

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Amendment of Policies and Rules)
Concerning Operator Service Providers)
and Call Aggregators)

CC Docket No. 94-158

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GTE's COMMENTS

GTE Service Corporation and its affiliated
domestic telephone operating companies

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SUMMARY

1. GTE supports the proposed double branding requirement for interstate intraLATA collect calls that GTE handles over its network.
2. GTE supports the Commission's proposal to extend emergency calling requirements to aggregators.
3. Modifications to the regulatory treatment of inmate telephones should only be made if a thorough cost/benefit analysis shows the imposition of TOCSIA rules is in the public interest.
4. The FCC should not establish time limits within which consumer information on aggregator telephones must be updated.

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GTE's COMMENTS

GTE Service Corporation and its affiliated domestic telephone operating companies ("GTE") hereby offers its comments in response to the Commission's Notice of Proposed Rulemaking (*NPRM*) and Notice of Inquiry (*NOI*), FCC 94-352 (released February 8, 1995), in the above-captioned proceeding.

INTRODUCTION

The *NPRM* proposes to amend its rules to require branding for the parties on both ends of a collect call and to establish minimum standards for aggregators to follow in routing and handling emergency telephone calls.

The *NOI* solicits comment on whether changes should be made in the regulatory treatment of entities that provide telecommunications services to correctional institutions and whether the Commission should prescribe a time limit for updating consumer information posted on or near aggregator telephones.

In response to these issues, GTE submits the following comments.

DISCUSSION

I. GTE SUPPORTS THE PROPOSED DOUBLE BRANDING REQUIREMENT.

The *NPRM* at paragraph 5 proposes to amend 47 C.F.R. Section 64.708(d) to require that branding of collect calls include both the consumer at the originating end of

the call and the called party who must accept the charges for the call in order for the message portion of the call to begin.

As a provider of interstate intraLATA toll services in a limited number of its serving areas, GTE provides operator services functions on calls – originating from its service territory – that are dialed on a collect basis. Required double branding would be in the best interest of those parties responsible for paying for collect toll calls.

Accordingly: GTE supports amendment of 47 C.F.R. Section 64.708(d) so that all Operator Service Providers ("OSPs") will be required to perform double branding on interstate collect calls.

II. ALL LOCAL SERVICE PROVIDERS SHOULD BE SUBJECT TO THE SAME REQUIREMENT TO ROUTE EMERGENCY CALLS.

The Commission seeks comment on whether Section 64.706 should be revised to require aggregators, including payphone providers, to program their equipment to recognize emergency dialing sequences and allow consumers to place such calls without charge.

GTE wholeheartedly supports this proposal. From the point of view of the public safety, it is vital that a member of the public faced with an emergency should be able to reach help through any service provider.

Further, the obligation to meet needs of this kind should not be placed asymmetrically on only some providers. As a Local Exchange Carrier ("LEC"), GTE is obligated to route emergency telephone calls from all local exchange lines, including the pay telephones it operates. As local exchange markets become increasingly

competitive, it is essential that telecommunications providers be subject to symmetrical rules and policies.

In summary: All local service providers – including aggregators, competitive payphone providers, OSPs and LECs – should be subject to the same requirements to route and handle emergency calls.

III. GTE RECOMMENDS A CAREFUL COST/BENEFIT ANALYSIS BEFORE DECIDING TO SUBJECT INMATE PHONES TO FULL TOCSIA REQUIREMENTS.

The *NOI* (at paragraph 10) seeks comment on whether any changes should be made to the FCC's regulatory treatment of inmate telephones.

Currently, inmate phones are excluded from the definition of an "aggregator", and thus are exempted from many of the Commission's rules designed to implement the requirements of the Telephone Operator Consumer Services Improvement Act of 1990 ("TOCSIA"). The issues posed by the *NOI* have surfaced as a result of complaints that many telephone systems in correctional institutions preclude the inmate and the called party from selecting the carrier that handles and bills for the call.

In its Billed Party Preference ("BPP") proceeding,¹ the Commission is considering whether telephone companies should be required to route 0+ interLATA calls in accordance with the presubscribed carrier of the party that is responsible for paying for the call.

¹ Billed Party Preference for 0+ InterLATA Calls, CC Docket No. 92-77. See Further Notice of Proposed Rulemaking, FCC 94-117 (released June 6, 1994).

Assuming the Commission decides that BPP is in the public interest and mandates its implementation, GTE recommends that BPP be made applicable to inmate phones because their exclusion would be costly to accommodate. However, inasmuch as local prison and law enforcement agencies must have the ability to limit and control inmate calling in order to avoid toll fraud and other criminal activity, it could prove to be detrimental to the public interest for the Commission to subject inmate telephones to all of the Commission's rules established to implement the requirements of TOCSIA. Such an action might require costly alteration or replacement of the existing telephone equipment of correctional institutions that is designed to prevent inmate abuse. These considerations dictate caution.

Accordingly: Before deciding to subject inmate telephones to the full panoply of TOCSIA rules, the FCC should conduct a thorough cost/benefit analysis in order to determine whether the imposition of such rules is in the public interest.

IV. GTE URGES THE FCC NOT TO ADOPT TIME LIMITS ON IXC-UPDATING.

The *NOI* (at paragraph 12) requests comment on the extent of the problem caused by delays in updating consumer information posted on aggregator telephones — including pay telephones — concerning selection of an Interexchange Carrier ("IXC") and on whether a specific time limit for updating such information should be imposed.

In GTE's view, establishment of a set time limit to update consumer information on aggregator telephones would be unreasonably burdensome and would unfairly disadvantage LECs along with other pay telephone providers. Further, there has been no showing that such delays amount to an industry-wide problem warranting the imposition of costly new requirements.

GTE suggests the public interest demands policies that avoid making IXC-updating into a serious economic burden for the companies involved. So long as IXC-update is being picked up along with other functions being performed at the same time, the added cost is modest. On the other hand, requiring companies to "roll trucks" just to IXC-update would generate costs far out of proportion to any conceivable benefit.

GTE's technicians routinely visit pay telephone locations for the purposes of coin collection, normal testing and maintenance, and updating the name of the long distance carrier posted on the instrument, if necessary. The frequency of these visits will vary mainly in accordance with the average use of the pay telephone, *i.e.*, the need to collect coin. In high density urban areas, normal coin collection and maintenance may occur once a week. In rural and sparsely populated areas, where IXC changes are much less frequent, coins are collected from GTE pay telephones much less frequently. This variation is entirely proper, and should rule out establishing a set requirement across the board.

GTE recommends that a company should be obliged to update consumer information on the pay telephones it provides within a reasonable but unspecified time. Establishing a time limit for IXC-update across the board would not accommodate the varying needs and resources of public telephone providers; and, if it mandated separate visits to remote pay telephone sites, it could result in requiring very costly activities not shown to be necessary, including such expenditures as technician salaries, vehicle operation and maintenance costs, and administrative costs.

Again, this matter raises the question of disparate impact. While such aggregators as hotel/motel providers and hospitals would be able to re-label their telephones with relatively little expense, this could be a heavy burden for LECs.

Indeed, ultimately it could significantly increase the cost for LECs of serving rural America.

There has been no showing that the updating of consumer information on aggregator telephones is a substantial industry-wide problem justifying costly and burdensome requirements over and above those that already exist. In fact, GTE is not aware of any complaints filed with the Commission that allege that GTE has been derelict in its responsibilities to update pay telephone information.

It is also significant that LEC action keeping IXC selection up to date is often made impractical or impossible by disproportionate numbers of unauthorized PIC change occurrences.² Unauthorized PIC changes are more frequent in the case of pay telephones than for residential or business lines. Recently, GTE implemented a procedure to verify all PIC changes associated with public telephones directly with the premise owner or its agent in an effort to guard against "slamming" activities. In time, these measures should be effective in reducing the frequency of pay telephone PIC changes and thereby reducing the need for updating information. GTE suggests this approach is likely to serve the public interest, while establishing across-the-board updating requirements would disserve the public interest by the asymmetric imposition of substantial and unnecessary costs.

² It may take considerable time for an unauthorized PIC change to be identified by a premise owner or agent. During that period, the IXC information may have been updated by GTE personnel. Upon discovering the unauthorized PIC change, GTE must not only revert the line to the correct interexchange carrier, but must, once again, change the carrier labeling on that phone.

In summary: The Commission should not establish fixed time limits on IXC-updating because this would be likely to disserve the public interest by increasing the costs of owning and maintaining pay telephones in many LEC serving areas without offsetting benefits.

Respectfully submitted,

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