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Division of Public Utilities

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*Director, Division of Public Utilities*

**MEMORANDUM**

**DATE:** July 28, 2010

**TO:** Public Service Commission

**FROM:** Division of Public Utilities  
Phil Powlick, Director  
Rea Petersen, Manager Customer Service  
Connie Hendricks, Office Specialist

**RE:** Basad Inc. vs. Qwest Communications  
Docket No. 10-049-23

**Recommendation: Hearing**

**Basad Inc. Informal Complaint**

Carol Freeman from Basad Inc. filed an informal complaint with The Division of Public Utilities (Division) on May 6, 2010. She stated that Basad Inc. is a company based in Colorado that has market expansion lines in Utah. These lines are virtual lines. The calls that come in on these lines are forwarded to Basad's call center in Colorado.

Ms. Freeman said that Basad has received increased charges on lines with Utah area codes and were not notified of the rate increase. Ms. Freeman understood that it was Qwest's policy to notify customers of rate change, however she claims Qwest did not follow its stated policy with her company. Qwest did not notify Basad of the rate changes in Utah. Ms. Freeman claims she reviewed her bills several times for all 7 Utah accounts for the entire year of 2009, and there were no notices of rate increases. Ms. Freeman claims notices have been received in the past of changes in rates for other states from Qwest and she is aware of what to look for.

When Qwest customer service was contacted in October 2009 in regard to this, the customer service representative (Josh) investigated the complaint and found that Qwest had not notified Basad of the rate increases. Basad only has Market Expansion Lines in Utah and Ms.

Freeman suggested that was the reason they were not sent any notifications. Ms. Freeman claims they did not receive notification of a rate change, either with their bills or in a separate mailing. Ms. Freeman does not understand how Qwest can assume that because they are supposed to send notification that notifications were sent to Basad. Due to not receiving notice of the rate increase, Ms. Freeman is requesting a reimbursement on her bill.

### **Qwest Communication's Response**

Julie Layne from Qwest responded to this complaint by email and stated; "It is a Qwest policy to notify our customers of rate increases."

In further correspondence by email between Julie Layne and Carol Freeman, Julie again stated; "It is our policy to notify customers of rate changes. I am sorry you did not see them. It is my understanding the notification was sent along with your bill. I have reviewed your complaint and will not be making any adjustments at this time."

### **Division Analysis and Recommendation**

The Division reviewed the information provided by both companies.

Ms. Freeman provided information that a Qwest customer service representative had investigated her complaint previous to her filing the informal complaint with the Division, and had found Qwest had not notified Basad of the rate increases.

The Division did not find a PSC rule or statute that requires Qwest to provide notices of rate increases however Qwest provided information that it is their policy to do so.

The Division does not have proof that Qwest sent the notification of the price increase to Basad, or proof that Basad did not receive the notice.

The Division is recommending that the Commission schedule a hearing to determine if the customer is justified in requesting a reimbursement on the bill for the initial amounts after the rate increase because she claims that a notice advising of the rate increase was not received.