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Billing Concepts*

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FEDERAL COMMUNICATIONS COMMISSION
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November 3, 1997

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

Re: MCI Telecommunications Corporation
Petition for Rulemaking (RM 9108)

Dear Mr. Caton:

In its Petition for Rulemaking in the above-referenced proceeding, MCI has requested that the Commission initiate a rulemaking to address various concerns related to local exchange carrier ("LEC") billing of interexchange services to consumers with whom interexchange carriers ("IXCs") do not have pre-existing subscription relationships. These "casual calling" services include collect, 10XXX, third-party, calling card, and 900 service calling. Because of the dominant position of the LECs in the billing and collection market and the fact that there currently are no realistic alternatives to LEC-provided billing and collection for casual calling services, MCI has requested that the Commission establish nondiscriminatory requirements for LEC billing and collection. On August 14, 1997, Billing Information Concepts, Inc. ("BIC") filed reply comments in the above-referenced proceeding, generally supporting grant of MCI's Petition.

After reviewing the record in this proceeding, BIC wishes to reiterate that the obligations of any nondiscrimination rule adopted by the Commission should be imposed equally on *both* competitive and incumbent LECs that provide billing and collection services to IXC providers of casual calling services. As local telephone competition evolves, casual calling will pose a significant risk of fraud against IXCs unless uniform billing and collection practices are created for CLECs and ILECs alike. Casual calling services provide a popular consumer convenience and they should not be undermined by IXC fears regarding the availability of billing and collection from CLECs or discrimination by ILECs. Similarly, all LECs should be required to cooperate with all IXCs and clearinghouses seeking to bill calls to *former* LEC clients by providing the identity of the new LEC now serving the number originating the toll call.

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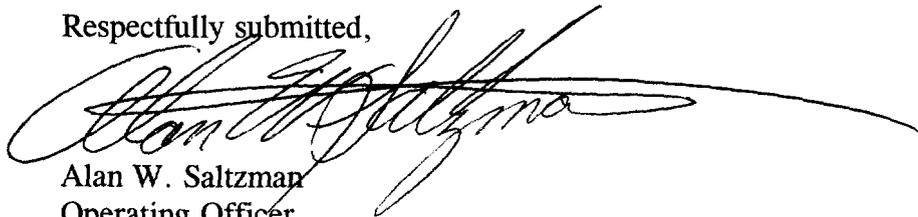
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Moreover, as suggested in BIC's reply, the Commission could accomplish many of these goals even without a rulemaking, by declaring refusal to bill or discrimination in the provision of billing and collection services by competitive and incumbent LECs to be unreasonable practices under the Communications Act.

Further, BIC wishes to emphasize that in order to ensure equal treatment of all IXCs by LECs, the Commission should clarify that any conditions or limitations which LECs impose on billing and collection services must, at a minimum, apply equally to all IXCs. As BIC noted in its reply, the services provided by billing clearinghouses enable smaller IXCs to obtain the benefits of LEC billing on an equal footing with large IXCs whose call volumes allow them to deal directly with the LECs. LEC forfeiture policies such as those described by some of the commenters unfairly penalize the smaller IXCs that use the clearinghouses, by, for example, aggregating complaints of the many IXCs served by a single clearinghouse.^{1/} In order to prevent this disparate effect on the smaller IXCs, the FCC should state expressly, either pursuant to a rulemaking or otherwise, that under Title I of the Communications Act any requirement or limitation imposed by LECs on IXC billing and collection services should be applied equally to *all IXCs*, regardless of whether they are large enough to deal directly with the LEC or are smaller and must rely on the services of a clearinghouse.

Establishment of these nondiscrimination requirements should ensure equal treatment of all IXCs by all LECs, both incumbent and competitive. In this way the Commission can safeguard the continued availability of casual calling services, thereby enhancing competitive opportunities in the long distance market.

Respectfully submitted,



Alan W. Saltzman
Operating Officer
Billing Information Concepts, Inc.

AWS/vmm

^{1/} See, e.g., Joint Comments of OAN Services, Inc. and Integretel, Inc. at 6-8; Comments of Consolidated Communications at 3, 4.