

Attorney General Ellison obtains nearly \$9 million settlement with CenturyLink for overcharging Minnesota customers

Settlement also requires CenturyLink to implement significant billing reforms, including disclosing its true prices, honoring all prices and discounts it promised, and banning sham internet fees

CenturyLink customers who believe they've been overcharged should complete contact form on Attorney General's website as first step in reimbursement process

January 8, 2020 (SAINT PAUL) — Minnesota Attorney General Keith Ellison today announced that his office has obtained a settlement with global telecommunications company CenturyLink, the third-largest telecom company in America, that requires the company to pay \$8.9 million for fraudulently overbilling Minnesota consumers. Just as importantly, CenturyLink must also fundamentally reform its billing practices, including by disclosing its true prices, honoring all prices and discounts it promised to consumers, and banning sham internet fees. It is also required to submit audits to the Attorney General's office.

Attorney General Ellison urged CenturyLink customers in Minnesota who believe CenturyLink has overcharged them at any time from 2011 until today to complete a contact form on the Attorney General's website as the first step in a reimbursement process.

"My job is to help Minnesotans afford their lives. That means holding accountable companies that make that harder by breaking the law. CenturyLink broke the law by fraudulently overbilling hundreds of thousands of Minnesotans and illegally raising the price Minnesotans had to pay for the company's service," Attorney General Ellison said.

"There's no amount of money that can fully reimburse every Minnesotan that CenturyLink defrauded for all the money they were overcharged and all the time they lost in trying to get CenturyLink to do the right thing in the first place. Even so, this settlement will put money back into the pockets of thousands of Minnesotans. Just as importantly, it requires CenturyLink to fundamentally reform its billing practices going forward, which should save all consumers money and heartache going forward," he continued.

"This case began because Minnesotans wouldn't take CenturyLink's 'no' for an answer and complained to my office. Any Minnesotan who thinks CenturyLink has overcharged them at any time from 2011 on should contact my office as soon as possible to start the reimbursement process," Attorney General Ellison concluded.

Terms of the settlement

The Consent Judgment filed in Anoka County District Court today settles the consumer-protection lawsuit that the Attorney General's office filed in July 2017. Specifically, the settlement requires CenturyLink to pay:

- A total of \$844,655 in refunds to 12,094 Minnesota consumers who were falsely promised a discount that they did not receive; and
- An additional \$8,055,345, which the Attorney General will use to distribute further refunds to harmed consumers.

The settlement also requires CenturyLink to fundamentally reform its billing practices, and requires CenturyLink to:

- disclose the true price of its services at the time of sale and in the company's advertisements;
- provide consumers with an "Order Confirmation" that includes a complete summary of the prices consumers will pay;
- honor all of the prices and discounts it promises to consumers; and
- stop charging sham internet fees that provide consumers with nothing of value.

CenturyLink must also submit audits to the Attorney General over the next three years to prove that the company is complying with these settlement terms.

History and claims of the lawsuit

The lawsuit against CenturyLink arose from complaints about the company's billing practices that Minnesota consumers lodged with the Attorney General's office, which to date number close to 5,000. At the time the lawsuit was investigated and filed, CenturyLink was the most complained-about company in the Attorney General's consumer database.

In July 2017, the Attorney General's office filed a lawsuit alleging that CenturyLink lied about the price of the internet and television service it sold to consumers. Among other claims, the lawsuit alleged that CenturyLink:

- deceived consumers by offering one price but charging a higher price instead.
- defrauded consumers by promising discounts that it did not deliver.
- used a complex set of rules and exceptions to deceive consumers into paying more than they were offered.
- deliberately created a hidden, sham fee to impose price increases on consumers who were under contract and had been promised a fixed price.
- ignored consumers who complained that they were not getting the prices they had been promised, and routinely refused to honor its actual offers.

In the course of litigation, CenturyLink repeatedly obstructed the State's attempts to uncover audits and information about customers the company defrauded. CenturyLink's obstructive tactics required the Attorney General's office to file and win three motions to compel and two motions for sanctions. In the course of discovery, the company ultimately produced information that showed it potentially overbilled more than 300,000 Minnesota customers.

National significance

The Minnesota Attorney General's office has been the national leader in holding CenturyLink, the third-largest telecom company in America, to account for fraudulently overbilling its customers. It is the only state attorney general's office to bring claims in court against CenturyLink.

Additionally, the Minnesota Attorney General used information it obtained in its lawsuit to coordinate investigations with other state attorneys general: this information-sharing and coordination has already allowed Colorado, Oregon, and Washington to settle with CenturyLink as well. Those settlements, plus the settlement Attorney General Ellison announced today, total more than \$27 million and provide refunds for tens of thousands of customers nationwide.

Other state attorneys general assisted by the Minnesota Attorney General's case continue to investigate CenturyLink's deceptive business practices.