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News Release

PSC Fines AT&T to Resolve Improper Long Distance Billing Charges

Atlanta, April 5, 2005 -- The Georgia Public Service Commission (Commission) today approved a fine of \$100,000 against AT&T Communications of the Southern States, LLC (AT&T) to resolve allegations that the company improperly billed more than 40,000 Georgia consumers a \$3.95 monthly recurring charge (MRC) for long distance services. The Commission approved the fine as part of a consent agreement between the Commission and the Company.

In January 2004, AT&T began billing the MRC to customers who select AT&T as their long distance carrier and are being billed under AT&T's Basic Rate plan. AT&T describes their Basic Rate as the rate that is automatically charged to consumers who have not "specifically requested any other direct dialed station state-to-state pricing plan." The Commission's investigation of over 200 complaints received in 2004 about the MRC charge revealed that the erroneous charges resulted from a billing error that affected up to as many as one million consumers nationwide.

AT&T has since corrected its billing system and has issued apology letters, refunds and credits of more than \$180,000 to all affected Georgia consumers customers. In addition, the consent agreement requires the company to notify customers who continue to be billed the MRC of the rates and terms of the Basic Rate plan and other options and rate plans that are available to them. AT&T will also provide 2,700 Prepaid Calling Cards to the Commission for distribution to soldiers of the Georgia National Guard who are deployed in Iraq and Afghanistan.

For more information, use the Docket Search function on the Commission website, www.psc.state.ga.us, and enter Docket Number 3439.

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