Utility Consumer Complaints
2007 Annual Report
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Year 2007 Consumer Complaints By Utility - Total #
Informal Complaints - 824

ICP - Inmate Calling Providers
OSP - Operator Service Providers
Complaint Percentages by Company

Qwest – 21.60% .06% (percentage of complaints
CenturyTel – 4.37% .06% (compared to total MT
Citizens - .73% .08% (access lines
Other ILECs - .36%
McLeod - .36%
Bresnan – 2.06%
First Comm. - .49%
Other CLECs – 1.21%
AT&T – 4.37%
Qwest LD - .36%
MCI – 1.58%
Sprint - .49%
CenturyTel LD - .36%
Other IXCs – 4.01%
NorthWestern – 41.51% .09% (percentage of
MDU – 10.80% .11% (complaints compared
Energy West – 1.70% .05% (to total MT customers
Basic Access - .49%
Other Non-Telco – 1.09%
OSP - .36%
ICP - .73%
Water/Sewer - .97%

Total – 100%

Complaints by Service Type

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy – 445</td>
<td>54.01%</td>
</tr>
<tr>
<td>Telecommunications – 371</td>
<td>45.02%</td>
</tr>
<tr>
<td>Water/Sewer – 8</td>
<td>.97%</td>
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</table>

Total – 824

100.00%
<table>
<thead>
<tr>
<th>Type and Number of Complaints in 2007 by District</th>
</tr>
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<tbody>
<tr>
<td>Dist. 1</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>1. Billing/Rates</td>
</tr>
<tr>
<td>2. Business Office</td>
</tr>
<tr>
<td>3. Cram</td>
</tr>
<tr>
<td>4. Payment Arrangements</td>
</tr>
<tr>
<td>5. Access to Business Office</td>
</tr>
<tr>
<td>6. Repair</td>
</tr>
<tr>
<td>7. Slam</td>
</tr>
<tr>
<td>8. Delay in Connection</td>
</tr>
<tr>
<td>9. Termination</td>
</tr>
<tr>
<td>10. Meter Questions</td>
</tr>
<tr>
<td>11. Pay-Per-Call</td>
</tr>
<tr>
<td>12. Deposits</td>
</tr>
<tr>
<td>13. Cost of Construction</td>
</tr>
<tr>
<td>14. Directory Listings</td>
</tr>
<tr>
<td>15. Quality of Service</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
2007 Complaints by PSC District

- District 5 (22.33%) 184
- District 1 (15.41%) 127
- District 2 (20.87%) 172
- District 3 (22.70%) 187
- District 4 (18.69%) 154
Calls to PSC toll-free complaints number and level of monthly utility consumer complaints 2005-2006-2007

*A consumer call or letter is not logged as a complaint unless PSC staff must contact the utility in order to resolve it.
<table>
<thead>
<tr>
<th>Month</th>
<th>2006</th>
<th>2007</th>
<th>% of Change</th>
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<tbody>
<tr>
<td>January</td>
<td>1,097</td>
<td>809</td>
<td>(26.25%)</td>
</tr>
<tr>
<td>February</td>
<td>1,008</td>
<td>749</td>
<td>(25.69%)</td>
</tr>
<tr>
<td>March</td>
<td>915</td>
<td>774</td>
<td>(15.41%)</td>
</tr>
<tr>
<td>April</td>
<td>911</td>
<td>692</td>
<td>(24.04%)</td>
</tr>
<tr>
<td>May</td>
<td>847</td>
<td>585</td>
<td>(30.93%)</td>
</tr>
<tr>
<td>June</td>
<td>851</td>
<td>608</td>
<td>(28.55%)</td>
</tr>
<tr>
<td>July</td>
<td>714</td>
<td>619</td>
<td>(13.31%)</td>
</tr>
<tr>
<td>August</td>
<td>716</td>
<td>576</td>
<td>(19.55%)</td>
</tr>
<tr>
<td>September</td>
<td>638</td>
<td>467</td>
<td>(26.80%)</td>
</tr>
<tr>
<td>October</td>
<td>945</td>
<td>522</td>
<td>(44.76%)</td>
</tr>
<tr>
<td>November</td>
<td>653</td>
<td>597</td>
<td>(8.58%)</td>
</tr>
<tr>
<td>December</td>
<td>575</td>
<td>610</td>
<td>6.09%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,870</td>
<td>7,608</td>
<td>(22.92%)</td>
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### Number of Complaints
(comparing 2006 and 2007)

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<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>% of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>104</td>
<td>59</td>
<td>(43.27%)</td>
</tr>
<tr>
<td>February</td>
<td>93</td>
<td>93</td>
<td>None</td>
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<tr>
<td>March</td>
<td>106</td>
<td>71</td>
<td>(33.02%)</td>
</tr>
<tr>
<td>April</td>
<td>103</td>
<td>83</td>
<td>(19.42%)</td>
</tr>
<tr>
<td>May</td>
<td>96</td>
<td>62</td>
<td>(35.42%)</td>
</tr>
<tr>
<td>June</td>
<td>91</td>
<td>64</td>
<td>(29.67%)</td>
</tr>
<tr>
<td>July</td>
<td>65</td>
<td>60</td>
<td>(7.69%)</td>
</tr>
<tr>
<td>August</td>
<td>91</td>
<td>74</td>
<td>(18.68%)</td>
</tr>
<tr>
<td>September</td>
<td>93</td>
<td>61</td>
<td>(34.41%)</td>
</tr>
<tr>
<td>October</td>
<td>96</td>
<td>80</td>
<td>(16.67%)</td>
</tr>
<tr>
<td>November</td>
<td>35</td>
<td>54</td>
<td>54.29%</td>
</tr>
<tr>
<td>December</td>
<td>40</td>
<td>63</td>
<td>57.50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,013</td>
<td>824</td>
<td>(18.66%)</td>
</tr>
</tbody>
</table>
PSC complaints from 2003 through 2007 by service type

- 2003:
  - Telephone: 2,188
  - Energy: 1,687
  - Water: 1,013

- 2004:
  - Telephone: 1,687
  - Energy: 824
  - Water: 1,013

- 2005:
  - Telephone: 1,227
  - Energy: 824
  - Water: 1,227

- 2006:
  - Telephone: 1,013
  - Energy: 824
  - Water: 1,013

- 2007:
  - Telephone: 824
  - Energy: 824
  - Water: 824
Qwest Corporation
2007 Complaints
178 Total

- Billing/rates: 67
- Business office: 62
- Repair/outages: 32
- Delay in connection: 5
- Quality of service: 4
- Termination: 3
- Access to call center: 2
- Directory listings: 2
- Payment arrangement: 1
CenturyTel of Montana
2007 Complaints
36 Total

Business office: 16
Billing/rates: 11
Repair/outages: 3
Directories (Telephone): 3
Access to Call Center: 2
Termination: 1
Citizens Telecommunications
2007 Complaints
6 Total

Billing/rates  4
Business office  2
Other Incumbent Local Exchange Carriers (ILECs)
2007 Complaints
3 Total
McLeodUSA Telecommunications 2007 Complaints 3 Total

Billing/rates 2
Business office 1
Bresnan
2007 Complaints
17 Total

- Business office: 11
- Repair/outages: 3
- Quality of Service: 2
- Directories (Telephone): 1
First Communications
2007 Complaints
4 Total
Other Competitive Local Exchange Carriers (CLECs) 2007 Complaints 10 Total

- AT&T: 3 complaints
- OneEighty: 2 complaints
- Vivid: 1 complaint
- New Access: 1 complaint
- 3 Rivers: 1 complaint
- MCI: 1 complaint
- Blackfoot: 1 complaint
AT&T
2007 Complaints
36 Total

- Billing/rates: 23
- Business office: 7
- Access to call center: 5
- Unauthorized switch: 1
MCI
2007 Complaints
13 Total

Billing/rates 9
Business office 3
Pay-Per-Call 1
Sprint
2007 Complaints
4 Total

Billing/Rates

4
Qwest Long Distance
2007 Complaints
3 Total
CenturyTel
Long Distance
2007 Complaints
3 Total

- Billing/rates: 1
- Business office: 1
- Directories (Telephone): 1
<table>
<thead>
<tr>
<th>Carrier</th>
<th>Complaints</th>
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<tbody>
<tr>
<td>UCN</td>
<td>3</td>
</tr>
<tr>
<td>Excel Telecommunications</td>
<td>3</td>
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<tr>
<td>Telseven</td>
<td>2</td>
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<tr>
<td>Horizon Telecom</td>
<td>2</td>
</tr>
<tr>
<td>Ameritel</td>
<td>2</td>
</tr>
<tr>
<td>Accxx</td>
<td>2</td>
</tr>
<tr>
<td>Voicenet Telephone</td>
<td>1</td>
</tr>
<tr>
<td>VarTec Telecom</td>
<td>1</td>
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<tr>
<td>United Telecom</td>
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<td>UMCC Holdings</td>
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<tr>
<td>TTI National</td>
<td>1</td>
</tr>
<tr>
<td>Total Call International</td>
<td>1</td>
</tr>
<tr>
<td>Telrite Corporation</td>
<td>1</td>
</tr>
<tr>
<td>Silv Communications</td>
<td>1</td>
</tr>
<tr>
<td>Network Service Billing</td>
<td>1</td>
</tr>
<tr>
<td>Nationwide Long Distance Service</td>
<td>1</td>
</tr>
<tr>
<td>Mid-Rivers Long Distance</td>
<td>1</td>
</tr>
<tr>
<td>McLeodUSA Telecommunications</td>
<td>1</td>
</tr>
<tr>
<td>Global Tel*Link Corporation</td>
<td>1</td>
</tr>
<tr>
<td>First Communications</td>
<td>1</td>
</tr>
<tr>
<td>Champion Communications</td>
<td>1</td>
</tr>
<tr>
<td>Cavalier Business Communications</td>
<td>1</td>
</tr>
<tr>
<td>Broadwing Communications</td>
<td>1</td>
</tr>
<tr>
<td>America Roaming Network</td>
<td>1</td>
</tr>
<tr>
<td>America Net, LLC</td>
<td>1</td>
</tr>
</tbody>
</table>
Operator Services
Providers & Inmate
Calling Providers
2007 Complaints
9 Total

- Billing/rates: 5
- Business Office: 3
- Unauthorized charges: 1
Non-Telco
Telco-Billed
2007 Complaints
13 Total

Basic Access: 4
Intellicall: 2
Microsoft: 2
Your Online Services: 1
Personal Voice: 1
Host-A-Web: 1
AOL: 1
Globalyp.net: 1
NorthWestern Energy
2007 Complaints
342 Total

Payment arrangement: 112
Business office: 63
Billing/rates: 47
Repair/outhages: 32
Delay in connection: 22
Meters: 19
Service termination: 17
Cost of construction: 15
Deposits: 6
Access to call center: 6
Quality of Service: 3
Montana-Dakota Utilities
2007 Complaints
89 Total

Payment arrangement: 32
Business office: 22
Billing/rates: 16
Service termination: 12
Meters: 5
Delay in connection: 1
Deposits: 1
Energy West
2007 Complaints
14 Total

- Payment Arrangement: 6
- Business Office: 4
- Termination: 3
- Repair/Outages: 1
Water Utilities
2007 Complaints
8 Total
PSC complaints from 1995 through 2007 by service type

- Telephone
- Energy
- Water

<table>
<thead>
<tr>
<th>Year</th>
<th>Telephone</th>
<th>Energy</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>1,227</td>
<td>1,160</td>
<td>1,160</td>
</tr>
<tr>
<td>1996</td>
<td>1,687</td>
<td>1,013</td>
<td>824</td>
</tr>
<tr>
<td>1997</td>
<td>2,630</td>
<td>2,557</td>
<td>824</td>
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<tr>
<td>1998</td>
<td>3,039</td>
<td>2,498</td>
<td>824</td>
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<tr>
<td>1999</td>
<td>2,860</td>
<td>2,498</td>
<td>824</td>
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<td>2000</td>
<td>2,498</td>
<td>2,498</td>
<td>824</td>
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<tr>
<td>2001</td>
<td>2,557</td>
<td>2,557</td>
<td>824</td>
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<tr>
<td>2002</td>
<td>2,188</td>
<td>2,188</td>
<td>824</td>
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<tr>
<td>2003</td>
<td>1,687</td>
<td>1,687</td>
<td>824</td>
</tr>
<tr>
<td>2004</td>
<td>1,227</td>
<td>1,227</td>
<td>824</td>
</tr>
<tr>
<td>2005</td>
<td>1,013</td>
<td>1,013</td>
<td>824</td>
</tr>
<tr>
<td>2006</td>
<td>824</td>
<td>824</td>
<td>824</td>
</tr>
<tr>
<td>2007</td>
<td>824</td>
<td>824</td>
<td>824</td>
</tr>
</tbody>
</table>
Telecommunications Complaints from 1995 through 2007
Energy Complaints from 1995 through 2007

- 1995: 261 complaints
- 1996: 340 complaints
- 1997: 374 complaints
- 1998: 455 complaints
- 1999: 517 complaints
- 2000: 621 complaints
- 2001: 821 complaints
- 2002: 475 complaints
- 2003: 465 complaints
- 2004: 596 complaints
- 2005: 589 complaints
- 2006: 518 complaints
- 2007: 445 complaints

Legend:
- Energy
Incoming 800 Calls 1998 - 2007

YEAR

1,227 16,269 17,977 16,375 19,263 18,326 18,004 13,608 11,310 9,870 7,608
There has been a continued trend in telecommunications complaint numbers dropping over time, specifically from 2003 – 2007. In looking at the various complaint categories, the reduction of complaint numbers can be attributed to two major areas—the Incumbent Local Exchange Carrier (ILECs) group and the Interexchange Carrier group (IXCs). Qwest makes up the majority of the ILEC group, and their complaint numbers have dropped significantly since 2003. In 2003 their complaint total was 581. In 2007 their complaint total was 178, a drop of over 69%. The main categories comprising the bulk of Qwest’s totals came from Business Office and Billing/Rates complaints. As far as the IXC category is concerned, the 2003 complaint total was 831, and the 2007 total was 92—a drop of approximately 89%. However, in 2003 there were more long distance companies involved in complaints than were in 2007. Either the companies got better in their customer relations, the companies went out of business, or were purchased by another company. Regardless, we are seeing fewer long distance companies involved in complaints as there were in 2003.

On March 13, 2007 the Commission issued Orders Dismissing Complaints involving a complaint from the Commission against Buzz Telecom, Inc. (Buzz Telecom), Billing Concepts, Inc., d/b/a Zero Plus Dialing (ZPDI) and USBI for violation of Montana laws pertaining to the initiation of (a) unauthorized charges on customers’ telecommunications bills (cramming), and (b) unauthorized switching of long distance telephone providers (slamming). The complaint also involved misrepresentation to customers of Nemont Telephone Cooperative, concerning products or services allegedly offered by Buzz Telecom on behalf of Nemont. We received 56 complaints back in 2006 against Buzz Telecom. As a result of this complaint Billing Concepts, Inc. severed its relationship with Buzz Telecom and subsequently credited all Buzz Telecom telecommunications charges back to Montana customers in the amount of $34,986.00.

On May 3, 2007 the Commission issued an Order Closing Docket involving a complaint from the Commission against Yellow-Page.Net (YP.Net), OAN Services, Inc. and Enhanced Services Billing, Inc. (ESBI) for violations of Montana law pertaining to the initiation of unauthorized charges on customers’ telecommunications bills (cramming). These charges were placed on the customers’ bills without obtaining valid authorization in violation of Montana law and Commission rules. We received nine complaints back in 2006 that brought this matter to the Commission’s attention. Not only did the company issue refunds to these complainants, but they also issued refunds to all Montanans who
requested a refund. YP.Net agreed to pay for the mailing of the refund letter to all accounts set up in Montana, and all refund checks were sent through our office for mailing at YP.Net’s cost. There were 3,079 Montanans who were mailed the refund application. Out of the ones responding, YP.Net issued checks totaling $46,291.13. The company is not currently operating in Montana and will do so only after approval of its marketing script and/or its Letter of Agency with check format. YP.Net is currently under a probationary period up to August 18, 2008 wherein the PSC has continued oversight of the YP.Net matters in the settlement agreement. During this time, if YP.Net uses any marketing scripts and/or LOA with check not previously approved by the Commission or staff, a $10,000 fine will be levied on the company to be paid to the PSC.