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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 )  
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

CC Docket No. 93-22

REPLY COMMENTS  
OF THE  
UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits its reply 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.

USTA notes that the majority of commenters applaud the Commission's efforts to amend Part 64 of its Rules to conform with the Telecommunications Act of 1996 enacting new requirements governing interstate pay-per-call and other information services. However, USTA believes that some of the comments submitted will not necessarily curb the abuses Congress sought to curb and will place additional burdens on Local Exchange Carriers (LECs).

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In its comments, Pilgrim Telephone, Inc. states that "...the Commission should recognize that access to 900 blocking request information, and mandated accessing of that information prior to connection, is the only way to adequately address dialing pattern migration, and to permit all parties to honor the blocking requests of consumers. The Commission should open up access to 900 blocking information as a primary means of addressing the abuse issues raised by many parties in prior proceedings."<sup>1</sup> Yet Pilgrim does not explain how such access will address dialing pattern migration. Other commenters such as the TeleServices Industry Association<sup>2</sup> and Total Telecommunications Services, Inc., SaMComm, Inc. and Big Sky Teleconferencing, Ltd.<sup>3</sup> explain that herding information service providers into offering 900 service will not advance information choices to consumers and may actually increase the costs of such services. Obviously, these commenters believe that the panoply of information service offerings must go beyond the 900 prefix calling pattern. Pilgrim itself spends considerable time explaining that information services such as AT&T True Messages and Alliance Teleconference Service, NYNEX Time and Weather recordings, Bell Atlantic/NYNEX Mobile Info Assist Service, and Telemessaging Services could "...be either completely prohibited or greatly restricted and lose

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<sup>1</sup> Comments of Pilgrim Telephone, Inc., pp. 6-7.

<sup>2</sup> Comments of the TeleServices Industry Association, pp. 8-11.

<sup>3</sup> Comments of Total Telecommunications Services, Inc., SaMComm, Inc. and Big Sky Teleconferencing, Ltd., pp. 21-22.

much of their utility.”<sup>4</sup> Therefore, allowing Pilgrim and other carriers access to such information will not help identify migratory dialing patterns when there will be so many other calling options to access information service providers. Furthermore, opening up access to 900 blocking information will do nothing to address the myriad of other abuses (exorbitant charges for calls made to numbers perceived by customers to be toll-free, access by minors to adult programs, 10xxx, etc.) that customers have encountered. In fact, opening up this information, along with Pilgrim’s other proposal that carriers “...providing billing and collection services must provide billing and collection on a content neutral, service neutral, and non-discriminatory basis for services presented in compliance with this rule,”<sup>5</sup> will actually increase costs for all LECs. Pilgrim comments do not express a concern that the “...rule revisions proposed by the Commission are at odds with the language of the statute and clear Congressional intent.”<sup>6</sup> Rather, Pilgrim’s comments express concerns that the rule revisions do not reflect giving Pilgrim a competitive advantage by placing costly and onerous responsibilities on the backs of the LECs.

The comments of the National Association of Attorneys General (NAAG) Telecommunications Subcommittee asserts that “Common carriers should provide telephone subscribers with the opportunity to elect to block all pay-per-call services.”<sup>7</sup> Telephone

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<sup>4</sup> Comments of Pilgrim Telephone, Inc. p. 32.

<sup>5</sup> Comments of Pilgrim Telephone, Inc., p. 46.

<sup>6</sup> Id., p. I.

<sup>7</sup> Comments of the National Association of Attorneys General Telecommunications Subcommittee, p. 11.

consumers have a variety of blocking options available to them, including the blocking of all calls to numbers that have the 900 prefix. However, the Attorneys General would obviously want LECs to block, as an example, only calls to 800 numbers that are information service providers. LECs do not know what 800 numbers will lead to truly free services such as airline reservations and catalogue orders from those which may lead to charges for information services. Additionally, if information service providers utilize the prefixes of 500 and 700 while some use POTS numbers, would the NAAG propose that every LEC know what 500, 700, and POTS numbers are pay-per-call numbers. What the NAAG is proposing cannot be accomplished in a realistic manner, when the types of pay-per-call services are becoming ever more diversified and such providers can enter and exit the market overnight. The FCC has even stated that "...staff has been able to obtain from industry sources only an informal estimate that the number of IPs currently operating is probably somewhere between 10,000 and 20,000."<sup>8</sup>

The Florida PSC continues to opine "...that a LEC proprietary card billing block option, as outlined in our Petition to Initiate Rulemaking, is an additional measure needed to deter entities seeking to circumvent the consumer safeguards incorporated in the federal pay-per-call regulations."<sup>9</sup> What the Florida PSC is arguing for is an unnecessary additional measure. As was previously explained by USTA in its comments to RM No. 8783, in order for an information provider (IP) to properly assess a charge for calls to an 800 number there must exist a

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<sup>8</sup> NPRM, p. 21.

<sup>9</sup> Comments of the Florida Public Service Commission, pp. 5-6.

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presubscription or contractual arrangement that includes the use of a PIN or other means. Now, the Commission in its NPRM, has proposed that all presubscription agreements be executed in writing or alternatively through payment by direct remittance, prepaid account, or debit, credit, or calling card and applicable to all interstate information services, not just those involving toll-free service. It appears that the Florida PSC has some reason to believe that the amended Section 228 and the additional proposals made by the FCC will not curb the abuses that the PSC has encountered or perceived but that these same abuses will be curbed by the use of a LEC proprietary card billing block option. USTA does not believe this will be the case.

USTA agrees with MCI's comments in which MCI "...submits that carriers should only be required to display charges for presubscribed information services accessed through toll-free numbers on a separate line, rather than on a separate page of the customer's bill."<sup>10</sup> As MCI correctly notes displaying charges on a separate page would be costly and unnecessary because a separate line serves to distinguish charges for information services from other local and long-distance charges.

USTA also agrees with the comments of Southwestern Bell Telephone Company which recommend that "... the rules be amended to permit existing bill phrases which convey the message that common carriers may not disconnect telephone service for failure to pay disputed information service charges."<sup>11</sup> Additionally, USTA agrees with the suggestions offered by Pacific Bell and Nevada Bell that "...the Commission disallow collect IP calls, or impose

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<sup>10</sup> Comments of MCI, p. 5.

<sup>11</sup> Comments of Southwestern Bell Telephone Company, p. 3.

mandatory disclosure rules similar to those it proposes for toll free calls...” and that “...the Commission require that before an IP or its agent may pursue civil collection activities, including lawsuits, against the customer, the IP must exhaust its administrative remedies in pursuing disputed charges, and prove compliance with Section 228 and Part 64 of the Commission’s Rules.”<sup>12</sup>

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September 16, 1996

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<sup>12</sup> Comments of Pacific Bell and Nevada Bell, p. 2.

**CERTIFICATE OF SERVICE**

I, Gina Bechberger, do certify that on September 16, 1996 copies of the Reply 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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