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December 6, 2001

RECEIVED
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals, TW-A325
445 12th St., SW
Washington, D.C. 20554

EX PARTE OR LATE FILED NOTICE OF EX PARTE
PRESENTATION

Re: CC Docket No. 96-128 (remand of inmate service issues)

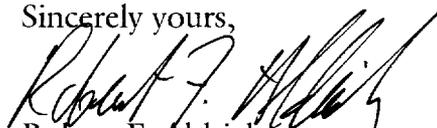
Dear Ms. Salas:

On December 5, 2001, Robert F. Aldrich of this law firm, and Michelle Bernard of Odyssey International, Inc., Marcus Trathen of Brooks, Pierce, McLendon, Humphrey & Leonard, Jeff Connaughton of Quinn, Gillespie & Associates, LLC, and Vincent Townsend, President of Pay-Tel Communications, Inc., and Chairman of the Inmate Calling Service Providers Coalition, met with Jordan Goldstein, advisor to Commissioner Michael Copps.

We discussed the Coalition's positions of record in the proceeding regarding inmate calling services on remand from the United States Court of Appeals for the D.C. Circuit, and the information contained in the enclosed documents, which were handed out at the meeting.

The enclosed documents include, under Tab 3, charts showing rate information for local collect calling rates and rate ceilings in each state. These charts update and correct information previously submitted to the Commission.

Sincerely yours,


Robert F. Aldrich

RFA/nw
Enclosure

cc: Jordan Goldstein

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THE TELECOMMUNICATIONS ACT OF 1996

INMATE CALLING SERVICES

Specific Mandates of Section 276 of the 1996 Act.

- Section 276(a)(1) directed the Commission to "ensure that all payphone service providers are ***fairly compensated for each and every completed intrastate and interstate call*** using their payphone."
- Section 276 also required the Commission to ***establish nonstructural safeguards to end the BOCs' historical discrimination against independent Inmate Calling Service (ICS) providers*** in favor of their own ICS operations.

In the five years since the *Payphone Orders* independent ICS providers have struggled to compete in a number of states without the fair compensation on local calls to which they are entitled and without the "level playing field" promised by the Telecommunications Act.

"Indecision and avoidance are not legitimate policies"

Michael Powell, Chairman
Federal Communications Commission
Before House Committee on Appropriations
May 22, 2001

- Our issue is fair compensation on below cost local collect call rates in county jails.
- Today there are approximately 27 states with rate caps on local collect calls from inmate facilities and no workable OSP options.
 10. States cap the operator surcharge and the local call element at the BOC or LEC rate
 9. States cap the operator surcharge. The local call element equals the provider market based coin rate
 8. States cap the operator surcharge and the local call element at a PUC approved rate

BACKGROUND

- The Commission failed to adequately address ICS in the payphone orders.
- The Coalition filed a petition for review of the Commission's rulings with the United States Court of Appeals for the District of Columbia Circuit.
- After the filing of the Coalition's initial brief, the Commission sought a voluntary remand of the case. The Commission acknowledged that it had not adequately addressed the issues raised by the Coalition and asked the court to return the proceeding to the Commission so that it could provide further analysis, promising that it would act expeditiously. The court granted the Commission's request for remand on January 30, 1998.
- Over the past five years members of the Coalition have had dozens of meetings at the FCC seeking the fair compensation and adequate safeguards for fair competition promised by the Telecommunications Act. During this time period we have regrettably had to educate six different sets of Staff in attempting to get movement on our issues.

For further information contact:

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Inmate Calling Service Providers Coalition
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1997 FCC INITIATIVES

Date	Initiative	FCC Participants	Industry Partitipants
March 9	Meeting-Inmate Issues	Mary Beth Richards	Townsend, Kramer, Aldrich
March 19	Meeting-Inmate Issues	Kaufman	Townsend, Aldrich
March 19	Meeting-Inmate Issues	CCB Staff	Townsend, Aldrich
March 20	Meeting-NST BellSouth/CEI	Brent Olson Radhika Karmaka	John Beach, Townsend, Aldrich
March 20	Meeting-NST BellAtlantic/CEI	Brent Olson Radhika Karmaka	Allen Kohler, Townsend, Aldrich
March 20	Meeting-NST	John Muleta Michael Carowitz	John Beach, Townsend, Aldrich
April 8	Meeting CEI/CAM	Accounting & Audits Division	John O'Keefe, Aldrich
May 6	Meeting - CEI/CAM	Jose Rodriguez & Accounting Staff	Aldrich
June 4	Meeting - NST	John Muleta	Townsend, John Beach
July 29	Meeting-Inmate Issues	<u>1st Team</u> Mary Beth Richards Michael Carowitz Glenn Reynolds	Townsend, Kramer, Aldrich

1998 FCC INITIATIVES

Date	Initiative	FCC Participants	Industry Partitipants
January 14	Meeting - NST	Pat Donovan, Dan Abeyta, Raja Kannan	Phillips, Frost, Kramer, Aldrich
February 25	Meeting - Inmate Remand	Mary Beth Richards	Kramer
April 21	Meeting - NST	Dan Abeta Calvin Howell	Trathen Townsend, Aldrich
April 21	Meeting - Inmate Remand	Larry Strickland Glenn Reynolds	Townsend, Kramer
May 14	Meeting - Inmate Remand	<u>2nd Team</u> Rose Crellen Jennifer Myers	Townsend, Aldrich, Farber
May 14	Meeting - NST	Pat Donovan, Dan Abeta Calvin Howel, Raja Kannan	Trathen Townsend, Aldrich
May 21	Meeting - Inmate Remand	Jennifer Myers Rose Crellen Craig Stroup	Townsend, Farber

August 19	Meeting - Inmate Remand	3rd Team Anna Gomez Judy Albert	Townsend, Kramer
August 19	Meeting - NST	Dan Abeta Calvin Howell Raja Kannan	Phillips, Townsend, Aldrich
November 5	Meeting - NST	4th Team Kris Montieth Raja Kannan Calvin Howell	Trathen Townsend, Aldrich
November 5	Meeting - Inmate Remand	Kris Montieth Calvin Howell	Townsend, Aldrich

1999 FCC INITIATIVES

Date	Initiative	FCC Participants	Industry Partitipants
February 24	Meeting - Inmate Remand	Kris Montieth & Staff	Townsend, Kramer
March 18	Conference Call - Inmate Remand	Kris Montieth & Staff	Kramer
April 28	Meeting - NST	Jane Jackson Full Staff	Industry Leaders, State Attorneys, DSMO
May 6	Public Notice - Inmate Remand		
June	Inmate Remand Comments		
June 29	Meeting - NST - New Jersey	Lynne Milne, Calvin Howell, Jon Stover, Rene Terry, Raja Kannan	Dennis Lincoln, Beach, Wood, Townsend, Aldrich
July 21	Inmate Remand Reply Comments		
October 13	Meeting - Inmate Remand	5th Team Lynne Milne, Jon Stover, Renee Perry, Calvin Howell, Raja Kannan	Townsend, Aldrich, Farber
November 17	Meeting - Inmate Remand	Lynne Milne, Jon Stover, Renee Perry, Calvin Howell, Raja Kannan	Townsend, Aldrich

2000 FCC INITIATIVES

Date	Initiative	FCC Participants	Industry Partitipants
February 2	Meeting - NST	Jon Stover, Lynne Milne, Calvin Howell, Raja Kannan	Trathen, Townsend, Aldrich
February 2	Meeting - Inmate Remand	Jon Stover, Lynne Milne, Calvin Howell, Raja Kannan	Aldrich, Townsend
April 5	Meeting - Inmate Remand	Jon Stover, Lynne Milne, Calvin Howell, Raja Kannan, Adam Candeub	Aldrich, Townsend
April 13	Meeting - NST	Jon Stover, Lynne Milne, Calvin Howell, Raja Kannan, Lynwood Smith, Adam Candeub, Al Barna	Trathen, Wood, Townsend, Aldrich

April 13	Meeting - Inmate Remand	Jon Stover, Lynne Milne, Calvin Howell, Raja Kannan, Adam Candeub, Al Barna, Lynwood Smith	Townsend, Aldrich, Farber
April 18	Meeting - Inmate Remand	Lynne Milne, Calvin Howell, Raja Kannan, Adam Candeub, Al Barna, Lynwood Smith, Tamara Priess	Townsend, Aldrich
May 8	Meeting - Inmate Remand	Yog Varma, Tamara Preiss, Deena Shetler	Townsend, Aldrich
May 9	Meeting - Inmate Remand	Jordan Goldstein	Townsend, Aldrich
May 10	Meeting - NST	Congressman Burr	Townsend, Trathen
May 10	Meeting - NST - Sprint Rates	Jon Stover, Calvin Howell, Raj Kannan, Al Barna, Lenworth Smith, Anna Janckson-Curtis	Townsend, Trathen, Wood
May 10	Meeting - Inmate Remand	Dorothy Attwood	Townsend, Aldrich
June 21	Meeting - Inmate Remand	6th Team Jay Atkinson Adam Candeub	Townsend, Aldrich
June 22	Meeting - NST	Jane Jackson Lenworth Smith Lynne Milne Florence Setzer	Trathen, Aldrich
June 27	Meeting - Inmate Remand	Dorothy Attwood	Townsend, Aldrich
July 5	Meeting - Inmate Remand	Tamara Preiss Adam Candeub	Townsend, Aldrich
October 11	Meeting - Inmate Remand	Jay Atkinson Adam Candeub	Townsend, Aldrich
November 29	Meeting - NST	Jane Jackson, Al Barna, Lynne Milne, Jon Stover, Anna Curtis, Raja Kannan	Trathen, Wood, Aldrich
December 12	Meeting - NST and Dial Around	Jordan Goldstein LA for Commissioner Ness	APCC Leaders, Allard, Kramer
December 12	Meeting - NST and Dial Around	Commissioner Furchtgott-Roth	APCC Leaders, Allard, Kramer
December 12	Meeting - NST and Dial Around	Commissioner Powell LA Kyle Dixon	APCC Leaders, Allard, Kramer, Ted Weerts
December 12	Meeting - NST and Dial Around	Dorothy Attwood and Staff	APCC Leaders, Kramer, Aldrich
December 13	Meeting - NST and Dial Around	Chairman Kennard LA Anna Gomez	APCC Leaders, Allard Kramer, Ted Weerts
December 13	Meeting - NST and Dial Around	Deena Shelter LA for Commissioner Tristani	APCC Leaders, Kramer, Ted Weerts
December 13	Meeting - Inmate Remand	Anna Gomez LA Chairman Kennard	Townsend, Aldrich

December 13	Meeting - Inmate Remand	Dorothy Attwood and Staff	Townsend, Aldrich,
December 20	Meeting - Inmate Families' Concerns	Anna Gomez LA Chairman Kennard	Townsend, Aldrich, Michael Hamden, Elizabeth Alexander
December 21	Meeting - Inmate Families' Concerns	Dorothy Attwood and Staff	Townsend, Aldrich, Michael Hamden, Elizabeth Alexander

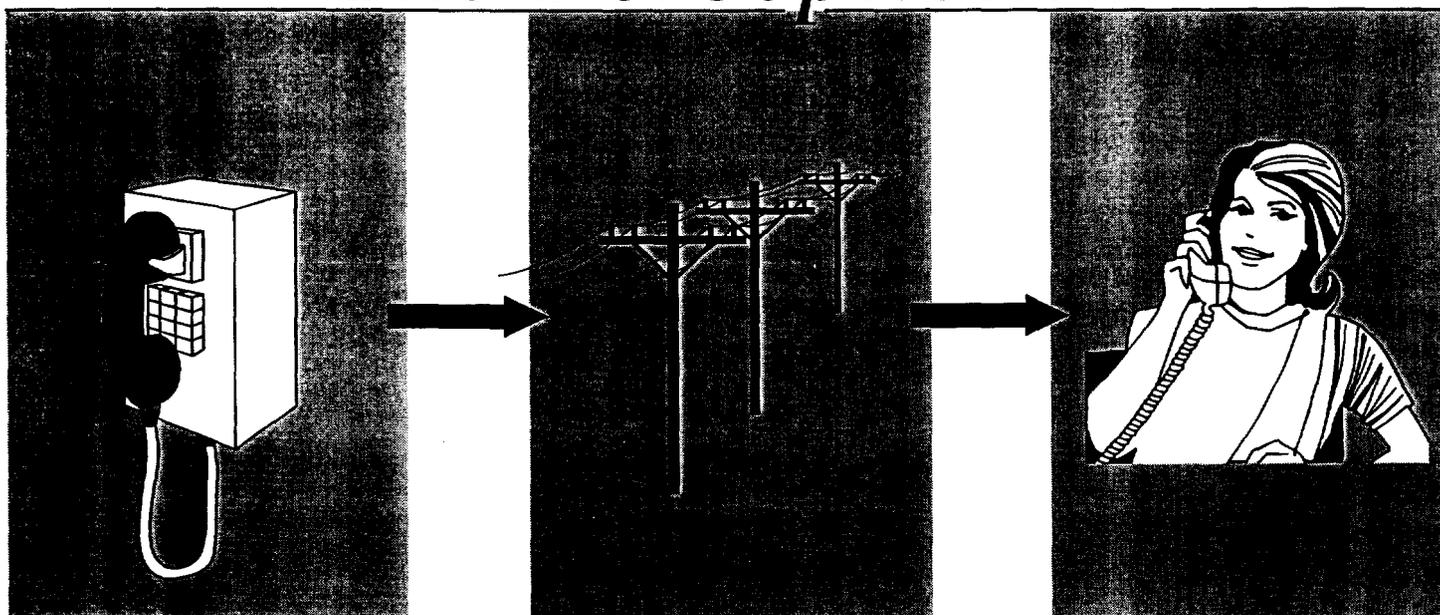
2001 FCC INITIATIVES

March 7	Meeting - NST	Congressman Burr, Kimbrey Rhinehardt	Trathen, Townsend
April	Meeting - NST	Sean Dalton, Congressman Taylor's Legal Advisor	Townsend, Hubbard
April	Meeting - NST	Kimbrey Rhinehardt, Congressman Burr's advisor	Townsend
April	Meeting - NST	Congressman Burr	Townsend, Sandusky, Kramer
April	Meeting - NST	Congressman Burr	Townsend
April	Meeting - NST	Dorothy Attwood, Jane Jackson Glenn Reynolds, Lenworth Smith	Sandusky, Trathen, Aldrich, Kramer
April	Meeting - NST	Jane Jackson, Jay Arkinson	Wood, Trathen Aldrich, Kramer
June 18	Meeting - Inmate Issues/NST	Congressman Burr	Townsend, Sheriff Hurley and Sheriff Watson
June 21	Meeting - Inmate Partial Solution	Dorothy Attwood Jay Arkinson Adam Candeub	Townsend, Aldrich
June 21	Meeting - Inmate Partial Solution	Marsha MacBride Glenn Reynolds Lynworth Smith	Townsend, Aldrich, Kimrey Rhinehardt, Advisor to Congressman Burr
June 25	Meeting - Inmate Partial Solution	Deena Shetler, Advisor to Commissioner Tristani, Gregg Haledjian	Townsend, Aldrich, Michelle Bernard
June 26	Meeting - Inmate Partial Solution	Kyle Dixon, Advisor to Chairman Powell	Townsend, Aldrich, Michelle Bernard
June 26	Meeting - Inmate Partial Solution	Jordan Goldstein, Advisor to Commissioner Kopps	Townsend, Aldrich, Michelle Bernard
June 28	Meeting - Inmate Partial Solution	Bryan Tramont, Advisor to Commissioner Abernathy	Townsend, Aldrich, Michelle Bernard
June 29	Meeting - Inmate Issues/NST	Jeff Carlisle, Chris Libertele	Townsend, Aldrich
July 12	Meeting - NST/Inmate	Kimbrey Rhinehardt, Congressman Burr's Assistant	Townsend, Bernard, Aldrich
July 17	Meeting - NST	Jeff Carlisle, Representatives from General Counsel's Office	Wood, Aldrich, Kramer
August 15	Meeting - Inmate/NST Issues	Jeff Carlisle, Deborah Weiner, Paula Silberthau, Linda Keeney	Townsend, Kramer, Aldrich (Phone)

08/01/12	Meeting - NST	Commissioner Kopps, Jordan Goldstein	Sandusky, Kramer Renard, Aldrich, Townsend
08/01/12	Meeting - NST	Commissioner Martin, Sam Feder	Sandusky, Kramer Renard, Aldrich, Townsend
08/01/12	Meeting - NST	Kyle Dixon, Legal Advisor to Chairman Powell	Sandusky, Kramer Renard, Aldrich, Townsend

INMATE CALLING SYSTEMS

The Perception...

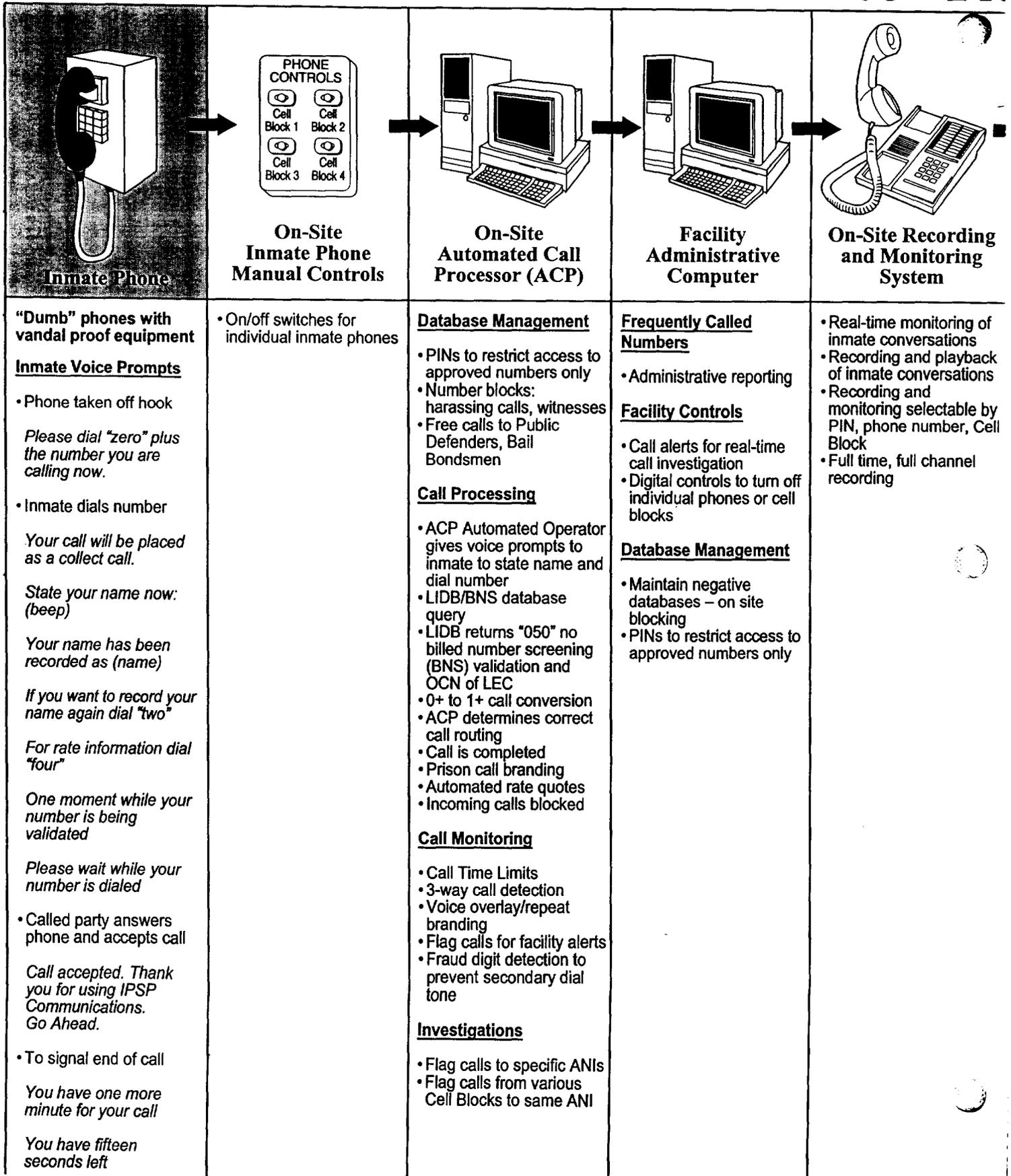


Inmate Phone

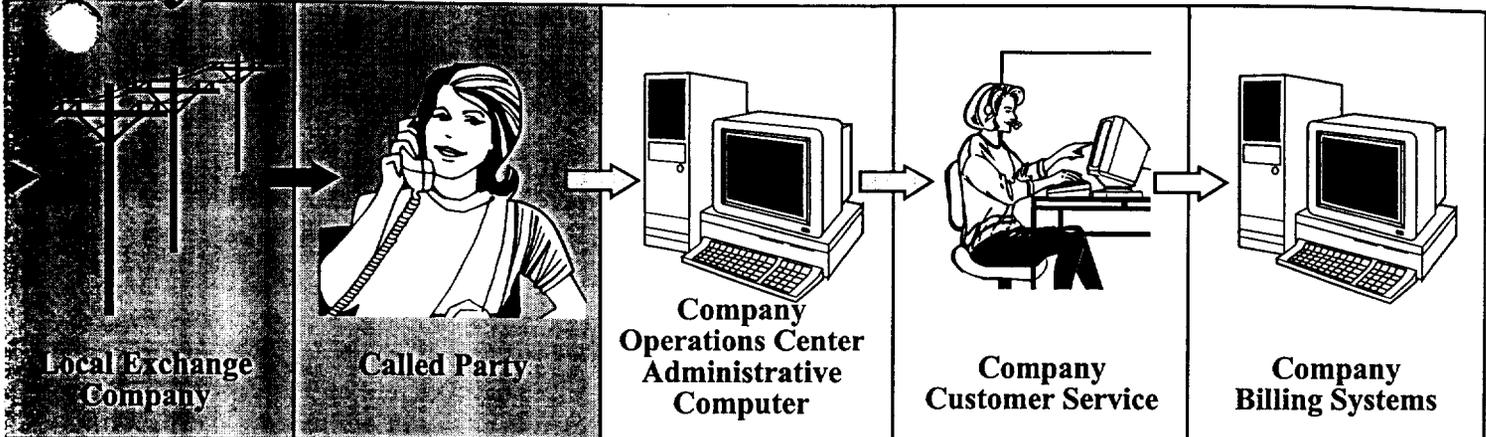
Local Exchange Company

Called Party

The R



Quality...



Local Exchange Company

- LEC connects local calls
- IXC connects long distance calls

Called Party

Called Party Voice Prompts

- Called party answers phone
- You have a collect call from (name of inmate) at (name of facility /detention center).*
- If you will accept dial "three" now*
- For rate information dial "four"*
- To decline the call, dial "nine" or hang up now.*
- Called party dials "three" to accept call
- Thank you for using IPSP Communications. Go ahead.*
- To signal end of call
- You have one more minute for your call*
- You have fifteen seconds*

Company Operations Center Administrative Computer

Database Management

- Number blocks for harassing calls, witnesses, facility staff
- Free calls

Fraud Investigation Traffic Analysis

- Post-Call Velocity Checks
- Calling Pattern Analysis
- Calls from multiple Cell Blocks to same ANI
- Multiple originating numbers to the same terminating number

Fraud Investigation Blocks

- Multiple numbers at the same address
- Uncollectable calls
- High Toll calls

Company Customer Service

Facility Support

- Service requests
- Call Detail Reports
- Monitor calling patterns and velocity checks

Customer Support

- Customer inquiries
- Customer requested blocks
- High Toll Program
- Secure bill name and address from local exchange companies
- Contact customers to verify billing
- Credit applications
- Credit checks
- Direct billing and collection

Company Billing Systems

- Processing billing records to LECs
- Monitor for off-net and Code 50 rejects
- Maintain files for off-net and Code 50 rejects (CLECs with no billing and collection agreements)
- Manually bill off-net and Code 50 rejects

Louisiana State Penitentiary



M. J. "Mike" Foster, Jr.
Governor

Burl Cain
Warden

Richard L. Stalder
Secretary

January 4, 2001

George Talbot, Jr.
Vice President
Global Tel*link, Inc.
3501 Holiday Drive, Suite 405
New Orleans, LA 70114

RE: LazerVoice

Dear George,

The LazerVoice recording and monitoring system installed at the Louisiana State Penitentiary continues to prove to be an invaluable tool in intelligence gathering. In December, our investigative unit provided information obtained through LazerVoice on the whereabouts of Jessie James Caston, one of the FBI's 10 most-wanted fugitives, to the FBI and Louisiana State Police, which was vital in the capture of Caston on December 20, 2000.

Although LazerVoice has proven its effectiveness at the Louisiana State Penitentiary, as we have developed numerous cases against inmates involved in illegal activities and a few involving correctional officers, it has now proven its effectiveness in assisting other law enforcement agencies in the apprehension of armed and extremely dangerous fugitives, such as Caston.

Please allow me this opportunity to again thank you for this system; it is a proven asset in our daily operations and in the safety of the general public. We are extremely proud to have the LazerVoice system in operation at the Louisiana State Penitentiary!

Sincerely,

A handwritten signature in black ink, appearing to read "Burl Cain", written over a horizontal line.

Burl Cain
Warden

BC:aln

xc: File

FBI TEN MOST WANTED FUGITIVE

UNLAWFUL FLIGHT TO AVOID PROSECUTION - MURDER,
ATTEMPTED MURDER OF A POLICE OFFICER

JESSE JAMES CASTON



Photograph taken in 1997

Photograph taken in 1998

Photograph taken in 2000

Allises: Jessie James Caston, Jesse Caston, Jesse J. Caston

CAPTION
DESCRIPTION

Date of Birth: September 19, 1965
Place of Birth: Lake Providence, Louisiana
Height: 5'11" to 6'
Weight: 210 pounds
Build: Large, muscular
Occupations: Commercial Fisherman,
Industrial Foreman, Carpenter
Scars and Marks: Caston has a burn scar on his right hand. He has the following tattoos:
the letter "J" on his right forearm and the word "Angela" written in script on the left side
of his chest.
Remarks: Caston is an avid outdoorsman and may try to gain employment as a general construction
laborer.

Light Brown (possible ponytail)
Eyes: Blue
Complexion: Fair
Sex: Male
Race: White
Nationality: American

CAUTION

JESSE JAMES CASTON IS BEING SOUGHT FOR THE MURDER OF HIS WIFE AND HER FEMALE FRIEND, AND THE ATTEMPTED MURDER OF TWO POLICE OFFICERS IN LAKE PROVIDENCE, LOUISIANA, IN APRIL OF 2000. HE IS ALSO SUSPECTED OF ABDUCTING A MAN IN LOUISIANA AND FORCING HIM AT GUNPOINT TO DRIVE THEM TO TEXAS.

CONSIDERED ARMED AND EXTREMELY DANGEROUS

IF YOU HAVE ANY INFORMATION CONCERNING THIS PERSON, PLEASE CONTACT YOUR LOCAL FBI OFFICE OR THE NEAREST U.S. EMBASSY OR CONSULATE.

REWARD

The FBI is offering a \$50,000 reward for information leading directly to the arrest of Jesse James Caston.

www.fbi.gov



FAIR COMPENSATION

Section 276(a)(1) directed the Commission to "ensure that all payphone service providers are ***fairly compensated for each and every completed intrastate and interstate call*** using their payphone."

Service	Coin Payphones	Inmate Phones
Problem	Non-compensatory state rate caps on local calls	Non-compensatory state rate caps on local collect calls
Solution	FCC deregulated local coin rate	TBD-Voluntary remand January 1998
Legal Challenge	Decision sustained by US Supreme Court	Precedents already established for action

“APPLICABLE LOCAL CALL RATE”*
(Following the 1996 Telecom Act)

30 STATES

***WHERE THE LOCAL CALL RATE ELEMENT FOR LOCAL COLLECT CALLS
HAS BEEN LINKED TO THE PROVIDER MARKET RATE
FOR A LOCAL COIN CALL AT A PAYPHONE***

Tariffed Amount
Before
The Telecom Act

Tariffed Amount
After
The Telecom Act

\$.25

“Provider Market Based
Local Coin Rate”

\$.20

“Provider Market Based
Local Coin Rate”

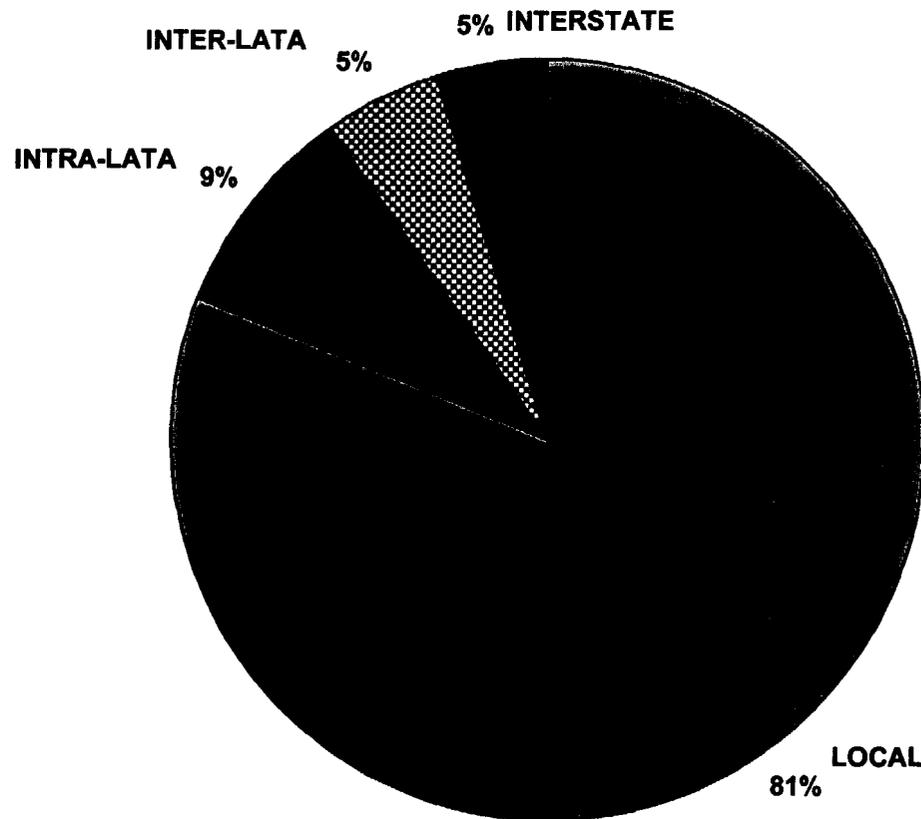
\$.10

“Provider Market Based
Local Coin Rate”

10+ STATES

LOCAL CALL ELEMENT TIED TO LEC RATE

**COUNTY JAIL
TYPE OF CALL DISTRIBUTION
NC, SC, TN**



■ LOCAL ■ INTRA-LATA ▨ INTER-LATA ■ INTERSTATE

No State Imposed Rate Ceilings \ 12 Minute Inmate Local Collect Call

6-Dec-01

	State	BOC	Applicable Local Call Rate		Collect Call Surcharge	Total Rate	Rate Cap?	Rate Cap Details
			Init. Min.	Add'l Min.				
1	Nebraska	Qwest	\$ 0.50	N/A	\$ 3.75	\$ 4.25	No	
2	Wyoming	Qwest	\$ 0.50	N/A	\$ 3.75	\$ 4.25	No	
3	Indiana	SBC	\$ 0.50	N/A	\$ 3.00	\$ 3.50	No	
4	Rhode Island	Verizon	\$ 0.50	N/A	\$ 2.50	\$ 3.00	No	
5	Washington	Qwest	\$ 0.50	N/A	\$ 2.30	\$ 2.80	No	
6	North Dakota	Qwest	\$ 0.50	N/A	\$ 2.25	\$ 2.75	No	
7	Utah	Qwest	\$ 0.50	N/A	\$ 2.25	\$ 2.75	No	
8	Georgia	Bell South	\$ 0.50	N/A	\$ 2.20	\$ 2.70	No	
9	South Dakota	Qwest	\$ 0.50	N/A	\$ 2.10	\$ 2.60	No	
10	Michigan	SBC	\$ 0.50	N/A	\$ 2.05	\$ 2.55	No	
11	Kansas	SBC	\$ 0.50	N/A	\$ 2.00	\$ 2.35	No	
12	New Mexico	Qwest	\$ 0.50	N/A	\$ 1.80	\$ 2.30	No	
13	Connecticut	SBC	\$ 0.50	N/A	\$ 1.75	\$ 2.25	No	
14	Idaho	Qwest	\$ 0.50	N/A	\$ 1.30	\$ 1.80	No	
15	Maine	Verizon	\$ 0.50	N/A	\$ 1.30	\$ 1.80	No	
16	Oregon	Qwest	\$ 0.50	N/A	\$ 1.30	\$ 1.80	No	
17	Hawaii	Verizon	\$ 0.50	N/A	\$ 1.20	\$ 1.70	No	
18	Arkansas	SBC	\$ 0.50	N/A	\$ 1.10	\$ 1.60	No	
19	Delaware	Verizon	\$ 0.50	N/A	\$ 1.10	\$ 1.60	No	
20	New Hampshire	Verizon	\$ 0.50	N/A	\$ 1.05	\$ 1.55	No	
21	Missouri	SBC	\$ 0.50	N/A	\$ 0.75	\$ 1.25	No	
22	Virginia	Verizon	\$ 0.25	N/A	\$ 0.75	\$ 1.00	No	
23	Alaska		N/A	N/A	N/A	N/A	N/A	N/A
National Average						\$ 2.37		

Source: Technologies Management, Inc.

Note: The amounts specified in this chart are the tariffed rates of the Bell Operating Company. Individual providers' rates may vary from the amounts specified.

State Imposed Rate Ceilings \ 12 Minute Inmate Local Collect Call

6-Dec-01

State	BOC	Applicable Local Call Rate		Collect Call Surcharge	Total Rate	Rate Cap?	Rate Cap Details	
		Init. Min.	Add'l Min.					Notes
1 Illinois	SBC	\$ 0.24	\$ 0.21	Capped by PUC	\$ 2.81	\$ 5.36	Yes	PUC rate cap
2 Texas	SBC	\$ 0.10	\$ 0.08	Capped by PUC	\$ 3.75	\$ 4.73	Yes	PUC rate cap
3 Wisconsin	SBC	\$ 0.50	N/A	Provider market based coin rate	\$ 3.00	\$ 3.50	Yes	Capped at twice AT&T or BOC rate
4 Arizona	Qwest	\$ 0.50	N/A	Provider market based coin rate	\$ 2.30	\$ 2.80	Yes	Capped at LEC tariff rate
5 Mississippi	Bell South	\$ 0.35	N/A	Capped at BOC rate	\$ 2.25	\$ 2.60	Yes	Capped at BOC tariff rate
6 Colorado	Qwest	\$ 0.25	See note	PUC cap: \$.25 per 5 min.	\$ 1.85	\$ 2.60	Yes	PUC rate cap
7 Montana	Qwest	\$ 0.50	N/A	Capped by PUC	\$ 2.00	\$ 2.50	Yes	Capped at LEC average + 50%
8 Florida	Bell South	\$ 0.50	N/A	Provider market based coin rate	\$ 1.75	\$ 2.25	Yes	PUC rate cap
9 Vermont	Verizon	\$ 0.35	N/A	Capped at LEC rate	\$ 1.65	\$ 2.00	Yes	Capped at LEC tariff rate
10 Kentucky	Bell South	\$ 0.50	N/A	Capped by PUC	\$ 1.50	\$ 2.00	Yes	PUC rate cap
11 Oklahoma	SBC	\$ 0.25	N/A	Capped at LEC rate prior to 1997	\$ 1.65	\$ 1.90	Yes	Capped max. rate of LEC or IXC
12 Minnesota	Qwest	\$ 0.50	N/A	Capped at BOC rate	\$ 1.30	\$ 1.80	Yes	Capped at BOC tariff rate
13 New York	Verizon	\$ 0.25	\$ 0.05	Capped at BOC rate	\$ 1.30	\$ 1.80	Yes	Capped at AT&T or LEC rates, whichever is higher
14 Iowa	Qwest	\$ 0.50	N/A	Capped at BOC rate	\$ 1.25	\$ 1.75	Yes	Capped at BOC tariff rate
15 Alabama	Bell South	\$ 0.50	N/A	Provider market based coin rate	\$ 1.25	\$ 1.75	Yes	Capped at LEC tariff rate
16 Nevada	SBC	\$ 0.14	\$ 0.05	Capped by PUC	\$ 1.00	\$ 1.69	Yes	PUC rate cap
17 New Jersey	Verizon	\$ 0.09	\$ 0.03	Capped by PUC	\$ 1.26	\$ 1.68	Yes	Capped at BOC tariff rate
18 Louisiana	Bell South	\$ 0.35	See note	PUC cap: \$.35 per 5 min.	\$ 0.63	\$ 1.68	Yes	PUC rate cap
19 Ohio	SBC	\$ 0.50	N/A	Provider market based coin rate	\$ 1.10	\$ 1.60	Yes	Capped at LEC tariff rate
20 Massachusetts	Verizon	\$ 0.35	N/A	Capped at BOC rate	\$ 0.86	\$ 1.56	Yes	Capped at BOC tariff rate
21 Pennsylvania	Verizon	\$ 0.25	N/A	Capped at LEC rate prior to 1997	\$ 1.30	\$ 1.55	Yes	Capped max. rate of LEC or IXC
22 California	SBC	\$ 0.50	N/A		\$ 0.95	\$ 1.45	Yes	Capped at LEC + \$.30 pay telephone surcharge
23 South Carolina	Bell South	\$ 0.50	N/A		\$ 0.70	\$ 1.20	Yes	Capped at LEC tariff rate
24 West Virginia	Verizon	\$ 0.50	N/A		\$ 0.60	\$ 1.10	Yes	Capped at LEC tariff rate
25 Maryland	Verizon	\$ 0.50	N/A		\$ 0.60	\$ 1.10	Yes	Capped at BOC tariff rate
26 North Carolina	Bell South	\$ 0.25	N/A	Capped at LEC rate prior to 1997	\$ 0.80	\$ 1.05	Yes	Capped at LEC tariff rate
27 Tennessee	Bell South	\$ 0.50	N/A	Capped at LEC rate	\$ 0.50	\$ 1.00	Yes	Capped at BOC tariff rate
National Average					\$	\$ 2.07		

Source: Technologies Management, Inc.

Note: The amounts specified assume that the serving local exchange carrier ("LEC") is a Bell Operating Company. Where the serving LEC is an independent telephone company, and the rate ceiling is based on the tariffed rate of the serving LEC, the applicable rate ceiling may vary from the amount specified. In addition, in states where the rate ceiling for the "Local Call Rate" element is the individual provider's local coin rate ("Provider market based coin rate"), the local call rate element charged by a particular provider may vary from the amount specified.

NORTH CAROLINA LOCAL COLLECT CALL RATES

CAPPED AT THE TARIFFED RATE OF THE LOCAL TELEPHONE COMPANY
OPERATOR SURCHARGE + LOCAL CALL ELEMENT

LEC	LOCAL COLLECT OPERATOR SURCHARGE	LOCAL CALL RATE ELEMENT	TOTAL RATE	PROVIDER OF INMATE PHONE SERVICE
Alltel	\$0.70	*\$0.25	\$0.95	No
BellSouth	\$0.80	*\$0.25	\$1.05	Quitting
Concord/CT Comm	\$0.70	\$0.35	\$1.05	No
Lexcom	\$0.68	*\$0.20	\$0.88	No
North State	\$0.68	*\$0.10	\$0.78	No
Sprint	\$0.65	*\$0.20	\$0.85	1 Facility
Verizon	\$0.70	*\$0.25	\$0.95	No
Independents	\$0.80	*\$0.25	\$1.05	No

North Carolina Average Rate: **\$0.95**

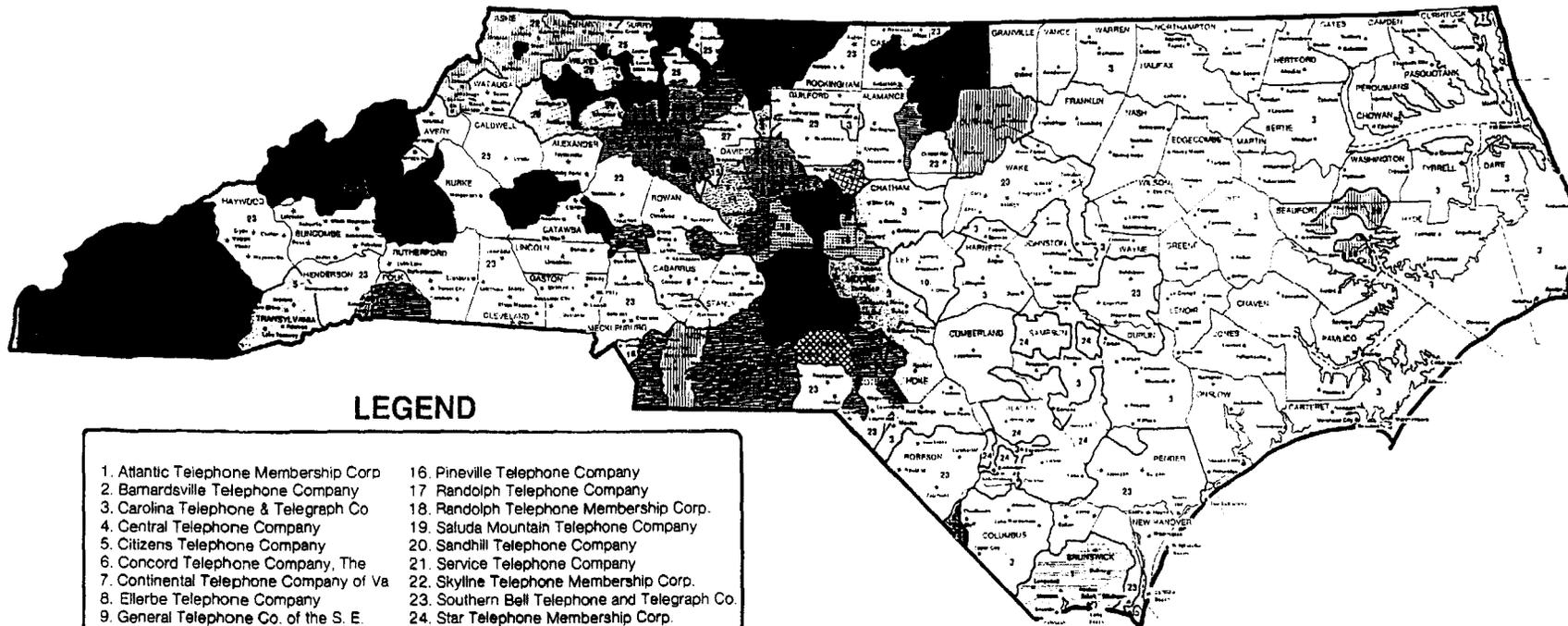
* Local coin rate initially set by LECs over twenty years ago.

AVERAGE LOCAL COLLECT CALL RATE FOR ALL 50 STATES: **\$2.22**

REQUESTS TO THE LECs TO CHANGE THE LOCAL CALL ELEMENT HAVE BEEN DENIED.

OPERATING AREAS OF TELEPHONE COMPANIES

State of North Carolina



LEGEND

- | | |
|--|---|
| 1. Atlantic Telephone Membership Corp | 16. Pineville Telephone Company |
| 2. Barnardsville Telephone Company | 17. Randolph Telephone Company |
| 3. Carolina Telephone & Telegraph Co | 18. Randolph Telephone Membership Corp. |
| 4. Central Telephone Company | 19. Saluda Mountain Telephone Company |
| 5. Citizens Telephone Company | 20. Sandhill Telephone Company |
| 6. Concord Telephone Company, The | 21. Service Telephone Company |
| 7. Continental Telephone Company of Va | 22. Skyline Telephone Membership Corp. |
| 8. Ellerbe Telephone Company | 23. Southern Bell Telephone and Telegraph Co. |
| 9. General Telephone Co. of the S. E. | 24. Star Telephone Membership Corp. |
| 10. Heins Telephone Company | 25. Surry Telephone Membership Corp. |
| 11. Lexington Telephone Company | 26. Tri-County Telephone Membership Corp. |
| 12. Mebane Home Telephone Co., Inc. | 27. Westco Telephone Company |
| 13. Mid-Carolina Telephone Company | 28. Western Carolina Telephone Company |
| 14. North State Telephone Company | 29. Wilkes Telephone Membership Corp. |
| 15. Piedmont Telephone Membership Corp | 30. Yadkin Valley Telephone Membership Corp |

