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AUG 16 1996

FEDERAL COMMUNICATIONS COMMISSION
U.S. DEPARTMENT OF COMMERCE
WASHINGTON, D.C. 20554

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

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Reply Comments

MCI TELECOMMUNICATIONS CORPORATION

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Dated: 16 August 1996

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Summary

In its comments, MCI demonstrated that the Commission should not adopt its proposed rate disclosure plan. The majority of commenters support MCI's view that the Commission's plan would be expensive to implement, inconvenient to consumers, and ineffective at combating the problem of high operator service rates.

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should mandate the implementation of BPP which would ensure that 0+ calls were routed to the consumer's carrier of choice.

The majority of commenters also take exception with the Commission's rate disclosure proposal for the reasons cited by MCI and for other reasons, as well. Interexchange carriers (IXCs), Bell Operating Companies (BOCs), payphone providers (PPOs), and OSPs have shown that the Commission's benchmark plan would be expensive to implement.¹ As demonstrated by the commenters, any rate disclosure plan would increase OSPs' costs.² Hotel Communications estimates that the overall cost of implementing the Commission's rate disclosure rule could exceed \$1.40 per call.³ Thus, the Commission's rate disclosure plan, which was proposed to combat the problem of high operator service rates, would have the effect of significantly increasing the OSPs' costs of providing service, which would lead to even higher prices for consumers.⁴

¹*See, e.g.*, AT&T Corporation (AT&T) comments at 4-5; Southwestern Bell Telephone Company (SWBT) comments at 3; American Public Communications Council (APCC) comments at 3-4; Competitive Telecommunications Association (CompTel) comments at 18; American Network Exchange, Inc. (AMNEX) comments at 8.

²*See, e.g.*, Bell Atlantic, BellSouth and NYNEX (RBOCs) comments at 4-5; CompTel comments at 18-19.

³Hotel Communications comments at 3.

⁴*See* SWBT comments at 4.

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The Commission's rate disclosure plan also would be inconvenient for consumers. Any rate disclosure would take time, which would result in an increased dialing delay for calls.⁵ In addition, because OSPs are unable to distinguish between 0+ and 10XXX calls, OSPs may be forced to disclose rates to consumers who dial 10XXX and, presumably, are aware of the OSP's rates.⁶

The Commission's rate disclosure proposal also would be of little benefit to consumers. As some parties correctly point out, many consumers using 0+ services are in desperate situations and are unable to place a call using alternate means.⁷ For these consumers, a mere price disclosure would serve no purpose. Moreover, as previously discussed, Section 64.703(a) of the Commission's rules already requires OSPs to disclose their rates on request.⁸ When compared with this existing rule, it is doubtful that the Commission's rate disclosure proposal would provide benefits commensurate with its costs. Accordingly, the Commission should not adopt its proposed rate disclosure rule.

In any event, rate disclosure clearly should be not be required for all 0+ calls. As the Commission acknowledges, the majority of 0+ calls are priced at or

⁵RBOCs comments at 3-5; SWBT comments at 3.

⁶AT&T comments at 5.

⁷*See, e.g.*, RBOCs comments at 3-4.

⁸*See* Communications Central comments at 5-9; AT&T comments at 4.

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below the level of consumer expectations.⁹ Thus, the Commission should not burden the majority of OSPs with a rate disclosure requirement that would needlessly lead to higher costs and greater inconvenience for consumers.¹⁰

The comments also support MCI's position that in the event the Commission adopts the proposed rate disclosure rule, OSPs should not be required to include property imposed fees (PIFs) in any such disclosure. As demonstrated by the commenters, PIFs are not part of the carrier's tariffed rate and, therefore, they should not be included in any rate disclosure.¹¹

⁹*Billed Party Preference for InterLATA 0+ Calls*, Second Further Notice of Proposed Rulemaking, FCC No. 96-253, rel. 6 June 1996, ¶ 15; See AT&T comments at 4.

¹⁰AT&T comments at 4; RBOCs comments at 5.

¹¹Pacific Telesis comments at 6; see RBOCs comments at 2-3.

Conclusion

Based on the foregoing, MCI respectfully requests that the Commission adopt the recommendations contained herein and in MCI's comments in this proceeding.

Respectfully Submitted,

MCI TELECOMMUNICATIONS CORPORATION

By:



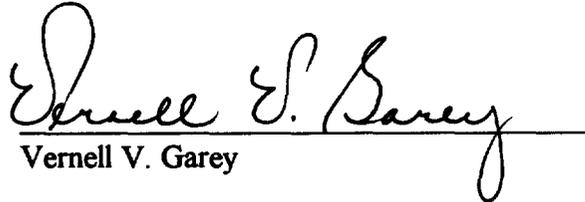
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I, Vernell V. Garey, hereby certify that the foregoing "REPLY COMMENTS", CC Docket No. 92-77 was served this 16th day of August, 1996, by mailing true copies thereof, postage prepaid, to the following persons at the addresses listed below:

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