy Walsh, and Commissioner Patricia Curran, appointed by the Governor to six-year terms. The mission of the PUC is to assure the availability of safe, reliable, high quality services that meet the needs of all Texans at just and reasonable rates. The PUC strives to regulate these dynamic industries in a way that facilitates competition, operation of the open market, and consumer choice.

PUC priorities are to protect customers, foster competition, and promote high-quality utility infrastructure. The PUC values commitment, competence, teamwork, and respect for the individual.

The telecommunications and electric industries are essential to the citizens of

Do you have a utility complaint?

To reach us with a complaint or a question:

Call: 1-888-782-8477 or in Austin
512-936-7120

Fax: 512-936-7003

E-mail: customer@puc.state.tx.us

Write: PUC - Customer Protection
P.O. Box 13326
Austin, TX 78711-3326

Include:

- Your name, address, and telephone number
- Utility's name, address, and telephone number
- Account number, if any
- Explanation of the facts and the solution you want
- Your bill or any other documentation.

Texas and a significant part of the state's economy. For more than 20 years, the PUC has worked to ensure that all Texans are provided with reliable electric and telephone service at reasonable rates.



Beware of cramming

Don't pay unauthorized phone charges

In one month, Kris Kalk, a telephone customer from Bay City, found more than \$300 in mystery charges on his phone bill. He'd never asked for these services, never authorized them, and never used them. He was not familiar with the companies. He was "crammed" -- an unscrupulous practice where unauthorized charges are added to your phone bill.

Kalk's complaint was one of more than 1,600 that the PUC has received about cramming since September 1997. It's an abuse that the PUC is trying to end by working with the industry, and, if necessary, lawmakers.

Cramming is the second most common complaint the PUC receives from customers. Slamming is the most common.

How to avoid being crammed:

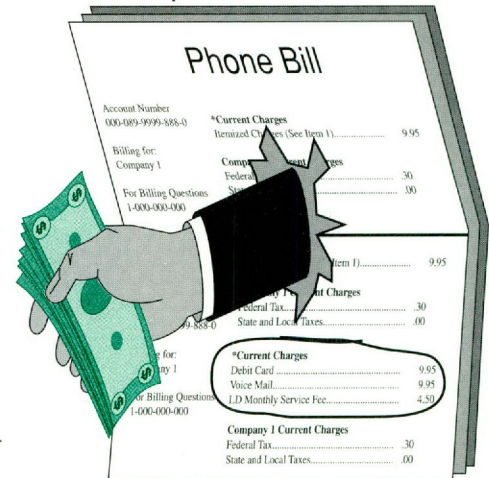
- Read your phone bill carefully. Call the company that is billing you and question any unusual charges.
- Never sign anything without reading it thoroughly.
- When you are called by a telemarketer, get the name of the solicitor and the purpose

of the call before providing your name or any other information.

- Be cautious about leaving your name and phone number on automated message systems because this information may be used without your consent to bill you later.

If you ARE crammed:

- DO NOT PAY the unauthorized charges, but pay the rest of your phone bill on time. You have 60 days to dispute the charges before your service can be disconnected.
- Tell your local phone company that you are disputing the unauthorized charges.
- Advise the company that is charging you for unauthorized services that you did not order and will not pay for these services. Tell them to remove the charges from your bill and not to bill you in the future.
- File a complaint with the PUC. Be sure to include a copy of your bill.



Phone scams victimize border area Texans

Some unscrupulous telecommunications companies target Hispanics and border area residents with schemes and scams. Since September 1997, complaints to the PUC from Spanish-speaking customers have increased 595 percent, from 22 in September to 153 in January.

The PUC has begun an aggressive education and enforcement effort to stop these abuses. In February, PUC Chairman Pat Wood, III, met with customers and community leaders in the Rio Grande Valley to inform them of their rights and educate them about potential scams. As a result, specific problems of border area telephone customers are being publicized throughout the state.

Some concerns were raised by residents of the Valley:

- Many colonias (unincorporated areas) lack

safety lighting, a crime deterrent.

- There are about 1.5 million Texans who don't have telephone service. Many cite long distance costs and reconnection charges as the primary reasons. The PUC now requires most local companies to offer Prepaid Local Telephone Service (PLTS), which allows customers at risk of being disconnected pay for local service in advance so they can stay connected to employers, doctors and emergency services.

- Texas customers who accept collect calls from Mexico may be charged outrageous fees for these calls. Customers **do not** have to accept collect calls. They should ask what the charge is or advise friends and family members to shop around for a pay phone where they can use a long distance company with a good rate.

On the
road ...



April 29 - Commissioner Judy Walsh will visit Laredo to meet with local officials who have taken a hard line against telecommunications abuses. She plans to also visit with border area consumers to tell them of PUC customer protection efforts and advise them on ways to save money on their utility service.



New area codes needed

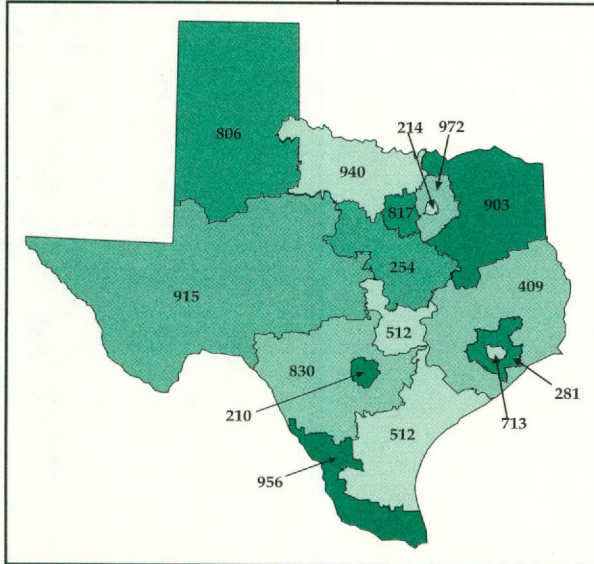
Where have all the numbers gone?

In 1995, Texas had nine area codes. There are now 15 and likely to be more before the end of the year. Nationally, the number of area codes has increased from 118 to 195.

California's area codes will double from 13 to 26 by the year 2000. And Chicago, which had one area code in 1989, now has five.

Local telephone companies like Southwestern Bell or GTE assign blocks of phone numbers to companies that sell competing phone service, cellular telephones, alarm systems and other services. When the pool of remaining available numbers drops too low, a new area code is needed.

An overlay places a new area code on top of the existing area code(s). New phone numbers are assigned the new area code, so current customers don't have to change their phone number. Customers are required to dial 10 digits -- the area code plus the 7-digit phone number -- to make a phone call.



Last fall, the PUC asked industry and consumer groups to work with PUC staff to develop sensible solutions to the number

Long Distance Rate Comparison

March 1998

Per minute usage - Calls within and outside of Texas

AT&T ¹		Day	Evening	Night/Weekend	Monthly charge	10 minute evening call
Interstate	AT&T One Rate Plus	\$.10	\$.10	\$.10	\$4.95/month	\$1.00
In Texas	AT&T One Rate Plus	\$.10	\$.10	\$.10	\$4.95/month	\$1.00
LCI ²		M-F	M-F	SAT & SUN	Monthly charge	10 minute evening call
Interstate	LCI Difference	\$.15	\$.09	\$.09	\$3/month	\$.90
In Texas	LCI Flat Rate	\$.15	\$.15	\$.15	\$0	\$1.50
MCI ³		M-F 7am-7pm	M-F 5pm-8am	SAT/SUN	Monthly charge	10 minute evening call
Interstate	MCI One Advance	\$.12	\$.12	\$.12/\$.05	\$0	\$1.20
In Texas	MCI Flat Rate	\$.15	\$.10	\$.15	\$0	\$1.50
Sprint		Day	Evening	Night/Weekend	Monthly charge	10 minute evening call
Interstate	Sprint Sense Anytime	\$.10	\$.10	\$.10	\$4.95/month	\$1.50
In Texas	Sprint Sense Anytime	\$.10	\$.10	\$.10	\$4.95/month	\$1.50
WorldCom		M-F 8am-5pm	M-F 5pm-8am	Night/Weekend	Monthly charge	10 minute evening call
Interstate	Home Advantage	\$.25	\$.10	\$.10	\$0	\$1.00
In Texas	Home Advant. Easy	\$.139	\$.139	\$.139	\$0	\$1.50

¹ AT&T One Rate Plus - Customer will only be charged one \$4.95/month fee.

² LCI Difference includes 8 major holidays at \$0.01/minute for first 30 minutes. \$0.09/minute after.

³ MCI One Advance - Must spend at least \$15/month for \$.12 cents/minute. Less than \$15/month-\$.15/minute.



How much is your electric bill?

These are residential rates for 1000 kilowatt-hours of service in March 1998.

Utility	Rate \$	Utility	Rate \$
Central Power & Light (Corpus Christi)*	39.07	West Texas Utilities (Abilene)	72.13
Southwestern Electric Power (Longview)	55.62	Entergy Gulf States (Beaumont)	73.22
Upshur-Rural Co-Op (Gilmer)	56.84	Mid-South Co-Op (Huntsville)	74.39
City Public Service (San Antonio)	58.23	Texas Utilities Electric (Dallas)	74.67
Bluebonnet Co-Op (Giddings)	62.32	Erath County Co-Op (Stephenville)	75.88
Southwestern Public Service (Amarillo)	63.04	Denton County Co-Op (Denton)	78.64
Tri-County Co-Op (Azle)	63.72	Houston Lighting & Power (Houston)	79.10
Victoria Co-Op (Victoria)	67.03	Pedernales Co-Op (Johnson City)	79.72
City of Austin	68.40	Southwestern Electric Service (Jacksonville)	87.22
Kerrville PUB	69.10	Texas-New Mexico Power (Lewisville)	87.24
Guadalupe Valley Co-Op (Gonzales)	70.07	El Paso Electric	101.96
South Plains Co-Op (Lubbock)	71.70		
Texas Average			70.84

*CP&L rate includes a one time base refund and a fuel surcharge applied to the March 1998 billing cycle only.
CP&L February 1998 rate was \$75.11.

The meter is running...

What is a
kilowatt-hour (kwh)?

A kilowatt-hour (kwh) is the standard measurement of electricity. One kwh is the amount of electricity used in burning a 100-watt light bulb for 10 hours. One kwh can also do such jobs as:

- Run a 75-watt lamp for 14 hours
- Refrigerate food for 17 hours
- Run electric iron for two hours
- Run a television for seven hours
- Wash four loads of clothes

Know the facts about your electric meter

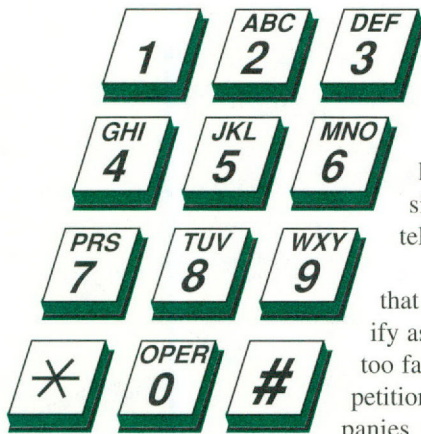
On a wall of your home, usually outside, is a meter, a precision set of dials and gears enclosed in glass. Your meter is a sensitive, accurate and highly sophisticated instrument. Your electric company owns your meter. It is illegal for anyone other than an electric company employee or authorized representative to install, repair or adjust your meter.

Once a month, unless you have arranged with your electric company to do it yourself, a meter reader comes to your home to read the meter. Based on that reading, you are billed for the exact amount of electricity you used during the month. Occasionally your meter won't be read by a meter reader, but will be estimated instead based on your past usage. Actual readings later will correct any inaccuracy from the estimate for future bills.

Inside the meter is a disk that revolves as your home uses electricity. The more your home uses, the faster the disk revolves.



More Texans may choose provider for local toll calls



More than 1.5 million telephone customers in Texas can now shop for a local toll service provider the same way they pick a long distance company. And it will be a choice many other telephone customers in Texas will have soon, because of a provision in the 1996 federal telecommunications law.

Local toll calls are those that don't travel far enough to qualify as a long distance call but travel too far to be a local call. With competition in this market, different companies charge different prices, and cost-conscious customers will select the company that offers them the best deal. Charges for local toll calls are itemized

monthly on your local phone bill.

Three companies which serve about 20 percent of Texas customers -- GTE Southwest, Sprint-United, and Sprint-Centel -- began implementing equal access to local toll providers in August 1997. That means that when you make a local toll call you can dial 1+ the number and get the provider you selected, just as when you make a long distance call.

Southwestern Bell, the largest local carrier that serves approximately 78 percent of the state, will begin providing equal access to long distance carriers when Bell itself enters the long distance market.

If you are a Southwestern Bell customer you can use your long distance provider for local toll calls by dialing that provider's access code.

A guide to charges on your telephone bill

Perhaps you've noticed new charges on your telephone bill. Changes in telecommunications mean different ways of paying for some basic services. This is an explanation of some recent changes mandated by the Federal Communications Commission (FCC).

Universal Service Charge

- Finances the federal Universal Service Fund which helps provide affordable telecommunications services to schools, libraries, rural health care providers, low-income customers and high-cost customers in rural and urban areas.
- You may receive separate charges from your local and long distance service providers.
- The FCC requires all interstate telecommunications carriers to contribute 4.9 percent of interstate and international calls billed.
- Companies may have different names for this -- AT&T calls it "Universal Connectivity Charge."

Presubscribed Interexchange Carrier Charge (PICC)

- A flat-rate, per-line charge designed to pay for connecting your long distance provider to the local telephone network. This is a way that local telephone companies recover the cost of installing the lines from each end user to the telephone network.

- Long distance companies must pay based on the number of lines they serve. Companies may or may not pass through the charge to customers, but if they do, the charge may not exceed 53 cents for a single residential line. Charges for additional residential lines may not exceed \$1.50 per line. The maximum charge for a business single line is 53 cents with a maximum of \$2.75 per line for a business with multi-line service.
- Companies have different names for this -- AT&T calls it a "Carrier Line Charge."

Subscriber Line Charge (SLC)

- This federal charge also is designed to allow local telephone companies to recover the cost of connecting individual phone lines to the interstate long distance network.
- It recently increased from \$3.50 to \$5 per line for multi-line residential customers and from \$6 to \$9 for multi-line business customers. There was no increase in the existing \$3.50 charge for residential and business customers with only one telephone line.
- The Presubscribed Interexchange Carrier Charge (PICC) recovers additional costs for this purpose.
- Southwestern Bell calls this "FCC Approved Customer Line Charge."



Electric deregulation

What will having a choice of providers mean to you?

Texans may someday be able to choose who provides their electricity. Some states including California, Massachusetts, and Pennsylvania are beginning the move toward retail choice. The Texas Legislature deregulated wholesale power in 1995, and it will likely consider in 1999 whether to deregulate retail power.

For many years, electricity has been provided by monopoly utilities. Customers had only one source of electric power. States created utility commissions to regulate utilities and establish fair and reasonable rates. With customer choice, rates for electric generation will be competitive, and many feel that this new system would provide better and lower rates for electric power.

For many customers who change their electricity providers, the transition to another company might not mean a noticeable change in their electric service. They would buy generated power from a different company, but the power would be distributed by their current company. Consumers would rely on their local utility for line repair and maintenance, new service connections, line extensions, outage reporting, and other services.

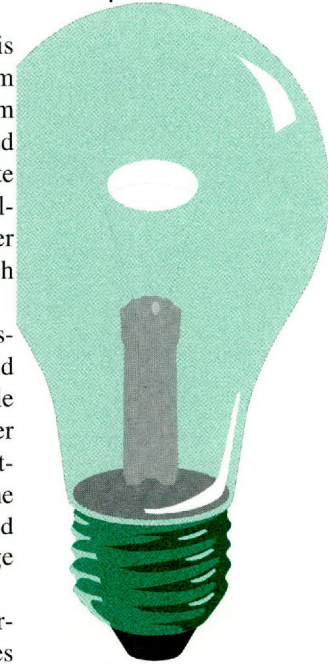
In a competitive market, customers should become more familiar with the differences

between the generation, transmission, and distribution of electricity. Generation is the production of electric power from various types of fuel.

In Texas, about 42 percent of power is produced from coal, about 38 percent from natural gas, and about 12 percent from nuclear power. About 7 percent is produced by co-generators, companies which generate power as a byproduct of their industry, selling some to utilities. A tiny amount of power is generated with renewable resources such as water, wind, or the sun.

In a competitive environment, the transmission and distribution of power would likely remain regulated to ensure reliable electricity and good customer service. Power is transmitted to substations over high-voltage lines. At the local distribution level, the power is sent to homes, businesses and industries through a system of lower-voltage lines called distribution wires.

Monthly electric bills would look different, with costs listed for different services like generation, transmission and distribution. The Texas PUC has already started this process in a rulemaking to identify electric utilities' costs by function. This will enable customers to better understand the cost of their electric service.



Electrical safety - Don't gamble with your life

Electricity provides comfort and convenience but it also demands respect. Follow these safety suggestions:

At home:

- Never turn on an appliance when you're on a wet floor or in the bathtub or shower.
- If something seems wrong with an appliance, if you feel even the slightest shock when using it, disconnect it. Have it repaired or discard it.
- Always disconnect small appliances and tools before cleaning them.
- Don't pull the cord to disconnect an appliance. Grasp the plug and pull it from the outlet.



- Don't run extension cords under rugs or flooring. Be sure that the size of your extension cord is adequate for the tool or appliance.

Outside:

- Never touch or approach downed power lines. Always assume that downed wires are energized. Call your local office immediately to report downed wires or call toll-free after hours.
- Keep ladders and other conductive objects away from electric lines. If you don't know whether an object will conduct electricity, assume that it will.
- Don't use electric tools near water or in the rain.
- Keep antennas away from power lines.
- Don't fly kites near electric wires. If kite strings gets caught in power lines, leave them alone; don't try to remove the strings from the lines. Instead, contact your electric company immediately for assistance.



Utility Complaint Numbers

City-Owned Utilities

Your City Council
Representative

Long Distance Telephone and Cellular Telephone

Federal Communications
Commission, 1-888-225-5322

General Consumer Problems

Texas Office of the Attorney
General, 1-800-621-0508

Natural Gas

Railroad Commission of Texas,
512-463-7164

Water

Texas Natural Resource
Conservation Commission,
512-239-1000

Relay Texas hits stride

Telephone interpreting service shows rapid growth

Relay Texas provides telephone interpreting service between people who can hear and those who are deaf, hard-of-hearing, deaf-blind, or speech-impaired. Relay Texas has grown in spectacular fashion since it was created in 1990---from 50,000 calls a month to 375,000 calls a month. It now has the second largest monthly call volume in the nation.

This telecommunications relay service was created in 1989 by the Texas Legislature, which authorized the PUC to implement and

oversee a statewide relay system. The PUC currently contracts with Sprint to provide the service.

The service is available 24 hours a day, 365 days a year to anyone. There is no need to sign up or order the service. The relay numbers are:

TTY/VCO Users: 1-800-735-2989

Hearing Users: 1-800-735-2988

ASCII Users: 1-800-735-2991

Relay Texas is paid for by Texas telephone customers, who pay a surcharge on their bills once a year into the Texas Universal Service Fund. Relay Texas recently received a recognition award from the Smithsonian Computerworld Institution for pioneering work in Video Relay Interpreting.



BULK RATE
U.S. POSTAGE
PAID
AUSTIN, TEXAS
PERMIT NO. 1

Public Utility Commission of Texas
P.O. Box 13326
Austin, TX 78711-3326