RECEIVED
MAY 28 1992
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Billed Party Preference	)	CC Docket No. 92-77
For 0+ InterLATA Calls	)	

PETITION TO EXPAND THE SCOPE OF RULEMAKING

Pursuant to Section 1.41 of the Commission's rules, the American Public Communications Council ("APCC") hereby requests the Commission expeditiously to expand the scope of this rulemaking proceeding to consider the adoption of amendments to the Commission's rules that would ensure equal regulatory treatment of all pay telephones, whether provided by local exchange carriers ("LECs") or independent public payphone ("IPP") providers.[1] Specifically, the FCC should propose rules to ensure that LEC payphones as well as IPP payphones are treated as customer premises equipment ("CPE").

The expeditious issuance of a Further Notice of Proposed Rulemaking on this subject and in this proceeding is necessary, appropriate, and timely for the reasons stated in the attached letter from APCC's Chairman, Richard Dewitt, to FCC Chairman Alfred Sikes, dated March 31, 1992.[2] Also attached is a Petition for

---

[1] The Commission could issue either a "supplemental" or "further" notice of proposed rulemaking to consider these matters. Such action is clearly authorized by the Commission's rules (e.g., 47 CFR § 1.421).

[2] The copy of this letter which is attached is a corrected copy, which includes three lines of text which were inadvertently omitted from the bottom of page one and the top of page two in the version originally filed.

Declaratory Ruling filed by the Public Telephone Council on July 18, 1988, requesting substantially the same relief. The attached letter and petition provide additional discussion of the substance of the rule change proposed herein and the facts and arguments supporting such change and are hereby incorporated by reference in this Petition.

WHEREFORE, APCC requests expeditious issuance of a Supplemental or Further Notice of Proposed Rulemaking to provide for equal regulatory treatment of all pay telephones.

Respectfully submitted,

Helen M. Hall

Albert H. Kramer
Robert F. Aldrich
Helen M. Hall

KECK, MAHIN & CATE
1201 New York Avenue, N.W.
Penthouse Suite
Washington, D.C. 20005
(202) 789-3400

Attorneys for the American Public Communications Council

Dated: May 28, 1992

ATTACHMENT 1

LETTER FROM APCC CHAIRMAN RICHARD DEWITT

TO FCC CHAIRMAN ALFRED SIKES, MARCH 31, 1992

APCC

American Public Communications Council
of the North American Telecommunications Association

RECEIVED

MAY 28 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

March 31, 1992

Chairman Alfred C. Sikes
Federal Communications Commission
1919 M Street, N.W.
Room 814
Washington, D.C. 20554

Re: *Local Exchange Competition*

Dear Chairman Sikes:

I am writing on behalf of the American Public Communications Council ("APCC"). APCC is a national trade association made up of more than 100 independent (non-telephone company) providers of pay telephone and public communications facilities. APCC seeks to promote competitive markets and high standards of service for pay telephones and public communications.

I noted with interest your opening remarks at the Commission's March 12, 1992 meeting regarding regulatory reform initiatives and, in particular, your encouragement of an expedited recommendation fostering local exchange competition. APCC is specifically concerned about the development of fair and effective local exchange competition in the provision of payphones and public communications service. Further, we believe this is a particularly opportune time for the Commission to examine the issue of competition in public communications at the local exchange level.

The Commission is about to initiate an inquiry into billed party preference (RM 6723). One of the matters at issue in the billed party preference proceeding will be whether to require <u>all</u> payphones - LEC and non-LEC - to adopt a standard routing convention on all interstate

2000 M Street, N.W., Suite 550, Washington, D.C. 20036-3367 (202) 296-9800 FAX (202) 296-4993

calls initiated by dialing 0+. However, LEC payphones and non-LEC payphones do not receive uniform regulatory treatment for interstate purposes. LEC payphones are treated as part of the regulated interstate network and included in the LECs' interstate rate base. By contrast, non-LEC payphones are treated as customer premises equipment ("CPE").

This disparity of treatment has inhibited competition between LEC and non-LEC payphones at the local exchange level. Initiating the billed party preference proceeding that would impose a uniform routing convention on two classes of competitors subject to disparate regulatory regimes will exacerbate the competitive imbalance and further inhibit the emergence of true competition. APCC believes that the Commission must, as a phase of its examination of billed party preference, address the disparate regulatory treatment accorded LEC and non-LEC payphones at the interstate level in order to achieve your objective of expediting proceedings dealing with local exchange competition. Fortunately, there is a readily available vehicle for doing so.

There has been pending at the Commission for three and one-half years, since July, 1988 a petition filed by the Public Telephone Council ("PTC") that addresses the issue of the appropriate regulatory treatment of LEC and non-LEC payphones.[1] The PTC Petition requests that the Commission initiate a proceeding to determine whether LEC and non-LEC payphones should not both be treated as CPE, *i.e.*, given uniform regulatory treatment.[2] Treatment of LEC payphones as CPE would result in their removal from regulated accounts. Further, LEC payphones would be unbundled from other network services. Treating both LEC and non-LEC payphones as CPE would result in a Computer III type of regulatory environment. Both LEC and non-LEC payphone providers would take all network services on a tariffed basis.

Consolidating these proceedings would serve several objectives you have articulated. By consolidating the PTC Petition with the Commission's proceeding on billed party preference, the Commission will be able to address, in one proceeding, both the uniformity of routing conventions at all payphones and the impact on local exchange competition of uniform regulatory treatment of all payphones. In addition, you expressed your desire to ease regulatory

---

1 Public Telephone Council Petition for Declaratory Ruling that Bell Operating Company Pay Telephones Are Customer Premises Equipment for Regulatory Purposes, DA88-2055.

2 The PTC Petition is a petition for a declaratory ruling and has been the subject of two rounds of comments. It is ripe to be issued as a notice of proposed rulemaking.

burden. While your specific concern seemed to be with "underbrush" types of regulation, piecemeal regulation that fails to address underlying issues imposes an even greater regulatory burden. It will require multiple and potentially duplicative proceedings to resolve related issues. Consolidating the billed party preference proceeding and PTC Petition would avoid the need for these redundant proceedings.

Billed party preference implicates questions not only of competition at the local exchange level, but also the issue of enhanced service competition. Increasingly, independent public payphone providers are adding enhanced services to the telephone calls initiated at their payphones.[3] If independent payphone providers are forced by Commission regulation to give control of these calls to carriers (both local exchange and inter-exchange OSPs), the Commission will have effected a fundamental shift in the competitive balance between LECs and independent providers -- in both enhanced services as well as in their capacity as payphone competitors. Such radical shifts should not be undertaken without examining how the regulatory status of the respective classes of payphones is affecting this critical emerging adjacent market.

Further, because the issue of competition in public payphones at the local exchange level will be at issue, the quality of the commentary the Commission will receive in a consolidated proceeding will be vastly improved. Only if the LECs are forced to assess the impact of billed party preference on their own payphones in a competitive local exchange environment -- where their payphones are on the same regulatory footing as non-LEC payphones -- will the Commission get the benefits of the LECs' full views on the impact of billed party preference on competition at the local exchange level.

For these reasons, we believe you should seize this opportunity to bring together these two interrelated proceedings. It will help to meet your objectives and to render a valuable public service.

---

[3] Examples of enhanced services being provided by independent payphones include voice messaging and automated message delivery services.

Please let me know if I can be of further assistance.

Sincerely,

/s/

Richard J. DeWitt
Chairman

cc: Commissioner James H. Quello
Commissioner Sherrie P. Marshall
Commissioner Andrew C. Barrett
Commissioner Ervin S. Duggan

ATTACHMENT 2

EXPEDITED PETITION FOR DECLARATORY

RULING OF THE PUBLIC TELEPHONE COUNCIL

JULY 18, 1988

TDRD Stamp-in

~~4302 710 556~~ 1B

BEFORE THE

Federal Communications Commission

WASHINGTON, D. C.

In the Matter of	)
	)
THE PUBLIC TELEPHONE COUNCIL	)
	)
Petition For Declaratory Ruling That Bell Operating Company Pay Telephones Are Customer Premises Equipment For Regulatory Purposes	)

EXPEDITED PETITION FOR DECLARATORY RULING OF THE PUBLIC TELELPHONE COUNCIL

Judith St. Ledger-Roty
Robert J. Aamoth
PIERSON, BALL & DOWD
1200 18th Street, N.W.
Washington, D.C. 20036
(202) 331-8566

Attorneys For The
Public Telephone Council

11-8

July 18, 1988

SUMMARY

The Commission should issue an expedited declaratory ruling that BOC pay telephones are CPE. Those pay telephones function as CPE, the marketplace regards them as CPE, and the BOCs themselves describe and treat the telephones as CPE.

The Commission excluded BOC pay telephones from the CPE category in its Tonka Tools decision for two reasons: first, because the transient public was the "primary customer" and, second, because the equipment was not severable from the transmission capacity from that customer's standpoint. Neither reason exists anymore in today's telecommunications environment.

The BOC pay telephone presubscription plans which are beginning to be filed with the Commission have removed any doubt that the premises owner is a "primary customer." Those plans state that the premises owner shall presubscribe the BOC pay telephones to the IXC of the owner's choice, a crucial decision-making function that is solely the province of the customer. From the viewpoint of the premises owner, there is no doubt that pay telephone instruments are severable from the underlying transmission capacity in today's marketplace. Even from the viewpoint of the transient public, it is clear that lack of severability is no longer a defining characteristic of non-CPE. That same lack of severability exists for hotel patrons, for example, without undermining the CPE status of the hotel's telephone handsets.

The Commission should reconcile its regulatory policies with marketplace realities by declaring BOC pay telephones to be CPE. Those pay telephones, as CPE, should be detariffed under the Commission's Computer Inquiry policies and the underlying transmission capacity should be offered on an unbundled basis to the public under tariff.

TABLE OF CONTENTS

BEFORE THE

Federal Communications Commission

WASHINGTON, D. C.

In the Matter of	)
	)
THE PUBLIC TELEPHONE COUNCIL	)
	)
Petition For Declaratory Ruling That Bell Operating Company Pay Telephones Are Customer Premises Equipment For Regulatory Purposes	)

TO: The Commission

EXPEDITED PETITION FOR DECLARATORY RULING

The Public Telephone Council ("PTC"), by its attorneys and pursuant to Section 1.2 of the Commission's Rules, hereby requests a declaratory ruling that Bell Operating Company ("BOC") pay telephones are customer premises equipment ("CPE") under the Commission's regulatory policies.1/ The reasons for the Commission's contrary ruling in Tonka Tools, Inc., FCC 85-269, rel. May 22, 1985 ("Tonka Tools"), have been superseded by developments in the marketplace and, most recently, by the BOCs' pay telephone presubscription plans. According to the Commission's well-established CPE policies, it should direct the BOCs to detariff their pay telephone instruments and then to offer their pay telephone lines under tariff to the public for the interconnection of BOC pay telephones and all other compatible terminal

---

1/ In the event the Commission desires not to issue a declaratory ruling, we request that it promptly institute and conclude a rulemaking proceeding on the issues presented herein.

equipment registered under Part 68. Given the importance of the issues raised in this petition, and the fact that BOCs are now beginning to file tariff revisions which are directly affected by these issues, PTC requests that the Commission consider this petition on an expedited basis.

Statement of Interest

PTC is comprised of manufacturers and suppliers of equipment in the "public communications" environment, namely, the provision of telephone services to transient users. PTC's member companies are dedicated to promoting competition in the public communic-tions environment, and to increasing the number, diversity and quality of the services available. Specifically with respect to the pay telephone marketplace, some of its member companies manufacture pay telephones, which, depending upon the manufac-turer and product line, are either central office or instrument implemented. PTC's commitment to competition in the pay tele-phone marketplace underlies its filing of this petition.

Introduction and Background

The era of hard-wired residential and business telephone handsets finally ended in the mid-1970's when the Commission promulgated the terminal equipment registration program in Part 68. E.g., Interstate and Foreign MTS and WATS, 56 FCC 2d 593, 596 (1975). If the BOCs today were to propose offering residen-tial or business service only through hard-wired BOC telephone handsets, it cannot reasonably be doubted that the Commission would reject the proposal. Where the line and the terminal equipment are capable of being separately provided (whether or not the BOC desires to do so), the Commission has held that the BOCs cannot lawfully bundle the two elements. See Second Computer Inquiry, 77 FCC 2d 384, 388 (1980).[2/] The historical BOC practice of hard-wiring terminal equipment to the subscriber line is not a technical requirement of the telephone network; it represents a BOC choice which the Commission has overridden in the interest of fostering meaningful competition on a level playing field in the terminal equipment market.

BOC pay telephones are one of the last vestiges of hard-wired telephone handsets. The Commission first created a separate regulatory classification for BOC pay telephones in 1975 when it exempted "coin service" from the Part 68 registration program. The Commission's rationale for doing so was that "under present regulatory policies, only telephone carriers may provide coin telephone service." Interstate and Foreign MTS and WATS, 56 FCC 2d at 600 n.7. That conclusion, in turn, was based solely upon two factors, namely, that tariff restrictions generally prohibited the resale of interstate and intrastate telephone

---

2/ Nor can the BOCs prevent customers from interconnecting their own registered terminal equipment to the BOC's subscriber lines. See, e.g., 47 C.F.R. § 68.2(a)(1); Hush-A-Phone Corp., 20 FCC 391 (1955), aff'd, Hush-A-Phone Corp. v. United States, 238 F.2d 266 (D.C. Cir. 1956), on remand, 22 FCC 112 (1957); Carterfone, 13 FCC 2d 420, recon. denied, 14 FCC 2d 571 (1968).

service at the time and that the local telephone companies had a total monopoly over coin telephones. See Tonka Tools at para. 5.

The Commission has recognized that neither of those two factors retains any current validity. Id. First, the Commission has struck down the tariff restrictions on the resale of interstate telephone services. E.g., Resale and Shared Use of Domestic Public Switched Network Services, 83 FCC 2d 167 (1980). Most states have relaxed restrictions on the resale of intrastate telephone services.[3/] Second, in 1984 the Commission opened up the pay telephone market for competition from customer-owned coin-operated telephones ("COCOTs") when it authorized COCOTs to be registered under Part 68. See Registration of Coin Operated Telephones Under Part 68, FCC 84-270, rel. June 25, 1984, 49 Fed. Reg. 27763 (July 6, 1984). Thus, the regulatory policies upon which the Part 68 exemption for "coin service" was based no longer exist.[4/]

3/ For example, the US West BOCs stated in the materials accompanying their recent tariff revisions involving pay telephone presubscription, see infra at pages 6-7, that all 14 states in the US West area permit pay telephone competition. See Mountain States Telephone and Telegraph Company, Northwestern Bell Telephone Company and Pacific Northwest Bell Telephone Company (US West), Transmittal No. 174, Amendments to Tariff F.C.C. No. 1, filed July 1, 1988, Description and Justification at 7.

4/ The "coin service" exemption currently is codified at 47 C.F.R. § 68.2(a)(1). Although we are not raising any issue in this petition as to the continued usefulness of that rule, the Commission should consider repealing the exemption in light of its recognition that the reasons for adopting the exemption no longer exist. Of course, whatever decision the Commission makes regarding the continued viability of

(continued...)

On a different track, the Commission created a separate regulatory status for BOC pay telephones when it held in 1980 that "coin operated or pay telephones" were not CPE for purposes of the Commission's Computer II policies. Second Computer Inquiry, 77 FCC 2d at 447 n.57. As noted above, those policies require the BOCs to unbundle and detariff their CPE while continuing to provide the basic transmission service under tariff. The Commission did not proffer reasons for excluding BOC pay telephones from the CPE category until the Tonka Tools decision in 1985. There the Commission articulated two rationales for the exclusion: first, that "the primary customer of this pay telephone equipment for Computer II regulatory purposes is still the general public or some segment thereof;" and second, that "[t]he instrument and the pay telephone service are not severable from [the end user's] perspective." Tonka Tools at para. 12.

We are submitting this petition because, again, both of the Commission's rationales for according BOC pay telephones a separate regulatory classification have been overtaken by subsequent developments. By declaring now that BOC pay telephones are CPE, the Commission would not be affirming anything that the industry does not already recognize. Indeed, the BOCs themselves have described their own pay telephones as "customer

---

4/(...continued)
the "coin service" exemption does not affect this petition. The status of terminal equipment under Part 68 does not affect whether it is CPE. Tonka Tools at para. 13.

premises equipment."[5] The marketplace reality today is that pay telephone instruments are "severable" from the underlying transmission capacity like all other CPE. The Commission should remove the uncertainty caused by the current regulatory status of BOC pay telephones, as well as ameliorate the competitive disclocation stemming from the BOCs' practice of bundling their pay telephone instruments with the subscriber lines, by clarifying that BOC pay telephones are CPE for regulatory purposes.

Discussion

I. Under The BOCs' Presubscription Plans, The Premises Owner Is A Primary Customer

The BOCs are now coming forward with presubscription plans for their pay telephones which plainly show that the premises owner is a "primary customer" of the BOC. On June 20, 1988, Ameritech sent a letter (copy attached) to the Department of Justice which announced that Ameritech planned to implement a new routing system for Dial "0" default traffic.[6] Under Ameritech's plan, the premises owner where the telephones are located, not the end users, will presubscribe the telephones to the interexchange carrier ("IXC") of its own choice.

The Mountain States Telephone and Telegraph Company, Northwestern Bell Telephone Company and Pacific Northwest Bell

---

5/ See supra note 3, Description and Justification at 1 ("pay telephones are a special category of customer premises equipment (CPE)").

6/ Currently, all Dial "0" default traffic over BOC pay telephones is routed to AT&T.

Telephone Company ("US West" or "US West BOCs") presented the Commission with a similar presubscription plan in Transmittal No. 174, dated July 1, 1988. They stated that their "plan will allow the owner of the premises on which the payphone is located to choose his interexchange carrier in a manner similar to the Ballot and Allocation plan used for residential and business telephones." Transmittal Letter at 1. That plan was based on US West's recognition that under current marketplace conditions,

> "[i]t is . . . apparent that premises owners are today the key participant in the payphone marketplace. Their incentive is to use the services of a provider willing to pay them the highest commissions. The premises owner has the power to remove MTN, NWB and PNB's payphones (and install a 'private' payphone) if they do not get adequate commissions vis-a-vis the competition." Description and Justification at 8.

In describing premises owners, the US West BOCs used terms such as "agents of record" and "subscribers." Id. at 6 n.*.

These plans and their explanations demonstrate that the premises owner is not merely a lessor of shelf space to the BOC. Rather, the premises owner is an active participant in the actual provision of pay telephone service to the public. Particularly when the premises owner is responsible for presubscribing the pay telephones, it is the premises owner as much as the end user which constitutes the BOC's primary customer. The Commission has repeatedly stated that it is the customer's prerogative and responsibility to make the presubscription choice.7/ Likewise, the BOCs' tariffs refer to presubscription as a customer function. If the premises owner is a customer for purposes of presubscribing pay telephones, then it must also be regarded as a customer for purposes of the Commission's CPE policies.

The functions performed by a premises owner confirm that it is a customer of the BOC. The premises owner reaches an agreement with the BOC regarding how many pay telephones will be located on the premises, how many lines will be ordered and where they will be placed, and which IXCs may be accessed by the public from those telephones. It is the premises owner, not the end user, that makes the arrangements with the local telephone company for the installation, maintenance and supervision of the pay telephones. The premises owner receives commission payments from the BOC and, if permitted to presubscribe its pay telephones, will presumably receive commissions from an IXC. In many cases (semi-public pay telephone service) the premises owner must pay a line charge to the BOC. By contrast, the end user may never even know the identity of the BOC providing the pay telephone service, despite the signage on the telephones, and in many cases will not even receive a bill from that BOC.

7/ E.g., Investigation of Access and Divestiture Related Tariffs, 101 FCC 2d 911, 911 (1985) ("[p]resubscription is the process that enables end users to select a primary IXC"); Northwestern Bell Telephone Company, Transmittal Nos. 968 and 981, rel. Feb. 7, 1985, at para. 2 ("[p]resubscription is an arrangement which allows an end user to select an interexchange carrier").

In these circumstances, it is more accurate to characterize the premises owner as a BOC customer who resells pay telephone service to end users than as a passive bystander who merely rents shelf space to the BOCs. The premises owner is as much if not more the customer of the BOC than the transient public, and thus certainly constitutes a "primary customer" within the meaning of Tonka Tools.[8] As a result, the BOCs should be ordered to detariff their pay telephones and offer the underlying transmission lines on an unbundled basis under tariff.[9]

II. From The Customer's Viewpoint, The BOC Telephone Instruments Are Severable From Their Telephone Service

Once it is recognized that the premises owner is a BOC customer in connection with a BOC pay telephone service, it can no longer be doubted that the telephone instruments are severable

---

8/ We do not think it is necessary for the Commission to choose between the premises owner and end users in determining which is a primary customer of the BOC. We think that each qualifies as a primary customer within the meaning of Tonka Tools. It is the premises owner's status as a primary customer, however, that mandates a declaratory ruling now that BOC pay telephones are CPE.

9/ The Commission has stated that it will waive its policy of deregulating CPE policies only when "1) the equipment is obsolete; 2) no competitive market exists; 3) there is very little equipment; 4) it is difficult for anyone other than the BOC to maintain and repair the CPE; and 5) the costs of preparing the equipment for transfer to the public and servicing it outside of regulation outweigh any possible benefits." The Detariffing of Customer Premises Equipment and Enhanced Services, 3 FCC Rcd 477, 479 (1988) (emphasis supplied). Pay telephone equipment clearly does not satisfy these criteria and thus must be deregulated under the Commission's Computer Inquiry policies.

from the telephone service. The premises owner normally considers a number of different suppliers of pay telephone instruments for its premises. Although the BOCs choose to offer solely a bundled instrument/transmission service, most other pay telephone providers do not. The premises owner has the same ability as any residential or business subscriber to purchase its terminal equipment from one supplier and then to interconnect that equipment to transmission facilities supplied by another entity. Pay telephone instruments are simply one segment of the overall CPE industry.

Even if the Commission focuses on the point of view of the end user, that does not support the conclusion that BOC pay telephones are not CPE. It is no longer open to doubt that CPE may be involved even when the end user cannot separately select the terminal equipment and the transmission line. For example, when a BOC, AT&T or some other CPE vendor sells telephone handsets to a hotel, that equipment does not lose its status as CPE just because hotel patrons do not have any realistic option other than to use the equipment and transmission capacity provided by the hotel. In that respect the hotel patron is in the same position as an end user of BOC pay telephones, and there is no legitimate reason to conclude that the terminal equipment is CPE in one case but not in the other.[10/]

10/ The Commission has held that terminal equipment which performs the functions of CPE should generally be treated as CPE for regulatory purposes. See Pacific Bell Request For
(continued...)

There certainly is nothing inherent in the BOC pay telephone service which uniquely entitles that equipment to an exclusion from the CPE category. It is true, of course, that most BOC pay telephones require interaction with the central office. However, the Commission expressly found in Tonka Tools (at para. 10 n.27) that the central office interaction did not itself justify classifying BOC pay telephones as non-CPE. The Commission held that all BOC pay telephones, even those which do not require special interaction with the central office, should have the same regulatory status. Moreover, there is no technical reason why other companies cannot design and manufacture pay telephone instruments which may be interconnected to central-office based pay telephone lines without causing harm to the network. Some of PTC's members already manufacture central office-based pay telephone instruments. BOC pay telephones are currently hard-wired into the telephone network solely because the BOCs have voluntarily chosen to do so.

The regulatory classification of BOC pay telephones should hinge upon marketplace reality. As the BOCs concede, the current reality is that the premises owner is the fulcrum of competitive forces in the pay telephone market. From the owner's viewpoint,

---

10/ (...continued)
Authority To Provide Asynchronous/X.25 Protocol Conversion, FCC 88-174, rel. May 26, 1988, at para. 21. In other words, if it functions like CPE, then it probably is CPE. In this case, the fact that BOC pay telephones perform the basic functions of residential and business telephone handsets, which are CPE, is still further evidence that BOC pay telephones are CPE.

BOC pay telephones are in direct competition with COCOTs. *See supra* at page 7. As the Commission has ruled with respect to other terminal equipment, the BOCs, if they choose to compete in that market, must detariff their terminal equipment and unbundle it from the underlying transmission service. That is the only basis upon which fair competition can occur in the CPE industry. The singular success of that policy has been proved by the enormous growth of the CPE industry and the emergence of stable competitive forces in that industry. The Commission's unbundling and detariffing policy is equally important to ensure that the pay telephone industry enjoys the benefits of meaningful competition.

Conclusion

For the foregoing reasons, PTC requests that the Commission issue on an expedited basis a declaratory ruling that BOC pay telephones are CPE for regulatory purposes. In addition, we urge the Commission to direct the BOCs to unbundle the pay telephone equipment from the transmission service and to offer the latter under tariff.

Respectfully submitted,

THE PUBLIC TELEPHONE COUNCIL

By: Judith St. Ledger-Roty

Judith St. Ledger-Roty

Robert J. Aamoth

Robert J. Aamoth

Pierson, Ball & Dowd
1200 18th Street, N.W.
Washington, D.C. 20036
(202) 331-8566

July 18, 1988

Its Attorneys