

DOCKET FILE COPY ORIGINAL  
RECEIVED

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

JAN 17 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of	)	
	)	
Implementation of the Pay	)	
Telephone Reclassification and	)	
Compensation Provisions of the	)	CC Docket No. 96-128
Telecommunications Act of 1996	)	
	)	
Ameritech Comparably Efficient	)	DA 96-2025
Interconnection Plan for Pay	)	
Telephone Services	)	

AMERITECH'S REPLY COMMENTS  
ON ITS CEI PLAN FOR PAY TELEPHONE SERVICES

Michael S. Pabian  
Counsel for Ameritech  
Room 4H82  
2000 West Ameritech Center Drive  
Hoffman Estates, IL 60196-1025  
(847) 248-6044

Dated: January 17, 1997

No. of Copies rec'd 0+10  
List ABCDE

TABLE OF CONTENTS

I. INTRODUCTION AND SUMMARY..... 1

II. AMERITECH'S PROVISION OF INMATE  
CALLING SERVICE IS CONSISTENT WITH  
THE COMMISSION'S ORDERS AND WITH  
CEI PRINCIPLES.....3

III. AMERITECH'S NETWORK SERVICES FOR PAY  
TELEPHONE SERVICE PROVIDERS ARE  
APPROPRIATELY TARIFFED..... 6

IV. AMERITECH'S PAY TELEPHONE ACCESS LINE  
SERVICES ARE OFFERED ON A NONDISCRIMINATORY  
BASIS AND OTHERWISE COMPLY WITH THE  
COMMISSION'S REQUIREMENTS.....7

V. OTHER ISSUES..... 11

IV. CONCLUSION..... 14

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

In the Matter of	)	
	)	
Implementation of the Pay	)	
Telephone Reclassification and	)	
Compensation Provisions of the	)	CC Docket No. 96-128
Telecommunications Act of 1996	)	
	)	
Ameritech Comparably Efficient	)	DA 96-2025
Interconnection Plan for Pay	)	
Telephone Services	)	

AMERITECH'S REPLY COMMENTS  
ON ITS CEI PLAN FOR PAY TELEPHONE SERVICES

I. INTRODUCTION AND SUMMARY.

Ameritech submits this reply to comments submitted on its comparably efficient interconnection ("CEI") plan for pay telephone services. Comments were submitted by four parties: the American Public Communications Council ("APCC"), AT&T, the Great Lakes Public Communications Regional Coalition ("Great Lakes"), and the Inmate Calling Service Providers Coalition ("ICSPC").

In its Order and Reconsideration Order in this docket,<sup>1</sup> the Commission concluded that the provisions of §276 of the Act prohibiting BOCs from subsidizing and discriminating in favor of their own pay telephone operations will be satisfied by requiring the BOCs to comply with the Commission's Computer III and Open Network Architecture ("ONA") non-structural safeguards in their provision of pay

---

<sup>1</sup> Implementation of Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, Report and Order, FCC 96-388, released September 20, 1996 ("Order"), and Order on Reconsideration, FCC 96-439, released November 8, 1996 ("Reconsideration Order").

telephone services.<sup>2</sup> Specifically, the Commission has required that each BOC file a CEI plan demonstrating its compliance with CEI parameters.<sup>3</sup> In articulating its requirements, the Commission noted that the BOCs must offer, on a tariffed, nondiscriminatory basis, central office transmission services utilized by their own pay telephone operations but refused to impose any further immediate unbundling requirement, noting that BOCs must unbundle additional network elements when requested, based on specific criteria established in the Commission's Computer III and ONA proceedings.<sup>4</sup>

In its CEI plan, Ameritech demonstrates that it has tariffed in all its states two types of lines for use by pay telephone service providers:

- An Independent Payphone Provider ("IPP") coin line for use with "dumb" pay telephone sets and
- A Customer Owned Pay Telephone ("COPT") service line for use with "smart" pay telephone sets.

While Ameritech's payphone operations will initially be using the IPP coin line, both access arrangements will be offered to all pay telephone service providers -- affiliated and non-affiliated alike -- on the same terms and conditions.

In addition, although further unbundling was not immediately required, Ameritech filed tariff changes with the Commission to offer two unbundled features with its IPP coin line -- Outgoing Only Service and Restricted Coin Access.<sup>5</sup>

---

<sup>2</sup> Order at ¶ 199.

<sup>3</sup> *Id.* at ¶ 202.

<sup>4</sup> Order at ¶¶ 146, 148, 200; Reconsideration Order at ¶ 165.

<sup>5</sup> See Transmittal No. 1035, included herewith as Attachment A. This answers APPC's question (at 4) about Ameritech's federal tariff filing for unbundled features.

None of the commenting parties has shown that this CEI plan fails to provide comparably efficient interconnection to unaffiliated providers of pay telephone services. To the contrary, Ameritech's plan satisfies all Commission requirements and should be approved.

II. AMERITECH'S PROVISION OF INMATE CALLING SERVICE IS CONSISTENT WITH THE COMMISSION'S ORDERS AND WITH CEI PRINCIPLES.

Both ICSPC and AT&T argue that Ameritech was remiss in failing to explain how its provision of inmate calling services will be treated under its CEI plan.<sup>6</sup> In fact, the reason Ameritech did not specifically mention inmate calling services in its CEI plan is because it is treating those operations consistently with its treatment of all other affiliated payphone service operations. All pay telephone equipment -- whether it serves a prison or gas station -- is being treated as "deregulated" -- including any call control equipment uniquely associated with inmate calling services that provides timing, PIN, and other call control functions. Moreover, the interface between Ameritech's regulated operations and that equipment and the services provided by that equipment is the same interface as is available to any other pay telephone service provider. That is all that the Commission's orders, both in RM-8181 and in CC Docket No. 96-128, require.

ICSPC has expressed concern about collocation of call control equipment.<sup>7</sup> However, this equipment is not collocated in Ameritech central offices except for a

---

<sup>6</sup> ICSPC at 2; AT&T at 2.

<sup>7</sup> ICSPC at 9.

few offices in Indiana; and the equipment in these offices will be removed by February 15, 1997.

With respect to fraud control and validation in the context of inmate calling services,<sup>8</sup> Ameritech would note that there are no network based functionalities that are uniquely available to Ameritech's nonregulated pay telephone operations, whether in the inmate context or otherwise. Rather, when a call is handed off from Ameritech's pay telephones to Ameritech's operator services system, the call is handled as a regulated one, and it is handled the same way as any other call handed off to Ameritech's operator services system -- even calls routed from the pay telephones of independent pay telephone service providers ("IPPs").<sup>9</sup> That regulated operator service system has available to it the same types of fraud control information available to other carriers via a line information database ("LIDB") query, including whether an account will accept collect or third party billed calls.<sup>10</sup> Because this activity is treated as part of Ameritech's regulated operations, neither Ameritech's affiliated pay telephone operations nor any IPP operations are charged for validation or LIDB queries associated with those calls.

The only unique aspect of calls originating in an inmate context is the screening code that is associated with those lines. Ameritech IPP coin lines or COPT

---

<sup>8</sup> Id. at 10-14.

<sup>9</sup> This responds to APCC's concern (at 18-19) about the relationship between Ameritech's nonregulated pay telephone operations and Ameritech's operator services system.

<sup>10</sup> Ameritech does perform fraud analysis by examining, among other things, the pattern of call charging activity. If, as a result of that analysis, it determines that an account is no longer a good risk, it will modify the LIDB to reflect a negative response when that account is queried. That information is available to Ameritech's operator service system only at the same time as it is available to any other carrier/operator service provider ("OSP") that queries Ameritech's LIDB.

service lines utilized in inmate context, whether purchased by IPPs or utilized by Ameritech's unaffiliated pay telephone operations will, if the pay telephone service provider desires, have associated with them a screening code which will alert the operator service system that calls originating on those lines should be handled on a "collect-only" basis.

Similarly, the treatment of uncollectibles with respect to calls that originate on Ameritech inmate calling services is no different from the treatment of uncollectables from other Ameritech pay telephones. That treatment is determined by the Commission's accounting rules. Also, as noted in Ameritech's reply, filed December 30, 1996, responding to comments on its cost allocation manual ("CAM") revisions, Account 5280, Nonregulated Operating Revenue, is debited, and the regulated revenue account is credited for revenues associated with calls originating on Ameritech nonregulated pay telephones -- including calls handled by Ameritech's operator service systems. From an accounting perspective, this has the effect of imputing regulated charges for regulated services that are used in the provision of nonregulated services.

With respect to the allocation of uncollectibles,<sup>11</sup> Ameritech noted, in its CEI plan (at 17) that all costs will be apportioned pursuant to its CAM. The CAM utilizes the required two Part 32 accounts (5301, Uncollectable Revenue - Telecommunications and 5302, Uncollectable Revenue - Other) in the apportionment of uncollectibles. The apportionment basis used -- i.e., relative

---

<sup>11</sup> As questioned by ICSPC at 14-15 and AT&T at 7.

regulated - nonregulated telecommunications or other operating revenue -- was approved in Ameritech's cost allocation manual order.<sup>12</sup> The requirement to use these accounts was recently reaffirmed by the Commission.<sup>13</sup> Moreover, with the deregulation of Ameritech pay telephone services (including inmate calling services), the amount of nonregulated revenue will increase, thus increasing the nonregulated allocation of uncollectible expense.

III. AMERITECH'S NETWORK SERVICES FOR PAY TELEPHONE SERVICE PROVIDERS ARE APPROPRIATELY TARIFFED.

Great Lakes complains that Ameritech has not filed with the Commission tariffs for network access services or cost support information.<sup>14</sup> As Ameritech stated in its CEI plan, both its IPP coin line and its COPT service line are tariffed at the state level. The Commission clearly indicated that there was no requirement to file either the tariffs or the cost support at the federal level.<sup>15</sup> In Ameritech's case, those tariffs have been approved as reasonable by the commissions in each of the states in which Ameritech provides basic local exchange service. Moreover, as required by each state commission, the cost support for each IPP coin line tariff filing -- the service used by Ameritech's own pay telephone operations -- was based on long run service incremental cost ("LRSIC") methodology, representing the forward-looking additional cost of providing the service. Since the rate for the

---

<sup>12</sup>In the Matter of Ameritech Operating Companies' Permanent Cost Allocation Manual, AAD 7-1668 (released October 13, 1988) at ¶¶ 47-48.

<sup>13</sup>In the Matter of Citizens Utility Company Cost Allocation Manual, AAD 94-6 (released April 22, 1996) at ¶ 18.

<sup>14</sup> Great Lakes at 8-9.

<sup>15</sup> Reconsideration Order at ¶163.

service covers appropriate cost, the service is not subsidized by Ameritech's exchange service or exchange access operations.<sup>16</sup>

Although Great Lakes implies that there is an improper "price squeeze" taking place because Ameritech's "drop rate" may be underpriced in certain jurisdictions,<sup>17</sup> that should not form a basis for a rejection of this CEI plan. Those rates remain regulated by the state jurisdiction until October, 1997.<sup>18</sup> Ameritech will address the issue of the compensability of the rates for calls from its pay telephone stations when those rates are deregulated.

Finally, by way of clarification, Ameritech would note that its IPP coin line service is available in all five Ameritech states in all central offices in which Ameritech is itself utilizing a coin line to provide pay telephone services.<sup>19</sup>

**IV. AMERITECH'S PAY TELEPHONE ACCESS LINE SERVICES ARE OFFERED ON A NONDISCRIMINATORY BASIS AND OTHERWISE COMPLY WITH THE COMMISSION'S REQUIREMENTS.**

The commenting parties have questioned whether Ameritech has undertaken an appropriate degree of unbundling in connection with its pay telephone access line offerings -- especially as it relates to the features associated with an IPP coin line.<sup>20</sup> In response, Ameritech would call the Commission's attention to

---

<sup>16</sup> Id.

<sup>17</sup> Great Lakes at 10-11, 14.

<sup>18</sup> Order at ¶ 61.

<sup>19</sup> APCC at 9; AT&T at 3.

<sup>20</sup> AT&T at 4; APCC at 5-7, 8-10; Great Lakes at 16-19.

two very important facts. First, as noted above, the Commission did not require exhaustive unbundling of network elements for pay telephone services beyond those basic transmission services provided to the BOC's own pay telephone operations. Rather, the Commission found such unbundling is not necessary to provide payphone services and that to unbundle some features would require substantial cost to make switch changes.<sup>21</sup> Second, as APCC readily admits, because most IPPs have already chosen to structure their business based on the use of "smart" pay telephone stations, the demand by IPPs for "smart" coin lines, and any unbundled functionality associated therewith, will be minimal.<sup>22</sup> With that in mind, Ameritech will answer specific questions raised by the commenting parties.

Great Lakes and APCC complain that Ameritech does not provide separate coin rating capability in connection with its IPP coin line.<sup>23</sup> As a preliminary matter, it should be noted that the "drop rate" for local calls is programmed into the telephone set itself, even in the case of "dumb" sets. It is the set that determines the amount of coinage sufficient to permit the activation of the set. Therefore, IPPs that chose to utilize Ameritech's coin line can establish their own drop rates. With

---

<sup>21</sup> Order at ¶148; Reconsideration Order at ¶165.

<sup>22</sup> APCC at 2-3. The Commission should not be unduly influenced by APCC's mournful claim that IPPs were "forced" to use state-of-the-art smart technology which has served them well for many years. The allegation that the coin line may not prove useful to IPPs is merely an untimely and improper (because it makes no new argument) request for further reconsideration of the Commission's requirement for the BOCs to tariff the arrangements that they themselves use to provide pay telephone services. It is irrelevant to the fact that Ameritech fulfills those very CEI requirements. While the Commission also required the tariffing of service to be used with "smart" pay stations -- i.e., Ameritech's COPT service line -- there is no requirement to make the two offerings equivalent, because they are fundamentally different services. As the Commission stated (Order at ¶ 146), the availability of both types of lines will permit IPPs to offer pay telephone services using either "smart" or "dumb" terminals, or a combination of the two.

<sup>23</sup> Great Lakes at 16; APCC at 9-11.

respect to the timing and rating for additional periods and longer-distance local calls, the switches that serve coin lines currently permit only one sent-paid (coins in the box) rating schedule. That rating schedule is established by state regulation.

Consistent with the CEI requirements of the Commission's order, Ameritech will entertain requests for additional unbundling of the rating function through the existing 120-day ONA service request process where such unbundling is technically feasible. It is anticipated that this will be an industry-wide issue. In other words, if the IPP community truly desires rating capability on coin lines, then it is not only demand from the Ameritech region, but demand from all over the country that will eventually drive the "economic feasibility" of this unbundling.

Great Lakes complains that Ameritech has preselected its IPP coin lines to block access to 900 and 976 numbers from coin lines.<sup>24</sup> Because of the difficulty in rating these types of calls on a sent-paid basis (where the rate establish by each information provider may vary) and because of the high potential for fraud when billed to calling card or third-party numbers, Ameritech is concerned that the unblocking of these types of calls is something that IPPs may not want. That is demonstrated by the fact that 900 and 976 blocking is selected by IPPs when ordering COPT service lines in virtually all cases. Nevertheless, Ameritech will entertain requests for the unblocking of 900 and 976 numbers from coin lines pursuant to 120-day request process articulated above.

---

<sup>24</sup> Great Lakes at 16.

Great Lakes complains that intraLATA directory assistance calls from Ameritech coin lines are handled exclusively by Ameritech.<sup>25</sup> It is true that dialing either 411 or 555-1212 on an Ameritech coin line will access Ameritech directory assistance. However, IPPs have the ability to instruct their end users to dial a discrete seven digit number to access the directory assistance provider of the IPP's choosing. That number could be displayed prominently on the telephone set itself.

Great Lakes complains further that 611 directs end users solely to Ameritech's repair and coin refund service.<sup>26</sup> Effective February 15, 1997, Ameritech's procedures relating to repair and coin refund service on IPP coin lines will change. After that time, when customers call 611 to either report a service problem or to request a coin refund, the customer will be redirected to call the number posted on the telephone. This is the current procedure employed by Ameritech for calls placed from telephones utilizing the COPT service line.

Both Great Lakes and APCC refer to "ProfitMaster"<sup>27</sup> -- a feature that Ameritech offers in certain areas to IPPs who subscribe to Ameritech's IPP coin line and which will provide certain functionalities. The Commission should not mandate its deployment, however, because Ameritech is responding to requests for the service on a demand basis. However, the feature is a switch adjunct and is available only with certain switch types and current limited demand makes its

---

<sup>25</sup> Id.

<sup>26</sup> Id.

<sup>27</sup> Great Lakes at 18; APCC at 11.

deployment extremely expensive. Ubiquitous deployment would drive its price well beyond customers' willingness to pay.

Again, it should be remembered that, with respect to the coin line, the Commission requires only that the BOCs tariff the network functionalities utilized by their own deregulated payphone operations. Ameritech has completely satisfied that requirement. Further unbundling, in the absence of demand and outside the traditional 120-day ONA process, is not required. Therefore, these "paper" demands for unbundling should be regarded as insufficient grounds for rejecting Ameritech's CEI plan.

#### V. OTHER ISSUES.

Great Lakes and APCC raise the issues of answer supervision and signaling information ("SIT") tones.<sup>28</sup> Great Lakes complains that line-side answer supervision is not provided in all offices by Ameritech. This is true because of the high upfront investment costs associated with providing the service in certain switch types. However, where demand has justified it, Ameritech has deployed the service and will continue to do so.

Great Lakes alleges that IPPs that utilize the COPT service lines have utilized Ameritech SIT tones as a surrogate for answer supervision to determine when a call has not completed. Those tones were historically generated in the network when certain error conditions existed -- e.g., disconnected number or incorrect dialing pattern. These tones were utilized in the network at one time for tracking network

---

<sup>28</sup> Great Lakes at 20; APCC at note 5.

conditions and were never intended to be utilized by customers for answer supervision purposes. Despite complaints from some hearing-sensitive customers, Ameritech has not eliminated SIT tones -- primarily for the benefit of IPPs. And Great Lakes is wrong when it complains Ameritech "is no longer adding to SIT tones to all of its error messages."<sup>29</sup> Contrary to Great Lakes' claim, Ameritech does provide a SIT tone if an end user dials the wrong area code.

In any event, the only requirement is that no discrimination exists among purchasers of COPT service lines and among purchasers of IPP coin lines. SIT tones is simply not a CEI plan issue.

\* \* \*

In response to APCC's request for a copy of the Private Payphone Providers Handbook,<sup>30</sup> Ameritech is including a copy with this reply as Attachment B.

\* \* \*

In response to APCC's concern about the location of the demarcation point,<sup>31</sup> Ameritech notes that the demarcation point on those IPP coin lines provided to Ameritech's deregulated pay telephone operations will be established at the protector. If a building is involved, it will be at the point at which the line enters the building. This is completely consistent with the demarcation point established on COPT service lines and on those IPP coin lines purchased by IPPs.

\* \* \*

---

<sup>29</sup> Great Lakes at 20.

<sup>30</sup> APCC at 13.

<sup>31</sup> Id. at 14.

APCC complains that Ameritech's CEI plan does not address the issue of number assignment.<sup>32</sup> Ameritech does not have differential numbering assignment policies. In other words, Ameritech's own pay telephone operations as well as IPPs are subject to the same assignment process. There are no special blocks of numbers used for Ameritech's pay telephone services.

\* \* \*

APCC complains that Ameritech discriminates in connection with the code assignments used in connection with both the COPT service line and the IPP coin line.<sup>33</sup> It is true that Ameritech assigns the "07" code to COPT service lines and the "27" code to IPP coin lines. The "07" code is now being assigned to all COPT service lines regardless of whether the party utilizing those lines is an IPP or Ameritech's own pay telephone operations. Similarly, the "27" code is associated with all IPP coin lines regardless of whether the purchaser is Ameritech's own payphone operations or an IPP. To comply with the Commission's requirements,<sup>34</sup> Ameritech will be deploying Flex ANI no later than September 15. With Flex ANI, Ameritech will provide a unique coding of "70" for use on its COPT service lines.

\* \* \*

Finally, AT&T requests that Ameritech clarify the status of its message delivery service.<sup>35</sup> As AT&T notes, Ameritech previously filed a notification of its

---

<sup>32</sup> Id.

<sup>33</sup> Id. at 15-17.

<sup>34</sup> Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation, CC Docket 91-35, Third Report and Order (released April 5, 1996) at ¶ 34.

<sup>35</sup> AT&T at 6.

intent to trial message delivery service. After the trial, however, Ameritech made the decision not to pursue offering the service for business reasons. Since Ameritech is not offering the service, no CEI requirements apply in connection with that service.

VI. CONCLUSION.

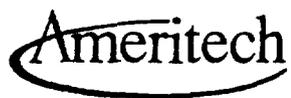
While many issues have been brought up by the commenting parties, none of them obviates the fact that the Commission's prime directive in the Order and the Reconsideration Order was that BOCs provide under tariff the same network functionalities that are made available to their own deregulated pay telephone operations. Ameritech has complied with this requirement completely; and, for that reason, its CEI plan should be accepted.

Respectfully submitted,



Michael S. Pabian  
Counsel for Ameritech  
Room 4H82  
2000 West Ameritech Center Drive  
Hoffman Estates, IL 60196-1025  
(847) 248-6044

Dated: January 17, 1997



2000 West Ameritech Center Drive  
4G62  
Hoffman Estates, IL 60196-1025  
Office 708/248-3332  
Fax 708/248-3890

**Kristin U. Shulman**  
Director  
Federal Regulatory Planning and Policy

December 16, 1996

Transmittal No. 1035

Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, DC 20554

**Attention: Common Carrier Bureau**

The accompanying tariff material, issued on behalf of Ameritech and bearing Tariff F.C.C. No. 2, Access Service, is sent to you for filing in compliance with the requirements of the Communications Act of 1934, as amended. This material, scheduled to become effective January 30, 1997, consists of a new tariff page as indicated on the following revised check sheets.

**Tariff F.C.C. No.**

2

**Check Sheet Nos.**

938th Revised Page 1  
214th Revised Page 1.1

In compliance with the Commission's Payphone Report and Order, Ameritech proposes two new optional service functions for payphone service providers (PSPs) within its operating territories. The new service functions are Restricted Call Access (RCA) and Outgoing Only.

Support material pursuant to Section 61.49 of the Federal Communications Commission's Rules and Regulations is submitted herewith.

The required filing fee, check number 257 for \$600.00, the original copy of this letter and F.C.C. Form No. 159 were sent to the Mellon Bank in Pittsburgh, PA via UPS Next Day Air on December 13, 1996. All correspondence and inquiries concerning this filing should be addressed to me at the above address.

Very truly yours,

*Kevin U. Shulman (2340)*

Attachment:

Tariff Page  
Documentation

Copy of Letter and Attachments concurrently delivered to:

Chief, Tariff Review Branch (Public Reference Copy)  
International Transcription Services, Inc.

ACCESS SERVICE  
CHECK SHEET

Title pages 1 and 2 and Pages 1 to 655 inclusive of this tariff are effective as of the date shown. Original and revised Pages as named below and Supplement Nos. 274, 277, 278 and 279 contain all changes from the original tariff that are in effect on the date hereof.

Page	Number of Revision Except as Indicated	Page	Number of Revision Except as Indicated	Page	Number of Revision Except as Indicated
Title 1	2nd	16.3	1st	42	5th
Title 2	6th	16.4	2nd	42.1	1st
1	938th*	16.5	Original	43	1st
1.1	214th*	16.6	1st	44	6th
1.2	183rd	16.7	3rd	45	6th
1.3	239th	17	1st	45.1	3rd
1.4	179th	18	6th	45.2	Original
1.5	154th	19	17th	46	9th
1.6	120th	19.1	11th	47	12th
1.7	69th	19.2	12th	47.1	2nd
1.8	54th	19.3	8th		
1.9	68th	20	7th		
1.10	23rd	20.1	4th		
1.11	44th	21	3rd		
2	3rd	23	3rd		
3	7th	24	1st		
3.1	9th	25	1st		
4	11th	26	3rd		
4.1	7th	27	2nd		
5	11th	28	3rd		
5.1	13th	28.1	Original		
5.2	2nd	34	4th		
6	4th	34.1	1st		
6.1	2nd	35	5th		
7	6th	35.1	1st		
7.1	3rd	36	8th		
8	11th	36.1	6th		
8.1	4th	37	13th		
9	16th	37.1	4th		
9.1	1st	37.2	6th		
10	21st	37.3	5th		
10.1	8th	37.4	1st		
10.2	6th	37.5	2nd		
11	4th	38	9th		
12	5th	38.1	10th		
13	5th	38.2	5th		
13.1	6th	38.2.1	2nd		
13.2	8th	38.3	3rd		
13.3	7th	38.4	3rd		
15	14th	39	5th		
15.1	9th	39.1	7th		
15.2	1st	39.1.1	1st		
16	12th	39.2	Original		
16.1	7th	40	1st		
16.2	5th	41	3rd		

\* New or revised Page

(TR1035)

Issued: December 16, 1996

Effective: January 30, 1997

Kristin U. Shulman, 4G62  
Director, Federal Regulatory Planning & Policy  
2000 W. Ameritech Center Drive  
Hoffman Estates, Illinois 60196-1025

ACCESS SERVICE  
 CHECK SHEET

Page	Number of Revision Except as Indicated	Page	Number of Revision Except as Indicated	Page	Number of Revision Except as Indicated
48	3rd	68.2	3rd	84.3	1st
49	11th	69	7th	84.4	Original*
49.1	9th	69.1	Original	85	10th
50	11th	70	4th	85.1	2nd
50.1	2nd	70.1	Original	86	1st
50.2	2nd	70.2	2nd	87	3rd
50.2.1	2nd	70.3	2nd	88	8th
50.3	2nd	70.4	3rd	89	4th
50.4	1st	70.5	Original	89.1	12th
50.5	2nd	70.6	Original	89.2	11th
50.6	Original	70.7	Original	90	7th
51	1st	70.8	Original	90.1	5th
53	7th	70.9	Original	90.2	Original
53.1	6th	70.10	Original	91	1st
53.2	5th	70.11	Original	93	3rd
53.3	6th	70.12	Original	94	4th
54	8th	70.13	1st	96	1st
54.1	11th	70.14	Original	97	5th
54.2	1st	70.15	Original	98	12th
55	1st	70.16	Original	99	4th
56	7th	70.17	Original	99.1	Original
56.1	2nd	70.18	Original	104	3rd
56.2	1st	70.19	Original	107	1st
56.3	1st	70.20	Original	109	1st
56.4	1st	70.21	Original	110	3rd
56.5	1st	70.22	Original	110.1	4th
57	7th	70.23	2nd	111	8th
58	1st	70.24	40th	111.1	2nd
59	16th	70.25	18th	111.1.1	2nd
59.1	11th	72	1st	111.1.2	3rd
59.1.1	Original	75	2nd	111.1.3	2nd
59.2	4th	76	19th	112	7th
59.3	1st	77	19th	112.1	4th
60	10th	78	17th	112.1.1	2nd
61	8th	79	18th	112.1.2	2nd
61.1	6th	80	18th	112.2	4th
62	4th	80.1	2nd	113	12th
63	7th	81	5th		
64	7th	81.1	3rd		
64.1	6th	82	4th		
65	5th	82.1	1st		
65.1	2nd	83	7th		
66	6th	83.1	2nd		
66.1	7th	84	15th		
67	19th	84.1	6th		
67.1	6th	84.1.1	3rd		
68	17th	84.1.2	2nd		
68.1	17th	84.2	5th		

\* New or revised Page

(TR1035)

Issued: December 16, 1996

Effective: January 30, 1997

Kristin U. Shulman, 4G62  
 Director, Federal Regulatory Planning & Policy  
 2000 W. Ameritech Center Drive  
 Hoffman Estates, Illinois 60196-1025

**ACCESS SERVICE**

**4. End User Access Service and Presubscription (Cont'd)**

**4.5 Payphone Service Provider Optional Services**

**(A) Outgoing Only Service**

Outgoing Only Service is an optional service which restricts incoming calls from being completed to designated payphones. It is the payphone service provider's responsibility to state this restriction on the instruction card of the phone.

**(B) Restricted Coin Access (RCA)**

RCA is an optional service that provides for the coin collecting device to be disabled during certain hours designated by the Payphone Service Provider. During those hours, Local calls, Extended Local calls and Message Toll calls must be charged to a third number or a Company calling card, or placed on a collect basis. Calls to public emergency numbers such as 911 are unaffected by RCA. All end users placing calls using a coin during restricted hours will have their coins returned and will hear a recording advising that the phone is not equipped for coin calls during certain hours. It is the payphone service provider's responsibility to state this restriction on the instruction card of the phone.

**(C) Rates**

	<b>Monthly Rate</b>	<b>Nonrecurring Charge</b>
Outgoing Only Service All States	No Charge	No Charge
Restricted Coin Access (RCA)		
Illinois	\$10.75	\$ 88.00
Indiana	10.75	88.00
Michigan	10.75	88.00
Ohio	10.75	212.00
Wisconsin	11.25	220.00

(TR1035)

Issued: December 16, 1996

Effective: January 30, 1997

## DESCRIPTION AND JUSTIFICATION

### Introduction

With this filing, Ameritech proposes to offer two new optional service functions for payphone service providers (PSPs) within its operating territories. The services are Restricted Call Access (RCA) and Outgoing Only. With the RCA function, a PSP will have the ability to restrict the callers' ability to make coin calls from the PSP's payphones during designated hours. The Outgoing Only function prevents incoming calls from being completed on payphones with this feature.

In its Payphone Report and Order<sup>1</sup> the FCC adopted regulations to ensure LEC-owned payphone operations would not have a competitive advantage over independent payphone service providers.

The Order requires LECs to offer Central Office (CO)-based payphone service (coin) feature functionality used by their own payphone operations to other payphone service providers at the same tariffed rates, terms and conditions. Additionally, any function used by the LEC operation which can be unbundled from the CO-based payphone service offering must be offered to all payphone service providers on a nondiscriminate basis. These features must be tariffed in both the federal and state jurisdictions.

### Description

RCA is offered to payphone service providers to help their premises owner customers curtail loitering and illicit activity. RCA disallows coin sent-paid calls during certain hours based on class of service and the line class code of the line. Through electronically generated service orders, the line class code is changed between "normal" and "restricted" for selected hours.

---

<sup>1</sup> Report and Order, *In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket Nos. 96-128 and 91-35, released September 20, 1996 ("Order").

The service is administered by entering a line class code change into a computer link between the service center and the Recent Change Memory Administration Center (RCMAC). Based on this change request, RCMAC will change the line class code twice each day for the restricted phone. End users will have their coins returned during restricted hours, and will hear a recording advising that the phone is not equipped for coin calls during certain hours. Calls to public emergency numbers, e.g., 911, will continue to be permitted and provided free of charge. It is the payphone service provider's responsibility to state this restriction on the instruction card of the payphone.

Outgoing Only prohibits the completion of incoming calls to a designated payphone. The service is provided by assigning a special line class code to the line through the service order. Customers calling the payphone will hear a recording stating that the phone is not in service for incoming calls. It is the payphone service provider's responsibility to state this restriction on the instruction card of the payphone. There is no charge for this service.

#### **Rate Structure**

The rate structure for Restricted Coin Access consists of a nonrecurring charge and a recurring charge. These charges are designed to recover, respectively, the costs of setting up the RCA option and daily system activity to activate and deactivate RCA for the designated hours. There is no charge for the Outgoing Only function.

#### **Demand**

Demand for Restricted Coin Access was developed based on a market analysis.

Demand for the first year is shown on Exhibits 1 and 2. This demand was used to develop the total annual costs and annual revenues.

### **Cost Development - Recurring Charges**

There are no additional costs associated when providing Outgoing Only service. If a customer requests the activation of this feature on an existing service, a standard service order change charge will apply.

Ameritech performed cost studies to determine the costs to provide RCA on lines equipped with coin functionality. The costs associated with this service are expense related. The recurring cost element reflects the daily processing of recent change service orders required to provision the service. This cost was derived by taking the budgeted expense for the service order processing interface and dividing it by the amount of annual service orders to get the per order cost. The number of transactions per line, per month for RCA was then applied to the per order cost to develop the cost per line.

Exhibit 2 provides the unit costs associated with the RCA rate element. The costs are shown for each individual state within the Ameritech region. Exhibit 2 also displays the monthly cost to monthly rate ratio for the RCA rate element.

Costs are not jurisdictionally separated.

### **Cost Development - Nonrecurring Charges**

The nonrecurring costs for RCA are based on one-time expenses associated with the work functions and activities performed in conjunction with the establishment of the Restricted Coin Access functionality in the central office, service provisioning, and the expenses associated with training, methods and procedures, and billing.

Central Office Provisioning - cost associated with the design and input of translations for line class codes. The cost is calculated by multiplying the appropriate labor rates by the time required to perform the function.

Service Order Input - cost associated with processing the service order by the service representative. The cost element is calculated by applying the labor rate to the amount of labor hours associated with inputting the data. Assumes one line per order.

Expenses - cost associated with the development of training, methods and procedures, and billing. The cost element is calculated by applying the appropriate labor rate to the amount of labor hours required for each activity. The total expense was then divided by the total demand to determine the per line expense.

Exhibits 1 and 2 provide a summary of the recurring and nonrecurring revenues and costs associated with Ameritech's restricted coin access, respectively.

### **Basis of Ratemaking**

Ameritech developed direct recurring and nonrecurring costs for Restricted Coin Access to determine the minimum level at which rates must be set. Next, conditions which impact this new service were evaluated to determine the proposed rates for the service. Conditions which have an impact on the proposed rates include the pricing of and the relationship to existing complementary and substitutable services offered by Ameritech, the competitive alternatives available to the customer, and the pricing levels acceptable to the customer.

The proposed rates for Restricted Coin Access are priced above the identified costs.