

DOCKET FILE COPY ORIGINAL

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

RECEIVED  
DEC 1 - 1997  
GENERAL INVESTIGATIVE DIVISION  
OFFICE OF THE SECRETARY

In the Matter of )  
 ) CC Docket No. 96-128  
Implementation of the )  
Pay Telephone Reclassification )  
and Compensation Provisions of the )  
Telecommunications Act of 1996 )

**PETITION FOR RECONSIDERATION  
PEOPLES TELEPHONE COMPANY, INC.**

Pursuant to Section 1.429 of the Commission's Rules, 47 C.F.R. § 1.429, Peoples Telephone Company, Inc. respectfully submits this Petition for Reconsideration of the Commission's Second Report and Order ("*Second R&O*") in the above-captioned proceeding.<sup>1</sup>

**I. BACKGROUND AND SUMMARY OF POSITION**

On remand from the D.C. Circuit, the Commission corrected the sole error that the Court identified with the Commission's earlier approach to setting a default rate for access code and subscriber 800 ("dial-around") calls. The Court did not find reversible error in the Commission's decision to set a default rate based upon a market surrogate. Rather, the Court disagreed with the Commission's sole stated rationale for the market surrogate the Commission selected.<sup>2</sup> Specifically, the Court read the Commission's decision as providing only one basis on

<sup>1</sup> *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Report and Order, 11 FCC Rcd 20541 (1996) ("*Order*"); Order on Reconsideration, 11 FCC Rcd 21233 (1996) ("*Reconsideration Order*", together "*Payphone Orders*"), remanded sub. nom., *Illinois Public Telecommunications Association v. FCC*, 117 F.3d 555 (D.C. Cir. 1997) ("*IPTA*"); Second Report and Order, FCC 97-371 (rel. October 9, 1997)..

<sup>2</sup> *IPTA*, 117 F.3d at 563-564.

0211

which to link the default rate for dial-around calls to the deregulated market-based rate for local coin calls -- that the costs of those calls “are similar.”<sup>3</sup>

In the *Second R&O*, the Commission addressed the differences in the costs to payphone service providers of originating dial-around (or coinless) calls, on the one hand, and local coin calls, on the other hand. The Commission used an avoided cost methodology to establish a market-based rate for dial-around calls, by adjusting the local coin rate for cost differences incurred by payphone providers in originating local coin and coinless calls. And the carriers have now adjusted their state tariffs to account for the new dial-around rate.<sup>4</sup>

The Commission, however, made two flaws in calculating the dial-around default rate. First, the Commission treated capital costs of coin mechanisms as solely attributable to coin calls, rather than as a joint and common cost attributable to both coin and coinless calls. Second, the Commission failed to reflect properly, in the default rate, bad debt expenses that are solely attributable to coinless calls. With these two adjustments, the Commission should have arrived at a default rate of \$.328 per call, rather than \$.284 per call. At a minimum, the Commission should apply this revised rate on a going-forward basis, and to the period between November 7, 1996 and October 6, 1997.

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<sup>3</sup> *Id.* at 563.

<sup>4</sup> See Attachment 1 for examples of AT&T's, MCI's, Sprint's and Cable & Wireless' Mississippi state tariffs reducing the payphone surcharge to \$.30 per call.

## II. THE COMMISSION'S ANALYSIS IS PROPER WITH RESPECT TO CALCULATING FAIR COMPENSATION FOR PAYPHONE SERVICE PROVIDERS.

In the *Second R&O*, the Commission used an avoided cost methodology to establish a market-based per call rate for dial-around calls by adjusting the market-generated local coin rate for cost differences between local coin and coinless calls. The Commission's methodology on remand responded directly to the D.C. Circuit's sole criticism of the Commission's decision to set the default rate for dial-around calls equal to the local coin rate: that the Commission had failed to account for record evidence of differences in costs between coin and coinless calls.<sup>5</sup> The subtraction of avoided costs from a market rate is a well-accepted regulatory technique for adjusting prices to reflect differences in costs and one that ensures that each call placed at a payphone bears an equal share of joint and common costs. Most recently, the Commission has used this methodology when it established the pricing standard for resale of local telecommunications services as directed by Section 252 of the Telecommunications Act of 1996. 47 U.S.C. §252(d)(3), 47 C.F.R. § 51.609.

In performing this analysis, the Commission correctly relied on the data of the traditionally competitive sector of the industry, namely, the independent payphone service providers as presented by the American Public Communications Council ("APCC"). The independents represent the most accurate data as to the competitive nature of the industry. Accordingly, to have relied upon other data would have not reflected operations in a competitive marketplace.

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<sup>5</sup> *IPTA*, 117 F.3d at 563.

Basic economics also demonstrates that the Commission's avoided cost methodology is sound. Because the Commission did not adjust the default rate based on demand elasticities, it is apparent that the Commission assumed the elasticities of the two types of calls to be similar. *Second R&O* at ¶ 67. Basic economic theory holds that if one product has lower costs than another with the same elasticity (or demand curve), the charge for the product with the lower costs will reflect a lower market price based on the cost differences between the two products. Thus, it was reasonable for the Commission to set the default rate for dial-around calls at the market rate for local coin calls, less avoided costs -- because the demand for the products would yield a similar price, minus the avoided costs.

Although the Commission implemented the proper methodology that responded to the D.C. Circuit's sole criticism of the initial dial-around compensation rate, the Commission made two errors in arriving at the new rate: (a) improper deduction for coin mechanism capital costs (3.2 cents per call); and (b) failure to add expenses related to bad debts for dial-around compensation (1.2 cents per call). At a minimum, the Commission should adjust the going forward rate of \$0.284 upward by 4.4 cents to arrive at a new dial-around compensation rate of \$0.328 per call.

**A. The Commission improperly deducted the joint and common costs of coin mechanism capital costs from the market-based coin rate.**

The Commission concluded improperly that "costs directly associated with the coin mechanism should be attributed to coin traffic." *Second R&O* at ¶ 52. Not only does this conclusion ignore the reality in the payphone industry, but it does not stand up under economic scrutiny. As a practical matter, payphone service providers will only install a payphone based on

the ability of the payphone to generate sufficient total revenues, both coin and coinless (dial-around and 0+ calls). Payphone service providers will not examine whether to place a payphone in service based on the “additional coin traffic at that location” as suggested by the Commission’s analysis. *Id.* Because the coin equipment is necessary for the payphone to exist at all, it cannot be an “avoided” cost. Indeed, virtually *all* payphones now in service in the U.S. are unified coin/coinless payphones, versus coinless-only units. Thus, in order for the payphone to be available for dial-around calls to be made, the capital costs in providing the coin equipment are properly allocable across all calls, not just coin calls.

A simple illustration highlights the basic economics underlying the payphone industry. On a going-forward basis, if Peoples were to install a coinless payphone, the only revenues it would receive are dial-around revenues and commissions from 0+ calls. Using the Commission’s own data, for the payphone provider to break even by placing a coinless payphone in service, it must be able to handle, on average, 370 dial-around calls and 62 commissionable calls per month.<sup>6</sup> This is not a realistic number of coinless calls in almost any location, given the

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<sup>6</sup> The formula used to calculate the breakeven number of coinless calls is as follows:

$$\text{Expenses} = \text{Dial-around revenue} + \text{commissions on 0+ calls}$$

$$(\$ .264 \text{ expense per call} * 542 \text{ calls}) = \$.284x + \$.62y$$

\$.264 = the midpoint of the estimated total long run cost per call (24.7 and 28.1 cents) from a marginal payphone. *Second R&O* at ¶ 108, n. 289.

542 = the call volume at a marginal location. *Second R&O* at ¶ 50.

\$.284 = equals the dial-around revenue per call.

x = the number of dial-around calls necessary to breakeven (370 calls).

\$.62 = the average commission per call (based on APCC commission data submitted August 26, 1997, page 9).

y = the number of 0+ calls on which a PSP generates a commission to breakeven (62 calls).

Based on APCC call volume data submitted on August 26, 1997, the ratio of dial-around calls to 0+ calls is 6 to 1 (152 calls versus 24 calls). Thus, to solve the equation for the number of dial-around calls, because  $x = 6y$ , substitute  $1/6x$  for  $y$ .

fact that most payphones generate, on average, 152 dial-around calls and 24 commissionable calls per month. *See* APCC Comments, CC Docket No. 96-162, Attachment 4 (filed, August 26, 1997). Thus, the Commission's premise that a coinless payphone can be supported on its own so that the coin mechanism would be an incremental cost attributable solely to coin calls is not supported by the Commission's own analysis. The capital costs of a coin mechanism are, in fact, joint and common cost of both coin and coinless payphone calls. Thus, the Commission's conclusion to deduct the 3.2 cents from the market rate of \$.35 per call is simply wrong: no adjustment should be made for coin mechanism capital costs.

**B. Bad debt expenses should be added back to the market rate.**

The Commission concluded that it did "not have sufficient information to attribute an amount to bad debt" charges that are solely attributable to dial-around calls. *Second R&O* at ¶ 56. As a result, the Commission did not add back the costs that PSPs incur as a result of carriers not paying their share of dial-around compensation -- costs which are solely attributable to dial-around calls. This is a clear error by the Commission.

Peoples had noted previously that it had not collected approximately \$4.50 per payphone for the first interim compensation payment that came due for the period November 7 - December 31, 1997. *See* Peoples Comments at 13 (filed August 26, 1997). Based on its experience under the previous interstate access code compensation plan and the adjustment of the default rate down from \$.35 per call to \$.284 per call, Peoples has readjusted its bad debt expense related to dial-around revenues. For the nine months ending September 30, 1997, Peoples recorded \$652,000 in bad debt expenses on its books that related solely to the inability to collect

dial-around compensation during that period. This expense should be properly allocable to dial-around calls; but for dial-around calls, Peoples would not incur this expense, which reduces revenue received.

Bad debt expense is included in the line item entitled "Telephone Charges" on Peoples most recently filed Form 10-Q with the Securities and Exchange Commission (see Attachment 2, page 3). For the first nine months of 1997, Peoples incurred \$26,882,000 in telephone charges, of which \$652,000 was for bad debt expense related to dial-around receivables. The remainder of the telephone charges were for LEC line charges, interexchange carrier expenses and billing, collection and validation related to Peoples private-label operator services.

Additionally, the \$652,000 in bad debt expenses is incorporated into the allowance for uncollectible accounts recorded on Peoples' balance sheet as of September 30, 1997 (see Attachment 2, page 1 ("Accounts receivable, net of an allowance for doubtful accounts of \$4,164,000)). The allowance for doubtful accounts (bad debts) as of September 30, 1997 was \$4,164,000, of which \$652,000 was related solely to dial-around compensation and the remainder was related to Peoples' prison operations and private-label operator services operations. Accordingly, on a per call basis, the bad debt expense that should be added back to the market rate should be 1.2 cents per call ( $\$652,000 / 9 \text{ months} / 39,000 \text{ payphones} / 152 \text{ dial-around calls per payphone}$ ). If the Commission were to use the average number of 131 dial-around calls per payphone, the bad debt expense per payphone would rise to 1.4 cents per call. As a result, the Commission should add back this "unavoidable" cost to the cost of handling dial-around calls.

Indeed, as the industry transitions to a per call compensation environment, the amount of bad debt expense and the administrative costs to collect dial-around compensation will increase. For example, Peoples will now have to track and bill, on average, 152 calls from 39,000 payphones each month, rather than a flat rate per payphone per month.

### **III. CONCLUSION**

Congress provided the Commission with broad authority to craft a comprehensive payphone compensation plan that fairly compensates payphone providers for each and every completed call that originates from their payphones. The D.C. Circuit approved of the Commission's general approach, but remanded to the Commission for further consideration the use of a default rate for dial-around compensation that did not adequately account for the differences in costs between coin and coinless calls. The Commission developed a new rate based on an avoided cost analysis that took into account the Court's sole objection. In order to correct the flaws in the Commission's new analysis, however, the Commission should adjust the going forward rate of \$0.284 upward by 4.4 cents for a dial-around compensation rate of 32.8 cents per call. This adjustment should be implemented on a going-forward basis from the time

the Commission decides the petitions for reconsideration and finalizes its compensation plan for the initial interim period (November 7, 1996 through October 6, 1997).

Respectively submitted,  
PEOPLES TELEPHONE COMPANY, INC.

By: Michael S. Wroblewski

Eric L. Bernthal  
Michael S. Wroblewski  
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Bruce W. Renard, General Counsel  
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2300 N.W. 89th Place  
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(305) 593-9667

December 1, 1997

CERTIFICATE OF SERVICE

I Andrea Rainey hereby certify that I have this 1st day of December, 1997 caused copies of the foregoing "Petition for Reconsideration Peoples Telephone Company, Inc." to be served by hand on the following:

Chairman William E. Kennard  
Federal Communications Commission  
1919 M Street, N.W.  
Room 814  
Washington, DC 20554

Commissioner Susan Ness  
Federal Communications Commission  
1919 M Street, N.W.  
Room 832  
Washington, D.C. 20554

Commissioner Harold Furchtgott-Roth  
Federal Communications Commission  
1919 M Street, N.W.  
Room 802  
Washington, DC 20554

Commissioner Michael K. Powell  
Federal Communications Commission  
1919 M Street, N.W.  
Room 844  
Washington, D.C. 20554

Commissioner Gloria Tristani  
Federal Communications Commission  
1919 M Street, N.W.  
Room 826  
Washington, DC 20554

John B. Muleta  
Common Carrier Bureau  
Federal Communications Commission  
1919 M Street, N.W., Room 6008  
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Robert W. Spangler  
Rose Crellin  
Greg Lipscomb  
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Thomas C. Power  
Legal Advisor to Chairman William E. Kennard  
Federal Communications Commission  
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Paul Gallant  
Legal Advisor to Commissioner Tristani  
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Kathleen Franco  
Legal Advisor to Commissioner Powell  
Federal Communications Commission  
1919 M Street, N.W., Room 844  
Washington, DC 20554

A handwritten signature in black ink, appearing to read "Rebecca Ramsey", written over a horizontal dashed line.



BEFORE THE MISSISSIPPI PUBLIC SERVICE COMMISSION

IN RE: NOTICE OF AT&T COMMUNICATIONS OF  
THE SOUTH CENTRAL STATES, INC. OF  
THE FILING OF CERTAIN TARIFF CHANGES  
AT&T IDENTIFICATION NO. TI-123-0790-00

FILED

NOV - 7 1997

MISS. PUBLIC SERVICE  
COMMISSION

DOCKET NO. '97-UN- 733

NOTICE OF FILING PURSUANT TO MISSISSIPPI  
PUBLIC SERVICE COMMISSION RULE 9A.(1)

COMES NOW, AT&T Communications of the South Central States, Inc. (AT&T) and respectfully notifies the Mississippi Public Service Commission of the filing of amendments to its General Services Tariff and Custom Network Services Tariff, which amendments or changes are routine in nature and are filed pursuant to Rule 9(A)(1) of the Mississippi Public Service Commission's Rules of Practice and Procedure.

Pursuant to said rules AT&T respectfully states as follows:

1. The proposed changes are in AT&T's General Services Tariff and Custom Network Services Tariff. Said changes are shown on the following sections and pages:

General Services Tariff  
Section A5 Original Page 4.10

Custom Network Services Tariff  
Section B21 Second Revised Page 1  
Section B21 First Revised Page 8  
Section B21 Original Page 9

2. This filing makes the following changes: (1) Implements a \$0.30 surcharge on non-coin calls made from public or semi-public payphones. This surcharge is being implemented to offset payments AT&T must make to payphone owners as required by the F.C.C. (2) Adds text to clarify the application of the non-subscriber surcharge that is applicable on calls billed to business lines that are not pre-subscribed to AT&T.

3. AT&T is requesting an effective date of December 7, 1997.

Respectfully submitted this the 7th day of November, 1997,  
AT&T COMMUNICATIONS OF THE SOUTH CENTRAL  
STATES, INC.

BY: Shirley M. Mock  
Shirley M. Mock  
State Manager - Law & Government Affairs

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES:  
GENERAL SERVICES TARIFF  
MISSISSIPPI

TARIFF A  
SECTION A5

ISSUED: November 7, 1997  
BY: Judy Watts-Tariff Administrator

EFFECTIVE: December 7, 1997  
ORIGINAL PAGE 4.10

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A5. MESSAGE TELECOMMUNICATIONS SERVICE

A5.3 Two Point Service (Cont'd)

A5.3.1 Service Between Telephones (Cont'd)

B. Rates And Charges (Cont'd)

14. AT&T Public Payphone Surcharge

A Public Payphone Surcharge applies to all completed intrastate long distance calls placed from a public/semi-public payphone where alternate billing methods such as calling card, commercial credit card, collect and billed to a third number are utilized. The payphone surcharge also applies to (1) long distance calls placed via designated AT&T 800 numbers (e.g. 1-800-CALL ATT), (2) AT&T 500 Personal Number Service calls, (3) AT&T Easy Reach calls, (4) calls to intrastate Directory Assistance and (5) calls completed via AT&T DIRECTORY LINK Service.

The Public Payphone Surcharge is applied in addition to any other applicable Service Charges or Surcharges.

The Public Payphone Surcharge does not apply to:  
Calls paid for by inserting coins at the public/semi-public payphone;  
Calls placed from stations other than public/semi-public payphones;  
Calls completed using AT&T Prepaid Card Service.

Rate per Public Payphone call                      50.30

N  
N

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES,  
CUSTOM NETWORK SERVICES TARIFF  
MISSISSIPPI

TARIFF D  
SECTION B21

ISSUED: November 7, 1997  
BY: Judy Watts-Tariff Administrator

EFFECTIVE: December 7, 1997  
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B21. AT&T COMMERCIAL LONG DISTANCE SERVICE

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B21.2.3	Service Charges .....	7	
B21.2.4	Non-Subscriber Service Charge .....	8	N
B21.3	Range of Rates and Charges	9	T

ISSUED: November 7, 1997  
BY: Judy Watts-Tariff Administrator

EFFECTIVE: December 7, 1997  
FIRST REVISED PAGE 8  
CANCELS ORIGINAL PAGE 8

B21. AT&T COMMERCIAL LONG DISTANCE SERVICE

B21.2 Rates and Charges (Cont'd)

B21.2.4 Non-Subscriber Service Charge

A service charge is applicable to Dial Station, Operator Station, Person-to-Person or Real Time Rated calls billed to business lines that are presubscribed to an interexchange carrier other than AT&T, or not presubscribed to any interexchange carrier. This charge is in addition to the initial period charges and applicable service charges as specified in AT&T's General Services Tariff Section A5.3.1B.

The Non-Subscriber Service Charge does not apply to the following calls:

intraLATA calls,  
conference calls,  
calling card calls,  
calls to AT&T Directory Assistance,  
AT&T 500 Personal Number Service,  
AT&T EasyReach 700 Service,  
calls to 800 or 900 telephone numbers,  
calls using Busy Line Verification or Interruption Services,  
calls originated from cellular phones,  
calls using Telecommunications Relay Service,  
calls originated on business lines that have discontinued  
presubscription to AT&T but for whom an active billing record  
still exists in AT&T's billing system,  
calls made via AT&T Prison Collect with Controls Service,  
collect calls accessing the AT&T network via 1-800-CALLATT.

AT&T will credit any Non-Subscriber Service Charges reported by newly presubscribed AT&T Customers during the period between presubscription and administrative processing of the new Customer. AT&T will also credit any Non-Subscriber Service Charges reported by Customers during an F.C.C. reportable incident of service outage by another interexchange carrier. To receive either of these credits, Customers must contact AT&T through an 800 number designated for billing inquiries.

The Non-Subscriber Service Charge applies in all Local Exchange areas where billing is available and will be implemented in all remaining Local Exchange areas as billing becomes available.

Rate per call                      \$ .80

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L

AT&T COMMUNICATIONS OF THE SOUTH CENTRAL STATES  
 CUSTOM NETWORK SERVICES TARIFF  
 MISSISSIPPI

TARIFF B  
 SECTION B21  
 ORIGINAL PAGE 9

ISSUED: November 7, 1997  
 BY: Judy Watts-Tariff Administrator

EFFECTIVE: December 7, 1997

B21. AT&T COMMERCIAL LONG DISTANCE SERVICE

B21.3 Range of Rates and Charges

Reference	Minimum	Maximum
Page 4-6, B21.2.2		
Day Rate Period		
First Minute	\$0.1700	\$0.6900
Each Additional Minute	\$0.0600	\$0.5100
Evening Rate Period		
First Minute	\$0.1150	\$0.5520
Each Additional Minute	\$0.0300	\$0.4080
Night/Weekend Period		
First Minute	\$0.0575	\$0.3795
Each Additional Minute	\$0.0150	\$0.2805
Page 7, B21.2.3		
Service Charges		
Customer Dialed Calling Card Station	\$0.25	\$1.00
Operator Dialed Calling Card Station	\$0.62	\$2.50
Page 8, B21.2.4		
Non-Subscriber Service Charge	\$0.25	\$1.25

L  
L  
N  
N

(L) Text previously appeared on page 8.



**MCI Telecommunications Corporation**

Law & Public Policy  
780 Johnson Ferry Road  
Suite 700  
Atlanta, GA 30342  
404 843 6383  
FAX 404 250 5992

October 30, 1997

**FILED**

OCT 31 1997

MISS. PUBLIC SERVICE COMMISSION

Mr. Brian Ray, Executive Secretary  
MISSISSIPPI PUBLIC SERVICE COMMISSION  
550 High Street  
19th Floor  
Walter Sillers State Office Building  
Jackson, Mississippi 39205

'97-JUN- 7 11

Dear Mr. Ray:

MCI Telecommunications Corporation (MCI) hereby files with your office its M.P.S.C. Tariff No. 1 the following pages of which are attached hereto:

<u>Page No.</u>	<u>Revision No.</u>
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1.1	89
1.2	45
1.3	17
22.1.6	1
25	9
25.14.3	Original
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With this filing MCI proposes to add the Payphone Use Charge mandated by the F.C.C. to Option A (Execunet), Option B (Credit Card), Option G (Prism Plus), Option M (Commercial Dial 1), Option T (500 Personal Number Service), and Option Y (homeMCI One).

If you have any questions regarding this filing, please feel free to call me at (404) 267-5781.

Sincerely,

Linda Dixon  
Administrator - Rates and Tariffs

Enclosures

cc: John H. Holloman, III, Esq.

October 30, 1997

I hereby certify that I have this day served Bill Wilkerson of the Mississippi Public Utility Staff with ten (10) copies of MCI Telecommunications Corporation's tariff filing (154th revised Page No. 1) with an issue date of October 31, 1997 and an effective date of November 30, 1997.

A handwritten signature in cursive script, reading "Linda Dixon", is written over a horizontal line.

Linda Dixon  
Administrator - Rates and Tariffs

MCI TELECOMMUNICATIONS CORPORATION

M.P.S.C. TARIFF NO. 1  
154TH REVISED PAGE NO. 1  
CANCELS 153RD REVISED PAGE NO. 1

INTERCITY TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

The title page and pages 1-34 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

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\*Issued

ISSUED: October 31, 1997

Effective: November 30, 1997

Julie L. Davis  
Manager, Rates and Tariffs  
780 Johnson Ferry Road  
Suite 700  
Atlanta, Georgia 30342

INTERCITY TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

The title page and pages 1-34 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

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\*Issued

ISSUED: October 31, 1997

EFFECTIVE: November 30, 1997

Julie L. Davis  
 Manager, Rates and Tariffs  
 780 Johnson Ferry Road  
 Suite 700  
 Atlanta, Georgia 30342

## INTERCITY TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

The title page and pages 1-35 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

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25.19	3
25.20	7
25.20.1	ORIGINAL
25.21	6
25.21.1	2
25.21.2	1
25.22	9
25.22.1	5
25.23	7
25.23.1	2
25.23.2	2
25.24	6

\*Issued

ISSUED: October 31, 1997

Julie L. Davis  
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EFFECTIVE: November 30, 1997

## INTERCITY TELECOMMUNICATIONS SERVICES TARIFF

CHECK SHEET

The title page and pages 1-35 inclusive of this tariff are effective as of the date shown. Original and revised pages, as named below, comprise all changes from the original tariff in effect on the date indicated.

<u>PAGE</u>	<u>REVISION</u>
25.25	1
25.26	10
25.27	1
25.28	ORIGINAL
25.29	4
25.30	3
25.31	3
25.31.1	ORIGINAL*
25.32	5
25.33	3
25.34	6
25.35	6
25.36	4
25.37	1
25.38	2
25.39	ORIGINAL
25.40	ORIGINAL
25.41	ORIGINAL
25.42	1*
25.43	1
25.44	2
25.45	1
25.46	ORIGINAL
25.47	ORIGINAL
25.48	1
25.49	1
25.50	3
25.51	ORIGINAL
25.52	1
25.53	1
25.54	4
25.55	ORIGINAL
25.56	2*
25.57	1
25.58	ORIGINAL
25.59	1
25.60	1
25.61	ORIGINAL
26	18
26.1	10
26.2	4
26.3	1
26.4	6
26.5	3
26.6	2
26.7	ORIGINAL
26.8	2
26.9	4
26.10	1
27	1
27.1	ORIGINAL
28	6
29	1
29.1	3
29.2	ORIGINAL
29.3	ORIGINAL
29.4	ORIGINAL
29.5	ORIGINAL
29.6	ORIGINAL
30	24
30.1	4
30.2	7
30.3	ORIGINAL
31	20
32	3
33	5

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<u>PAGE</u>	<u>REVISION</u>
33.1	3
34	11
35	8
36	20
36.1	2
36.2	ORIGINAL
37	4
38	2
39	4
40	2
41	2
42	3
43	2
44	2
45	1
46	5
46.1	1
47	7*

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INTERCITY TELECOMMUNICATIONS SERVICES TARIFF

SECTION C - SERVICE DESCRIPTIONS AND RATES

2. METERED USE SERVICE (Cont.)

- .02 Option A (Execunet) (Cont.)
- .023 Operator Assistance (Cont.)
- .0233 Usage Rates (Cont.)
- .02334 Sent Paid Coin Calls (Cont.)

NIGHT & WEEKEND RATE:

<u>Mileage Band</u>	<u>MINIMUM RATES</u>		<u>MAXIMUM RATES</u>	
	<u>1st. Min.</u>	<u>Add'l Min.</u>	<u>1st. Min.</u>	<u>Add'l Min.</u>
0 - 10	\$.0110	\$.0110	\$.2200	\$.2200
11 - 16	.0110	.0110	.2200	.2200
17 - 22	.0120	.0120	.2400	.2400
23 - 30	.0120	.0120	.2400	.2400
31 - 55	.0130	.0130	.2600	.2600
56 - 100	.0130	.0130	.2600	.2600
101 - 148	.0140	.0140	.2800	.2800
149 - 244	.0140	.0140	.2800	.2800
245 - 392	.0140	.0140	.2800	.2800

.02335 Payphone Use Charge 1/

An undiscountable maximum \$1.00 and minimum of \$.30 per call is applicable to calls that originate from any domestic Payphone used to access MCI services as follows. This charge, which is in addition to standard tariffed usage charges and any applicable surcharges associated with MCI service, applies for the use of the instrument used to access MCI service and is unrelated to the MCI service accessed from the Payphone.

The Payphone use charge will be applied to domestic Payphone calls made by customers of Option A (Execunet).

The Payphone Use Charge does not apply to: calls using Telecommunications Relay Service; calls originated by customers with qualified hearing or speech impairments who are certified as described in Section C-2.0215; and calls placed from Payphones at which the customer pays for service by inserting coins during the progress of the call.

1/ These rates reflect MCI's minimum and maximum allowable rates for this service. Current charges can be found in the Rate Appendix on Page 47 herein.