

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Investigation of Customer)
Complaints and Compliance with FCC Rules,)
Commission Administrative Rules and State)
Statutes by Sprint Communications Company)
LC)

DOCKET NO. 04-094-01

REPORT AND ORDER

ISSUED: October 6, 2004

By the Commission:

PROCEDURAL HISTORY

On July 20, 2004, the Division of Public Utilities (Division) filed a Petition, pursuant to *Utah Code Annotated* §54-4a-1, for an Order to Show Cause why Sprint Communications Company LC (Sprint) should not be fined for failing to timely respond, as required by Commission rule, to informal customer complaints filed with the Division and for failing to comply with Utah statute prohibiting the unauthorized switching of a customer's long distance provider by Telephone Corporations. On August 11, 2004, the Attorney General's office, representing the Division, notified the Commission by letter that the Division and Sprint were diligently pursuing settlement discussions and had agreed to extend Sprint's time to respond to the Petition to August 31, 2004.

On August 31, 2004, a Settlement Agreement and Motion for Adoption of Settlement Agreement and Dismissal with Prejudice, signed by counsel for Sprint and the Division, was filed with the Commission. The Settlement Agreement states, in part, that:

1. The Division has confirmed that Sprint has resolved the underlying customer complaints listed in the Petition to the satisfaction of the customers involved.
2. The Division and Sprint have agreed to procedures to resolve future complaints more expeditiously, and to improve communication between the parties.

3. Sprint agrees to pay the State of Utah a settlement payment of \$20,000 within 30 days of a final order in this docket.

4. The Division recommends that its Petition be dismissed with prejudice.

On September 9, 2004, counsel for Sprint submitted a memorandum clarifying the parties' understanding and agreement that the term "bi-weekly" as used in the Settlement Agreement imposes upon Sprint an obligation to submit to the Division every two weeks those reports required by the Settlement Agreement.

DISCUSSION

Settlement of matters before the Commission is encouraged. *Utah Code Ann.* § 54-7-1. See also *Utah Dept. of Admin. Services v. Public Service Commission*, 658 P.2d 601, 613-14 (Utah 1983). The Commission may approve a stipulation or settlement after considering the interests of the public and other affected persons if it finds the stipulation or settlement is in the public interest. *Id.*

This matter involves alleged unauthorized change of customers' long distance service provider (a practice commonly referred to as "slamming") in violation of *Utah Code Ann.* § 54-8b-18 (2), as well as Sprint's alleged untimely response to these complaints, as required by Commission rule. The Settlement Agreement states that all of the underlying customer complaints have been resolved. In addition, the parties have agreed to improved procedures to more expeditiously resolve any future complaints. Sprint has also agreed to pay the State of Utah \$20,000, an amount we find reasonable under the circumstances of this settlement. The terms of the Settlement Agreement should improve the handling of any future customer complaints involving Sprint. The Settlement Agreement is in the public interest and should be approved.

Based upon the foregoing, and for good cause appearing, the Administrative Law Judge enters the following recommended order:

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. The Settlement Agreement is accepted and approved, and is adopted as part of this Order.
2. Sprint shall pay to the State of Utah \$20,000 within 30 days of the date of this Order.
3. The Petition in this matter is dismissed with prejudice.
4. Any person aggrieved by this Order may petition the Commission for review/rehearing pursuant to the *Utah Administrative Procedures Act, Utah Code Ann. §63-46b-1 et seq.* Failure so to do will preclude judicial review of the grounds not identified for review. *Utah Code Ann. §54-7-15.*

DATED at Salt Lake City, Utah, this 6th day of October, 2004.

/s/ Steven F. Goodwill
Administrative Law Judge

Approved and Confirmed this 6th day of October, 2004, as the Report and Order of the Public Service Commission of Utah.

/s/ Ric Campbell, Chairman

/s/ Constance B. White, Commissioner

/s/ Ted Boyer, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary

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