RECEIVED
JUN 17 1992
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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

ORIGINAL FILE

REPLY

BellSouth Telecommunications, Inc. ("BellSouth") hereby files these responsive comments in the above-captioned proceeding.[1] Apart from its consideration of billed party preference, the Commission has initiated this inquiry to review the practices governing use of AT&T's proprietary CIID card. The Commission requests comment on the type of restrictions (if any) which should be applied to limit use of the card with 0+ access. As stated in its initial comments and repeated here, BellSouth maintains that the validation services of AT&T are indistinguishable from LEC-provided validation services and must conform to the same regulatory standards.

DISCUSSION

In the Notice of Proposed Rulemaking (NPRM) released May 8, 1992, the Commission offered two possible methods for limiting current use of the AT&T CIID card in conjunction with 0+ access. The first proposal would require AT&T to make validation data available to all OSPs, permitting

---

[1] Billed Party Preference for 0+ InterLATA Calls, CC Docket No. 92-77, FCC 92-169, Notice of Proposed Rulemaking, released May 8, 1992.

No. of Copies rec'd 0+4
List A B C D E

acceptance of the card as a billing alternative by competitors. The second would require AT&T to limit use of the card as a billing mechanism to those calls dialed with an access code (i.e., 10XXX calls). The Commission seeks comment on the merits of imposing either limitation (or any limitation) on AT&T's current practices.

Understandably, AT&T argues for no change in the present system, by which it may accept the CIID card to bill any call over the AT&T network while withholding validation data from its OSP competitors.[2] Insofar as AT&T opposes the suggestion to limit card acceptance to 10XXX-dialed calls, BellSouth concurs that this alternative would be adverse to the public interest and is not within the immediate technical capabilities of the network. However, BellSouth fundamentally disagrees with the claim that AT&T has--or should have--sole discretion to withhold or provide access to validation data associated with the CIID card. Having determined that LEC-provided card validation is a Title II offering, the Commission can reach no different result with respect to validation of the CIID card.

AT&T argues that no jurisdictional predicate exists to compel an offering of CIID validation on the basis that "...the Commission has previously held, billing functions such as those involved here are not subject to regulation

---

[2] AT&T Comments, filed June 2, 1992.

under Titles I or II of the Communications Act."[3] To the contrary, the Commission has held that "...services such as validation and screening that are 'incidental' to the transmission of wire communication service fall within the meaning of communication service as defined in Section 3(a) of the Act."[4] This characterization of LIDB applies with equal force to AT&T's CIID validation, which relies upon the same technology to produce the same service to the end user. Like LIDB, CIID validation is used to support other common carrier communications services of the issuing company.

Nor is the application of Title II to CIID validation altered by the fact that AT&T is an interexchange carrier while LIDB owners are the providers of local exchange service. The scope of the Commission's regulatory power cannot be made dependent upon this circumstance. At most, the existence of a more competitive interexchange market might justify more streamlined regulation of CIID validation;[5] clearly, it does not exempt the service from

---

[3] AT&T Comments, p. 4.

[4] Policies and Rules Concerning Local Exchange Carrier Validation and Billing Information for Joint Use Calling Cards, CC Docket No. 91-115, FCC 92-168, Report and Order and Request for Supplemental Comment, released May 8, 1992, para. 20.

[5] Even this distinction between CIID and LIDB validation service appears questionable, however, given AT&T's overwhelming dominance of the interexchange operator services market. The better result would be to regulate CIID validation in like manner to LIDB, while reserving streamlined regulation for the validation services of smaller OSPs.

basic requirements of reasonableness and nondiscriminatory provisioning under Title II.

In sum, the Commission cannot prescribe Title II regulation for LIDB validation service and simultaneously permit the maintenance of indistinguishable AT&T validation as a detariffed billing and collection activity. To do so would be assailable as an arbitrary and capricious exercise of agency decisionmaking.

CONCLUSION

For the reasons provided here and in BellSouth's initial comments to this proceeding, the Commission should direct AT&T to make CIID validation and screening services available on equal terms to requesting OSPs as a tariffed offering subject to all requirements of Title II.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: Helen A. Shockey

William B. Barfield
Richard M. Sbaratta
Helen A. Shockey

Its Attorneys

1155 Peachtree Street, N.E.
Suite 1800
Atlanta, Georgia 30367-6000

June 17, 1992

CERTIFICATE OF SERVICE

I, SHEILA BONNER, hereby certify that copies of the foregoing document were served by mailing true copies by First Class, United States Mail, postage prepaid to the persons listed on the attached service list.

This the 17th day of June, 1992.

Sheila Bonner

Sheila Bonner

U S West Communications, Inc.
Lawrence E. Sarjeant
Randall S. Coleman
1020 19th Street, N.W.
Suite 700
Washington, D.C. 20036

Southwestern Bell Tele. Co.
Durward D. Dupre
Richard C. Hartgrove
John Paul Walters, Jr.
1010 Pine Street, Room 2114
St. Louis, MO 63101

Northwest Pay Phone Assoc.
Douglas N. Owens
4705 16th Avenue, N.E.
Seattle, Washington 98105

Wiley, Rein & Fielding
Richard E. Wiley
Danny E. Adams
1776 K Street, N.W.
Washington, D.C. 20006
Attorneys for Competitive
Telecommunications Assoc.

Jean L. Kiddoo
Swidler & Berlin, Chtd.
3000 K Street, N.W.
Washington, D.C. 20007
Counsel for Zero Plus
Dialing, Inc.

Sutherland, Asbill & Brennan
Attorneys for
Capital Network System, Inc.
Randolph J. May
David A. Gross
1275 Pennsylvania Ave, N.W.
Washington, D.C. 20004-2404

Sprint Communications Co.
Leon M. Kestenbaum
H. Richard Juhnke
1850 M Street, N.W., 11th Flr
Washington, D.C. 20036

Swidler & Berlin, Chtd.
Jean L. Kiddoo
Ann P. Morton
3000 K Stret, N.W., Ste 300
Washington, D.C. 20007
Counsel for Cleartel
Communications, Inc. and
Com Systems, Inc.

Mitchell F. Brecher
Dow, Lohnes & Albertson
1255 23rd Street, N.W.
Washington, D.C. 20554
Attorneys for
Phonetel Technologies, Inc.

NYNEX
William J. Balcerski
Patrick A. Lee
120 Bloomingdale Road
White Plains, NY 10605

Albert H. Kramer
Robert F. Aldrich
Kech, Mahin & Cate
1202 New York Ave., N.W.
Penthouse Suite
Washington, D.C. 20005-3919
Attorneys for American Public
Communications Council

U.S. Long Distance, Inc.
W. Audie Long, Esq.
Kenneth F. Melley, Jr.
9311 San Pedro, Suite 300
San Antonio, TX 78216

Ameritech Operating Co.
Floyd S. Keene
Michael S. Pabian
Room 4H76
2000 West Ameritech Ctr. Dr.
Hoffman Estates, IL 60196

MCI Telecommunications Corp.
Mary J. Sisak
Donald J. Elardo
1801 Pennsylvania Ave, N.W.
Washington, D.C. 20006

National Telephone
Cooperative Assoc.
David Cosson
2626 Pennsylvania Ave, N.W.
Washington, D.C. 20037

SDN User's Association, Inc.
Larry Moreland
c/o Caterpillar, Inc.
600 W. Washington St., AD341
East Peoria, IL 61630

International
Telecharge, Inc.
Jane A. Fisher
Greg Casey
6707 Democracy Blvd.
Bethesda, MD 20817

AT&T
Francine J. Berry
Mark C. Rosenblum
295 North Maple Avenue
Room 3244J1
Basking Ridge, NJ 07920

LDDS Communications, Inc.
Catherine R. Sloan
1825 I Street, N.W.
Suite 400
Washington, D.C. 20006

Pacific Bell
Nevada Bell
James P. Tuthill
Nancy C. Woolf
140 New Montgomery Stret
Room 1523
San Francisco, CA 94105

Glenn B. Manishin
Blumenfeld & Cohen
1615 M Street, N.W.
Suite 700
Washington, D.C. 20036
Attorney for Value-Added
Communications, Inc.

Law Office of John A. Ligon
128 Mount Hebron Avenue
Post Office Box 880
Upper Montclair, NJ 07043
Attorney for Comtel Computer
Corporation

USTA
Martin T. McCue
Linda Kent
900 19th Street, NW,
Suite 800
Washington, D.C. 20006-2105

GTE Service Corporation
Gail L. Polivy
1850 M Street, N.W.
Suite 1200
Washington, D.C. 20036

ATC
Douglas F. Brent
10000 Shelbyville Road
Louisville, KY 40223

Bell Atlantic Telephone Co.
John M. Goodman
1710 H Street, N.W.
Washington, D.C. 20006