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

In the Matter of	)	
	)	
Access Charge Reform	)	CC Docket No. 96-262
	)	
Price Cap Performance Review for Local Exchange Carriers	)	CC Docket No. 94-1
	)	
Low-Volume Long Distance Users	)	CC Docket No. 99-249
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45

VERIZON OPPOSITION TO PETITIONS FOR RECONSIDERATION[1]

In a separately filed opposition, the Coalition for Affordable Local and Long Distance Service ("CALLS") demonstrates why each of the petitions should be rejected. Verizon will not repeat that demonstration here, and writes separately only to address the substantive defects in the reconsideration and clarification petition filed by One Call Communications, Inc.

The One Call Petition argues that the Commission should carve out a unique exception to the presubscribed intercarrier connection charge ("PICC") for a single subset of users (payphone providers). The CALLS opposition points out that procedurally, there was no reason for the Commission to address One Call's arguments in the context of the CALLS Order. CALLS Opposition at Section II. Indeed, given that the Commission did not modify the multiline business PICC in the CALLS proposal, and did not put the issue

[1] The Verizon telephone companies ("Verizon") are the affiliated local telephone companies of Bell Atlantic Corporation (including the telephone companies formerly affiliated with GTE Corp.), d/b/a Verizon Communications. A list of these companies is attached.

of separate PICC treatment for payphone providers out for public comment in the CALLS proceeding, there would have been no procedural basis for the Commission to act on One Call's arguments in conjunction with the CALLS proposal.

Regardless of the procedural deficiencies in One Call's argument, their basic substantive point – the request for a special class of payphone interexchange carriers that would be uniquely exempted from the PICC – is a flawed argument that should also be rejected on policy grounds.

One Call acknowledges that its argument is a repeat of claims that are already before the Commission. One Call Petition at 3. One Call offers no new reasons for acceptance of that argument now.

One Call argues that payphone providers should be treated like single-line business customers. One Call Petition at 13. But this issue has already been resolved. The Commission has recognized that payphone providers should pay "multiline business" end-user charges. *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, 11 FCC Rcd 20541, ¶ 187 (1996). These same payphone providers must therefore be considered multiline businesses for assessment of the PICC.

Indeed, the Commission could not conclude otherwise and remain consistent with its own rules. Those rules define a single line business subscriber line as one where the charge is other than a residential charge and the subscriber "does not obtain more than one such line from a particular telephone company." 47 C.F.R. § 69.152(i). The subscriber here is the payphone service provider, which purchases multiple lines to operate multiple payphones. There simply is no reason to allow the long distance carriers for these multiline customers to pay a single line rate designed for very small businesses that only purchase one line.

Moreover, if the Commission were to shield One Call and other similar carriers from the multiline PICC, they would effectively shift recovery of those costs back onto other common line ratepayers. This is precisely the opposite result from the policy objectives in the CALLS Order. The Commission elected to retain the multiline PICC as a "reasonable measure to avoid an adverse impact on universal service and residential customers." Order, ¶ 106. Shifting costs back to residential customers so that carriers serving multiline payphone customers are protected cannot be reconciled with that decision.

Similarly, there is no reason for the Commission to place responsibility for the PICC on the payphone provider rather than the interexchange carrier for the line. One Call attempts to justify this shift by repeating its arguments that the existence of 0+ and 1+ long distance carriers for pay telephones mean that neither should pay the PICC.[2] One Call Petition at 7.

But One Call's premise is misleading. Just as with any other line, the subscriber to a pay telephone line may designate a single presubscribed carrier. It is that carrier that is responsible for payment of the PICC. Because many long distance carriers do not provide service for coin calls, that service may be subcontracted out to carriers that have that capability.[3] Regardless of whether the carrier presubscribed by the pay phone provider

[2] The 0+ long distance provider is the selected provider for operator assisted long distance calls.

[3] *See* Bell Atlantic Tariff FCC No. 1, page 101.1.1, section 4.2(F)(1) ("The presubscribed provider has the option to receive both 0+ and 1+ interLATA calls originating from Telephone Company public and semipublic coin telephones, or to select one subcontracted provider per LATA to receive the 1+ coin sent-paid interLATA traffic . . ."). A presubscribed provider may also elect to default its 1+ service to the carrier already

handles the traffic itself or through another carrier, however, the single designated interexchange carrier (and only that carrier) has the responsibility for the PICC and there is no basis to place that responsibility elsewhere.

One Call makes a related argument that the current system of imposing a multiline PICC on all presubscribed carriers – including those that serve local exchange carrier ("LEC") payphones – is somehow an "anticompetitive and discriminatory" practice. One Call Petition at 9. But the same PICC is charged to carriers for all payphone providers, regardless of whether the payphone provider is affiliated with the LEC or not. One Call complains that with respect to LEC affiliated payphones, One Call faces a unique burden as the 0+ long distance provider. But as explained above, any presubscribed pay phone long distance carrier, including One Call, has the option of providing both the 0+ and the 1+ service for a given phone. The fact that One Call has opted not to provide that full service does not entitle it to special treatment under the Commission's rules, nor does it signify discrimination if other carriers operate differently.

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handling such coin calls until the presubscribed provider is ready to handle such traffic. Again, such a default should have no impact on the PICC because it is within the control and option of the presubscribed carrier who may switch the traffic to itself or another subcontractor at any time.

Conclusion

The Commission should deny the petitions for reconsideration.

Respectfully submitted,

/S/

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies are the affiliated local telephone companies of Bell Atlantic Corporation (d/b/a Verizon Communications), including the telephone companies formerly affiliated with GTE Corporation. These are:

Contel of Minnesota, Inc. d/b/a Verizon Minnesota
Contel of the South, Inc. d/b/a Verizon Mid-States
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