

2000 West Ameritech Center Drive  
4H82  
Hoffman Estates, IL 60196  
Office 847/248-6044  
Fax 847/248-6013

EX PARTE OR LATE FILED



March 19, 1997

Michael S. Pabian  
Counsel

RECEIVED

MAR 20 1997

Federal Communications Commission  
Office of General Counsel

HAND DELIVERED

WRITTEN EX PARTE PRESENTATION

William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, DC 20554

Re: CC Docket No. 96-128  
Ameritech CEI Plan for Pay Telephone Services

Dear Mr. Caton:

Pursuant to §1.1206 of the Commission's rules, Ameritech submits this written ex parte presentation in connection with its CEI plan for pay telephone services.

**SERVICE DESCRIPTION**

Ameritech's provision of basic telecommunications services to Ameritech's payphone service operations and unaffiliated Payphone Service Providers ("PSPs") encompasses the provision of traditional local exchange service functionality. In addition, related features such as Call Screening, IDDD Blocking, and Line Side Answer Supervision are offered.

Ameritech's basic service offering is comprised of two separate types of service. Both will provide two-way or, optionally, one-way originating only exchange service. These services are provided and maintained by Ameritech and provide access to and from the public switched telecommunications network for long distance and local calling.

The first service is standard Customer Owned Pay Telephone Service ("COPTS") usually used in connection with "smart" sets, where the set is programmed to collect coins, return coins and rate calls.

No. of Copies rec'd  
List ABCDE

022

March 19, 1997  
William F. Caton  
Page 2

The second type of service is Coin Line service which offers switch-based coin functionality that works in conjunction with network-controlled "dumb" sets which rely on switch-based signaling. Coin Line service is what Ameritech uses in its own public service operations.

Ameritech will provide PSPs with toll detail reporting at no charge as provided with other local exchange service.

Ameritech's basic service offerings are available to all PSPs, including Ameritech's own payphone operations.

In connection with its basic service offerings, Ameritech will offer each of the following services on an individual basis to PSPs:

**900/976 Blocking** - an optional service to block access to services offered on the 900 service access code. Blocking is offered at no charge for initial requests and on a one-time basis.

**IDDD Blocking** - an optional end user service that provides end office blocking of 011+, 10XXXX 011+ dialed international calls. These will be routed to a recorded announcement.

**Outgoing Only Service** - an optional-no charge service which restricts incoming calls from being completed to designated payphones.

**Restricted Coin Access(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 calling card, or placed on a collect basis. Calls to public emergency numbers such as 911 are unaffected by RCA. (Available with Coin Line service only.)

**Answer Supervision** - provides "off-hook" supervisory signals to customer premises equipment.

**Call Screening** - restricts calls through an operator to called number, 3rd number and calling card.

March 19, 1997  
William F. Caton  
Page 3

**Directory Assistance** - provides the user of an Payphone Service Provider access linewith telephone numbers available from the Company's Directory Assistance records.

**ProfitMaster™** - provides COPTS subscribers with coin box-counting, pre-prompting for overtime, time of day restrictions, flexible rating, and local call timing. Offered on a limited basis in the Illinois and Michigan.

## **RESPONSES**

Ameritech responds to the following requests for additional information:

1) List both tariffed and nontariffed network-based and payphone specific features and functions that your own payphone operations use as well as those that an independent payphone provider would use.

Coin Line service, COPTS, 900/976 Blocking, IDDD Blocking, Outgoing Only, Restricted Coin Access, Answer Supervision, Call Screening, and Directory Assistance.

2) For each of the features and functions listed in item 1, identify those which are used by your own payphone operations.

Coin Line service, 900/976 Blocking, Restricted Coin Access, Outgoing Only, Directory Assistance. IDDD Blocking, Answer Supervision and Call Screening are included in Coin Line service.

3) For those that are tariffed, identify whether filed in the state tariff only or whether they are filed in both state and federal tariffs. In the case of federally tariffed items, cite section number(s) and page number(s). When state tariffs are involved, specify states.

The following is a complete list of all network-based and payphone specific features and functions offered to PSPs. The features (except for ProfitMaster<sup>SM</sup> as noted) are tariffed in all five states jurisdictions (Michigan, Ohio, Illinois, Indiana and Wisconsin) and in the federal jurisdiction. They represent all the tariffed services provided to both independent PSPs and Ameritech's own payphone operation alike. Ameritech does not offer nontariffed network-based, payphone-specific services.

<b>Federal Tariff F.C.C. No. 2</b>		
<b><u>Features</u></b> <i>(Offered for COPTS and Coin Line*)</i>	<b><u>Section</u></b>	<b><u>Page</u></b>
<b>900/976 Blocking</b> <i>(Blocks all calls to 900/976 services).</i>	4.4	84.3
<b>IDDD Blocking</b> <i>(Blocks international direct distance dialing).</i>	4.3	84.2
<b>Outgoing Only</b> <i>(Blocks incoming calls).</i>	4.5	84.4
<b>Restricted Coin Access**</b> <i>(Restricts coin acceptance as programmed).</i>	4.5	84.4
<b>Answer Supervision</b> <i>(Signaling when call is completed).</i>	6.3.1	163.6
<b>Call Screening</b> <i>(Restricts calls through operator to called number, 3rd number and calling card).</i>	6.3.1	163.8
<b>Directory Assistance</b> <i>(Information)</i>	9	455
<b>ProfitMaster<sup>SM*****</sup></b> <i>(Provides coin box counting and other features in connection with COPTS).</i>	X	X

\* Ameritech offers two types of payphone services (COPTS and Coin Line) tariffed in the state jurisdictions pursuant to CC Docket 96 -128 (Payphone Order).

March 19, 1997  
William F. Caton  
Page 5

**\*\* Not offered with COPTS (smart sets used with COPTS lines have this capability)**

**\*\*\* See following answer.**

- 4) For those that are not tarified, indicate the reason why they are not tarified.
- a) Not network-based
  - b) Not payphone-specific
  - c) Not used by your own payphone operations
  - d) A combination of the above

Ameritech has not filed a federal tariff for ProfitMaster™. The service is provided on a where-facilities-permit basis in Illinois and Michigan. In this respect, Ameritech believes that it is compliant with the Commission's rules and regulations.

As noted previously in Ameritech's filings, ProfitMaster™ is an optional adjunct service that has been offered on a limited basis in two Ameritech jurisdictions. Independent PSPs that subscribe to Ameritech's COPTS service line, which is usually used with "smart" pay stations, can use ProfitMaster™ for coin box counting, pre-prompting for overtime, time of day restrictions, flexible rating and local call timing in conjunction with "dumb" pay stations.

In the Commission's recent pay telephone orders, the requirement to tariff unbundled features at the federal level was intended to be consistent and coterminous with the corresponding requirement under its Computer III/ONA rules.<sup>1</sup> Under ONA, the Commission did not require the federal tariffing of every feature that an enhanced service provider might use. Instead, there were basically two types of features that had to be tarified at the federal level.

---

<sup>1</sup> Order at ¶¶ 147-148, 199; Reconsideration Order at ¶¶ 147-148.

First, a BOC had to unbundle and file federal tariffs for those functionalities utilized by its own enhanced services operations.<sup>2</sup> This requirement is consistent with the Commission's Computer III construct for Comparably Efficient Interconnection ("CEI") upon which the Commission's payphone CEI requirement was based -- namely, that the affiliated unregulated operations at issue must take basic network functionality on the same terms and conditions as are available to others. That aspect of the ONA rule would not apply here since Ameritech's own payphone operations do not use ProfitMaster™.

Second, a BOC had to tariff those features either specifically established by the Commission based on "market demand, utility as perceived by ESPs, and costing and technical feasibility" or requested by other enhanced services providers and which passed the 120-day process based on the same criteria.<sup>3</sup>

Similarly, ProfitMaster™ does not fit into this second category. The service has not been specifically ordered by the Commission or "requested" by IPPs. Rather, the minimal demand that does exist is the result of promotional effort by Ameritech rather than spontaneous requests from PSPs. Despite that promotional effort, PSPs have requested ProfitMaster™ about 750 lines spread throughout 12 offices in Illinois and one in Michigan. This low demand results primarily from the fact that most PSPs have historically built their businesses around "smart" sets which render the functionality of ProfitMaster™ superfluous. This, coupled with both the high cost of installation (\$110,000 per office) and the fact that the technology will not work in analog offices, means that, without substantial additional demand, Ameritech would likely justifiably decline a request by a PSP to add ProfitMaster™ to the list of generally available unbundled features.<sup>4</sup>

---

<sup>2</sup> *In the Matter of Third Computer Inquiry*, CC Docket No. 85-229, Report and Order (released June 16, 1986) 104 FCC 2d 958 at ¶ 158. Order at ¶ 204.

<sup>3</sup> *In the Matter of ONA Plans*, CC Docket No. 88-2 (released December 22, 1988) 4 FCC Rcd. 1 at ¶ 396.

<sup>4</sup> Ameritech estimates that, at current tariffed rate levels, a demand of approximately 100 in a central office would be needed to "break even".

Therefore, the Commission's rules and orders do not require Ameritech to federally tariff ProfitMaster™ at this time and to make it available ubiquitously (e.g., to be required to deploy it in an office if there is a demand for only one line) because that would defeat the purpose of the Commission's ONA decision to permit BOCs to evaluate requests for new unbundled features based on the criteria that include market demand and cost feasibility. Moreover, since Ameritech does not itself use ProfitMaster™ in providing its own payphone services, there is no possibility of discrimination or cross-subsidy -- the potential consequences against which the Computer III and ONA rules were intended to protect.

## **COMPLIANCE**

Ameritech is in complete compliance with the Commission's requirements. Essentially, the FCC recited the compliance requirements in paragraph 131 of the Order on Reconsideration. To receive compensation, a LEC must be able to certify the following:

**1) it has an effective cost accounting manual ("CAM") filing;**

Ameritech filed its CAM on October 22, 1996. Comments were submitted by one intervenor (APCC). Ameritech submitted its reply addressing the issues addressed by APCC. It is expected that reclassification and CAM approval will occur with CEI Plan approval.

**2) it has an effective interstate CCL tariff reflecting a reduction for deregulated payphone costs and reflecting additional multi-line subscriber line charge ("SLC") revenue;**

Ameritech's Price Cap Adjustment tariff was filed on December 19, 1996, in which payphone costs were isolated and removed from the regulated Common Line Basket. In response to comments, Ameritech modified its filing and has requested a deferral of the effective date until April 1.

**3) it has effective intrastate tariffs reflecting removal of charges that recover the costs of payphones and any intrastate subsidies;**

Ameritech has removed these charges in all of its states. This action was in preparation for a Set Use (intrastate) tariff.

March 19, 1997  
William F. Caton  
Page 8

**4) it has deregulated and reclassified or transferred value of payphone customer premises equipment ("CPE") and related costs as required in the Report and Order;**

The deregulation and reclassification is expected to take effect with CAM and CEI Plan approval.

**5) it has in effect intrastate tariffs for basic payphone services (for "dumb" and "smart" payphones);**

In the region's five states, Ameritech has had an effective COPTS payphone tariff for over 10 years and as of September, 1996, Coin Line payphone service tariff in each state as well.

**6) it has in effect intrastate and interstate tariffs for unbundled functionalities associated with those lines.**

Ameritech has approved state tariffs for two new "unbundled" services for Coin Line subscribers:

- Restricted Coin Access
- Outgoing Only

On January 30, 1997, the federal tariff provisions for those features became effective. All other features offered to COPTS subscribers have been filed in the federal tariffs except for ProfitMaster™ as noted above.

Sincerely,

*Michael Fabian*  
MFA

cc: Ava B. Kleinman, Mark C. Rosenblum, Seth S. Gross  
Michael W. Ward, John F. Ward Jr., Henry T. Kelly  
Bill Ralls  
Richard E. Aikman  
Albert H. Kramer, Robert F. Aldrich  
Michael P. Erhard  
Andrew Phillips