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GARY J. WESTON
Executive Director

March 29, 1996

Office of the Secretary
Federal Communication Commission
Washington, D.C. 20554

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Dear Sir/Madam:

RE: In the Matter of: Federal-State Joint Board on Universal Service
FCC-96-93; CC Docket No. 96-45

I have enclosed the original and seven copies of the Comments of The Edgemont Neighborhood Coalition, Dayton, Ohio our office has prepared for filing in reference to the above action. Please return the extra time-stamped copies to our office in the enclosed self-addressed stamped envelope.

Yours,

Ellis Jacobs
Council for the
Edgemont Neighborhood Coalition

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BEFORE THE FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

IN THE MATTER OF: : FCC-96-93
FEDERAL-STATE JOINT BOARD : CC DOCKET NO. 96-45
ON UNIVERSAL SERVICE

**COMMENTS OF THE EDMONT NEIGHBORHOOD
COALITION, DAYTON, OHIO**

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I. Introduction

The Edgemont Neighborhood Coalition, Inc. ("Edgemont") hereby files its *Initial Comments* in this proceeding pursuant to the Federal Communication Commission ("the Commission") *Notice* of March 8, 1996.

Due to the length of the *Notice*, Edgemont is unable to comprehensively address each issue raised. Failure to comment should neither be taken as a waiver of nor an endorsement of the Commission's proposed position. Edgemont may have further comments or refinements of its position to offer at subsequent opportunities for doing so.

II Background

A. The Edgemont Neighborhood Coalition

Edgemont is a community organization based in a low-income African American neighborhood in the City of Dayton, Montgomery County, Ohio. The organization is a nonprofit corporation dedicated to improving economic opportunity and the quality of life for residents of the Edgemont neighborhood. Edgemont operates a urban gardening project, a storefront office, and is preparing to open "Edgenet", a community computer center.¹

¹Edgenet is one of fourteen community computer centers funded as the result of an Order adopting the settlement of the Ameritech-Ohio Alternative Regulation Case, PUCO Case No. 93-487-TP-ALT and Case No. 93-576-TP-CSS. *Opinion and Order*, November 25, 1994. The relevant section of that settlement, Exhibit F, is attached here as Appendix 1.

The Order allotted 2.2 million dollars for computer centers in low-income neighborhoods. The settlement specifies the number of centers each city in the Ameritech service territory will receive: Cleveland (3), Columbus (3), Akron (2), Toledo (2), Dayton (2), Youngstown (1), and Marietta (1). Each center will receive \$150,000 over a three year period. The Ohio Community Computing Center Network (OCCCN) was established to administer those funds.

The OCCCN has issued a request for proposals and, as of this date, has accepted seven proposals for funding. The remainder of the sites will be chosen soon. Locations so far include a library, public housing project, and a community center. The Akron, Youngstown and Marietta centers have already opened. Centers in Columbus, Toledo and Dayton are scheduled to open this spring.

Edgemont's "Edgenet" center will open May 16, 1996. While each center is different, Edgenet is representative in some ways. It is located in an easily accessible

Edgemont has long been concerned with utility matters and since 1993 has intervened in all telephone cases before the Ohio Public Utilities Commission (PUCO) involving Montgomery County. Edgemont has also filed Comments in PUCO dockets regarding disconnection and local competition.

B. The Neighborhood and Telecommunications Access

The Edgemont neighborhood is a low-income minority neighborhood in a city which has become smaller and poorer over the last twenty years. The median household income in the neighborhood was \$13,412 in 1990.² Its problems are not unlike those that exist in low-income neighborhoods throughout Ohio.

Approximately 218,000 households in Ohio do not have telephones. That is more than the total number of households in Cleveland (199,787) or in Dayton (72,678) and Toledo (130,883) combined.³

In 1990, the banner year for telephone penetration in Ohio, 22.1% of low-income renters in Montgomery County did not have a phone.⁴ Nancy Glidden, the director of the Information and Referral project operated by the Dayton Area United Way, testified in a

location in a low-income community. It will have twelve workstations providing computer network access for children and adults. It will offer tutoring and workshops and will be open after school and on weekends. It will rely on volunteers as well as paid staff.

The goal of the center will be to make its services known and available throughout the Edgemont Neighborhood.

In addition to providing access and tutoring, the Center will become a magnet for used computers and a conduit for those computers into the homes of the adults and children who use the center.

²The City of Dayton, Department of Planning, *Edgemont Profile*, March 15, 1994, Appendix 2.

³Bureau of the Census, *Statistical Abstract of the United States, 1994*.

⁴Appendix 3, 1990 Census, *Percent of Poor Renters Without Telephone Service*. Edgemont is located in Montgomery County.

recent PUCO case that one-sixth of the people who contacted her agency in 1994 did not have their own telephone.⁵ Providers of Medicaid services in Montgomery County have passed a resolution informing the PUCO that one-half of Medicaid recipients do not have telephones and asking for action.⁶

When it comes to Internet access, there is none. Linda Broadus, the director of the Edgemont Neighborhood Coalition testified that, to her knowledge, in 1994 there were only two computers in the entire 1,000 household neighborhood and that neither of them were connected to any network.⁷

Even the neighborhood's children do not have access at schools. There is no in classroom access to the Internet at either of the schools in the neighborhood.

This existing lack of access combined with other ongoing dynamics raises the very real concern that Edgemont and neighborhoods like it will be the last to see competition and new telecommunications investment.

C. The Reality of Redlining

Edgemont has little faith in the marketplace bringing needed services to its neighborhood. Competition has existed for years in banking, retail and health care yet there are no bank branches, no grocery stores, no doctor's offices, and no pharmacies in the Edgemont neighborhood.

⁵Appendix 4, Public hearing testimony of Nancy Glidden, PUCO Case No. 93-487-TP-ALT and 93-576-TP-CSS, October 12, 1994. Ms. Glidden's eloquent testimony discusses the difficulty those without telephones have contacting her agency and other social services agencies.

⁶Appendix 5, Resolution to the PUCO, March 19, 1996. The Medicaid providers note that it is harder for those without phones to get appropriate care and that it is less efficient and more expensive to provide care to those without phones.

⁷Public Hearing Testimony of Linda Broadus, PUCO Case No. 93-487-TP-ALT and 93-576-TP-CSS, (October 12, 1994) at 47.

The term redlining came into currency to describe the practice of banks refusing to do business in minority neighborhoods.

In the case of the banks, there were plenty of good-risk minority residents desiring loans, but a combination of economic and cultural perceptions resulted in banks avoiding minority communities causing those communities serious harm.

Edgemont is concerned that competitive telecommunications companies will also delay providing service to or outright avoid minority and low income residential neighborhoods.

There is good reason for this concern. An analysis in 1994 by a coalition of consumer and civil rights organization of video dial tone applications to the FCC by Regional Bell Operating Companies found that the applicants proposed to bypass many lower-income and/or minority communities in their initial deployment of video dial tone, while serving areas contiguous to those communities.⁸

The development pattern of Ohio's metropolitan areas will provide ample incentive for other telecommunications companies to make similar decisions if they are allowed to.

An excellent report by the Ohio Housing Research Network contains an in-depth analysis of these development patterns.⁹ The report shows that for every city in Ohio the suburbs (both inner and outer) are far wealthier (as measured by 1990 household income) than the cities they surround.¹⁰ For example, the most extreme disparity was found in the Cleveland area where the average income in Cleveland was \$23,144, in the inner suburbs it

⁸Petition for Relief of Center for Media Education et. al., *In the Matter of the Petition for Relief from Unjust and Unreasonable Discrimination in the Deployment of Video Dial Tone Facilities*; Federal Communications Commission, May 23, 1994. at I. Edgemont understands that as a result of changes in the law no companies are pursuing video dial tone applications. Those applications are cited here only illustrate the danger that urban and minority communities will be excluded.

⁹The Ohio Housing Research Network, *Moving Up and Out: Government Policy and the Future of Ohio's Metropolitan Areas*, September 19, 1994. Appendix 6.

¹⁰*Id.* at table 5, p. 11.

was \$40,484, and on the edges of Cuyahoga County it was \$52,401. More typical was the Dayton area where city income was \$24,563, inner suburb income was \$39,742, and on the edges of Montgomery County it was \$44,514.¹¹ The report found that the incomes in these outlying neighborhoods were also growing faster than incomes were growing in the cities.¹²

Further, the number of households located in these areas is skyrocketing.¹³

For example, while Cincinnati experienced a 2.1% decline in the number of households between 1980 and 1990 (to 154,342 households) its inner suburbs grew by 5.4% (to 95,455) and the outer edges of Hamilton County grew by 20.4% (to 89,084 households). This was typical of the other Ohio metropolitan areas.¹⁴

The relative growth of these areas is not restricted to residential growth.

The rate of growth in the assessed value of commercial and industrial property in most outlying areas surpassed the rate of such growth in the associated central city.¹⁵ Cleveland, which has seen a downtown building boom still illustrates this trend. Between 1983 and 1991 the value of commercial property in the city increased by 48.3% (to \$1,570,833,200) the value in the inner suburbs increased by 23.7% (to \$1,491,491,340) and the value in the outer edges of Cuyahoga County soared by 65.8% (to \$1,218,013,330).¹⁶ Industrial property value in that period declined by 20.7% in the city, declined by 12.3% in the inner suburbs but increased by 8.4% on the edges of the county.¹⁷

¹¹*Id.*

¹²*Id.*

¹³*Id.*

¹⁴*Id.*

¹⁵*Id.* at table 6, p. 13.

¹⁶*Id.*

¹⁷*Id.*

With higher household incomes and more residential, commercial and industrial growth than in the cities, telecommunications companies will be very tempted to go after these highly lucrative markets which encompass the areas a little to the north, south, east and/or west of Ohio's cities but which exclude those cities. The Ohio Housing Research Network's report shows that every Ohio city is vulnerable.

This background is what frames Edgemont's comments.

III. Comments

The following comments address issues in the order of presentation set forth in the the Commission's *Notice*.

Paragraph 4. The definitions of "Telecommunications" and "Telecommunications Service" in the 1996 Act¹⁸ suggest two criteria for measuring quality that are of particular importance to low-income communities.

The definition of "telecommunications" focuses on a user's ability to choose, direct and transmit information.¹⁹ What does quality mean in relation to that? It means that the services offered are easily usable and that, as appropriate, training is included in the service so that users can choose, direct and transmit information.

In order for a service to be readily usable barriers and delays must be removed, to the extent technically feasible, from the point where the information is generated to the point where the information is received.

The level of training that should be included will vary with the type of service being offered. For some services, telephone voice transmission for instance, a clearly written description of how to make different types of calls included in the telephone book would be sufficient. Other types of services will require more intensive training.

¹⁸Telecommunication Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (to be codified at 47 U.S.C. §§ 151 et seq.). For consistency we follow the Commission's *Notice* and refer to the provisions of the 1996 Act using the sections at which they will be codified.

¹⁹47 U.S.C. 153(a)(48)

Since the goal of universal service is to provide access for all the people of the United States, without discrimination,²⁰ training will need to be appropriate for all citizens. Less sophisticated people may require more intensive training.

This is a key issue from the perspective of low-income communities. Presently, members of middle and upper income communities draw on a variety of personal and professional contacts to learn how to access and use telecommunication services like the Internet. The residents of low-income communities are so geographically isolated that they simply do not have access to those sorts of contacts.

The definition of "telecommunications services" in the 1996 Act provides another key criteria. The definition focuses on the offering of telecommunications to the public for a fee in the marketplace.²¹

A quality offering in the marketplace is one which contains the information that potential users need in order to be able to intelligently shop for that service. The confusion generated by the marketing of long distance services should be a warning. Consumers need unit price and other information in an easily comparable format so they can make apples-to-apples comparisons.

Again, this is particularly important for low-income communities where education levels are low and where people are frequently the targets of high pressure and other unconscionable sales practices.

These are criteria of quality which will further the goal of universal service. Of course they are only two of many possible criteria.

The concept of "affordability" suggests that cost should not be a barrier for anyone, regardless of their income.

²⁰*Id.* § 151

²¹*Id.* § 153(a)(51)

To determine when basic telephone service is affordable the Commission should proceed from the assumptions that all income groups have roughly the same interest in having basic phone service and that, from any particular family's perspective, affordability is a function of the percentage of that household's income required to pay for a particular service.

We note that "affordable rates" are to be available for all services, including but not limited to the services which are supported by Federal universal service support mechanisms.²² We also note that support mechanisms are not exclusive means of achieving affordable rates.

Paragraph 5. Today, access to the Internet is among the advanced telecommunication and information services which should be provided in all regions.²³

"Access" should be given its dictionary definition, admittance or ability to use,²⁴ while "region of the nation" needs to be given modern relevance. Historically, concern with reaching all regions would have focused on geographically far flung areas. Today, the distance between a wealthy suburb and its nearby inner city may be just as, if not more, significant.

The National Information Infrastructure Advisory Council, established by Executive Order in 1993 just delivered its final report, *Kickstart Initiative: Connecting America's Communities to the Information Superhighway*.²⁵ That report address how advanced services can best be made available in all regions.

²²*Id.* § 254(b)(1).

²³Whether Internet access is really an advanced service could be debated. Later in these comments we argue that neighborhood based Internet access satisfies the Section 254(c)(1) criteria and should be eligible for Federal support mechanisms.

²⁴*The Random House Dictionary of the English Language* at 8 (Random House, College Edition 1968).

²⁵National Information Infrastructure Advisory Council, *Kickstart Initiative: Connecting America's Communities to the Information superhighway*, February 1996.

The central finding of the *Kickstart* report is that, "Every individual in this country should have the opportunity to participate on the Information Superhighway by the year 2000. **The quickest, most efficient way to do this is to bring the Superhighway to the neighborhood - to schools, libraries and community centers.**"

(Emphases added)²⁶. The Report highlights the key role for community computer centers in providing access:

Community centers represent an excellent supplement to schools and public libraries in terms of meeting the lifelong learning needs of a community and providing public access to the Information Superhighway. Connecting community centers to the Superhighway may also serve to fill in the gaps left by schools and public libraries. Connecting community centers can fulfill the access needs of the nonschool population of a community; can extend the hours that access to the Information Superhighway is available to the community, can bring the community closer together, and can create a point of access for special interest groups within a community -- e.g. senior citizens, veterans, Native Americans, etc. -- who might not otherwise access the Superhighway.²⁷

As discussed above, pursuant to the settlement of the Ameritech Ohio Alternative Regulation Case, centers like these are being started in 14 locations in Ohio. Each is funded for \$150,000 over three years.²⁸ If each center serves a neighborhood of between 1,000 and 3,000 households, the average cost per year per household would be \$25.

Paragraph 6. As Section 254(b)(3) is constructed, the yardstick is to be urban areas without their associated low-income customers.²⁹ Low-income customers, then, are among those who are to be given access to services reasonably comparable to the services provided

²⁶*Id.* at 3.

²⁷*Id.* Community Centers at 6.

²⁸Note 1.

²⁹§ 254(b)(3).

"downtown" at comparable rates. As the Ohio Housing Research Network study shows³⁰, in many areas the historic downtown is no longer the focus of economic activity. Where that is the case the de facto downtown (typically an "edge city") should be the measuring stick to which the services available to low-income customers should be pegged.

Paragraph 7. As noted above, Edgemont does not trust that the invisible hand of the marketplace will bring new telecommunication services and investment to its neighborhood in a timely way. Any regulatory scheme which ignores the failure of the unassisted marketplace to provide services in minority and inner city neighborhoods will not succeed.

Paragraph 8. Edgemont agrees with the Commission's interpretation that each service does not necessarily have to meet all four criteria. Further, we would add that the language, "the extent to which..." provides the Joint Board and Commission flexibility beyond deciding whether a service does or does not satisfy a particular criteria.³¹

In looking at the extent to which a service is essential to education, public health or public safety the Commission should look at a number of factors including, the extent to which that service is used in the **best practices** in education, public health or public safety. Further, the value of such service should be determined with reference to the opinions of experts.

Paragraph 10. This paragraph establishes a framework which causes Edgemont some concern. The term "advanced telecommunication and information services" while not defined in Section 254, is not synonymous with, nor subsumed within the "special services" or "additional services" described in Sections 254(c)(3) and 254(h). The *Notice* is unclear on this.

Section 254(b)(2) establishes the principle, not limited in its application to public institutional telecommunications users, that access to advanced telecommunications and

³⁰Ohio Housing Research Network, *supra* note 9. Appendix 6.

³¹§ 254(c)(1).

information services should be provided in all regions. Nor is Section 254(b)(3) limited to public institutions. It requires access to advanced telecommunication and information services to "customers in all regions of the nation". Section 706 is a further mandate for the deployment to advanced services vices to "all Americans" through adjusting methods of regulation. Finally, as previously discussed, Section 254(b)(1) requires just, reasonable and affordable rates, for all services, including advanced services.

The commission needs to include within its conceptual framework the mechanisms to bring these sections to life.

The 1996 Act's framework for universal service starts with an overarching mandate to preserve and advance universal service for all Americans. Regular and advanced telecommunications and information services are all included. They are to be universal, quality, and available at just, reasonable and affordable rates.

The Joint Board and the Commission are mandated to develop policies for preserving and advancing universal service. The limit on these policies is that they be based on the principles in Section 254(b). The universal service support mechanisms specified in the 1996 Act are not the exclusive approaches to the mandated ends.

Paragraph 50. All of the services listed in the *Notice* should be included. In addition the following should be included:

- 1) Unlimited usage, flat rate local calling should be supported.

In Ohio, flat rate service is the service subscribed to by a substantial majority of residential customers. Even the very low income customers who participate in Ohio's Service Connection Assistance Program (SCA) overwhelmingly choose flat rate service. Participants in SCA can choose between flat, message or measured service. Despite having the strongest possible motivation to choose the potentially cost saving message and measured services, 89% of these customers choose flat rate service.³²

³²Appendix 7, The Public Utilities Commission of Ohio, *Service Connection Assistance Annual Reporting Form*, covering the period ending February 28, 1994.

Ohio's other low income program, the Telephone Service Assistance program does not allow participants to choose flat rate service. This program has very poor participation. Only between 2.9% and 6.9% of those who are eligible participate.³³ The prohibition of flat rate service was identified by the PUCO staff as a primary reason for such low participation.³⁴

The Commission should provide support for flat rate local calling and adopt compensation mechanisms that are consistent with and which support flat rate local calling.

2) Neighborhood based Internet access.

Internet access has become widely available. AT&T just announced that it will provide free Internet access for all of its customers. A recent Nielson survey indicated that more than 24 million people in the U.S. and Canada are already on the Internet - fully 11% of the population over 16.³⁵ The growth of the Internet is geometric. The number of World Wide Web Sites doubled every 53 days during 1995.³⁶ Ameritech-Ohio will begin publishing E-mail addresses in its directories in 1996.³⁷

How important to the public interest is access to the Internet? A just published, highly authoritative study by RAND discussed the importance of computer network use.³⁸ It highlighted three areas:

³³Appendix 8, The Public Utilities Commission of Ohio, *Report to the Ohio General Assembly Telephone Service Assistance Lifeline Program* at 5. (January 1, 1995)

³⁴Id.

³⁵Jared Sandboro, *On Line Population Reaches 24 Million*, *The Wall Street Journal*, October 30, 1995.

³⁶Steven Levy, *This Changes Everything*, *Newsweek*, December 25, 1995, at 27.

³⁷Ameritech Press Release, Appendix 9.

³⁸Anderson, et. al., *Universal Access to E-Mail, Feasibility and Societal Implications* at 15-19 (RAND, 1995).

- Access to information. Research shows that those with network access have more accurate information than similarly situated peers without access. Information, more so everyday, is power.

- Opportunities for affiliation. People use computer networks as tools of association. Studies show that network use creates and sustains both strong and weak social ties. These ties open the doors to a variety of opportunities.

- Opportunities for economic advantage. Access to computers and communications technology confers economic benefits. "Data from 1984-1989 suggests that workers who use computers on their job earn 10 to 15 percent higher wages than otherwise similar workers who do not."³⁹ In each of these areas the acceleration of computer network use will put those without access at an increasingly greater disadvantage and wall them off ever further from contemporary life.

How essential is it to education? A study just released by the Department of Education shows that Internet access is assuming a key role in education.⁴⁰ Fulfilling the need for access at school is only a piece of the education picture, however. After school access is the other essential part.⁴¹

In order for students to fully benefit from the computers and computer networks they will have access to at school they will need to have access to similar computers and networks after school hours to reinforce what they've learned, to experiment and to do research.⁴² Further,

³⁹*Id.* at 18

⁴⁰National Center for Educational Statistics, *Advance Telecommunications in U.S. Public Elementary and Secondary Schools*, February 1995.

⁴¹William Squadron, Helen Birenbaum, *Machines, Wires and Access: Information Technologies and American's Urban Schools*, *Journal of Urban Technology*: Volume 3, Number 1 (Fall 1995) at 95.

⁴²PUCO Case No. 93-487-TP-ALT and Case No. 93-576-TP-CSS, Tr. X (Singleton) at 22-24, 153; Tr XLII (Brockway) at 102-103.

there will be an increasing need for continuing education will take place at home through computer networks.⁴³

While the Internet has taken hold in American and its use is becoming integral to education, low-income and minority families are not participating in these developments. In fact, in recent years the gap between computer network use in middle income and poor households has actually increased.

The RAND analysis shows that, "while the income-based gap in household computer access was very large in 1989, it was even wider by 1993. In 1989 individuals in the top quartile (over \$50,000 a year) were over six times more likely to have access to a computer in the household than individuals in the bottom quartile of the income distribution (under \$15,000). By 1993, this gap had widened to well over seven times more likely".⁴⁴

RAND found a similar pattern for network usage. In 1989, two percent of the lowest income individuals used computer networks compared to 11 percent of high income individuals. In 1993, the fractions were 3 percent and 23 percent.⁴⁵

Have these trends changed since the recent acceleration of Internet growth? Conclusive data is not yet available, but a business page article from this holiday season is not encouraging. While reporting a mixed year for computer sales the Associated Press noted that, "nearly two thirds of (computer) buyers this (1995) holiday season are in households that already have a PC." Further, "80 percent of the computers on store shelves this month cost more than \$2,000. A year

⁴³PUCO Case No. 93-487-TP-ALT and Case No. 93-576-TP-CSS, Co. Ex 18.0 (Singleton) at TR X at 25.

⁴⁴Anderson, et al., *supra* note 38, at 25

⁴⁵*Id.* See also, U.S. Department of Commerce, *Falling Through the Net, a Survey of the "Havenots" in Rural and Urban America (July, 1995)*.

ago, just 30 percent did. The average selling price is expected to be about \$2,100 up from \$1,800 a year ago."⁴⁶

Even if the price of equipment and network access were to plummet, the 14% of the population living below the poverty line and many others living near it will still not be able to participate to any significant degree without assistance. They simply will not be able to afford even a \$500 modem equipped computer.

For these reasons neighborhood based access to the Internet in neighborhoods where there is little access should receive universal service support.

3. Line quality adequate for data transmission at 28.8 kbps.

Modems being sold today have 28.8 kbps capacity. Already, much of the material on the Internet is best accessed at this rate. Line quality that allows full participation on the Internet should be supported.

4. A white pages listing and a directory.

5. Call waiting.

There is a large demand for call waiting in low-income urban households. There are a number of theories for this popularity. There is evidence that low-income households are more likely to have several generations living under one roof causing more intensive telephone use. Those with low-incomes are also less likely to have desk jobs with access to a telephone throughout the day with the same result. Culture may also play a role.⁴⁷ Call waiting significantly extends the basic functionality of the phone and its marginal cost is small.

Paragraph 53. Edgemont would propose expanding the California proposal. A "warm line" should be available to all subscribers and former subscribers. The warm line would allow access to 911 and to the telephone company office.

⁴⁶Evan Remstad, *Buyers Await PC Price Fall, Producers Ignore Low-Price Market* Dayton Daily News, December 23, 1995.

⁴⁷Michael J. Weiss, *The Call-Waiting Connection*, *The Atlantic Monthly*, September 1995 at 75.

Access to 911 is clearly essential for public health and safety. Few neighborhoods have public emergency call boxes anymore. The emergency medical service public education campaigns in Ohio use a poster showing a telephone with the slogan, "Learn this life saving device".⁴⁸

Paragraph 54. Toll blocking and toll limiting services should be offered to low-income subscribers without charge and without any coercion to accept such services. To allow such coercion would frustrate the purpose of the 1996 Act by cutting off access to interchange service.

Paragraph 55. Interexchange services are among the services which should be available at just, reasonable, and affordable rates. As above, affordability requires consideration of the user's income. A package of interexchange calls should be made available at a reduced rates to low-income users.

Paragraph 56. Up-front charges are major barriers to telephone subscribership. Deposits and service connection charges should eliminated, not reduced, for low-income customers.

Rather than tying such treatment to toll restriction the Commission should instead move ahead to "unbundle the consequences" for failure to pay for different telecommunications services. Failure to pay for long distance service should result in loss of long distance, but not loss of local service. As companies begin to offer a wider variety of services, it will become increasingly important that this unbundling occur. The alternative will be to have local phone service held hostage for payment of cable and other services.

Paragraph 57. Voice mail services are being tried in various cities and appear to be the type of service which would be useful to people without stable residences. Edgemont does not have experience with these services but can see their utility and cost effectiveness.

Voice mail is a service which is deployed in the public networks, is being subscribed to by an increasing number of residential customers and, as a stable location for those without

⁴⁸Appendix 10.

stability but with great social service needs, could be an essential link to education and public health and safety services.

Paragraph 65.

There should be one program for low income customers which eliminates up front charges, reduces monthly charges on basic service including flat rate services and which mandates that toll restriction and other needed services be provided free at the customers option.

Edgemont and other low-income advocates in Ohio have drafted such a program.⁴⁹ The Federal program should make the maximum possible contribution to such a program and utilize appropriate leverage to ensure state participation.

Paragraph 67. It is unclear how the Commission will gauge education, public health, public safety and public interest concerns if it proceeds as proposed. The Commission needs information sources attuned to these concerns.

The "public interest" should be deemed to include access to employment, civic participation and the minimization of environmental degradation.

Paragraph 82. We agree that schools and libraries are to receive discounts for both Section 254(c)(1) and 254(c)(3) services.

Paragraph 85. The effectiveness of both schools and libraries is increased when they act in partnership with their communities. The "no resale" provision should not be interpreted in a way that will limit or impede such partnerships.

IV. Conclusion

Edgemont appreciates the opportunity to submit these *Comments* and looks forward to further opportunities for input into the Commission's universal service rule making process.

⁴⁹Appendix 11. Proposed Universal Service Plan, Edgemont Neighborhood Coalition.

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Comments of the Edgemont Neighborhood Coalition has been served upon each of the parties listed on the attached pages by regular U.S. Mail, postage prepaid, on April 29, 1996.



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Exhibit F
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COMMUNITY COMPUTER CENTERS

Community Computer Centers bring together hardware, software, network access and training in a tutorial and workshop atmosphere. To be eligible for funding, a Center shall be housed in a location that is readily accessible to the Community it serves, such as a school, library, church or community center, shall be open after school hours, shall be located in a low income neighborhood, and shall contain an appropriate number of computer workstations.

There will be 14 such centers, located as follows:

<u>Location</u>	<u># of Centers</u>
Cleveland	3
Columbus	3
Dayton	2
Toledo	2
Akron	2
Youngstown	1
Marietta	1

The centers will be phased in. In the first year of the Plan one center will be funded in each city. In the second year of the Plan the additional centers will be funded.

Each center will receive \$40,000 start-up costs at the start of its first year.

\$ 560,000

Each center will receive operating funds for three years. For the first two years that each center is funded, each center will receive a \$40,000 per year annual grant. In the third year, each center will receive a \$30,000 annual grant.

\$ 1,540,000

All funds described herein are to be expended by the Company. All operating and start-up funds shall be made available beginning on the effective date of this Plan and on the anniversary of that date every year thereafter pursuant to the schedule set forth above. Should a center not be ready to receive funding in a particular year, that money will be made available in subsequent years. Monies not claimed by the beginning of the fourth year shall be made available to existing operating centers. All centers shall be notified of that availability and the decision on how the funds shall be allocated shall be made by the committee described below.