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December 3, 1996

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DEC 3 - 1996

VIA HAND DELIVERY

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

Federal Communications Commission
Office of Secretary
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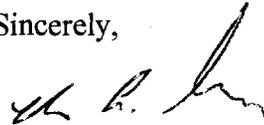
Re: In the Matter of Billed Party Preference for InterLATA 0+ Calls, CC
Docket No. 92-77

Dear Mr. Caton:

Enclosed please find an original and four (4) copies of Reply Comments submitted by One Call Communications, Inc. d/b/a OPTICOM in the above-referenced proceeding. Pursuant to the Commission's instructions, a computer disketter containing a copy of same is being submitted directly to the Common Carrier Bureau, Enforcement Division.

Please acknowledge receipt on the supplemental copy provided and remit same to the bearer.

Sincerely,



Victoria A. Schlesinger

Enclosures

cc: International Transcription Service (ITS)

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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DEC 3 - 1996

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

REPLY COMMENTS OF ONE CALL COMMUNICATIONS, INC. d/b/a OPTICOM

One Call Communications, Inc. d/b/a OPTICOM ("Opticom"), by its attorneys, hereby provides the following reply to comments filed in response to the Commission's request for additional information in the above-referenced proceeding.¹

I. INTRODUCTION AND SUMMARY

Opticom continues to support on-demand rate branding, mandatory for all carriers, as the only lawful and effective means by which to ensure that consumers receive adequate rate information when placing a 0+ interLATA call using an operator service provider ("OSP").² As Opticom stated previously, a price disclosure requirement for all 0+ calls would provide consumers with the information necessary to make informed decisions regarding the selection of an OSP and also prevent the Commission from creating unlawful and discriminatory distinctions among OSPs.³ Thus, all OSPs should be required to provide specific rate information prior to call completion.

¹See Public Notice, DA 96-1695 (Oct. 10, 1996).

²See Comments of One Call Communications, Inc. d/b/a OPTICOM, CC Docket No. 92-77, submitted July 17, 1996, at 2, 8-9 ("Comments of OPTICOM").

³*Id.* at 2-5.

The information solicited by the Commission in its Public Notice indicates that on-demand rate branding is a viable proposal. Comments filed by several parties confirm Opticom's conclusion that the technology capable of providing on-demand call rating information is currently available.⁴ Moreover, the costs of implementing such technology are reasonable and necessary in order to educate consumers regarding the costs of OSP service. As an alternative to mandatory rate disclosure, Opticom would support the disclosure proposed by the Competitive Telecommunications Association, since it would also serve the Commission's goal of educating OSP consumers.

II. THE COMMISSION SHOULD REQUIRE MANDATORY PRICE DISCLOSURE

A. Proposed Call Rating Technology

As Opticom described in its comments, both voice file technology and voice annunciator technology are capable of providing on-demand cost information to consumers placing a 0+ call.⁵ Although voice file technology is limited in its application, voice annunciator technology is "mature and well suited for the purpose of providing on-demand call rating information."⁶ This technology would, in most instances, require only a single system implementation and could provide automated rate information.⁷ For these reasons, voice annunciator technology is a

⁴See Further Comments of One Call Communications, Inc. d/b/a OPTICOM, CC Docket No. 92-77, submitted November 13, 1996, at 1-3 ("Further Comments of OPTICOM"); Comments of Omniphone, Inc., CC Docket No. 92-77, submitted October 31, 1996, at 1 (describing "smart technology" and its availability) ("Comments of Omniphone"); Comments of the People of the State of California and the Public Utilities Commission of the State of California on Specific Questions in the OSP Reform Rulemaking Proceeding, CC Docket No. 92-77, submitted November 13, 1996, at 3-4 (also referencing smart technology) ("Comments of CA-PUC").

⁵See Further Comments of OPTICOM at 1-3.

⁶See *id.* at 1-2.

⁷*Id.* at 2.

viable technological option should the Commission require all OSPs to perform on-demand call rating for 0+ interLATA calls.

B. The Costs of Call Rating Technology

As stated previously, there are two cost components of voice annunciator technology: (1) hardware costs, and (2) software development.⁸ Hardware costs can be further separated into two cost categories; annunciator unit costs and host computer system costs. The costs associated with the voice annunciator units can be estimated using a switched platforms' busy hour statistics, and various assumptions about calculation time and message length. For example, OSPs can assume a twelve (12) second call processing time, including calculations and rate annunciation. Using this assumption, an OSP could estimate the number of annunciator units necessary by determining the number of simultaneous terminating attempts on a given switching platform.

A sample estimate may be done as follows:

STEP 1: $(\text{Calls during busy hour} \div 60) \times 1.2 = \text{Calls during busiest minute ("CBM")}$

STEP 2: $(60 \div \text{processing time (seconds)}) = \text{Calls per voice path per minute ("CPVPM")}$

STEP 3: $\text{CBM} \div \text{CPVPM} = \text{Number of Voice Paths Required.}^9$

After the number of necessary voice paths is determined, the quantity of the annunciators may be derived, thus, providing the underlying hardware costs. Typically, an annunciator is a high end computer with a text-to-speech converter and access to a host via a communications card (*i.e.*, ethernet). The full cost of the machine with eight voice paths is estimated at a cost of

⁸*Id.* at 2.

⁹For Opticom, the calculation would be as follows:

$$(5,000 \div 60) \times 1.2 = 100$$

$$(60 \div 12) = 5$$

$$100 \div 5 = 20 \text{ voice paths required.}$$

\$16,000.00. This estimate includes the hardware, operating system, text-to-speech card, communication card, disk drives, etc. For OSPs such as Opticom, the hardware costs for three fully configured annunciators would be approximately \$48,000.00.

The remaining hardware cost is that of the host computer system that would house the product rates and tables necessary for time of day ("TOD") and mileage calculations. This information would be accessed by the annunciator unit through the communications card. There are various choices in selecting the hardware that would be required for the host computer. High end PC servers could be used as the host computer system at a cost of approximately \$25,000.00 each. Because two computers are required by the host system, the total cost of this component would be approximately \$50,000.00.¹⁰

The other major cost component for voice annunciator technology is that of software development, testing and implementation. Opticom estimates that it would take two man-years (4,000 developer hours) of software development to accommodate the necessary components of on-demand call rating. Typically, developers receive \$60.00 per hour for a total development cost of \$240,000.00. In addition, it would be necessary to test and implement the developed software resulting in a cost of approximately \$60,000.00 (25% of the development costs). Therefore, the total estimated cost to create and develop the technology necessary to provide on-demand call rating would be approximately \$400,000.00.

Although an investment sum of \$400,000.00 may appear costly at first blush, it is not a significant cost relative to the gross revenues of most OSPs. For example, \$400,000.00 would constitute less than 1% of Opticom's annual gross revenues. Moreover, it would be surprising if any OSP could not implement voice annunciator technology for a cost approximating 1% or less

¹⁰Larger OSPs processing calls from more than one geographic location would require multiple host computers.

of its annual gross revenues. The costs of implementing voice annunciator technology, therefore, would not be unduly burdensome for OSPs.

C. Additional Price Disclosure Technology

The record indicates that voice file/annunciator technology is not the only form of technology capable of providing on-demand rate information.¹¹ Specifically, "smart technology" is likewise capable of providing rate quotes on-demand and could easily be engineered to engage a rate quote feature on every call.¹² As the California Public Utility Commission noted, such "technology has existed for many years" and is "readily available on a competitive basis"¹³ Thus, OSPs would have the option of using smart technology should the Commission decide to adopt a rate disclosure requirement for all OSPs.

Given the undeniable availability of technology capable of providing on demand call rating information and the reasonable costs associated with its implementation, Opticom would encourage the Commission to adopt its proposal to require all OSPs to disclose rate information prior to call completion.

III. COMPTTEL'S PROPOSED ALTERNATIVE DISCLOSURE PROVIDES A PRACTICAL SOLUTION

In the event that the Commission declines to adopt a mandatory rate disclosure requirement for all OSPs, Opticom would support the adoption of the alternative disclosure

¹¹See *supra* note 4.

¹²See Comments of Omniphone at 1 (estimating that it would take forty man-hours of engineering time to make the necessary technological changes).

¹³Comments of CA-PUC at 3.

proposal submitted by the Competitive Telecommunications Association.¹⁴ In its comments, CompTel proposes an alternative disclosure statement that would "be made by all carriers after the carrier brand and prior to the customer incurring any charges, and should inform the customer of the actions he or she may take (other than hanging up and re-dialing a different number) to obtain a rate quote."¹⁵ Thus, CompTel's proposed disclosure would avoid differential treatment among carriers, and also increase consumer understanding and familiarity with the operator assisted calling environment.¹⁶ Opticom, therefore, supports the CompTel proposal as an acceptable, workable and practical solution to the Commission's remaining consumer concerns.

Moreover, Opticom agrees with CompTel's contention that such a proposal could be implemented with existing call processing capabilities thereby allowing OSPs to integrate the alternative disclosure with their carrier identification brand.¹⁷ Although Opticom's proposed voice annunciator technology is relatively inexpensive to implement, it would involve a financial and technical investment. Conversely, the CompTel proposal could be implemented at little cost to OSPs, thereby ensuring that OSP rates are not adversely affected by new disclosure requirements.¹⁸ For these reasons, Opticom would support the alternative disclosure requirement proposed by CompTel and supported by other industry participants.¹⁹

¹⁴See Comments of the Competitive Telecommunications Association, CC Docket No. 92-77, submitted November 13, 1996, at 2-5 (describing an alternative disclosure that could provide callers with OSP information prior to completing a call) ("Comments of CompTel").

¹⁵*Id.* at 3.

¹⁶See Comments of AMNEX at 6.

¹⁷See Comments of CompTel at 5.

¹⁸See Comments of AMNEX at 4 (discussing the possibility that the costs of implementing per call pricing announcements could increase end user rates).

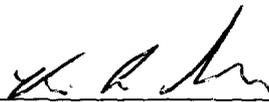
¹⁹See Comments of AMNEX at 5-7.

IV. CONCLUSION

Opticom continues to support on-demand rate branding, mandatory for all carriers, as the only long-term solution to the Commission's lingering concerns. Opticom recognizes, however, that such a solution would require OSPs to make various technical and financial investments. Accordingly, should the Commission adopt the alternative disclosure proposed by CompTel, Opticom would support the Commission's decision, since the alternative disclosure is a viable and practical means by which educate OSP consumers without requiring a significant technical or financial investment by OSPs.

Respectfully submitted,

**One Call Communications, Inc. d/b/a
OPTICOM**



Randall B. Lowe
Victoria A. Schlesinger

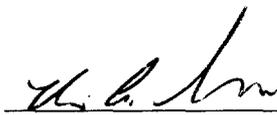
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Its Attorneys

Date: December 3, 1996

CERTIFICATE OF SERVICE

I, Victoria A. Schlesinger, do hereby certify that a true copy of the foregoing Reply Comments was served on the following parties, via First-Class mail, postage prepaid, on this 3rd day of December, 1996.

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