



Foster L. Campbell
Commissioner

Louisiana Public Service Commission

P.O. DRAWER E
SHREVEPORT, LA 71161-0010
318/676-7464

6 October 2015

Ms. Eve Gonzalez
Mr. Brandon Frey
Louisiana Public Service Commission
By Email

Dear Eve and Brandon:

It took me several days following the September 23rd meeting of the LPSC to get over the disgust I felt at the actions of commissioners and staff during our latest discussion of inmate telephone rates.

The Commission has now spent five years on this topic: two years developing, debating and voting unanimously to lower inmate call rates by 25 percent and remove illegal surcharges from bills, and another three years watering down those same reforms.

In those five years I have seen the Commission at its best and its worst. I have seen commissioners, staff and citizens speak the truth about injustices committed against the weakest among us. I have also seen individuals run backwards trying to please politically connected special interests.

September 23 took the prize. Commissioner Lambert Boissiere and I asked the Commission to revoke the May 2013 order that prevents the LPSC from enforcing the January 2013 order stripping away the illegal surcharges. Mr. Boissiere wrote his stay order to last six months, to give staff time to write a procedure for evaluating surcharges on a case-by-case basis.

Now that more than two years have passed we wanted to pose the question: what does six months mean? The order took effect in May 2013, so by the calendar it should have expired in December 2013.

Before we could put the question to staff we faced two lawyers for an inmate telephone company who took the witness stand uninvited. Then came the Louisiana Sheriffs Association lawyer summoned by the chairman. Someone was trying to take over our discussion.

The Boissiere stay order says enforcement of the surcharge ban will be stopped "for six months (or such greater or lesser time as may be determined by the Commission)." When he finally got to speak, Mr. Boissiere said the stay had "clearly expired and was no longer in effect," and with it went the protections granted to any providers still charging illegal fees.

When we asked staff for clarification, we got a series of "I don't know" from Executive Counsel Brandon Frey.

PAGE ONE OF TWO

LETTER TO EVE AND BRANDON

6 October 2015

Page Two of Two

To be absolutely clear, here is what happened: The actions of a few commissioners and staff have made it possible for just two inmate telephone companies to collect at least \$11 million in unauthorized fees from their customers since 2008. These are the families of 40,000 jail and prison inmates in Louisiana – the poorest of the poor, the people with no political influence and virtually no one to take up their cause.

Had this case been about an electric utility, or a gas company, the commissioners and staff would have raced each other to the microphone to proclaim their outrage.

As if to prove my point, the very next item we took up September 23 was an order making CenterPoint Energy Arkla refund half a million dollars to gas customers. What for? Overcharging!

I knew going into this project that reforming the Commission's inmate telephone business was not going to be easy. There is a reason only 10 states have taken on this industry: it is infested with politics and special interests. What I didn't anticipate was how certain commissioners and staff would turn themselves inside out trying to undo what we had originally accomplished in 2012:

- o Opening a copycat docket on inmate telephone regulation mere seconds after the unanimous vote was cast on the original reform in December 2012;
- o Hiring political associates with obvious conflicts of interest to serve as LPSC consultants on the copycat docket, which would ultimately cost double the original study;
- o Taking campaign money from inmate phone companies charged with violating LPSC orders and then trying to settle their cases behind closed doors for pennies on the dollar; and
- o Learning that millions of dollars in unauthorized charges have been collected from customers and yet refusing to audit the books of these companies to get a precise amount.

Now we cannot even get a straight answer on what "six months" means.

I've been on the losing side of this Commission when "three solid votes" are locked in, regardless of the merits. Seeing that reality here I thought negotiating rates directly with the sheriffs might bear fruit, but it appears they can count, too. Now that staff has finally gotten busy with the copycat docket the sheriffs sense a sweeter deal coming. They'd better hurry, because some folks at the Federal Communications Commission have another plan in mind, and they can count, too.

Sincerely,



FOSTER CAMPBELL
Public Service Commissioner

FC/br

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