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VIA ECFS

NOTICE OF EX PARTE

September 23, 2015

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: *Rates for Interstate Inmate Calling Service*, WC Docket No. 12-375

Dear Ms. Dortch:

On September 21, 2015, Melissa Newman and Jeb Benedict (in person), and Paul Cooper, Tom Dethlefs, and Glenda Weibel (by phone) met on behalf of CenturyLink with Rebekah Goodheart, Legal Advisor to Commissioner Clyburn, and Daniel Alvarez, Legal Advisor to Chairman Wheeler.

At the meeting, CenturyLink stated that it does not believe the Commission has legal authority over intrastate inmate calling services (ICS), site commissions or ancillary fees. Nonetheless, CenturyLink stated that it can support reforms that will lower costs for inmates and their families without creating conditions that would lead to reduced availability of inmate calling. Specifically, CenturyLink supports reform that includes the following five elements.

First, the Commission should adopt permanent unitary rate caps for ICS calls at or very near the current levels for interstate calls. Second, the Commission should eliminate all but a very narrow class of ancillary fees and impose reasonable caps on those that it allows. Third, the Commission should allow correctional facilities discretion to require commissions on ICS services. Fourth, while CenturyLink recognizes the vulnerable populations housed in juvenile detention centers and secure mental health facilities, a mechanism should be put in place to exempt or allow for waivers for these facilities, as well as for jails housing less than 100 inmates. However, all facilities should be subject to the same restrictions on ancillary fees. Finally, the Commission should either grandfather existing contracts or provide for at least a full budget cycle as a transition period for any new rules.

CenturyLink emphasized that the Commission should not adopt a tiered rate cap structure that distinguishes between jails housing over 100 inmates and prisons. CenturyLink acknowledged that inmate turnover, requirements for free calls and the need to install additional phone devices on a per-inmate basis can increase the cost to serve jails. However, inmate turnover increases ICS usage, which reduces the overall cost to serve and offsets the costs of free calls, additional phone installations and account setup costs. Higher usage per inmate translates into a lower cost to serve because the fixed costs of providing ICS are spread over more minutes of use. As a result, the cost to serve jails with more than 100 inmates and the cost to serve prisons are comparable.

CenturyLink also emphasized that the Commission should not attempt to prohibit or cap site commissions, but instead should allow site commissions within any rate caps it sets. A prohibition or cap on site commissions would lead to offerings of in-kind products and services in lieu of site commissions. Correctional facilities that receive in-kind products and services would find it difficult to change service providers because doing so would entail both a switch in the ICS provider as well as a switch in the provider of the in-kind product or service. The end result would be a reluctance to change providers, which would lead to less competition and no decrease in calling rates.

Pursuant to Section 1.1206(b) of the Commission's rules, a copy of this notice is being filed in the appropriate docket.

Sincerely,

/s/ Thomas M. Dethlefs

Copy via email to:

Daniel Alvarez
Rebekah Goodheart