



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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AT&T TO PAY \$700,000 TO RESOLVE COMPLAINTS OF EXCESS CHARGES FOR WIRELESS DATA PLANS AGAINST “GRANDFATHERED” DATA SUBSCRIBERS

FCC Enforcement Bureau Consent Decree Will Also Require AT&T to Refund Excess Charges

Washington, D.C. – As a result of an FCC Enforcement Bureau investigation, AT&T agreed to pay \$700,000 as part of a [consent decree](#) to resolve complaints that the company switched certain consumers to its mandatory monthly wireless data plans even though it had promised they could retain their existing pay-as-you-go data plans. These customers are called “grandfathered subscribers.”

AT&T has agreed to refund excess charges paid by individual customers, which could be as much as \$25 to \$30 a month, depending on data use. The transfers began occurring in November 2009, shortly after AT&T required first-time smartphone subscribers or those who upgraded their phones to enroll in monthly data plans. Consumer complaints prompted the FCC to launch an investigation last year.

“Today’s action sends a clear signal that wireless carriers can’t wrongfully charge consumers,” said FCC Chairman Julius Genachowski. “These strong FCC accountability measures will ensure customers are not over-charged. I am pleased that AT&T is taking the appropriate steps to resolve this issue.”

“This Consent Decree puts precious dollars back in the pockets of consumers—where they belong,” said Michele Ellison, Chief of the FCC’s Enforcement Bureau. “We strongly encourage AT&T subscribers to check their bills closely and contact the company if they spot any overcharges related to wireless data.”

AT&T smartphone customers who had pay-as-you-go data plans (or had disabled network data) and kept their old phones had the option to keep their pay-as-you-go data plans when the company made monthly plans mandatory in September 2009. Some consumers who replaced these phones under warranty or insurance, or who moved to a new residence were switched to the monthly plans, even though AT&T had said the “grandfathering” policy would continue to apply in these situations.

Under the terms of today’s Consent Decree with AT&T, the company has agreed to make a voluntary payment in the amount of \$700,000 to the U.S. Department of Treasury and refunds to individual customers. AT&T has also agreed to an extensive compliance plan, which includes: consumer notification, training of customer care representatives, and periodic compliance reports to the FCC. AT&T must also conduct additional searches of its records to identify improperly switched consumers and ensure appropriate refunds.

The full link to the consent decree is http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-12-1769A2.pdf. The accompanying Order is at http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-12-1769A1.pdf.

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