DOCKET FILE COPY ORIGINAL

RECEIVED

SEP 16 1996

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Policies and Rules Governing	)	
Interstate Pay-Per-Call and Other	)	CC Docket No. 96-146
Information Services Pursuant to the	)	
Telecommunications Act of 1996	)	
	)	
In the Matter of	)	
	)	
Policies and Rules Implementing	)	
the Telephone Disclosure and Dispute	)	CC Docket No. 93-22
Resolution Act	)	

REPLY COMMENTS OF U S WEST, INC.

Kathryn Marie Krause
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
(303) 672-2859

Attorney for

U S WEST, INC.

Of Counsel,
Dan L. Poole

September 16, 1996

0+4

TABLE OF CONTENTS

Page

SUMMARY ii

I. INTRODUCTION 1

II. SUPPORT FOR GTE'S POSITIONS 4

A. U S WEST Supports A Rule Creating A Presumption That A LEC Acted In Good Faith In Terminating A Billing And Collections Contract In Circumstances Evidencing A Deception On Consumers 4

B. U S WEST Supports Expeditious Commission Action With Respect To Complaints Received By It 7

III. EGENDORF PROPOSALS 8

IV. U S WEST OPPOSES THE FOLLOWING PROPOSITIONS 10

A. The "*Per Se*" Remuneration Proposal 10

B. Executed Presubscription Agreements 12

C. The Florida PSC's LEC Bill Blocking Proposal 15

D. Pilgrim's Suggestion That 900 Blocking Information Be Included In LIDBs 15

V. CONCLUSION 16

SUMMARY

U S WEST[1] substantially supports the comments of GTE in this proceeding, particularly its proposals that the Commission amend its pay-per-call/TDDRA rules to adopt a reasonable assumption that would promote LEC action terminating B&C agreements in the presence of *primae facie* evidence of deceptive and abusive practices; and that the Commission establish a process to facilitate the distribution of consumer complaints such that they can be handled expeditiously by carriers.

We also support, in part, the comments of Andrew Egendorf suggesting that the Commission add a provision to its rules to clarify that Internet and on-line services are not affected by the Commission's pay-per-call/TDDRA rules.

Additionally, U S WEST opposes the Commission's proposed *per se* rule that the sharing of remuneration between a carrier and an IP would create an automatic presumption that the calls being transmitted were of the pay-per-call type, requiring a 900 prefix. We believe the record evidence demonstrates that carrier/IP remuneration arrangements abound in the marketplace in ways that have no pernicious effect to the consumer marketplace.

As a matter of principal and policy, U S WEST also opposes the Commission's proposed rule that presubscription agreements generally be not only in writing but be executed by a legally competent adult. Such proposal goes beyond Congressional intent and mandates in this area (requiring only that a written agreement be a

[1] All acronyms and abbreviations used in this Summary are clearly identified in the text.

component of presubscription with respect to toll-free service) and does not appear necessary too as a general marketplace consumer-protection device. An "executed written document requirement" would clearly depress constitutionally protected speech and add unwarranted transaction costs on consumers. Only with respect to remedial or dispute resolution matters should an executed document requirement be imposed.

Finally, U S WEST opposes two proposals put forth by commenting parties. First, the Florida PSC proposal for LEC bill blocking with respect to 900-type calls; second, Pilgrim's proposal that 900 blocking information be included in a LEC's LIDB platform. We do, however, support the SWBT proposal that IPs, accepting LEC calling cards as payment vehicles, be required to query LIDB databases prior to processing the payment transaction.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Policies and Rules Governing	)	
Interstate Pay-Per-Call and Other	)	CC Docket No. 96-146
Information Services Pursuant to the	)	
Telecommunications Act of 1996	)	
	)	
In the Matter of	)	
	)	
Policies and Rules Implementing	)	
the Telephone Disclosure and Dispute	)	CC Docket No. 93-22
Resolution Act	)	

REPLY COMMENTS OF U S WEST, INC.

I. INTRODUCTION

U S WEST, Inc. ("U S WEST") herein substantially supports the comments of GTE Service Corporation and its affiliated domestic telephone operating companies ("GTE").[1] Specifically, U S WEST supports GTE's proposal that the Federal Communications Commission ("Commission") amend its pay-per-call/Telephone Disclosure and Dispute Resolution Act ("TDDRA") rules[2] to adopt a reasonable

[1] U S WEST's hereby submits its Reply Comments in In the Matter of Policies and Rules Governing Interstate Pay-Per-Call and Other Information Services Pursuant to the Telecommunications Act of 1996, CC Docket No. 96-146, In the Matter of Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, CC Docket No. 93-22, Order and Notice of Proposed Rule Making, FCC 96-289, rel. July 11, 1996 ("Order/NPRM").

[2] In the Matter of Policies and Rules Implementing the Telephone Disclosure and Dispute Resolution Act, Report and Order, 8 FCC Rcd. 6885 (1993).

assumption that would promote local exchange carrier ("LEC") action terminating billing and collection ("B&C") agreements in the presence of *primae facie* evidence of deceptive and abusive practices.[3] We also support GTE's proposal that the Commission establish a process to facilitate the distribution of consumer complaints such that they can be handled expeditiously by carriers.[4]

U S WEST also supports the proposed rule amendment proposed by Andrew Egendorf ("Egendorf") that would clarify that Internet and on-line services (e.g., video/data/audio offerings delivered *via* services that are fundamentally of a data or electronic nature) are not affected by the Commission's pay-per-call/TDDRA rules, despite the incorporation of telecommunications devices and networks in the delivery of such services and regardless of possible ancillary audio communications.[5]

Additionally, based on the record evidence, U S WEST opposes the Commission's proposed *per se* rule that the sharing of remuneration between a carrier and an Information Provider ("IP") would create an automatic presumption that the calls being transmitted were of the pay-per-call type, requiring a 900 prefix.[6] From the record, it appears that the sharing of remuneration between

---

[3] GTE at 2-4.

[4] Id. at 6-8. Compare 47 USC § 228(c)(8)(E)(i) and 47 CFR § 64.1503(b) (requiring prompt investigation of consumer complaints with respect to certain types of information services).

[5] See Egendorf at 8-9.

[6] See Order/NPRM ¶ 48. See also oppositions from Direct Marketing Association ("DMA"), generally; HFT, Inc., LO-AD Communications, Corp. and American International Communications, Inc. ("HFT/LO-AD"), generally; Total Telecommunications Services, Inc., et al. ("Total"), generally; Interactive Services Association ("ISA") at 2-7; Pilgrim Telephone, Inc. ("Pilgrim") at 9-10; TeleServices

interexchange carriers ("IXC") and IPs is quite common, done most often in circumstances that cannot be presumed deceptive or harmful to consumers. Furthermore, the transport arrangements described by certain commentors suggest that the traditional long distance transport marketplace has responded in appropriate ways to certain remaining dysfunctions associated with 900 calling. For these reasons, the adoption of a *per se* rule would be particularly inappropriate.

As a matter of principal and policy, U S WEST also opposes the Commission's proposed rule that presubscription agreements generally be not only in writing but be executed by a legally competent adult.[7] Such proposal goes beyond Congressional intent and mandates in this area (requiring only that a written agreement be a component of presubscription with respect to toll-free service).[8] Neither does it appear that the imposition of such a requirement is substantiated by market demands.[9] Since such an "executed written document requirement" would clearly depress constitutionally protected speech and add unwarranted transaction costs on consumers, the Commission should refrain from imposing such a requirement, at least at this time.

Industry Association ("TSIA") at 16-20. Compare AT&T Corp. ("AT&T") at 8 (arguing that only a rebuttable presumption, rather than a *per se* rule should be adopted).

[7] Order/NPRM ¶ 42.

[8] See Pilgrim at 13-14, 18-19, 21-22; TSIA at 11-13.

[9] Order/NPRM ¶ 42 (noting that "virtually all complaints involving purportedly presubscribed information services have involved programs available through 800 numbers").

Finally, U S WEST opposes two proposals put forth by commenting parties. First, the Florida Public Service Commission's ("Florida PSC") proposal for LEC bill blocking with respect to 900-type calls;[10] second, Pilgrim's proposal that 900 blocking information be included in a LEC's Line Information Database ("LIDB") platform.[11] We do, however, support Southwestern Bell Telephone Company's ("SWBT") proposal that IPs, accepting LEC calling cards as payment vehicles, be required to query LIDB databases prior to processing the payment transaction.[12]

II. SUPPORT FOR GTE'S POSITIONS

A. U S WEST Supports A Rule Creating A Presumption That A LEC Acted In Good Faith In Terminating A Billing And Collections Contract In Circumstances Evidencing A Deception On Consumers

U S WEST, like GTE, does not furnish pay-per-call services.[13] Like GTE, U S WEST's involvement in the interstate pay-per-call business is through our provision of B&C to, and only to, IXCs. Those IXCs, in turn, sometimes have contracts with IPs who provide interstate pay-per-call and similar-type services (i.e., services to toll-free numbers).

---

[10] See Florida PSC at 5-6.

[11] Pilgrim at 44.

[12] See SWBT at 1-2.

[13] See GTE at 2, 4-5. U S WEST offers no 900 services. We continue to provide 976 services in those jurisdictions where state regulatory commissions have refused to allow us to withdraw the service.

Like GTE, U S WEST has adopted a company policy of refusing to bill for pay-per-call-type services, unless the calls utilize the 900 prefix. This decision was voluntary,[14] and was based on the predictable and realized customer complaints associated with pay-per-call-type services offered *via* toll-free numbers. Customers were confused about the calling arrangements, as well as by the bill presentation.[15] Furthermore, as the Commission observes, repeated problems with the minimum requirements to accomplish an appropriate presubscription or comparable arrangement invited disputes and contention.[16]

As GTE points out, at least for the foreseeable future, it seems clear that new pay-per-call-type services and billing mechanisms will be visited upon the public, as well as LEC B&C providers.[17] It has been U S WEST's experience that attempts to thwart or dampen the negative impacts on consumers of such service migrations

---

[14] Compare Pilgrim at 4, suggesting that such decisions might have been the result of some subtle state coercion. Pilgrim is incorrect, as described below. Pilgrim is also incorrect in its assumption that, merely because Congress authorized pay-per-call-type calling through toll-free calling arrangements under certain controlled circumstances, LECs are required to bill for such calls. Id. at 23, 36. There is nothing in either law or logic that dictates such a result.

In a similar vein, U S WEST would not want the ISA comments to be read to suggest that any LEC would be required to bill for pay-per-call/TDDRA-type calls carried on other than a 900 prefix, even if such billing is resolved or standardized through an industry forum such as the Industry Open Billing Forum ("OBF"). ISA at 9.

[15] Despite the fact that U S WEST refuses to bill for such calls, IXCs continue to pass such calls to U S WEST (probably unwittingly) because IPs apparently represent the called-to number as something other than a toll-free number. See GTE at 3-4.

[16] Order/NPRM ¶ 6. See also GTE at 5 n.5.

[17] GTE at id.

often result in threatened litigation against U S WEST, generally on the theory that the affected IP is not violating the letter of any law. Both business and legal resources are consumed in arguing about the niceties of Congressional or Commission language, rather than the effects of IP practices on the consuming marketplace.

Thus, like GTE, U S WEST supports targeted Commission action taken with a goal of further protecting consumers from the deceptive and abusive behavior of what is a small minority of IPs -- small but intransigent. The Commission should adopt a rule provision such as that suggested by GTE that presumes LECs have acted in good faith in terminating B&C agreements in those "circumstances that indicate deception as to the nature" of items submitted to them for billing.[18] Such a presumption would place the burden on IPs (or their supporting carriers) to prove that their conduct was not deceptive, rather than forcing LECs (who are at most tertiary service providers) to prove any particular IP (or carrier) was acting unlawfully. Such a rule would enhance the Commission's current carrier billing requirement that pay-per-call/TDDRA charges not be billed by a carrier who "knows or reasonably should know were provided in violation" of either the Commission's or the Federal Trade Commission's ("FTC") rules and regulations,[19] because it would

[18] Id. at 4. GTE's proposal is similar to that proposed by U S WEST in 1995 in our Reply Comments in In the Matter of Request for Additional Comments on the Costs and Benefits of International Blocking for Residential Customers, CC Docket No. 91-35, filed May 8, 1995, at 6-8.

[19] See 47 CFR § 64.1501(a)(1).

allow the carrier to proceed with contract terminations at a stage of earlier prescience.

B. U S WEST Supports Expeditious Commission Action With Respect To Complaints Received By It

U S WEST also supports GTE's proposal that the Commission institute a process whereby carriers (including billing LECs) receive prompt notice of complaints filed by consumers dealing with pay-per-call/and pay-per-call-type services.[20] The delay associated with the current process results in festering consumer irritation and frustrates actions of LECs trying to assure compliance with the terms and conditions of the B&C contracts.[21] The delay depresses the ability of LECs to discern "courses of conduct" that, taken as a whole, indicate deceptive practices. It also seriously impedes the ability of LECs to do quality investigations, because the facts are difficult to discover or reconstruct after significant passages of time.

GTE's proposal for expeditious notification of carriers is simple and makes sense. Furthermore, it would free up scarce resources at the Commission because, as GTE opines, the vast majority of such complaints would be successfully resolved within a very short period of time -- requiring no further Commission involvement. U S WEST, like GTE, "is concerned about an unsatisfied customer regardless of jurisdictional aspects. . . .[and] is concerned about any unhappy customer, whether

[20] GTE at 6-8.

[21] Id. at 6.

the subject is interstate or intrastate telecommunications, or whether the subject is an unregulated service."[22] We would welcome the opportunity to resolve the consumer complaint earlier rather than later.

III. EGENDORF PROPOSALS

While U S WEST had some difficulty in following all the proposals and suggestions proffered by Mr. Egendorf, and think we disagree with certain of them,[23] we do share his concern over the possible application of the Commission's rules to Internet-type activity and traffic.[24]

In 1993, pursuant to an explicit Congressional mandate,[25] the Commission advised Congress of its perceived lack of need for pay-per-call-type regulation over data transmission services.[26] That fundamental lack of need has not changed with respect to electronic transmission media (transmissions that often include as components telecommunications devices and transport; increasingly involve some

---

[22] Id. at 7.

[23] For example, to the extent Mr. Egendorf suggests that the Commission's pay-per-call/TDDRA rules might best be simplified and clarified by substituting the word "information service" generally for the term "pay-per-call" (Egendorf at 3), U S WEST would disagree with the change. First, such would deviate from the explicit statutory language chosen by Congress. Second, in many respects, U S WEST would not support a general "information services" regulatory regime along the lines of the TDDRA.

[24] Id. at 8-9.

[25] 47 USC § 228(f)(3).

[26] On information and belief, this was the position and recommendation of the Commission. U S WEST has attempted to secure a copy of the Report (which went to Congress in letter form), but as of this filing date, we have been unable to do so.

ancillary audio component; and may include billing to a telephone bill or calling card).

Beyond this general lack of need, as Mr. Egendorf points out, in certain circumstances the application of the Commission's Amended Rules would make no sense in an electronic environment.[27] For these reasons, U S WEST supports a further amendment to the Commission's rules, along the lines suggested by Mr. Egendorf. The Commission should either create a separate rule, blanketly exempting certain transactions from the pay-per-call/TDDRA rules (such as the provision of information, goods and services when transmitted by a provider over the Internet or an on-line service to the calling party; transactions involving the transmission of video data between parties, even if accompanied by an audio component), or it should, at least, exempt such transactions from the application of Section 64.1504.[28]

---

[27] Egendorf at 8-9.

[28] Id. at 9 (proposing an amendment to Rule 47 CFR § 64.1504). Compare FTC at 1-2 ("Pay-per-call technology offers consumers a convenient way to access information and entertainment services. Using only a telephone, a consumer can obtain information or entertainment without investing in the latest computer technology.").

SWBT requests the Commission to amend the definition of pay-per-call to include any audio information provided through a telecommunications line or any service for which there is a per-call or per-time interval charge that is greater than, or in addition to, the charge for the transmission of the call or the telecommunications service. SWBT at 2. While U S WEST appreciates SWBT's motivations, we cannot support the specific proposed language proffered by SWBT, because of the concerns expressed in this Section of our Reply Comments. There might be a way to get to what SWBT wants to protect against (e.g., pay-per-call using voice mail services) without utilizing the precise language SWBT proposes, which we believe to be too broad. U S WEST would support providing the coverage SWBT proposes through different language.

IV. U S WEST OPPOSES THE FOLLOWING PROPOSITIONS

A. The "*Per Se*" Remuneration Proposal

The Commission proposes to adopt a rule that would impose a presumption of pay-per-call status in those circumstances where a carrier and an IP share, in some way, in the revenues associated with a call based on message toll service ("MTS") rates.[29] While the proposal might appear to get at certain abusive carrier/IP practices, where consumers are charged excessive or exorbitant rates for toll service with the provision of "free" information services,[30] such practices are limited and idiosyncratic. They are certainly not, as demonstrated by various commentors, the normative practice associated with such calling practices or industry conduct.[31]

As a general matter, U S WEST is opposed to the establishment of industry-wide rules, particularly ones that suggest *per se* "bad acting" conduct or result in odious industry consequences based on the marginal abusive and deceptive practices of particular industry participants. Thus, we oppose -- as a matter of principal -- the Commission's proposed rule.

---

[29] Order/NPRM ¶ 48.

[30] Id. ¶ 9 and n.21 (observing that a "distinction between charging for conveyance of information and completion of a call is probably meaningless for telephone subscribers billed unexpected or inflated charges for transmission of calls to supposedly 'free' information services.").

[31] See DMA, generally; HFT/LO-AD, generally; Total, generally; ISA at 2-7; Pilgrim at 9-10; TSIA at 16-20.

We believe it would be more appropriate for the Commission to establish such a *per se* presumption against specific, individual IPs and IXCs where the Commission has an established pattern of past abusive or deceptive conduct and is not interested, on a going-forward basis, in being put to proof with respect to future misconduct.[32] Such a remedial approach is far more appropriate than the generally prescriptive rule proposed by the Commission for industry-wide application.

Alternatively, should the Commission be of the opinion that some type of rule along the lines it proposes is absolutely compelled by the public interest, the Commission should incorporate the kinds of exceptions or limitations proposed by DMA (the commission/remuneration should be directly related to pay-per-call/TDDRA-type services and that the call involve a charge over and above the normal toll fee)[33] and TSIA ("unless the tariffed rate of the carrier paying the commission significantly exceeds the typical rate of other carriers for the same route," the Commission's *per se* rule would not apply).[34]

---

[32] Compare DMA at 6-7 (suggesting that these kinds of situations should be dealt with on a case-by-case basis).

[33] Id. at 5, 7.

[34] TSIA at 20. Compare ISA at 2 (before a remuneration relationship should trigger any type of negative assumption or presumption, the caller should have to have paid more than the cost of a comparable content neutral call; i.e., the caller should have to pay a "premium"), 4-5.

B. Executed Presubscription Agreements

In its Rules Amended, the Commission simply conformed its existing pay-per-call/TDDRA rules to conform to Congress' recent amendments to 47 USC Section 228.[35] In so doing, the Commission requires that as a component on a valid presubscription agreement there must be a written agreement (which can take the form of either a paper or electronic form).[36] In so conforming its rules to the statutory requirements, the Commission has accurately captured the statutory language of Section 228 and Congressional intent in this area.

In its Rules Proposed, the Commission proposes to extend the requirement for the existence of a written agreement to all contracts for pay-per-call/TDDRA-type information services and to require that the agreement be "executed" by a legally competent adult.[37] U S WEST opposes this extension of Congressional intention.

Again, U S WEST addresses this matter from the perspective of "principle," rather than any U S WEST practice. First, Congress required only the existence of a "written agreement," not an executed one.[38] Given that it would have been very simple for Congress to have required execution of the agreement, its failure to do so

[35] Order/NPRM at Appendix A, Rules Amended.

[36] Id. at Appendix A, Rules Amended, 47 CFR § 64.1504(c)(1).

[37] Id. at Appendix B, Rules Proposed.

[38] Pilgrim at 13-14, 18-19, 21-22.

speaks volumes as to the necessity of such a provision or the propriety of the Commission's embellishing its implementing rules with such a requirement.

Second, while the Commission certainly has some inherent authority with respect to the regulation of pay-per-call/TDDRA rules, a requirement that a written agreement actually be executed goes beyond sound regulatory and public policy. Executed written agreements are extremely difficult to secure from consumers, even when requested.[39] A requirement that executed written agreements be secured before engaging in speech relationships imposes a formidable barrier to those relationships, contrary to sound First Amendment principles.

---

[39] Id. at 16, 18, 22 and Attachment B (citing to MCI communications with Senator Harkin's staff). See also In the Matter of Policies and Rules Concerning Changing Long Distance Carriers, Report and Order, 7 FCC Rcd. 1038, 1045 ¶ 44 (1992) ("carriers have had little success in having customers return [Letters of Authorization] LOAs, and it tends to discourage competition") ; In the Matter of Investigation of Access and Divestiture Related Tariffs; Allocation Plan Waivers and Tariffs, Memorandum Opinion and Order, 101 FCC 2d 935, 942 ¶ 21 (1985) ("1985 Bureau Waiver Order") ("We recognize . . . that end users who make a verbal commitment to use a carrier's services may not return signed authorizations promptly."); In the Matter of Investigation of Access and Divestiture Related Tariffs; Petitions for Reconsideration and Clarification of Allocation Plan Orders, Memorandum Opinion and Order, 102 FCC 2d 503, 506 ¶ 6 (1985) ("1985 FCC Waiver Order"). Compare In the Matter of Policies and Rules Concerning Local Exchange Carrier Validation and Billing Information for Joint Use Calling Cards; Petitions for Waiver of Rules Adopted in the BNA Order, Second Order on Reconsideration, 8 FCC Rcd. 8798, 8810 ¶ 68 (1993) (returning an authorization form constitutes a "burden" for end users); In the Matter of Computer III Remand Proceedings: Bell Operating Company Safeguards and Tier 1 Local Exchange Company Safeguards, Report and Order, 6 FCC Rcd. 7571, 7610-11 n.155 (1991), vacated in part and remanded, California v. FCC, 39 F.3d 919 (9th Cir. 1994), cert. denied, 115 S.Ct. 1427 (1995) (under a prior authorization regime, a large majority of mass market consumers would likely have information restricted due to inaction).

Furthermore, when dealing with a form of telecommunications services, through telephonic media, the established past practices of the vast majority of carriers has been to engage in oral contractual relationships. Thus, a requirement for executed written agreements is a material change in industry practice.

Such a material change should not be so widely imposed. Like the *per se* rule discussed above, a requirement that an executed written agreement be produced might be an appropriate remedial measure, or might be an appropriate proof requirement with respect to dispute resolution,[40] but it is inappropriate as an industry-wide prescription.

Furthermore, such a requirement does not advance consumer or the public interest. Not only does it create a barrier to speech, particularly spontaneous speech, but it adds transaction costs to the delivery of otherwise lawful, beneficial information services.

The Commission should forego, at least at this time, the establishment of such a rule. Should the Commission's Amended Rules not have the corrective market effect, the Commission can always revisit its decision and propose the executed written agreement rule again.

---

[40] 1985 Bureau Waiver Order, 101 FCC 2d at 942 ¶ 21(1) (IXCs "should maintain . . . letters on file for use in dispute resolution."); 1985 FCC Waiver Order, 102 FCC 2d at 512 ¶ 17 ("IXCs should maintain . . . signed customer authorizations on file for use in dispute resolution."); In the Matter of Illinois Citizens Utility Board Petition for Rule Making, Memorandum Opinion and Order, 2 FCC Rcd. 1726, 1730-31 n.35 (1987) (a signed document would constitute the best evidence of what a customer did or did not do with respect to resolving a dispute).

C. The Florida PSC's LEC Bill Blocking Proposal

U S WEST opposes, once again,[41] the Florida PSC's proposal for LEC "bill blocking."[42] LECs should not be required to invest substantial sums to make feasible a proposal that is not specifically directed to some kind of LEC malfeasance.[43] Most particularly, LECs such as U S WEST Communications, Inc., who have only marginal associations with pay-per-call services through our billing for IXCs,[44] should not have to expend another cent on enforcing regulatory initiatives and mandates associated with IPs' business practices.

D. Pilgrim's Suggestion That 900 Blocking Information Be Included In LIDBs

Pilgrim argues that LECs should be required to include 900 blocking information in their LIDB systems.[45] U S WEST opposes this proposal. On the other hand, U S WEST supports the SWBT proposal that information providers

---

[41] See Reply Comments of U S WEST, RM No. 8783, filed May 16, 1996 (addressing the Florida PSC proposal as it was presented by the PSC in a Petition to Initiate Rulemaking, filed in December, 1995) ("U S WEST RM No. 8783 Reply Comments").

[42] See Florida PSC at 5-6.

[43] U S WEST RM No. 8783 Reply Comments at 2, 3-4. As U S WEST mentioned therein, citing to comments of the United States Telephone Association and BellSouth Telecommunications, Inc., to create the kind of capability being suggested by the Florida PSC would run into the millions of dollars.

[44] See text associated with note 13, supra.

[45] Pilgrim at 27-29.

accepting LEC calling cards as billing mechanisms should be required to validate such calling cards through LIDB.[46] As SWBT states, "If an IP is not required to validate the calling card, anyone could enter in the ten digits of someone else's telephone number, then enter any four digits as the PIN number. The charges for the pay-for-call service would then appear on someone else's bill."[47]

LECs should not be required to bear the "front line" costs of dealing with customer anger and irritation with respect to such predictable mis-billing situations.[48] IPs should have the obligation of doing this type of up-front billing validation, so that LECs do not bear the brunt of mis-billed calls downstream.

V. CONCLUSION

U S WEST requests the Commission to reconsider certain of its proposals, along the lines suggested above. U S WEST's recommendations are supported both

---

[46] SWBT at 1-2.

[47] Id. at 1.

[48] Compare United States Telephone Association at 2-3 (noting that LECs are the "first line of defense" in dealing with customer complaints over deceptive or misleading billing of pay-per-call-type services).

by law and sound public policy and we urge the Commission to adopt those recommendations.

Respectfully submitted,

U S WEST, INC.

By: Kathryn Marie Krause

Kathryn Marie Krause
Suite 700
1020 19th Street, N.W.
Washington, DC 20036
(303) 672-2859

Its Attorney

Of Counsel,
Dan L. Poole

September 16, 1996

CERTIFICATE OF SERVICE

I, Kelseau Powe, Jr., do hereby certify that on this 16th day of September, 1996, I have caused a copy of the foregoing **REPLY COMMENTS OF U S WEST, INC.** to be served via first-class United States Mail, postage prepaid, upon the persons listed on the attached service list.

Kelseau Powe, Jr.

***Via Hand-Delivery**

(CC96146.COS/KK/lh)

*James H. Quello
Federal Communications Commission
Room 802
1919 M Street, N.W.
Washington, DC 20554

*Reed E. Hundt
Federal Communications Commission
Room 814
1919 M Street, N.W.
Washington, DC 20554

*Susan P. Ness
Federal Communications Commission
Room 832
1919 M Street, N.W.
Washington, DC 20554

*Rachelle B. Chong
Federal Communications Commission
Room 844
1919 M Street, N.W.
Washington, DC 20554

*Regina M. Keeney
Federal Communications Commission
Room 500
1919 M Street, N.W.
Washington, DC 20554

*Mary Romano
Federal Communications Commission
Room 6120
2025 M Street, N.W.
Washington, DC 20554

(Including 3 x 5 Diskette w/Cover Letter)

*International Transcription
Services, Inc.
Suite 140
2100 M Street, N.W.
Washington, DC 20037

Walter Steimel, Jr.
Fish & Richardson
5th Floor North
601 13th Street, N.W.
Washington, DC 20005

PILGRI

Donna J. Sheridan
Alliance for Young Families
Suite 517
516 Keystone Avenue
Reno, NV 89503

Jerusa Carl Wilson, Jr.
Donald J. Elardo
MCI Telecommunications Corporation
1801 Pennsylvania Avenue, N.W.
Washington, DC 20006

Mary McDermott
Linda Kent
Charles D. Cosson
United States Telephone Association
Suite 600
1401 H Street, N.W.
Washington, DC 20005

Robert M. Lynch
Durward D. Dupre
J. Paul Walters, Jr.
Southwestern Bell Telephone Company
Room 3520
One Bell Center
St. Louis, MO 63101

David A. Irwin TOTAL/SMCOMM/BIG SKY
William J. Byrnes
Michelle A. McClure
Irwin, Campbell & Tannenwald, PC
Suite 200
1730 Rhode Island Avenue, N.W.
Washington, DC 20036-1811

Dave Ecret
Office of the Governor
Commonwealth of the Northern
Mariana Islands
Capitol Hill
Siapan, MP/USA 96950

Thomas K. Crowe EXCEL/COTNMI
Law Offices of Thomas K. Crowe, PC
Suite 800
2300 M Street, N.W.
Washington, DC 20037
(2 copies)

Joel R. Dichter TIA
Klein, Zelman, Rothermel & Dickhter, LLP
485 Madison Avenue
New York, NY 10022

Gail L. Polivy
GTE Service Corporation
Suite 1200
1850 M Street, N.W.
Washington, DC 20036

Richard McKenna
GTE Service Corporation
HQE03J36
POB 152092
Irving, TX 71015-2092

J. Christopher Dance
Kerry Tassopoulos
Excel Telecommunications, Inc.
20th Floor
8750 North Central Expressway
Dallas, TX 75231

Ian D. Volner DM
Heather L. McDowell
Venable, Baetjer, Howard & Civiletti, LLP
Suite 1000
1201 New York Avenue, N.W.
Washington, DC 20005

Bart Gordon
Congress of the United States
House of Representatives
2201 Rayburn Building
Washington, DC 20015

Andrew Egendorf
POB 703
Lincoln, MA 01773

Peter Arth, Jr.
Edward W. O'Neill
Mary Mack Adu
Public Utilities Commission
of the State of California
505 Van Ness Avenue
San Francisco, CA 94102

Betty D. Montgomery
Duane W. Luckey
Jodi J. Bair
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215-3793

Edwin N. Lavergne ISA
Jay S. Newman
Ginsburg, Feldman and Bress, Chartered
Suite 800
1250 Connecticut Avenue, N.W.
Washington, DC 20036

Mark C. Rosenblum
Peter H. Jacoby
James H. Bolin, Jr.
AT&T Corp.
Room 3247H3
295 North Maple Avenue
Basking Ridge, NJ 07920

Adam Cohn
Marianne Schwanke
Federal Trade Commission
Bureau of Consumer Protection
6th & Pennsylvania Avenue, N.W.
Washington, DC 20580

Lucille M. Mates
Sarah R. Thomas
Pacific Bell and Nevada Bell
Room 1522A
140 New Montgomery Street
San Francisco, CA 94105

Margaret E. Garber
Pacific Bell and Nevada Bell
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004

Richard Blumenthal
Connecticut Attorney General, on
behalf of the National Association
of Attorneys General
Telecommunications Subcommittee
55 Elm Street
Hartford, CT 06106