

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

June 30, 2008

IN RE:

**TARIFF FILING BY AT&T TENNESSEE TO INCREASE
THE PER CALL RATE FOR DIRECTORY ASSISTANCE**

)
)
)
)

**DOCKET NO.
08-00076**

**ORDER APPROVING TARIFF AND SETTING TIME FOR AT&T TENNESSEE TO
RESPOND TO CONSUMER ADVOCATE'S PETITION**

This matter came before Director Tre Hargett, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on May 19, 2008 for consideration of the tariff filed by AT&T Tennessee ("AT&T" or "Company") on May 12, 2008 to increase the per call rate for Directory Assistance ("DA").

BACKGROUND

AT&T's recently filed tariff, 2008-0159, seeks to increase DA rates effective June 2, 2008. The DA rate for Tennessee listings will increase from \$1.35 per call to \$1.50 per call. The DA rate for listings outside of Tennessee will increase from \$1.35 per call to \$1.99 per call. The tariff also proposes to eliminate the \$0.45 charge for DA Call Completion. No changes have been proposed for the call allowances.¹ The filed tariff included a copy of the notice sent to customers by direct mail or bill insert to inform them of the rate increase.

On May 19, 2008, the Consumer Advocate and Protection Division of the Office of the Attorney General ("Consumer Advocate") filed a *Complaint and Petition to Intervene*

¹ Currently, customers receive one free monthly DA call. Physically and/or visually impaired persons and residential subscribers who are 65 years or older receive unlimited free DA calls.

(“*Consumer Advocate’s Petition*”). In its filing, the Consumer Advocate requested that the TRA:

conven[e] a contested case in this docket and [allow the Consumer Advocate] the opportunity to intervene so that a record can be built upon which the TRA may consider raising the call allowance for consumers and/or requiring AT&T to change or modify its directory assistance policy so that it will better serve the public interest.²

The Consumer Advocate noted that that the TRA has current dockets pending regarding the DA policy of two other telecommunications providers, United Telephone Southeast, Inc. d/b/a Embarq Corporation and Citizens Telecommunications Company of Tennessee d/b/a Frontier Communications of Tennessee LLC.³

FINDINGS AND CONCLUSIONS

Tenn. Code Ann. § 65-5-109(e) provides that a price regulated telecommunications provider may “adjust its rates for . . . non-basic services only so long as its aggregate revenues for . . . non-basic services generated by such changes do not exceed the aggregate revenues generated by the maximum rates permitted by the price regulation plan.” In considering AT&T’s tariff filing at the regularly scheduled Authority Conference held on May 19, 2008, a majority of the panel found that AT&T had sufficient revenue headroom to increase the rates for DA, a non-basic service. Therefore, a majority of the panel voted to allow the tariff to go into effect June 2, 2008. Further, the majority voted to provide AT&T an opportunity to respond to the *Consumer Advocate’s Petition* with any such response to be filed with the Authority by May 28, 2008.

² *Consumer Advocate Petition*, p. 3 (May 19, 2008).

³ *Id.*

IT IS THEREFORE ORDERED THAT:

1. Tariff 2008-0159 is approved and shall be effective June 2, 2008.
2. AT&T Tennessee shall file its response to the Consumer Advocate and Protection Division of the Office of the Attorney General's *Complaint and Petition to Intervene* by May 28, 2008.



Director Tre Hargett

* * *

Sara Kyle, Director⁴



Director Ron Jones

⁴ Director Kyle, consistent with her previous position, voted to deny the rate increase for DA and to convene a contested case to determine the appropriateness of the one-call allowance in light of the rate increase. Director Kyle further voted to appoint the General Counsel or his designee to serve as Hearing Officer and to prepare the matter for hearing and to also handle the intervention that has been filed in the docket.