

February 26, 1976

SENATOR CLARK: Telephone rates or any other kind of rates, yes.

SENATOR CHAMBERS: Alright, lets take the telephone company and say that a rate is put into operation and an appeal is taken and the court reverses the rate but it had stayed in operation for say, 13 months. How is the phone company going to refund to me what they have over-charged?

SENATOR CLARK: See, the only way that they could go to court in the first place would be if the court would have to decide originally if the Commission had used this... some method of determining the case that was not legal. So, you can't just go to court. So, what they do is bond them, when they put that rate into effect, if they are going to appeal, they must bond. If anything happens, the court will decide to be a lesser amount of money or more money in it, they will have to repay the rate payers if it is less money than what the Commission had originally ordered.

SENATOR CHAMBERS: Right, and I'm saying that assuming that all of these preliminaries have been met and the rate established is reversed and a refund has to occur, how is the phone company going to refund money to everybody that they have over-charged? Based on the improper rate? I would like to know what procedure would be utilized?

SENATOR CLARK: Senator Duis said that he wanted to answer that for you.

SENATOR CHAMBERS: Oh, OK.

SENATOR DUIS: Senator Chambers, it is my understanding that the billing company has to keep that billing all during this particular time so that they will be able to repay it from the bonder money or whichever is necessary. Of course the bond is merely put there as a guarantee that they will retain that money in their possession and then they must retain the actual billing itself.

SENATOR CHAMBERS: Here is what I am asking? Will they give you the money back, or are they going to give you credit on a future bill?

SENATOR CLARK: No, they will give you the money if you want the money.

SENATOR CHAMBERS: Now, would the phone company initiate this and contact every rate person, or would the person have to come to the phone company.

SENATOR CLARK: No, they would go to every person that had paid money into it.

SENATOR CHAMBERS: Do you know how many people are served by Northwestern Bell? Roughly?

SENATOR CLARK: I used to know, but I can't recall a figure right now.