

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

TYSONS CORNER

8000 TOWERS CRESCENT DRIVE

SUITE 1200

VIENNA, VIRGINIA 22182

(703) 918-2300

FACSIMILE

(703) 918-2450

www.kelleydrye.com

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December 31, 2003

**BY HAND DELIVERY**

Ms. Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Suite TW-A325  
Washington, D.C. 20554

Re: Operator Communications, Inc's Response to the Wireline Competition  
Bureau's Request to Update Record in Docket Nos. 96-262, 94-1, 91-215  
and 95-72

Dear Ms. Dortch:

Operator Communications, Inc. ("OCI"), by its undersigned attorneys, hereby responds to the Wireline Competition Bureau's request to update the record pertaining to petitions for reconsideration filed by various parties in response to the Federal Communications Commission's ("Commission") rules adopted in the 1997 *Access Charge Reform First Report and Order* ("1997 Order").

As an initial matter, OCI applauds the Commission's efforts to resolve any remaining issues arising from the 1997 *Order* in the above-referenced dockets. Fortunately, as a result of the Commission's June 23, 2003 decision clarifying that payphone lines are exempt from the PICC charge,<sup>1</sup> all issues raised by OCI in its April 22, 1998 request for clarification have now been addressed.<sup>2</sup> In the *Order on Reconsideration*, the Commission concluded that assessing the multi-line PICC on payphone lines does not relate to the costs of the lines on which

<sup>1</sup> See *In the Matter of Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Order on Reconsideration*, CC Docket Nos. 96-262, 94-1 (rel. June 25, 2003) ("*Order on Reconsideration*").

<sup>2</sup> See *Letter from Stephen H. Loberbaum, General Counsel, Operator Communications, Inc., to Richard A. Metzger, Chief, Common Carrier Bureau, Federal Communications Commission* (dated April 22, 1998).

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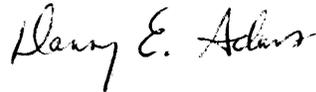
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it is assessed and, therefore, is not cost-based.<sup>3</sup> As such, it fails to comply with the “new services test,” which the FCC has said is required by Section 276 of the Telecommunications Act of 1996 (the “Act”).<sup>4</sup>

Because the Commission has finally considered and determined that application of the PICC on payphone lines is inconsistent with the Act, OCI’s ongoing challenge to the local exchange carriers’ past and current practice of assessing the PICC on its payphone lines has finally been resolved in OCI’s favor. Provided that its interpretation of the Commission’s *Order on Reconsideration* is correct, OCI has no further interest in pursuing its request for clarification.

Thank you for your consideration of this matter. If you have any questions or concerns, please do not hesitate to contact the undersigned at (703) 918-2300.

Respectfully submitted,



Danny E. Adams  
Andrea P. Edmonds

APE:APE

cc: Debbie Hargrave, Operator Communications, Inc.

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<sup>3</sup> *Id* at ¶ 7.

<sup>4</sup> *Id.* In the *First Payphone Order*, the FCC determined that in furtherance of Section 276 of the Act payphone lines rates should be set according to the cost-based new services test. See *In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, 11 FCC Rcd 20,541, 20,614 (1996).