Attorney General
Betty D. Montgomery

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July 16, 1996

Via Overnight Mail

Office of the Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D. C. 20554

Re: *In the Matter of Billed Party Preference For InterLATA 0+ Calls*

Dear Mr. Caton:

Enclosed please find the original and ten copies of **Comments of the Public Utilities Commission of Ohio** in the above-referenced matter. Please return a time-stamped copy to me in the enclosed stamped, self-addressed envelope

Thank you for your assistance in this matter.

Respectfully submitted,

Ann E Henkener

ANN E. HENKENER
Assistant Attorney General
Public Utilities Section
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AEH/kja

Enclosure
cc: Enforcement Division, Common Carrier Bureau
International Transcription Services, Inc.

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Before the

FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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

EXECUTIVE SUMMARY OF THE COMMENTS OF THE PUBLIC UTILITIES COMMISSION OF OHIO

The PUCO agrees with the FCC that it would not be economical to institute BPP at the present time, since such a requirement would necessitate the building of duplicate systems (i.e., one for BPP and another for number portability) that would be capable of providing virtually identical functionalities. The PUCO submits that the implementation of a BPP system should be deferred on a temporary basis only. That is, the PUCO recommends the FCC should continue to pursue the implementation of BPP once number portability has been established.

The PUCO concurs with the FCC's recommendation that a benchmark with an additional price margin of 15% should be adopted. The PUCO also agrees with the FCC that consumers are generally informed about the prices that they will be charged for the individual 1+ calls that they make from their homes.

To help protect the parties receiving and being billed for these collect calls from correctional institutions, the PUCO recommends that the branding for inmate calls, at a minimum, must be at the beginning of the call, prior to charges for the call being accepted by the billed party. The PUCO also recommends that the brand must include the name of the inmate service provider, must provide a means for toll-free access to such provider, and must include information indicating that the charges for the call may vary from those of the billed party's regular telephone company.

Before the

FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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

COMMENTS OF THE PUBLIC UTILITIES COMMISSION OF OHIO

INTRODUCTION

The Public Utilities Commission of Ohio (PUCO) hereby submits its comments pursuant to the Federal Communications Commission's (FCC's) Second Further Notice of Proposed Rulemaking (NPRM) in CC Docket No. 92-77 (In the Matter of Billed Party Preference for InterLATA Calls). The FCC's NPRM in this investigation proposes, as an alternative to immediately instituting billed party preference (BPP), rules to require those interexchange carriers (IXCs) offering operator services through payphones to disclose their rates prior to charges being incurred and before the call is completed if the providers' charges are in excess of a predetermined benchmark. Specifically, the FCC proposes to establish benchmarks for rates charged by operator service providers (OSPs) that reflect consumer's expectations, and to require OSPs whose charges exceed these benchmarks to disclose orally to customers, before connecting a call, the total charges the customer would be responsible to pay. Comments responding to the FCC's 92-77 NPRM are due at the FCC on July 17, 1996. Reply comments are due August 16, 1996.

BACKGROUND

BPP would require that, through a central database(s), interLATA 0+ payphone traffic would be automatically carried by the OSP preselected by the party being billed for the call. The FCC proposes these revised disclosure requirements as an alternative to instituting billed party preference (BPP), which it believes could cost in excess of $1 billion to establish. In particular, the FCC notes that, while it continues to believe that BPP would provide significant benefits to consumers, if local exchange carriers (LECs) are required, pursuant to Section 251(b)(2) of the Telecommunication Act of 1996 (1996 Act), to install the facilities necessary to perform database queries for number portability, it may be more economical to query that same database for a customer's preferred OSP. As a result, the FCC notes that it intends to give further consideration to instituting BPP during the development of local number portability.

The PUCO's recommendations in this proceeding are limited to commenting on the FCC's proposal to defer the implementation of BPP, the FCC's proposals to implement revised call branding requirements, and the provision of BPP on inmate phones at correctional facilities.

DISCUSSION

The FCC seeks comment on its proposal to implement rate disclosure information as an alternative to implementing BPP at this time. NPRM at Paragraph 4.

The PUCO agrees with the FCC that it would not be economical to institute BPP at the present time, since such a requirement would necessitate the building of duplicate systems (i.e., one for BPP and another for number portability) that would be capable of providing virtually identical functionalities. The PUCO submits that

the implementation of a BPP system should be deferred on a temporary basis only. That is, the PUCO recommends the FCC should continue to pursue the implementation of BPP once number portability has been established. When number portability is functional, the PUCO recommends that the FCC re-examine the incremental cost of establishing a BPP system that would utilize many of the same network components and facilities developed for number portability.

Disclosure of Price on All Operator Service Calls

The FCC seeks comment on the benefits and costs associated with imposing a price-disclosure requirement on all 0+ calls. NPRM at Paragraph 15. The FCC notes that consumers may be unaware that 0+ calls from outside the home may be more expensive than the 1+ calls that consumers make from their homes. The FCC asks commenters to evaluate whether the benefits of a price disclosure for each call, or disclosure of the price of a representative call, before connecting a call, would exceed the costs of such disclosures even for 0+ calls that are priced at or below the levels at which consumers expect them to be priced. The FCC also seeks comment on whether such a requirement may necessitate the need to establish any benchmark-level requirements. NPRM at Paragraph 15.

The FCC tentatively concludes that benchmarks should be set at a level reflecting consumer expectations, and that the O+ rates charged by the three largest OSPs reasonably reflect consumer expectations. Furthermore, the FCC seeks comment on whether an additional price margin, such as 15 percent, is reasonable and justifiable. NPRM at Paragraph 24.

The PUCO concurs with the FCC's recommendation that a benchmark with an additional price margin of 15% should be adopted. The PUCO also agrees with the FCC that consumers are generally informed about the prices that they will be charged for the individual 1+ calls that they make from their homes. However,

consumers may be unaware that O+ calls made from outside their homes may be more expensive than the 1+ calls that consumers make from within their homes.

The FCC tentatively concludes that it should adopt oral disclosure rules as suggested by the Colorado PUC Staff. The Colorado PUC Staff proposes that instead of any specific warning, OSPs with rates above the benchmark be required to disclose the actual price they will charge for the call dialed - both the charge for the initial period (including surcharges) as well as the subsequent period charges. NPRM at Paragraph 34. The FCC finds that the record provides strong support for requiring OSPs to inform consumers of the total charges for which they would be liable for the initial rate period and for subsequent rate periods if those charges, including any and all surcharges, exceed the benchmark, and thus consumers' expectations. Alternatively, the FCC believes that consumers might receive adequate information for identifying an OSP if that OSP orally disclosed the highest amount that it might charge the caller for a domestic call lasting seven minutes (which appears to be the average length of an O+ call). NPRM at Paragraph 35.

The PUCO agrees with the FCC's conclusion that it should adopt oral disclosure rules as suggested by the Colorado PUC Staff. Regardless of the decision regarding branding, the PUCO believes that any posting requirements, either mandated by the FCC or by the individual states, be maintained.

Inmate-Only Phones in Correctional Institutions

The FCC notes that a prison or other correctional institution, to the extent it makes telephones available for inmate use only, may not be an aggregator within the meaning of the Telephone Operator Consumer Services Improvement Act of 1990 (TOCSIA) definition. Callers from these facilities are generally unable to select the carrier of their choice; ordinarily they are limited to the carrier selected by the

prison. Therefore, a disclosure requirement can not directly aid such callers. NPRM at Paragraph 48.

The FCC invites comment on whether the public interest would be better served by some alternative remedy for prison inmate calling, including but not limited to requiring full price disclosure to the party to be billed for a collect call before connecting the call for inmate calls. NPRM at Paragraph 49.

Calls placed from Ohio's state correctional facilities must be made on a collect call basis. Additionally, inmate service providers, at the request of the correctional facilities, will limit certain inmates' calls to a particular person (or persons) to lessen the probability of threatening or harassing calls from being placed. Many of Ohio's correctional facilities require inmate service providers to place a periodic recording on an inmate's line indicating that the call is being placed by an inmate at a correctional facility.

To help protect the parties receiving and being billed for these collect calls from correctional institutions, the PUCO recommends that the branding for inmate calls, at a minimum, must be at the beginning of the call, prior to charges for the call being accepted by the billed party. The PUCO also recommends that the brand must include the name of the inmate service provider, must provide a means for toll-free access to such provider, and must include information indicating that the charges for the call may vary from those of the billed party's regular telephone company.

CONCLUSION

In closing, the PUCO wishes to thank the FCC for the opportunity to file comments in this docket.

Respectfully submitted,

The Public Utilities Commission of Ohio

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Dated: July 16, 1996

Attachment A

DOCUMENT OFF-LINE

This page has been substituted for one of the following:

o An oversize page or document (such as a map) which was too large to be scanned into the RIPS system.

o Microfilm, microform, certain photographs or videotape.

✓ o Other materials which, for one reason or another, could not be scanned into the RIPS system.

DISKETTE

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