

1999 HOUSE INDUSTRY, BUSINESS AND LABOR  
HB 1308

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1308

House Industry, Business and Labor Committee

Conference Committee

Hearing Date 1-18-99

Tape Number	Side A	Side B	Meter #
1		x	1838 - end
2	x		0 - 1205
3	x		3086 - 4722
Committee Clerk Signature <i>Lisa Horner</i>			

Minutes: Rep. Ben Tollefson introduced HB 1308 relating to public service commission jurisdiction over telecommunications service.

Susan E. Wefald: Public Service Commissioner, supports bill 1308. See written testimony.

Chairman Berg: What this bill will do is bring the nonprofit companies under your jurisdiction?

S. Wefald: Also companies who are for profit which have 8000 and less subscribers. Currently we have no jurisdiction of quality of service over any telephone coop. no matter what the size. Only if it is a private coop when they have more than 8000 customers.

Chairman Berg: What has changed since 1995 to motivate us to place these cooperatives under PSC jurisdiction.

S. Wefald: We are seeing more telecommunication concerns expressed to the commission regarding quality of service no matter from what company. Re. page 3 of testimony.

**Opposition to Bill 1308**

Jerome Tishmack: BEK Communications, opposes bill 1308. See written testimony

Rep. Glassheim: If you have customers that are not satisfied, why not pass this bill?

Mr. Tishmack: We have a board of directors that are there to help solve any problems that come up before there is a need to call the PSC.

Rep. Klein: Are there a lot of people that are frustrated and do not get results through you? Are these calls to the PSC a reaction to no response from you?

Mr. Tishmack: Most of the calls that we get are from customers that want services that we don't have the facilities for. We are trying to up date as soon as possible.

Rep. Severson: Do you have a mechanism in place where the customer can call you first?

Mr. Tishmack: The commission has asked us to place our number on the bills so that the customer can call us. The customer chooses not to.

**End tape 1, start tape 2.**

Rep. Klein: What additional problems would you have if this bill passes?

Mr. Tishmack: All of the "red tape" of having to report to the commission.

Rep. Glassheim: You are still subject to many subsections in chapter 49. What is your experience in those areas with the PSC?

Mr. Tishmack: Relations are very amicable. Where they work with us is interconnection agreements, contracts with AT&T or US WEST, things like that.

David Crothers: ND ATC: Opposes bill 3108. See written testimony.

Chairman Berg: Closes the hearing. No action taken.

Page 3

House Industry, Business and Labor Committee

Bill/Resolution Number HB 1308

Hearing Date 1-18-99

**Tape 3 side A. Meter No. 3086**

Committee had further discussion on the bill. No action was taken.



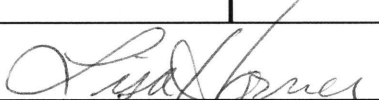
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1308

House Industry, Business and Labor Committee

Conference Committee

Hearing Date 1-26-99

Tape Number	Side A	Side B	Meter #
3	x		11.6
Committee Clerk Signature 			

Minutes:

**HB 1308**

Chairman Berg opened the meeting on the bill

Representative Kempenich moved for do not pass, Second by Representative Glassheim

By roll vote, 10 yes, 4 no, 1 absent, motion carried

Representative Stefonowicz will carry the bill

Chairman Berg closed the hearing on the bill.

FISCAL NOTE

(Return original and 13 copies)

Bill/Resolution No.: HB 1308

Amendment to:

Requested by Legislative Council

Date of Request: 1-13-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative: *This bill brings rural telephone cooperatives and small (less than 8000 lines) telecommunications companies within the Public Service Commission's jurisdiction over the quality of service provided by these companies. The Public Service Commission does not foresee any impact on the general fund.*

2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	N/A	N/A	N/A	N/A	N/A	N/A
Expenditures:	N/A	N/A	N/A	N/A	N/A	N/A

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

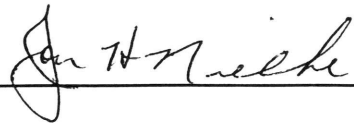
- a. For rest of 1997-99 biennium: N/A
- b. For the 1999-2001 biennium: N/A
- c. For the 2001-03 biennium: N/A

4. County, City, and School District fiscal effect in dollar amounts: *No Effect*

Counties	1997-99 Biennium		Counties	1999-2001 Biennium		Counties	2001-03 Biennium	
	Cities	School Districts		Cities	School Districts		Cities	School Districts

If additional space is needed, attach a supplemental sheet.

Date Prepared: *January 14, 1999*

Signed: 

Typed Name: Jon H. Mielke, Executive Secretary

Department: Public Service Commission

Phone Number: 328-2400

Date: 1- -99  
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1308

House Industry, Business and Labor Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken do not pass

Motion Made By Kempenich Seconded By Glassheim

Representatives	Yes	No	Representatives	Yes	No
Chair - Berg	/		Rep. Thorpe		
Vice Chair - Kempenich	/				
Rep. Brekke	/				
Rep. Eckstrom		/			
Rep. Froseth	/				
Rep. Glassheim	/				
Rep. Johnson	/				
Rep. Keiser	/				
Rep. Klein		/			
Rep. Koppang	/				
Rep. Lemieux		/			
Rep. Martinson	/				
Rep. Severson		/			
Rep. Stefonowicz	/				

Total (Yes) 10 No 4

Absent 1

Floor Assignment Stefonowicz

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)  
January 27, 1999 8:40 a.m.

Module No: HR-17-1252  
Carrier: Stefonowicz  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

HB 1308: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends **DO NOT PASS** (10 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1308 was placed on the Eleventh order on the calendar.

**1999 TESTIMONY**

**HB 1308**

## HB 1308

**Presented By:** Susan E. Wefald  
Public Service Commission

**Before:** House Industry, Business, and Labor Committee  
Rick Berg, Chairman

**Date:** January 18, 1999

### TESTIMONY

Chairman Berg and members of the House Industry, Business, and Labor Committee,

Currently the Commission's quality of service authority provides protections to 75% of the local service telecommunications customers in the state.

This bill makes **section 49-21-10.2 Quality of service – procedure and remedies** applicable to non-profit, cooperative, or mutual telephone telecommunications companies, and makes this section of law applicable to those telecommunications companies having fewer than 8000 local exchange subscribers.

**49-21-10.2 Quality of service - Procedure and remedies.** Any customer, and the Commission on its own motion, may complain concerning the quality of service provided by a telecommunications company providing telecommunications services in the state. Any person, and the Commission on its own motion, may complain concerning any violation of law or rule or order of the Commission. The Commission, pursuant to chapter 28-32, will provide notice of the complaint and the time and place of hearing. Whenever the Commission finds, after notice and hearing in accordance with chapter 28-32, that the services of a telecommunications company are inadequate, or the company is in violation of the law, rule, or order, the Commission may, in addition to the penalties prescribed in chapter 49-07, direct the telecommunications company to take whatever remedial actions are reasonable and necessary to provide adequate service or to bring the company into compliance with the applicable law, rule, or order.

Since quality of service is an important and difficult challenge for the state as the telecommunications industry evolves towards competition, **we believe the Legislature should make it clear that it wishes the Commission to have quality of service oversight for all companies providing service, especially local service, whether that local service is provided through land-line or wireless technology.**

**Consumers should be protected under specific law regarding quality of service. That is the intent of HB 1308.**

We believe the bill as drafted does nothing more than we intend and if it does something more than that or less, we ask the Committee's help to make this happen.

### **History**

Until 1993 the Commission unquestionably had quality of service authority over all telecommunications companies providing service in North Dakota.

It is interesting to note that the Commission deregulated resellers of long distance from quality of service in 1976, long before we would experience some of the problems associated with the introduction of competition into the long distance market. However, the Commission has the ability to reregulate these carriers if necessary, and therefore we are able to satisfactorily resolve service problems which are brought to our attention.

In 1993, the legislature changed Section 49-02-01.1 to exempt nonprofit, cooperative or mutual telecommunications companies and telecommunications companies having fewer than 3000 local exchange subscribers from quality of service provisions in state law.

In 1995, the legislature changed Section 49-02-01.1 to exempt nonprofit, cooperative or mutual telecommunications companies and telecommunications companies having fewer than 8000 local exchange subscribers from quality of service provisions in state law.

**Is this a bureaucratic power grab by the Commission that will lead to many administrative rules and red tape?**

No.

Our Commission does not operate in that way. We have very few rules on telecommunications services. In fact, last year we discussed a rulemaking on telecommunications issues very carefully, and quite frankly, most of our ideas

are now before you in bills this session. Since these are contentious issues, we decided to look to the legislature for policy guidance on these matters.

The Commission will continue to monitor quality of service concerns. .

**Why are we bringing this matter to your attention?**

One might think that since local telephone service is, for the most part, provided by telephone companies that have provided local service for many years, that the Commission would rarely receive a complaint. However, in the past year the commission has received 111 complaint calls related to quality of telephone service. This represents 16 percent of the total complaint calls received in 1998.

This number of calls is second only to telephone complaints concerning billing and is more than the number of complaints concerning slamming. This number does not include telephone complaints concerning disconnection, extended area service, safety concerns, or policy and procedure (some of which perhaps could be included within quality of service).

This number includes a only a few quality of service complaints we receive from customers of telephone cooperatives or companies with fewer than 8000 customers since the commission believes it has no regulatory authority in those instances. Many customers chose to pursue resolution on their own when told we had no regulatory authority and didn't provide enough data to provide a complaint record.

The Commission has rules regarding telephone disconnect, which do apply to all companies in North Dakota.(see attached) However, the Commission currently has no rules regarding the technical quality of telephone service and other aspects of telephone service such as length of time to obtain service, length of time before reaching a real person when calling in with a telephone service problem (such as a repair), or length of time before a problem is repaired. Forty five other states and the District of Columbia have some form of Commission imposed or monitored service standards in place.

Each year the Commission monitors customer complaints that come to the Commission. People have to be pretty frustrated before they call the Commission for help.



**What is the informal dispute resolution method that is used by the Commission?**

The customary process for handling informal complaints about telephone service is first to ask whether the customer has contacted the company in an effort to resolve the complaint. If so, the customer's name, address, phone number and description of the problem is recorded and the caller is provided with the 800 telephone number of a representative of the company who has been specifically assigned to handle customer problems when the customer has already made an initial contact with the company.

After that, or if the company has no specific customer complaint representative, the Commission staff or a Commissioner contacts the company by phone or by fax setting forth the issue and requesting resolution. Further correspondence and telephone calls to all parties may be required in some cases.

If the complaint call is from the customer of a telephone cooperative or telephone company with less than 8000 subscribers, the caller is first informed of the extent of the Commission's authority (or lack thereof), is informed of persons to whom the complaint may be directed (the cooperative's Board of Directors and manager or the owner of the small company). The Commission will often offer to assist the customer by contacting the company on their behalf.

If an informal complaint could not be resolved, the customer or the Commission on its own motion may file a formal complaint. The formal complaint may be resolved through negotiation by parties, or may be resolved after informal hearing and Commission order or after formal hearing and Commission order.

**What difference will it make to customers and the companies affected by this bill if the Commission has statutory authority regarding quality of service.**

Any type of dispute resolution can be accomplished more effectively, if the party doing the dispute resolution has authority to actually do something to achieve results. In 99% of the cases, you do not need to use this authority, because just by having it, parties tend to be more cooperative.

**A sampling of real "quality of service" problems in 1998**

Please see attached sample problems.

**Small Companies and Coops may tell you that their administration takes care of all customer problems in a reasonable way.**

The Commission understands that the companies take care of most service issues on their own. That is why the Commission always refers customers first to the company for dispute resolution. However, there is always going to be a customer that cannot be satisfied, and he should have a place to go for assistance.

**Quality of Service Authority helps both the customers and the companies.**

Sometimes, a customer and a company may not communicate well. This may lead to customer frustration and anger. The Commission tries to help in these situations. We try to bring about better communication between all parties. In the long run, what is good for customers, is good for business.

**CHAPTER 69-09-05  
STANDARDS OF SERVICE - TELEPHONE**

<b>Section</b>	
<b>69-09-05-01</b>	<b>Lowest Priced Service Alternatives</b>
<b>69-09-05-02</b>	<b>Discontinuance of Telecommunications Services</b>
<b>69-09-05-02.1</b>	<b>Determination of Delinquency</b>
<b>69-09-05-03</b>	<b>Deposits and Guarantees</b>
<b>69-09-05-04</b>	<b>Rules for Resale of Telecommunications Services</b>
<b>69-09-05-04.1</b>	<b>Equal Access Ballot Placement</b>
<b>69-09-05-04.2</b>	<b>Unauthorized Service Changes</b>
<b>69-09-05-05</b>	<b>Rules for the Provision of Operator Services</b>
<b>69-09-05-06</b>	<b>Rules for Pay Telephones</b>
<b>69-09-05-07</b>	<b>Customer Trouble Reports</b>
<b>69-09-05-08</b>	<b>Adoption of Regulations</b>

**69-09-05-01. Lowest priced service alternatives.** Upon request of a residential customer or prospective customer for service, the utility shall ask if such customer wishes to be informed of the lowest priced service alternatives available from the utility, and upon an affirmative response shall inform such customer of the lowest priced service alternatives available from the utility at the customer's location, giving full consideration to grades of service, equipment options, and installation charges incident thereto.

**General Authority:** NDCC 49-02-11  
**Law Implemented:** NDCC 49-02-11, 49-21-01.4

**69-09-05-02. Discontinuance of telecommunications services.**  
A utility may not discontinue telecommunications services, except as provided in this section.

1. A utility may discontinue the essential services it provides:
  - a. If the customer is delinquent in payment for essential services, then essential services may be discontinued even though discontinuing the services results in the discontinuance of all telecommunication services.
  - b. If the customer is delinquent in payment for long-distance services rendered by a local exchange company or another company and billed by the local exchange company, then the local exchange company may deny the customer all forms of access to the network of the telecommunications

company to which the customer is delinquent in payment. However, if, due to technical limitations, a local exchange company must also deny the customer all forms of access to the long-distance networks of all telecommunications companies, including its own, in order to deny the customer access to the network of the company to which the customer is delinquent, the local exchange company may do so.

2. A utility may discontinue nonessential services:
  - a. If the customer is delinquent in payment for nonessential services.
  - b. If the customer is delinquent in payment for long-distance telecommunications services rendered by another company and billed by the local exchange company, then the local exchange company may deny the customer all forms of access to the network of the telecommunications company to which the customer is delinquent in payment. However, if, due to technical limitations, a local exchange company must also deny the customer all forms of access to the long-distance networks of all telecommunications companies, including its own, in order to deny the customer access to the network of the company to which the customer is delinquent, the local exchange company may do so.
3. A utility may discontinue service to a customer for failure to comply with regulations of the utility on file with the commission pertaining to installation and use of equipment, or for use of equipment which interferes with or adversely affects the service to other customers, provided the customer has first been notified and afforded reasonable opportunity to change or disconnect such equipment.
4. A utility may not discontinue service to a customer for failure of the customer to pay for merchandise purchased from the utility, to pay for a different class of service furnished by the utility, to pay for service rendered to a previous occupant of the premises, or to pay the bill of another customer as guarantor thereof.
5. A utility may not discontinue service to a customer for failure to pay for service until the utility first gives the customer notice of its intention to discontinue such service on account of delinquency. The notice must:
  - a. Be sent by first-class mail addressed to the billing name and address of the affected account.

- b. Show the amount of the delinquency.
  - c. Include the telephone number of the public service commission.
  - d. Advise the customer of the customer's rights and remedies, including the customer's right to work out a satisfactory deferred installment agreement for delinquent accounts.
  - e. Inform the customer that service will be discontinued if the delinquent account is not paid within ten calendar days from the date of mailing or personal delivery of the notice, or if a satisfactory installment agreement is not made with the utility for payment of the delinquent bill. The utility may discontinue service without further notice if the customer fails to pay the delinquent account by the due date.
- 6.
- a. A deferred installment agreement for essential services may not be combined with a deferred installment agreement for any other services.
  - b. A utility may not discontinue essential services if the utility and the customer make a mutually agreed upon deferred installment agreement for essential services. A utility may discontinue essential services without further notice if the customer fails to pay the delinquent account in accordance with the deferred installment agreement.
  - c. A utility may not discontinue nonessential services if the utility and the customer make a mutually agreed upon deferred installment agreement for nonessential services. A utility may discontinue nonessential services without further notice if the customer fails to pay the delinquent account in accordance with the deferred installment agreement.
7. The customer may pay the delinquent account at any time prior to the actual discontinuance of service.
8. Whenever service has been discontinued for nonpayment of a bill, service must be resumed if the customer:
- a. Pays the fee for resuming service established in the utility's rate schedules;
  - b. Makes a deposit under section 69-09-05-03 (if required by the company); and

- c. Makes a satisfactory settlement for the delinquent bill and for the service rendered to the date the service was discontinued.

Interexchange carriers are not required to resume long-distance service if local service is not connected.

9. If the customer disputes the amount of a bill for service, the customer may, to prevent discontinuance for nonpayment, pay the disputed bill under protest to the utility. Alternatively, the customer may request a formal hearing pursuant to section 69-02-02-02 in which case the utility may not discontinue service for nonpayment of the disputed bill until a final decision has been issued by the commission. The utility shall immediately give the commission notice of the dispute and the commission may investigate the dispute. The utility shall refund to the customer any part of such payment made under protest found by the commission to be excessive.
10. The commission may order the discontinuance of services where a reseller or operator services provider violates commission rules. The commission will provide ten days' notice of a deficiency or violation and provide an opportunity for the noncomplying reseller, or operator services provider to respond or correct the deficiency. A reseller or operator services provider disputing the alleged violation or discontinuance may request a formal hearing under section 69-02-02-02, in which case the discontinuance will be stayed until final decision by the commission.

**History:** Effective April 1, 1985; amended effective January 1, 1993; May 1, 1996; July 1, 1997, amendments voided by the Administrative Rule Committee, effective August 16, 1997.

**General Authority:** NDCC 49-02-11

**Law Implemented:** NDCC 49-02-11, 49-21-01.4

**69-09-05-02.1. Determination of delinquency.** For the purpose of discontinuing or resuming telecommunications service:

1. If a customer's partial payment on outstanding charges for telecommunications services excluding payments on a deferred installment agreement is less than the outstanding charges for essential services and federal access charges, the customer is delinquent in payment for essential services.

2. If a customer's partial payment on outstanding charges for telecommunications services excluding payments on a deferred installment agreement is equal to or greater than the outstanding charges for essential services and federal access charges, the customer is not delinquent in payment for essential services.

**History:** Effective January 1, 1993.

**General Authority:** NDCC 49-02-11

**Law Implemented:** NDCC 49-02-11, 49-21-01.4

**69-09-05-03. Deposits and guarantees.** Each telephone utility subject to the public service commission's jurisdiction may require each applicant for service to make a deposit not to exceed two times the estimated amount of one month's average bill. The utility shall each year pay interest on such deposit at the rate paid by the Bank of North Dakota on a six-month certificate of deposit. Such rate will be determined as of the first business day of each year on a six-month certificate of deposit with the smallest deposit required. The interest may be paid to the depositor or may be deducted from the depositor's indebtedness to the utility for telephone service. The payment or deduction for interest must be made during each calendar year, or whenever a deposit is refunded or service discontinued. The utility may accept in lieu of a cash deposit a contract signed by a guarantor, satisfactory to the utility, whereby the payment of a specified sum not to exceed the required cash deposit is guaranteed. The term of such contract must be indeterminate, but it must automatically terminate when the customer gives notice of service discontinuance to the utility or a change in location covered by the guarantee agreement or thirty days after written request for termination is made to the utility by the guarantor. However, no agreement may be terminated without the customer having made satisfactory settlement for any balance which the customer owes the utility. Upon termination of a guarantee contract, a new contract or a cash deposit may be required by the utility.

**History:** Effective April 1, 1985; amended effective August 1, 1994.

**General Authority:** NDCC 49-02-11

**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-04. Rules for resale of telecommunications services.**

1. Definitions.

- a. "End user" means a person who uses telecommunications service for the person's own use.

- b. "Premise cable" means telecommunications cable or channels on the reseller's side of the point of connection to the local exchange company (demarcation point).
  - c. "Prepayment" means payments made by customers of a reseller in advance of receiving service.
  - d. "Resale" means the subscription to local or long distance telecommunications services and facilities by one entity, and reoffered for profit or with markup to others with or without enhancements. Where reoffered service is part of a package, and the package is offered for profit or markup, it is resale.
  - e. "Reseller" means a person reselling local or long distance telecommunications services. The definition does not include pay telephone providers, but does include cellular services.
  - f. "Same continuous property" is contiguous real estate owned by the same individual, group of individuals, or other legal entity having title to the property. The property may be traversed by streets, ditches, or other similar manmade or natural terrain features provided that, but for terrain features, the property would be contiguous and provided that such terrain features are of a nature and dimension that it is reasonable to treat the property as contiguous.
  - g. "Shared tenant service provider" means a person reselling telecommunications services to the tenants of a building complex on the same continuous property or to parties with a community of interest.
2. Resellers may not operate in North Dakota except in compliance with these rules. Each reseller shall:
- a. Obtain a certificate of registration from the commission authorizing the provision of local resale or long-distance resale services in the state of North Dakota.
  - b. If they require prepayment for service:
    - (1) Submit a performance bond in an amount specified by the commission; or



- (2) Establish an escrow account in a North Dakota bank containing an amount equal to the prepayments collected at any given time, and file monthly reports showing escrow account activities and call completion data.
  - (3) The requirements of paragraphs 1 and 2 are waived for any company that has provided cellular service in North Dakota for one year without a formal complaint having been filed against it. The commission may revoke the waiver after notice and opportunity for hearing if necessary to protect the public interest.
- c. Forfeit its registration certificate if it is involuntarily dissolved under North Dakota Century Code section 10-23-02.2. A reseller may not operate and its registration certificate is void on the effective date of involuntary dissolution under North Dakota Century Code section 10-23-02.2.
3. A reseller may not appear on an equal access ballot without a certificate of registration from the commission.
4. Except for residents of dormitories or residence halls of schools, colleges, or universities, the end user has the unrestricted right to choose service from the local exchange.
5. A shared tenant service provider shall allow the tenant to use the shared tenant service provider's premise cable and wire in the event an end user wants to receive service from the local exchange company.
6. The reseller is responsible for the charges incurred for telecommunications services to which it subscribes for serving its end users.
7. A reseller is subject to reregulation by the commission, revocation of its certificate, and the penalties provided in North Dakota Century Code chapter 49-07 for violation of any applicable law or rule.

**History:** Effective March 1, 1989; amended effective August 1, 1991; December 1, 1993; February 1, 1995; July 1, 1997.

**General Authority:** NDCC 28-32-02, 49-02-11

**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-04.1 Equal access ballot placement.** A local exchange company may place a reseller on that company's equal access ballot for intrastate calling unless the reseller has a certificate of registration from the commission.

**History:** Effective February 1, 1995.  
**General Authority:** NDCC 28-32-02, 49-02-11  
**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-04.2 Unauthorized service changes.** A telecommunications company may not change a customer's local or long-distance carrier without authorization from the customer.

**History:** Effective July 1, 1997.  
**General Authority:** NDCC 28-32-02, 49-02-11  
**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-05. Rules for the provision of operator services.**

1. Definitions.
  - a. "End user" means the person to whom operator service is provided.
  - b. "Operator service" means service provided to assist in the completion or billing of telephone calls through the use of a live operator or automated equipment. "Operator service" does not include completion of calls through an 800 number or an access code when billed to an account previously established with the carrier by the end user, or the automated operator services provided by pay telephone sets with built-in automated operator messages.
  - c. "Operator service provider" means the person providing operator service.
2. Operator service providers shall:
  - a. Obtain a certificate of registration from the commission authorizing the provision of operator services in the state of North Dakota.

- b. Provide written material for use in disclosing to the end user the name and toll free telephone number of the operator service provider. This material must be provided to all coin telephone operators, motels, hospitals, and any other locations where end users may use telephone service not billable to their home or business phones without operator service.
- c. Require operators to clearly identify the operator service provider to all end users and when requested, provide rate information.
- d. Provide emergency call service that is equal to that provided by the local exchange telephone company and, if unable to meet this requirement, provide emergency call service by immediate transfer of such calls to the local exchange company.
- e. For billing purposes, itemize, identify, and rate calls from the point of origination to the point of termination. No call may be transferred to another carrier by an operator service provider which cannot or will not complete the call, unless the call can be billed in accordance with this subsection.
- f. Not charge for incompleting calls.
- g. Disclose their names on bills which include charges for services they provided.

**History:** Effective March 1, 1989; amended effective August 1, 1991; May 1, 1996.

**General Authority:** NDCC 28-32-02, 49-02-11

**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-06. Rules for pay telephones.** Repealed effective August 1, 1994.

**69-09-05-07. Customer trouble reports.** When a customer's service is found to be out of order or a customer reports trouble, the telecommunications company shall test its facilities to determine if the problem is with the local exchange company's facilities. If it is, the local exchange company shall correct the trouble promptly. There may be no charge to the customer for testing or correcting a problem found on the local exchange company's facilities.

**History:** Effective August 1, 1991.  
**General Authority:** NDCC 28-32-02, 49-02-11  
**Law Implemented:** NDCC 49-02-11, 49-21

**69-09-05-08. Adoption of regulations.** The following parts of title 47, Code of Federal Regulations in effect as of July 17, 1997, are adopted by reference:

Part 54 - Universal Service, Subpart F - Universal Service Support for Schools and Libraries.

Copies of these regulations may be obtained from:

Public Service Commission  
State Capitol  
Bismarck, North Dakota 58505-0480

**History:** Effective March 1, 1998.  
**General Authority:** N.D.C.C. 28-32-02, 49-02-01  
**Law Implemented:** N.D.C.C. 49-21

Contact# 56059 Received: 01/16/1998 Resolved: 01/16/1998 By: Helbling

Company: [REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific: [REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SERVICE [REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

[REDACTED]

City: [REDACTED] ND [REDACTED] Phone: [REDACTED]

Dispute with [REDACTED] for two years. They want unlisted numbers so they can put them into their emergency 911 system and [REDACTED] won't release them. I told him we don't regulate the cooperatives and we can't make [REDACTED] release those numbers but I would have Illona to call him in case I'm wrong. Illona did call him and told him the same thing I did. She told [REDACTED] she'll call [REDACTED] lawyer and remind him that there is a state law that says they have to release those numbers to emergency services, but she can't make them do it. [REDACTED] can sue or bring a formal complaint against [REDACTED] but there's nothing we can do about it.

Contact# 56063 Received: 01/20/1998 Resolved: 01/22/1998 By: Helbling

Company: [REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific: [REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SERVICE [REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

[REDACTED]

City: [REDACTED] ND [REDACTED] Phone: [REDACTED]

They have T-1 service which is used for medical emergencies. The service does not work consistently. There are three companies involved- [REDACTED], [REDACTED] & [REDACTED]. She has called all of them repeatedly since June of 1997 and the problem is never fixed. They all say its the other companies problem. I told her to call [REDACTED] commission for [REDACTED] and I would contact [REDACTED]. They have the most trouble getting to [REDACTED] and [REDACTED]. I faxed notes to [REDACTED] and asked them to check into it and get back to me. 1-21-98 [REDACTED] from [REDACTED] called. They have done some extensive testing and on Dec. 18th isolated the trouble with [REDACTED]. [REDACTED] made a change on the drop to the [REDACTED] Clinic and have been having problems ever since. [REDACTED] has been in contact with [REDACTED] several times to try to help resolve the problem. [REDACTED] said he will contact them again.

Contact# 58043 Recieved: 05/21/1998 Resolved: 05/22/1998 By: Fortney

Company:	[REDACTED]	Add By: kmf	<input checked="" type="radio"/> Complaint
Company Specific:	[REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SERVICE	[REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

[REDACTED]

City: ND Phone: [REDACTED]

Called Susan to report 5-day wait to repair business phone line. Called [REDACTED] and was told it had been on the log for the past 5 days - no explanation why not fixed yet. On log again today. [REDACTED] will research and call back. Gave her fax line # to call for more info if needed. [REDACTED] tried to call both regular business # & fax and no answer. Found out there is flooding and the repairman got it dried out enough he thought it was fixed today. [REDACTED] will also check on [REDACTED] unburied cable and call back with conclusion of both problems. Reached [REDACTED] line working and [REDACTED] cable on list for repair.

Contact# 58524 Recieved: 06/02/1998 Resolved: 06/12/1998 By: Helbling

Company:	[REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific:	[REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SERVICE	[REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

[REDACTED]

City: [REDACTED] ND Phone: [REDACTED]

Husband in Bismarck State Penn. He tries to call her but gets message saying calls are blocked. She hasn't asked her calls to be blocked. I visited with [REDACTED], Mgr at [REDACTED]. They have a policy where people have to sign a form stating they will accept and be responsible for collect calls. He said he would check her records to see if she's signed a form and have his office staff call her and explain what she needs to do to get those calls.

Contact# 58552 Recieved: 06/16/1998 Resolved: 06/16/1998 By: Helbling

Company: [REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific: [REDACTED]	Regarding: [REDACTED]	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SERVICE [REDACTED]		<input type="radio"/> PSC Cases

Last Name: [REDACTED] First Name: [REDACTED]

City: [REDACTED] ND [REDACTED] Phone: [REDACTED]

Works for [REDACTED] Doing job in [REDACTED] so they need a phone. [REDACTED] told her they need signed permits from the state and can't do anything until they get them. Why does it take so long to get service? I checked with [REDACTED] she ordered service on 6-11. There are no lines available where trailer is parked so WR has to put in new lines. They need signed easement from DOT to bore hole in highway to bury the line. They have verbal permission so have instructed crew to put service in week of June 22. Considering circumstances, the service is being put in within a reasonable time period. I called [REDACTED] and left message on answering machine and told her to call me if she has any more questions.

Contact# 63141 Recieved: 09/21/1998 Resolved: 09/21/1998 By:

Company:	[REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific:	[REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SE	[REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

City: [REDACTED] ND [REDACTED] Phone: [REDACTED]

Ordered service on 8-26 and sent in check. Still has no service; [REDACTED] told him it would be the end of September or first of October before he would get service. I talked to [REDACTED] at [REDACTED]. He said they have had some big jobs this summer that they are finishing up so it will be the end of September or early October until they can get the equipment to his location to dig in some more cable. He said they have been keeping him informed all along. Since [REDACTED] doesn't have a phone, I can't call him and I don't have an address. If he calls me back, I'll tell him there's nothing we can do for him.

Contact# 63555 Recieved: 09/28/1998 Resolved: 09/28/1998 By:

Company:	[REDACTED]	Add By: sdh	<input checked="" type="radio"/> Complaint
Company Specific:	[REDACTED]	Regarding: T	<input type="radio"/> Inquiry
Root Cause: QUALITY/INADEQUATE SE	[REDACTED]		<input type="radio"/> PSC Cases

Last: [REDACTED] First: [REDACTED]

[REDACTED]

City: [REDACTED] ND [REDACTED] Phone: [REDACTED]

Rec'd letter; have been trying to get a phone since 1989 and still don't have one. [REDACTED] told them it would cost \$18,000 to get phone service. The wrote to us hoping we could help them. I wrote telling them the 1993 legislature removed much of commission's authority over cooperatives but I would FAX [REDACTED] a note to bring the situation to their attention.



HOUSE INDUSTRY, BUSINESS AND LABOR COMMITTEE 1-18-99  
10:00 AM PEACE GARDEN ROOM, STATE CAPITAL  
HOUSE BILL NO. 1308

Good morning Mr. Chairman and Committee Members

My name is Jerome Tishmack. I'm the General Manager of BEK Communications Cooperative and BEK Communications I Inc. at Steele, ND.

I'm here to share with you my reasons for asking you not to amend section 49-02-01.1 of the North Dakota Century Code via House Bill No. 1308.

North Dakota Public Service Commission jurisdiction over quality of service provided by small telephone companies is not necessary.

Just as each of you are here at the will of the people of North Dakota so are the directors of the North Dakota Cooperatives serving on the Boards of Directors of their respective cooperatives.

The directors and operators of Rural Telephone Companies receive the same telephone service as the people who elected them.

Across North Dakota, Rural Telephone customers interact with directors and employees of their telephone company in the grocery store, the grain elevator, the school, the church, the cafe, the gas station, the repair shop, and in the home. Customer concerns about service quality and service needs are shared on an on-going basis throughout the year.

"Coffee shop" regulation is a very effective and workable process in rural North Dakota. BEK Communication's response to customer needs can be illustrated as follows:

In 1995, BEK Communication invested \$4,000,000 in the Strasburg exchange to install new copper cable, fiber optic cable, and electronics.

In 1997, \$3,100,000 was invested in the Wilton exchange . As of January 1, 1999, \$2,800,000 was invested in the Tappen exchange.

During a 12 month period from the fourth quarter of 1997 through the third quarter of 1998, \$1,500,000 was invested in new central office equipment to provide modern switching service to all of BEK Communications 7,200 lines.

A total of \$11,400,000 in new equipment has been invested during the last five years to improve service quality.

The BEK Board of Directors is developing plans to continue investing in the remaining exchanges.

These investments and plans were made because of the concern for the customers' communication needs, not because of regulatory quality of service oversight.

During December of 1998, BEK Communications completed a "Quality of Service" survey of our customers.

Twenty six percent of the customers responded. This is a very high response rate. Ninety two percent of the respondents indicated that the over-all quality of local telephone service was good to excellent.

The survey told us we were doing a good job of providing service. It also told us that we have areas to improve service.

We will continue to improve our present high-quality service because we want to respond to our customers, our friends, our neighbors.

Committee Members, I ask you to turn down House Bill No. 1308 and allow the people of rural North Dakota to continue to decide their quality of service.



**NORTH DAKOTA ASSOCIATION  
OF TELEPHONE COOPERATIVES**

Box 1144 - Mandan, ND 58554  
Phone 701-663-1099 - FAX 701-663-0707

January 20, 1999

Honorable Matt Klein  
House of Representatives  
State Capitol  
Bismarck, ND 58505

Dear Representative Klein:

It is my recollection that during testimony on HB 1308 before the House Industry, Business and Labor Committee on January 18, 1999 you asked that I provide you the number of subscribers who had not yet become members of the cooperative after rural telephone cooperatives purchased US West exchanges.

The total today is 34,329 subscribers. It will decrease this year to 28,513 when West River Telecommunications Cooperative makes the 5,816 homes and small businesses it acquired members of the cooperative. At the time of the purchase the independent telephone industry indicated they intended on folding the new exchanges into the cooperative structure at the proper time. To date, Reservation Telephone Cooperative and Northwest Telecommunications Cooperative have already done so.

Representative Klein, members of the Association believe that House Bill 1308 should be rejected because the telephone cooperatives and small independent telephone companies of North Dakota have done an outstanding job of providing service and investing in the telecommunications infrastructure of these communities. The directors, managers and owners of North Dakota's telephone companies are extremely responsive to the needs of their customers.

Please contact me if you have any questions regarding HB 1308, rural telecommunications or any other matter that I may be of assistance.

Sincerely,

David Crothers,  
Executive Vice President

DC:ks

cc: Chairman Berg  
Members of House Industry, Business and Labor Committee