



Opposition to AT&T's Prepaid Calling Card Petition for Declaratory Ruling
WC Docket 03-133

AT&T's Petition is Without Merit and Should be Denied

- **Intrastate jurisdiction is clear and warrants dismissal of AT&T's petition outright.**
 - Jurisdiction is determined by the originating and terminating points of the call.
 - Pursuant to FCC precedent, *Time Machine*, a debit card call that originates and terminates in the same state is an intrastate call, even if it is processed through a switch in another state. This precedent applies to AT&T's debit card service.
 - The Regulatory Commission of Alaska (RCA) found that AT&T's inclusion of an unsolicited advertisement into its prepaid card service does not change the jurisdictional nature of the call nor does it make the call "enhanced". Rather than pay intrastate access, AT&T filed this Petition.
 - Ironically, AT&T argued in a complaint case against GCI that a call that originates and terminates within a single state is intrastate, even if it is switched out of state. (*Alascom v. GCI*, 7 APUC 631 (Nov. 3, 1996)). AT&T also brought complaints in Alaska against debit card providers, Talk'N Toss, Inc., World Telecom Group, Inc., and Bottom Line Telecommunications, Inc., for providing debit card telecommunication services, originating and terminating in Alaska, without paying intrastate access charges. In those cases, AT&T acknowledged that the RCA has jurisdiction over such debit card calls.
 - AT&T's service is not analogous to an ISP call where the end point is not identifiable.

- **AT&T's inclusion of a commercial message into the calling card set-up does not meet the definition of an enhanced or information service.**
 - AT&T simply cannot meet the definition of an enhanced service: There is no interaction, storage, transformation, utilization, or processing of subscriber information. See 47 C.F.R. § 64.702(a) (definition of "enhanced service").
 - Contrary to its own theory, AT&T offers its prepaid card service pursuant to an intrastate tariff. If AT&T really believed it offered an enhanced service, then it would not pay any access charges at all.

The FCC Must Act Expeditiously to Deny AT&T's Petition to Avoid Further Harm

- **Failure to deny AT&T's request perpetuates harm to other Alaska carriers.**
 - Bulk Bill Recovery of the Common Line: Non-traffic sensitive costs are pooled and charged via a "bulk bill" which is divided among the IXCs according to market share. AT&T's self-help shifts its cost recovery obligation to other IXCs.
 - Traffic Sensitive Rates: AT&T's current actions to mischaracterize all prepaid card traffic as interstate results in excessive traffic sensitive rates.
 - Persistent damages: Persistent damage may result from AT&T's practices because, by its own prior admissions, its data is unreliable. FCC inaction delays resolution of past harm.



- Preemption: Granting AT&T's request would effectively preempt state authority. The RCA has stayed AT&T's obligation to pay intrastate access pending the outcome of this case.
- **Granting AT&T's request may incent other carriers to avoid access charges and USF obligations on all types of telecom services through similar tactics.**
 - Intercarrier comp or USF reform should occur in the appropriate dockets not through ad hoc self-help.
- **AT&T's Request is Devoid of Industry Support.**
 - No party supports AT&T's scheme to avoid intrastate access by mischaracterizing traffic contrary to FCC precedent.