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

In the Matter of	)	
	)	
Defining Primary Lines	)	CC Docket No. 97-181
	)	

REPLY COMMENTS

BellSouth Corporation and BellSouth Telecommunications, Inc. ("BellSouth") hereby submit their Reply Comments in the above referenced proceeding.

The Comments in this proceeding coalesce around several key principles. First and foremost, the parties recognize that whatever definition the Commission adopts, it should be easily administered. Many of the questions set forth in the *Notice* reflected an orientation toward a complex system of identifying and tracking customer's lines.[1] The conceptual precision that the *Notice* may have attached to a very intricate system for identifying and tracking customer lines could never be justified by the customer confusion and carrier cost. Overwhelmingly, the commenting parties urged the Commission to pursue a more pragmatic solution to implementing its new access charge rules. Thus, Sprint's admonition to keep it simple encapsulates the opinions of the majority of commenters.[2]

The guiding principle for the Commission in this proceeding should be a definition that is workable in a multi-carrier environment. In this regard, the majority of commenters support, either one of two approaches to defining primary lines. The first is a definition that would be

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1 Defining Primary Lines, CC Docket No. 97-181, Notice of Proposed Rulemaking, FCC 97-316 (released September 4, 1997).

2 Sprint at 3.

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based on the serving address. The other definition widely supported and favored by BellSouth is one based on both billing account name and serving address. Either approach could form the foundation of a workable primary line definition.

Regardless of the definition chosen by the Commission, it should be administered on a telephone company basis. This requirement is essential to a definition that can be easily administered. In a multi-carrier environment, telephone service may be provided to the same serving address by more than one carrier. These situations could give rise to competitive imbalances if the Commission attempted to legislate primary line designations.[3] If a competitive carrier's designation of the service it provides as primary could affect, by default, the charges an incumbent must assess to its customers, then a competitive carrier, who is not subject to the Commission's access charge rules, can gain a competitive advantage by reselling second lines and designating them as primary. Indeed, as Bell Atlantic points out, an inevitable outcome will be a whole new type of slamming complaint, with multiple carriers claiming that the same customer designated their line as the primary line.[4]

As most commenters agree, a significant benefit from approaching the definition of primary line on a telephone company basis is that existing customer records could be used to implement the definition.[5] Repeatedly, the comments demonstrate that the Commission should eschew any approach that would require customers to self-certify their lines. Customer certification would lead to confusion[6] and increased administrative expenses.[7] Neither of these

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3 *See* BellSouth at 8; Bell Atlantic at 6.

4 Bell Atlantic at 6.

5 SBC at 3; US West at 8; BellSouth 7-8; Bell Atlantic at 6.

6 SBC at 4.

consequences are a necessary result of implementing the new access charge rules. To the contrary, they can be avoided, as the comments show, by adopting a definition of primary line that can be administered directly from customer records

Regardless of the definition ultimately adopted, the Commission should adhere to the virtually unanimous agreement of the commenting parties that the identification of primary and secondary lines should, to the maximum extent possible, be based on billing records. If the Commission follows such an approach, all of the Commission's concerns that were identified in the *Notice* resolve themselves For example, privacy issues are not implicated where carriers implement the Commission's access charge rules based on information contained in the billing records.[8] Likewise, no special verification procedures would be required. The discussion in the *Notice* regarding the need to establish new or additional verification and audit procedures was premised on an assumption that the implementation of the primary line definition would be based on a complex system requiring customers to certify lines and for carriers to exchange information. As BellSouth and others have pointed out, if the Commission adopts a workable approach to defining a primary residential line, the verification of the number of primary lines becomes simple, manageable and achievable.[9]

Relying on customer records removes the potential for "gaming" the process. The subjectivity of determining which line, in a multi-line situation, is primary is eliminated. The price cap LEC need only refer to the billing record to determine if there is more than one line and whether a higher subscriber line charge or a higher presubscribed interexchange carrier charge

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7 *See e.g.*, SBC at 4, Bell Atlantic at 4-5.

8 *See e.g.*, BellSouth at 9-11.

9 *See* BellSouth at 11; Ameritech at 8-9; Bell Atlantic at 11-12.

(PICC) should apply. If another local carrier also provides exchange service, that carrier's service would not be considered in determining the charges a price cap local exchange carrier should assess.

Moreover, use of billing records is competitively neutral. This approach would permit both a price cap local exchange carrier and a competitive carrier to provide a primary line to the same location. As SBC points out, neither carrier is disadvantaged by virtue of the other being deemed the primary line provider.[10]

As noted above, two approaches have been suggested that would rely chiefly on billing records for implementation and administration: one based on serving address and the other based on billing name and serving address. BellSouth, as indicated in its comments, favors the latter. Using billing name and serving address recognizes that multiple customers could reside at the same address and, except for that fact, would be entitled to primary line treatment for their telephone service.

Those parties that favor the use of serving address only as the criteria for defining primary lines advance two reasons for not including billing name The first is administrative ease.[11] These parties are correct that company records identify initial and subsequent lines by serving address It would take additional steps to identify and sort billing records by billing name and serving address. Nevertheless, BellSouth believes that the additional effort is not so substantial so as to outweigh the benefit of capturing the fact that there are multiple "residences" at the same serving address. Further, as BellSouth indicated in its comments, the Commission should provide six

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10 SBC at 5.

11 *See e.g.*, Ameritech at 5-6.

months for carriers to implement this definition. Such lead time should minimize any burden with performing the additional sorting of records.

The second reason advanced is that including billing name in the criteria could make the definition of primary line susceptible to gaming by subscribers, such as subscribing to service under a child's name.[12] While some individuals might engage in such activity, it is unlikely that most consumers would want to establish multiple accounts in order to game the subscriber line charge. Further, if there are customers who have a proclivity toward manipulating access charges, then basing a definition on serving address will not avoid the problem. Instead, the problem takes a different form. The customer merely starts using resold lines of other carriers to obtain multiple primary lines. In BellSouth's view, such a result is more pernicious because the operation of a Commission rule would unduly and unnecessarily influence the operation of the marketplace to the detriment of true competition.

While BellSouth would prefer the Commission adopt a primary line definition based on billing account name and serving address, the most important consideration is that the Commission adopt a definition that is workable in a multi-carrier environment. The comments overwhelming demonstrate that the key factors that should govern the Commission's

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12 Ameritech at 6.

determinations in this proceeding are ease of implementation and administration. The Commission should, therefore, act accordingly.

Respectfully submitted,

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Date: October 9, 1997

CERTIFICATE OF SERVICE

I hereby certify that I have this 9th day of October, 1997 served the following parties to this action with a copy of the foregoing **REPLY COMMENTS** by placing a true and correct copy of the same in the United States Mail, postage prepaid, addressed to the parties listed on the attached service list.

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