

Service Date: February 2, 1994

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER Of the Request by	)	UTILITY DIVISION
US West Communications for	)	
Approval of its Custom Solutions	)	DOCKET NO. 93.11.65
Filing, Tariff Transmittal 93-44.	)	ORDER NO. 5771

**INTERIM ORDER**

Background

1. On November 16, 1993 US West Communications (USWC) filed proposed tariffs with the Montana Public Service Commission (Commission) for the introduction of Custom Solutions (Tariff Transmittal 93-44). USWC requested action on this filing by January 15, 1994, and would plan to make the changes in its tariff effective on March 22, 1994.

Description of Custom Solutions

2. USWC's Custom Solutions is a marketing program that allows customers who subscribe to either Call Waiting and/or an additional line (USWC refers to these as Tier II services) to qualify for discounts on the monthly rates for the following

services: Three-Way Calling, Speed Calling 8, Call Forwarding, Custom Ringing, Foreign Listing, Cross Reference Listing, Informational Listing, Alternative Listing, and Additional Listing (USWC refers to these services as Tier III services). In addition, if a customer purchases the Tier III service(s) at the same time as a Tier II service, the non-recurring charges for the Tier III service(s) are waived. Those who do not subscribe to a Tier II service can still subscribe to Tier III services on an a la carte basis, but the non-recurring charges and the regular monthly rates will be applied.

3. As part of this filing, the company is proposing to adjust the a la carte prices for many of its ancillary services, some of which are Tier III services. The company is also proposing to discontinue all discount service packages which are currently available to residence customers. These include Custom Calling packages, TEENLINK, and TELECHOICE.

#### DECISION

4. On January 10, 1994, at a duly noticed work session, the Commission granted interim approval to USWC's Custom Solutions filing. This interim approval will become effective for services rendered on and after March 22, 1994, unless otherwise

ordered by the Commission. All current custom calling packages, TEENLINK, and TELECHOICE services shall be available until said date.

5. The services involved in this filing are not basic essential services, but are enhanced discretionary services. Increased revenues from these services can provide a greater contribution toward USWC's revenue requirements, potentially reducing the required contribution from USWC's basic residential services. Custom Solutions also appears to offer customers greater flexibility to purchase discounted services than is currently offered.

6. The Commission does have questions regarding the public policy implications of this filing, whether the price differences for the same services constitute unjust or unreasonable price discrimination, and potential anti-competitive effects and federal anti-trust problems.

7. Due to the price increases in this filing, and the nature of the Custom Solutions discount structure, a Notice of Opportunity to Comment and/or Intervene will be issued. After reviewing the comments filed, the Commission will consider the matter for final approval, or take other action as appropriate.

Done and Dated this 31st day of January, 1994 by a vote of

4-1.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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BOB ANDERSON, Chairman

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BOB ROWE, Vice Chairman  
(Voting to Dissent)

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DAVE FISHER, Commissioner

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NANCY MCCAFFREE, Commissioner

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DANNY OBERG, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.