

ORIGINAL

EX PARTE OR LATE FILED



James W. Spurlock  
Government Affairs Director

Suite 1000  
1120 20th Street, N.W.  
Washington, DC 20036  
202 457-3878  
FAX 202 457-2127  
EMAIL spurlock@att.com

July 28, 2000

RECEIVED  
JUL 28 2000  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, NW  
Washington, D.C. 20554

RE: Ex Parte Presentation  
CC Docket 96-128

Dear Secretary Salas:

On Thursday, July 20, 2000, AT&T attorney Richard Rubin and I met with Jon Stover, Lynne Milne, Raj Kannan, Florence Setzer, Allen Barna, Ana Janckson-Curtis – all of the Common Carrier Bureau's Competitive Pricing Division -- and Marty Schwimmer of the CCB Network Services Division. We discussed relevant payphone policy issues.

Discussions included AT&T's support of an interim compensation rate based upon the LEC Payphone Coalition's proposed formula that included IXC 800 service revenues in 1997. In addition, we urged adoption of a final payment formula that provides for mandatory refunds, with interest, to the IXCs for prior overpayments at a rate above 23.8 cents. Further, we reviewed the efficiency and flexibility of the current Reseller CIC process with regard to compensation. Finally, the need was noted for FCC clarification of the rules pertaining to IXCs' payment obligations when FLEX ANI is not provided by a payphone or is not received for a period of time.

No. of Copies rec'd 012  
List A B C D E

Page Two

Two copies of this Notice are being submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(2) of the Commission's rules. My apologies for the unintended delay in this submission.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Aguilera". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Attachment

cc:

Allen Barna  
Ana Janckson-Curtis  
Raj Kannan  
Lynne Milne  
Marty Schwimmer  
Florence Setzer  
Jon Stover

# Payphone Issues Update

July 20, 2000

# Other Issues

- Reseller CIC
  - Except when a reseller specifically requests to pay compensation itself, AT&T pays compensation for AT&T resellers and collects payments back from those carriers
  - An efficient process leading to few disputes with PSPs
- FLEX ANI
  - Clarification is needed to establish rules for IXC's payment obligations when:
    - FLEX ANI has never been provided from a payphone
    - FLEX ANI is not received for a period of time

# Interim Compensation -The Key Issue

- AT&T generally supports an interim compensation rate based upon the LEC Payphone Coalition's proposed formula based on IXC's 800 service revenues in 1997
- The majority of compensable payphone calls are 800 calls
- Using a payment formula of 131 calls x 23.8 cents x IXC's share of 800 revenues for 1997 is
  - Straightforward
  - Can be universally applied
  - Administratively simpler than other alternatives
- The final payment formula must also provide that the IXCs are entitled to a refund for prior overpayments that were based on a rate above 23.8 cents, with interest