

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

AUG 26 1996

In the Matter of)
)
Policies and Rules Governing)
Interstate Pay-Per-Call and Other)
Information Services Pursuant to the)
Telecommunications Act of 1996)
)
In the Matter of)
)
Policies and Rules Implementing the)
Telephone Disclosure and Dispute)
Resolution Act)

CC Docket No. 96-146

DOCKET FILE COPY ORIGINAL

CC Docket No. 93-22

COMMENTS
OF THE
UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits its comments in the above referenced proceedings. USTA is the principal trade association of the exchange carrier industry. Its members provide over 98 percent of the exchange carrier-provided access lines in the United States.

In these proceedings, the Commission amends Part 64 of its Rules to conform with the Telecommunications Act of 1996 which enacted new requirements governing interstate pay-per-call and other information services. USTA believes that many of the new requirements will help consumers make informed decisions and curb the problems that have surrounded pay-per-call services over the years. The Commission has taken the right steps in proposing to require that (1) all presubscription arrangements to purchase interstate information services be executed in writing or, alternatively, through payment by direct remittance, prepaid account, or debit, credit,

or calling card; (2) limitations on the use of toll-free numbers to provide information services apply to both “the calling party” and “the subscriber to the originating line;” and (3) charges for presubscribed information services accessed through a toll-free number must be displayed separately on a telephone bill from charges for local and long distance telephone service. However, in proposing that “toll-free” presubscribed information service charges be separate from other charges, the Commission should require that the responsibility associated with such separation rest with the party on whose behalf Local Exchange Carriers (LECs) perform billing services.

As the Commission knows, LECs already identify and separately bill charges made to a 900 number. Other pay-per-call charges which are billed to an 800, 500, 700, international or POTS (plain old telephone service) number are typically not billed separately and may appear with other local and long distance calls. These are the very calls that create customer confusion and complaints to LECs. A customer may see a charge for a call to an 800 number and complain that he thought the call was free¹. Or a customer may see a charge to an area code and telephone number that he cannot identify and learn that it was actually a call made to an 800 number. Similarly, LECs currently have no way of knowing how to differentiate between an international call made to an Information Service Provider (ISP) or one made to a non-ISP, such as to a relative or friend. Thus, aside from the readily identifiable calls with a 900 prefix, LECs cannot truly differentiate all calls to ISPs. In the same vein, the Commission must remain aware of the additional burden placed on LECs, the first line of defense, when customers have complaints.

¹ Some LECs will not bill for charges to an 800 number.

Small LECs may be particularly hard pressed to resolve a complaint. As explained by some companies, if a customer's bill indicates a charge for a call to an 800 number, the LEC, simply to initiate the process of resolving the complaint, may be forced to call that same number.

Consequently, USTA believes that if there should be a requirement to separate "toll-free" presubscribed information service charges, the responsibilities associated with this requirement should lie with the ISP, carrier, or billing entity on whose behalf the LEC is performing the billing. For example, a discrete data field or account indicator could be used to identify such "toll-free" charges which would serve to direct the LEC that these charges must be separated from other local and long distance charges. Even were this readily done by the ISP, carrier, or billing entity, a LEC would still be required to make its own software changes and conduct appropriate testing, including those associated with adding subsequent information, such as the disclaimer. Furthermore, the very act of separating such charges may force LECs to incur additional expenses associated with paper, postage, and handling. USTA believes LECs should be permitted to recover such costs from those entities who place upon the LECs the necessity to incur these costs.

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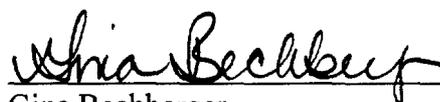
August 26, 1996

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CERTIFICATE OF SERVICE

I, Gina Bechberger, do certify that on August 26, 1996 copies of the Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first - class, postage prepaid to the persons on the attached service list.


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