

**COMMISSIONERS**

John G. Strand, Chairman
David A. Svanda
Robert B. Nelson

CONTACTS

Dorothy Wideman
Mary Jo Kunkle
517.241.6160

LANSING, December 20. The Michigan Public Service Commission today approved a settlement agreement addressing Ameritech Michigan's service quality in which residential and small business customers will automatically receive additional credits retroactive to January 1, 2000 for out-of-service conditions. Under the agreement, Ameritech Michigan's residential and small business customers will see a credit of \$35.00 on the sixth day a customer was out-of-service and, if applicable, a \$10.00 per day credit for each day beyond six days. These credits are in addition to the credits provided by the Commission's current service quality rule and Ameritech Michigan's \$14.00 voluntary credit program. Customers who are out-of-service for more than 6 days between today's order and September 2001 will also receive \$35.00 plus \$10.00 per day for each additional day without service.

Under the approved settlement agreement, residential customers who experience delays with installation of service will also see credits. Residential customers who have to accept a company-offered installation date of seven days will receive a waiver of 50% of the non-recurring installation charge, totaling \$21.00. Any company-offered installation date more than ten days would result in a waiver of 100% of the nonrecurring charge, totaling \$42.00. There is also a \$25.00 credit for missed appointments unless canceled 24 hours in advance.

Today's action concludes a Commission investigation into Ameritech Michigan's quality of service. In August 2000, the Commission ordered Ameritech Michigan to file an explanation of how its service quality problems developed and a verified detailed business plan with explicit commitments to take action to adequately and expeditiously address these problems. In response to growing concern about the company's quality of service, the Commission opened a contested case proceeding to establish enhanced standards and enforcement provisions for the company's service quality.

An Ameritech Michigan customer who was out-of-service for seven days between January 2000 and today will receive a credit of \$76.33 under the settlement agreement. Prior to the settlement agreement, the same residential customer would have received a credit of \$31.33. After the effective date of the settlement agreement, the same customer would see a credit of \$62.33.

MPSC staff, Ameritech Michigan and Attorney General Jennifer Granholm negotiated the settlement agreement. The agreement provides for these parties to initiate a formal rule-making to replace the existing quality of service rules, which expire in September 2001.

Ameritech Michigan provides telecommunications services to more than 5 million customers in Michigan. Ameritech Michigan was acquired by SBC Communications, Inc. in October 1999.

"We are pleased to see a significant decline in the number of Ameritech Michigan service quality complaints at the MPSC and we are persuaded that the company is making significant headway in addressing its service quality problems," said Chairman John Strand. "We commend our Staff, Ameritech Michigan and the Attorney General for negotiating a settlement agreement that will help ensure that Ameritech Michigan customers do not experience unreasonable delays in out-of-service repairs and installation commitments."

The MPSC is an agency within the Department of Consumer and Industry Services.

Case No. U-12571 et al.

December 20, 2000

(MPSC approves settlement agreement on Ameritech Michigan service quality)
