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November 9, 1995

Mr. William F. Caton  
Secretary  
Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, DC 20554

RECEIVED  
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RE: Ex Parte Presentation  
CC Docket 92-237

Dear Mr. Caton:

On Thursday, November 9, 1995, Mr. Alexander Smith, Mr. Douglas Schoenberger and I provided and discussed the attached document to Deputy Bureau Chief Kathleen Levitz, senior engineer Mary De Luca and attorney Marian Gordon in connection with the above-captioned docket.

Two copies of this Notice are being submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Spurlock".

Attachment

cc: Ms. Kathleen Levitz  
Ms. Mary De Luca  
Ms. Marian Gordon

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**92-237**

**The FCC Should Act Now To Facilitate Customer Choice For All Interstate  
Traffic, Both Inter And IntraLATA**

## **Overview**

- **94 Interstate/IntraLATA Exception Areas Associated With 45 States**
- **Exception Area Revenue (Including Corridor Traffic) > \$325 Million**
- **Top 10 Exception Areas: PA, IL, TX, DE, WA, IN, MD, OR, VA, MO**
- **12 (CT, FL, KY, MI, MN, NY, WI, GA, WY, IL, WV, AZ) States With Interstate/IntraLATA Calling Have Ordered Presubscription With Various Implementation Dates, Some Starting As Early As 10/95**
- **25 States With Interstate/IntraLATA Calling Are Considering 1+ Presubscription Including PA, TX, WA, IN & DE Of The Top Ten States**

## **Why Interstate/IntraLATA Presubscription Is Needed**

- **Promotes Competition, i.e., Provides 1+ Customer Choice; Today LECs Screen & Complete These Calls Without Regard To The Customer's IXC Choice**
  
- **Minimizes Consumer Confusion, i.e., Customers:**
  - **Are Unaware Of LATA Boundaries**
  
  - **Believe That Interstate Calls Are Carried By Their Presubscribed Long Distance Carrier**
  
  - **Prefer To Place Calls On a 1+ Basis Rather Than Dialing Extra Digits, Which They Perceive As Inconvenient**
  
  - **Are Confused Regarding How To Place 10XXX Interstate Calls From Their Home Using Their Presubscribed Long Distance Carrier**

- **As With InterLATA Presubscription, Expanded Choice Of Services And Accelerated Introduction Of New Services**

**In Bringing Consumer Choice To Interstate/IntraLATA Calling, The FCC Can Associate This Calling With Either Of The Two PICs Available To Consumers:**

- 1. The InterLATA PIC Which Includes Interstate Calling**

**Or**

- 2. The Emerging IntraLATA PIC Which Would Then Reflect The Current Calling Area Arrangement, i. e., Handles State IntraLATA And Interstate/InterLATA Calling On A 1+ Basis**

**If The FCC Associated interstate/IntraLATA Calling With The InterLATA PIC, Significant Changes Would Take Place:**

- 1. All Interstate/IntraLATA Traffic Would Be Transferred From The LECs To Consumers' InterLATA IXC's**
- 2. LECs Would Have To Establish 10XXX Codes To Compete For This Calling (In Effect, Exception Areas Become Corridor Areas, i. e., The LEC Has No 1+ Capability)**

**Therefore, In Implementing Interstate/IntraLATA Presubscription, The FCC Should Associate This Calling With the IntraLATA PIC For Implementation Coincidental With State presubscription:**

- 1. Virtually Eliminates Customer Confusion While Introducing Customer Choice**
- 2. Employs Existing 2-PIC Technology Available Now From Most Switch Manufactures**
- 3. Minimizes Interstate/IntraLATA Presubscription Administration & Expense To Small Increment Over Intrastate IntraLATA Presubscription**
- 4. Ensures Consistent Treatment Nationwide**

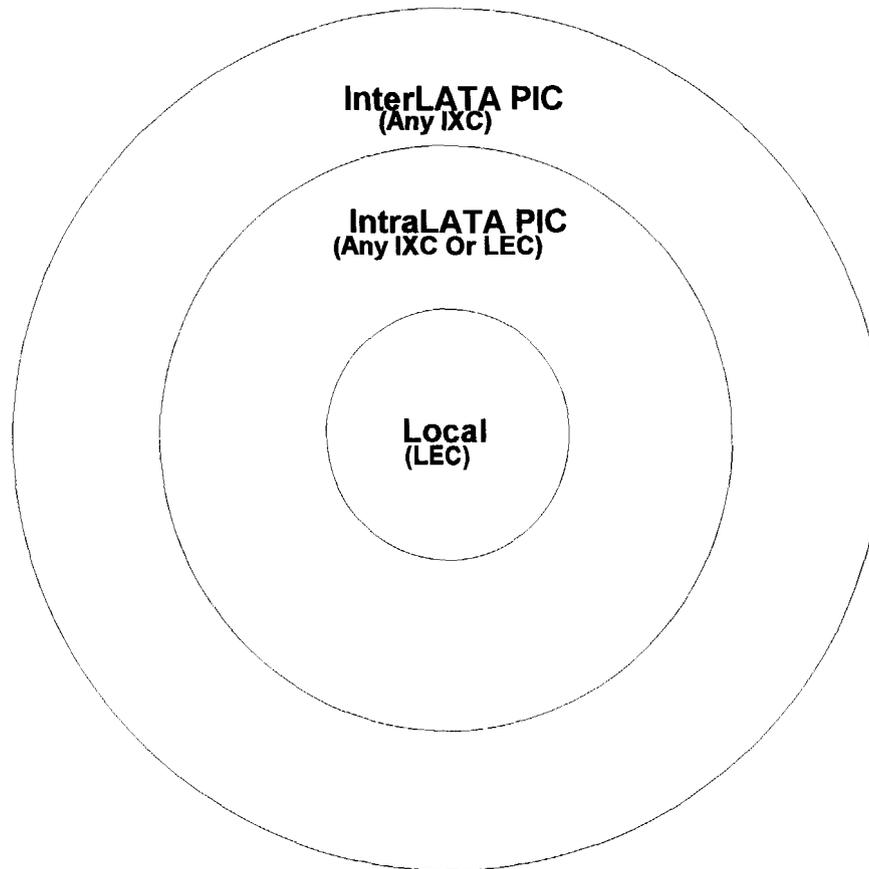
## **Minimizes Future Customer Confusion While Introducing Customer Choice**

- **The Consumer Will Choose Its Interstate/IntraLATA Carrier (Same As IntraLATA Carrier And Well Could Be The Same As The InterLATA Carrier)**
- **Maintains Existing Calling Pattern Where Interstate/IntraLATA Calling Is Associated With State IntraLATA Calling**
- **If The Future, When A Customer Chooses A Carrier Via State IntraLATA Presubscription, The Customer Would Expect To Have Interstate/IntraLATA Calling Included**
- **Therefore, For The FCC Should Order Interstate/IntraLATA Presubscription To Be Coincident With State IntraLATA Presubscription But With A Certain Competition Date For All Interstate/IntraLATA Calling.**

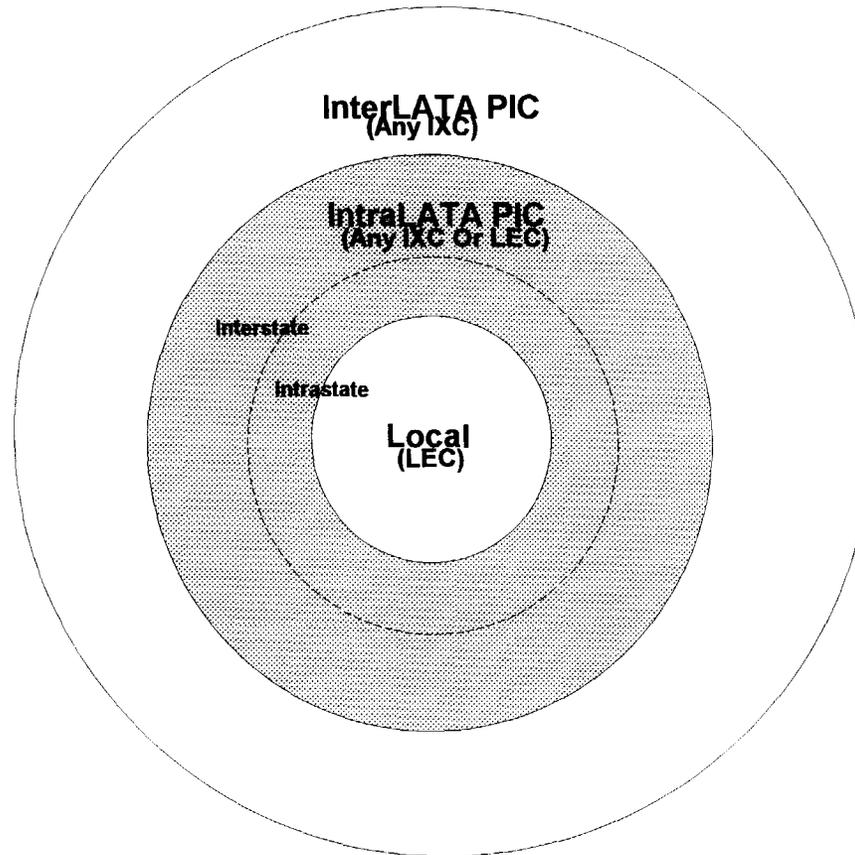
## **Employs Existing 2-PIC Technology Available Now From Most Switch Manufactures**

- **Based On Historic Dialing Patterns, Full 2-PIC Software Allows Only One IntraLATA PIC And One InterLATA PIC**

## Full Two PIC Presubscription Customer Choices



## LATAs With Interstate IntraLATA Calling Are Special Cases



### **Interstate IntraLATA & State IntraLATA Calling Must Be Provided By The Same PIC**

**1. Two PIC Software Can Be Manipulated So That State & Interstate IntraLATA Presubscription Can Be Implemented Independently**

**2. When Both FCC and State Have Ordered Presubscription, One IntraLATA PIC Determines Carrier For Interstate IntraLATA & State IntraLATA Calling**

## **Minimizes Interstate/IntraLATA Presubscription Administration & Expense To Small Increment**

- **LECs Need Only Make Generic CO Changes To Include Interstate/IntraLATA Calling With IntraLATA PIC**
- **Currently States Determine Implementation Schedules, Administrative & System Changes, Need For Balloting, Etc.**

## **Allows For Consistent, Timely Treatment Nationwide**

- **Interstate/IntraLATA Presubscription Implemented Coincidentally With State IntraLATA Presubscription As Part Of The IntraLATA PIC**
- **Avoids Interstate/IntraLATA Pockets Of Isolation**
- **Some RBOCs Are Advocating Delay In State Orders Until Interstate/IntraLATA Treatment Declared By FCC**
- **Many State Commissions Moving Forward, FCC Should Also Act**

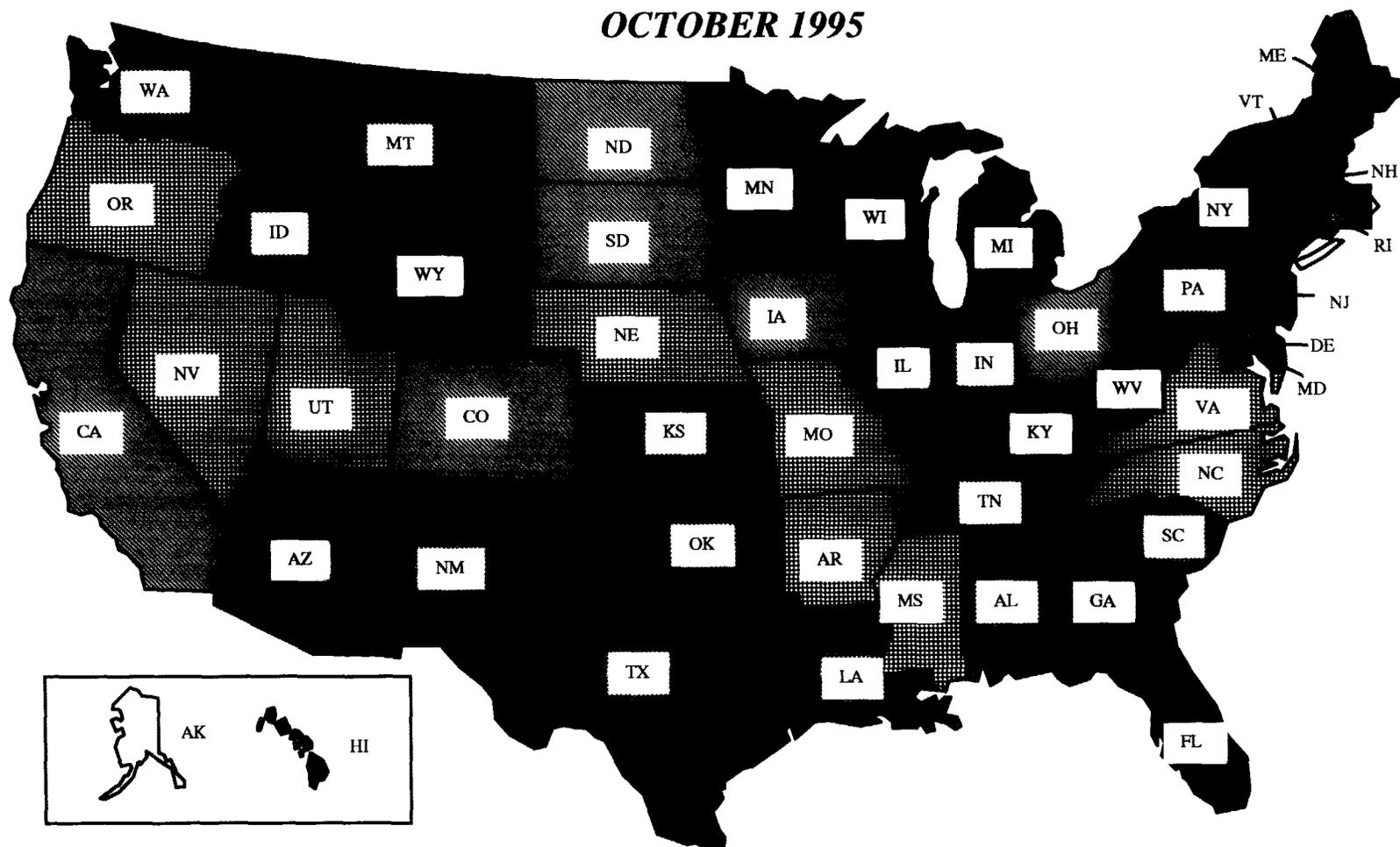
## **Recommended FCC Order**

**The FCC Should Act Expeditiously On This Section Of 92-237:**

- 1. Amending Its Carrier Selection Plan To Recognize That Consumers Should Have Choice For Interstate/IntraLATA Calling As They Have For All Other Interstate Calling**
- 2. Providing That Interstate/IntraLATA Choice Is To Occur Simultaneously With Intrastate/IntraLATA Choice Through State Implementation Of The IntraLATA PIC But With A Date Certain For Competition For All Interstate/IntraLATA Calling.**
- 3. Where Possible With FCC Policy, Adopting State IntraLATA Presubscription Implementation And Administration Procedures For Interstate/IntraLATA Presubscription**

# *1+/0+ INTRALATA PRESUBSCRIPTION*

## *OCTOBER 1995*



**STATEWIDE IMPLEMENTATION ORDERED (13):**

AZ\*, CT, FL, GA, HI\*, IL\*, KY, MI, MN, NY, WI, WV\*, WY  
 \* ISSUED AFTER 6/1/95; IN ILLINOIS, FOR OTHER LECs

**PARTIAL IMPLEMENTATION (9):**

CA\*\*\*, CO, IA\*\*\*, KY\*\*, MN\*\*, ND, OH\*\*\*, SD\*\*\*, WI\*\*  
 \*\* ALSO SEE STATEWIDE IMPLEMENTATION ORDERED  
 \*\*\* ALSO HAS PENDING CASE

**PENDING CASES (24):**

AL, CA, DE, ID, IN, IA, KS, LA, ME, MD, MA, MT, NH, NJ, NM, OH, OK, PA, SC, SD, TN, TX, VT, WA

**PLANNED (11)**

AR, CO, MS, MO, NE, NV, NC, OR, RI, UT, VA