reviewing comments on the *Inmate Rate NPRM* renders the Petition all the more ill-timed. The Petition should therefore be denied.

V. MCI IS NOT OBLIGATED TO PROVIDE LOCAL SERVICE TO OUTSIDE CONNECTIONS

Outside Connections claims that MCI has an "obligation to sell its local collect call service" to other telecommunications carriers under Section 251(b)(1) of the 1996 Act, and must permit alternate carriers to provide service to New York facilities under Section 253. Petition at 9. MCI has no such obligation.

First, no carrier has the obligation to perform any duty under Section 251 absent an express agreement executed under Section 252. 47 U.S.C. § 252. The clear statutory framework of the 1996 Act requires that any carrier wishing to avail itself of the provisions of Section 251(b) must obtain an agreement with the other carrier first. Further, as a matter of contract, Outside Connections' reliance on only Section 251 for its right to resell MCI service presents a serious business risk — that section provides no guidance whatever as to the terms and conditions of the proposed relationship. Thus, absent an agreement, the rights of Outside Connections would be largely unenforceable, as they are undefined.

Second, it is not settled that Section 251 applies in the highly specialized inmate phone market. T-NETIX is unaware of a single case that held that inmate payphones are subject to this statute. And the FCC has never reached this issue. Thus, the Petition's resort to the definitions of "telecommunications" and "local exchange carrier" (Petition at 9) is at best an overly textual argument that altogether misses the Commission's key finding that *inmate phones must be treated differently.*

Finally, Section 253 cannot apply to the correctional setting, for precisely the reasons discussed herein. Designed to promote competition in local telecommunications, this provision,

like the operator service requirements in TOCSIA, simply cannot be imposed on the correctional setting. That is, the New York DOC has, pursuant to its sovereign authority over prisons, determined that a multi-provider system is inappropriate for inmate phone service. This decision is not subject to general competition law under the Sherman Act, let alone Section 253. *See Midcal Aluminum*, 445 U.S. at 105; *Louisiana Power & Light*, 435 U.S. at 412.

Outside Connections has provided no statutory basis for forcing MCI to enable unauthorized providers to serve its customers, and thus the Commission has no basis on which to accept the Petition. Accordingly, and under its own settled policy, the Commission should hold that inmate service providers have no obligation to provide access to alternative carriers.

CONCLUSION

For all these reasons, the Commission should deny the Petition for Rulemaking.

Respectfully submitted,

By: _____

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CERTIFICATE OF SERVICE

I, Lori Williams, hereby certify that the following persons were served with the foregoing Opposition of T-NETIX, Inc. via courier, First Class Mail* or electronic mail** on this 16th day of April, 2003.

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EXHIBIT 7

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APR 28 2003

Federal Communications Commission
Office of Secretary

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of Petition of Outside Connection, Inc. For Declaratory Ruling	WCB/Pricing Docket No. 03-14

T-NETIX, INC. REPLY TO COMMENTS

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Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of Petition of Outside Connection, Inc. For Declaratory Ruling	WCB/Pricing Docket No. 03-14

T-NETIX, INC. REPLY TO COMMENTS

T-NETIX, Inc. ("T-NETIX"), by its attorneys, hereby responds to comments regarding the Petition for Declaratory Ruling filed by Outside Connection, Inc. (the "Petition") in the above-captioned proceeding.

The record demonstrates that Outside Connection's call-forwarding scheme seriously thwarts valid security policies adopted by the New York Department of Correctional Services ("New York DOCS"), contravenes a decade of Commission precedent, and amounts to theft of MCI's services in New York. Neither Outside Connection nor PaeTec have disproved any of these conclusions, requiring that the Commission deny the Petition. In addition, due to the substantial danger that call forwarding poses to the correctional environment, and to prevent similar abuses in other states, the Commission should hold that remote call forwarding from inmate phones is not supported by either the Communications Act or telecommunications policy.

SUMMARY

Comments in this proceeding underscore the necessity of the single-provider inmate phone system generally, while also providing key insight to the peculiar scenario of Outside Connection's operations in New York. Taken together, these themes demonstrate that the

scheme proposed in the Petition endangers inmates, the public, and the integrity of the state service procurement process. The Petition should be denied.

MCI and the New York Department of Correctional Services ("NY DOCS") have shown that several assertions in the Petition are questionable, if not entirely false. Most importantly, they state that Outside Connection has violated, and caused MCI to violate, the Commission's rate disclosure rules, has taken MCI's local service without payment, and has precluded New York correctional officials from discovering the true destinations of inmates' forwarded calls. Moreover, as a procedural matter, it seems that the Petition is nothing more than Outside Connection's tactic to "keep alive" its federal lawsuit against MCI, staving off dismissal after having lost its motion for preliminary injunction. In fact, counsel has been advised that Judge Gonzales of the Southern District of New York dismissed Outside Connection's suit on April 24, 2003, likely mooting the Petition. Being premised upon questionable allegations and litigation gamesmanship, the Petition deserves flat denial.

As to the merits of Outside Connection's service, several law enforcement officials have strongly urged the Commission to hold that these remote call forwarding schemes risk prison security, invite illicit phone usage, and impede apprehension of absconding inmates. Because call forwarding operators like Outside Connection do not execute contracts with the proper authorities, they have no contractual obligation to perform the security functions necessary for the prison setting. Further, the meager call tracking information that Outside Connection purports to provide is of no help to officials, as the New York DOCS' actual experience shows. Thus, contrary to the assertions of Outside Connection and its partner, PaeTec Communications, the scheme described in the Petition is far less secure than MCI's service and raises exactly the security concerns that underlie the New York DOCS' call-forwarding prohibition.

Finally, the Outside Connection arrangement is, as Judge Gonzales found, a clear instance of interference with the lawful contract between MCI and the New York DOCS. Not only does Outside Connection steal MCI's traffic, but it has never paid for the operator service or transmission functionality necessary to get inmate calls to PaeTec's switch. In addition, MCI explains that Outside Connection misrepresents its service to its own customers, billing them for the very services that it wrongfully took from MCI. This conduct is far worse than any alleged "price gouging" of which MCI is accused.

Neither Outside Connection nor PaeTec have provided any basis on which to conclude that this network arrangement is either lawful or in the public interest. As such, the Commission should deny the Petition and expressly hold that remote call forwarding for inmate calls has no support in telecommunications law or policy.

I. THE RECORD DEMONSTRATES THE SOUNDNESS OF THE COMMISSION'S CALL-BLOCKING EXEMPTIONS FOR INMATE PHONES IN DEFERENCE TO CORRECTIONAL OFFICIALS

The Commission's deference to the security regulations adopted by state correctional authorities is both necessary and prudent.[1] Representatives of four state corrections agencies have provided startling examples of illicit conduct such "credit card scams," drug smuggling, and escape plans that inmates conduct via telephone.[2] Based on this experience, the Ohio and

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[1] Opposition of T-NETIX, Inc. at 10-12 (Apr. 16, 2003) ("T-NETIX Opposition"); Comments of WorldCom, Inc. at 14-15 ("MCI Comments"); New York DOCS Comments at 11-14; Ohio Department of Rehabilitation and Corrections Comments (Apr. 16, 2003) at 4-5 ("Ohio DRC Comments"); Affidavit of James D. Shutt, Pennsylvania Department of Corrections (Apr. 15, 2003) ¶¶ 11-13 ("PA DOC-Shutt Aff."); Letter from Robert Maher, Division Chief, Denver Sheriff Department, to Marlene H. Dortch (Apr. 11, 2003) ("Chief Maher Letter").

[2] PA DOC-Shutt Aff. ¶ 6; New York DOCS Comments at 18-19; Ohio DRC Comments at 2; Chief Maher Letter.

New York Departments praise the Commission's exemptions[3] that excuse inmate service providers from installing call-blocking and other security features.[4]

The Commission must continue to be mindful of what Outside Connection wants it to forget: this case is about prisons. Inmate phones are a key component of the penological setting, and are useful for both unlawful and investigatory purposes. Just as inmates have used phones for illegal activity, so too correctional authorities must use those phones to detect that activity. Thus, as Global Tel*Link relates, the recapture of "10 Most Wanted" Fugitive Jesse James Caston was accomplished by tracing the recipients of his phone calls.[5] Had Caston's calls been forwarded under an Outside Connection scheme, his calls either would have taken days to trace, allowing Caston to leave the country, or they would not have been traceable at all.[6] These comments demonstrate that what Outside Connection has done is not to increase competition but to materially inhibit correctional authorities from maintaining the safety of prisons and the public at large. Thus proving that the Commission's refusal to impose TOCSIA's consumer choice protections in deference to penological concerns was correct and should not be disturbed.

II. MCI HAS REVEALED OUTSIDE CONNECTION'S SCHEME AS "PIRACY" THAT INTERFERES WITH THE MCI-DOCS CONTRACT

Outside Connection's scheme is nothing more than an attempt to enter the "$1 Billion"[7] inmate services market by interfering with the MCI-DOCS contract. MCI explains that "[u]nder

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3 *Policies and Rules Concerning Operator Service Providers*, CC Docket No. 90-313, Report and Order, 6 FCC Rcd. 2744, 2752 (1991) (holding that the Telephone Operator Consumer Services Improvement Act, 47 U.S.C. § 226, does not apply to inmate phones) ("*1991 TOCSIA Order*"), *aff'd*, *Amendment of Policies and Rules Concerning Operator Service Providers and Call Aggregators*, CC Docket No. 94-158, 10 FCC Rcd. 1533, 1534-35 (1995); *Billed Party Preference for InterLATA 0+ Calls*, Second Report and Order and Order on Reconsideration, 13 FCC Rcd. 6122, ¶ 46 (1998) (exempting inmate-only phones from dial-around obligations) ("*BPP Second Report & Order*").

4 New York DOCS Comments at 11-12; Ohio DRC Comments at 4-5.

5 Global Tel*Link Comments at 7.

6 *See id.* at 7.

7 PaeTec Comments at 2.

the current OC scheme, neither OC nor its customers are paying MCI for anything."[8] Further, MCI states that it "had no knowledge" of the Outside Connections-PaeTec arrangement until it discovered a glut of call records for which there was no payment.[9] Thus, Outside Connection's "service" is simple "piracy" by which it steals MCI's traffic, does not pay for the use of MCI's facilities, and then bills its customers for services that it, in large part, did not provide.[10] This scheme is textbook interference with the MCI-DOCS contract, as Judge Gonzales of the Southern District of New York concluded.[11]

Outside Connection attempts to obfuscate this obviously unlawful conduct by pleading its strong desire to enter the inmate service market and provide competitive choice.[12] As T-NETIX has explained, however, nothing prevents Outside Connection from conducting a legitimate inmate service in New York.[13] The MCI-DOCS contract was awarded pursuant to the public bidding process that is typical in this market.[14] By this process, the New York DOCS can ensure that MCI complies with its security requirements through an enforceable "contractual relationship" that includes maintenance of a $7 million bond, "which protects DOCS' interests."[15] Outside Connection cannot simply circumvent these requirements in the name of "competition."

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8 MCI Comments at 18.

9 *Id.* at 4-5.

10 *Id.* at 12.

11 New York DOCS Comments at 9 (quoting Transcript of Proceedings at 79-80 (Nov. 25, 2002)).

12 *E.g.*, Petition at 4 (discussing the difference between MCI rates and Outside Connection rates).

13 T-NETIX Opposition at 9.

14 MCI Comments at 1-3; NY DOCS Comments at 13.

15 NY DOCS Comments at 16; MCI Comments at 2-3.

The single-provider system for inmate phones has received consistent deference from the Commission[16] and has survived a dozen challenges in state and federal court.[17] Both the exclusive contracts and the rates applied to them have consistently been found immune from the antitrust laws and from judicial rate relief.[18] Indeed, Outside Connection has challenged the validity of the MCI-DOCS arrangement in federal court, and was dismissed; it seems the Petition is an effort by Outside Connection to obtain a ruling from the Commission that it would not receive elsewhere.

The Outside Connection scheme interferes with the lawful performance of the MCI-DOCS exclusive contract and is not justifiable under any explanation offered in the Petition or in PaeTec's supporting comments. It is not simply an alternative long-distance service that is permissible on the grounds that the DOCS contract does not grant MCI the exclusive right to transmit long-distance calls[19] — there is no right to an alternative long-distance provider under the Commission's rules,[20] and it is improper for Outside Connection to make conclusory allegations about a contract that was not made available to the Commission.[21] Outside Connection is simply stealing MCI's traffic, billing the calls as its own, and placing inmates and the public in peril. It is exactly the scheme that the Commission rendered invalid. The Petition must be denied.

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16 T-Netix Opposition at 4 & n.12 (citing *BPP Second Report & Order* ¶ 46); NY DOCS Comments at 11-12; MCI Comments at 13-14; Chief Maher Letter.

17 *E.g.*, *Strandberg v. City of Helena*, 791 F.2d 744 (9th Cir. 1986); *Miranda v. Michigan*, 168 F. Supp. 685 (S.D. Mich. 2001); *Wooden v. Norris*, 637 F. Supp. 543 (M.D. Tenn. 1986); *Valdez v. New Mexico*, 132 N.M. 667, 54 P.3d 71 (2002).

18 *See* T-NETIX Opposition at 8-9 (discussing state action immunity doctrine and filed rate doctrine as bars to judicial challenges of inmate service contracts).

19 Petition at 16.

20 *BPP Second Report & Order* ¶ 46.

21 According to the rules of civil procedure in many states, it is dismissible error to state a claim or defense based on the terms of a contract without appending the contract or reproducing it in substantial part. *E.g.*, *Gilmore v. Lycoming Fire Ins. Co.*, 55 Cal. 123, 124 (1880); Pennsylvania R. Civ. P. 1028(i).

III. THE RECORD PROVES THAT OUTSIDE CONNECTION PERMITS SERIOUS SECURITY BREACHES

Four correctional authorities have assured the Commission that call-forwarding arrangements pose a significant threat to security.[22] The "service" that Outside Connection provides "can facilitate an inmate's ability to direct criminal activity from the prison," enabling inmates to "confound" authorities through a "daisy chain" of "several automatically forwarded numbers."[23] Thus, the New York DOCS "considers any call forwarding scheme to be a potential breach of prison security."[24]

Moreover, Outside Connection's offer to provide information identifying the actual inmate call recipients, with "daily updates,"[25] is "simply ludicrous" according to the New York DOCS.[26] This information provides no help whatever to authorities. The New York DOCS attempted to trace 6 terminating numbers allegedly belonging to Outside Connection customers: the searches came up "error no match ... no data."[27] These search failures fundamentally disable penological control; as MCI states, "it is of utmost importance that DOCs knows the destinations of the inmates' calls."[28] Thus, contrary to protestations that remotely forwarded calls are "necessarily subjected to all applicable security procedures,"[29] it is proven that these calls cannot

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22 New York DOCS Comments at 2-5; Ohio DRC Comments at 2-3; PA DOC-Shutt Aff. ¶ 16; Chief Maher Letter. *See also* MCI Comments at 3 (stating that the New York DOCS "considers call forwarding to be a potential breach of prison security").

23 Ohio DRC Comments at 2-3.

24 New York DOCS Comments at 3.

25 Petition at 15-16.

26 New York DOCS Comments at 14.

27 MCI Comments at 23; New York DOCS Comments at 14.

28 MCI Comments at 26.

29 PaeTec Comments at 3.

be independently verified, and therefore cause a severe breach in an important aspect of prison security.[30]

Even PaeTec agrees that security concerns "must be satisfied."[31] Four correctional authorities have explained that, with remote call forwarding, those concerns are circumvented. The Outside Connection scheme therefore should not receive any relief from the Commission.

IV. COMMENTERS HAVE DEMONSTRATED THAT SECTIONS 251 AND 253 DO NOT APPLY TO INMATE SERVICE PROVIDERS

Contrary to the arguments of Outside Connection and PaeTec, nothing in the Telecommunications Act of 1996 ("1996 Act")[32] requires MCI to let Outside Connection steal its traffic. Inmate phone service is not subject to Section 251's local competition requirements, and has pointedly not been targeted by the Commission for Section 253 protection.

Section 251 provides no grounds for granting the Petition. First, Section 251 is a telecommunications statute that cannot displace the regulations and policies adopted by state correctional authorities. As T-NETIX explained in its comments, the 1996 Act has no preemptive power over state DOC rules prescribing the manner in which inmates may use telephones.[33] The federal government is precluded from modifying those rules, directly or indirectly, in accordance with core principles of federalism.[34]

Secondly, as MCI explains, inmate service providers are not "local exchange carriers" that are subject to interconnection or resale requirements.[35] Contrary to PaeTec's argument,

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30 New York DOCS Comments at 2.

31 PaeTec Comments at 3 n.6.

32 Pub. L. No. 104-104, 110 Stat. 56 (1996), *codified at* 47 U.S.C. §§ 151 et seq. (West 2001).

33 T-NETIX Opposition at 11 (citing *City of New York v. FCC*, 486 U.S. 57, 64 (1988); *Jones v. Rath Packing*, 104 S. Ct. 2694, 2700 (1984)).

34 T-NETIX Opposition at 8 (citing *United States v. Michigan*, 940 F.2d 143, 155 (6th Cir. 1990)).

35 MCI Comments at 9-11.

inmate phone service is not "an essentially residential market."[36] Rather, MCI is an operator service provider that provisions proprietary payphones and software to prisons, and leases private Customer Owned Coin Operated Telephone ("COCOT") lines to originate, screen, and transmit calls.[37] It is not a "foreign exchange" configuration, as PaeTec creatively argues, precisely because the line is not owned by each customer, but rather by MCI.[38] Nor is it a service of "reselling" a local phone number, if such a service were even recognized by the Commission.[39] Inmate phone service is a closed private operator service, and Section 251 by its terms does not aim at such services.[40]

Nor does Section 253 empower the Commission to render New York DOCS rules void or unlawful, as the Petition requests. That statute is intended to import federal procompetitive policy into states where that policy is endangered. Yet the Commission has never held that Section 253 is appropriate for the penological setting.[41] Moreover, as MCI aptly points out, neither Congress nor the Commission has articulated a policy to open up the inmate services market to competition as a federal matter, and thus the New York DOCS policy to displace competition is not inimical to federal interests.[42] Section 253 is therefore not valid grounds for the Petition.

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36 PaeTec Comments at 2.

37 *See* MCI Comments at 9-11.

38 *See* PaeTec Comments at 2-3.

39 PaeTec Comments at 2.

40 *See* Petition at 9-10 (reciting definitions of terms used in Section 251).

41 T-NETIX Opposition at 12-13.

42 MCI Comments at 25.

V. THE COMMISSION SHOULD ADDRESS RATE CONCERNS IN RESPONSE TO THE *INMATE RATE NPRM*, NOT BY APPROVING THE OUTSIDE CONNECTION SCHEME

Further revealing the true aim of the Petition, PaeTec, North Carolina Prisoner Legal Services ("NCPLS") and Mr. Ostenso each complain that the rates for inmate phone service are "excessive."[43] Indeed, the entirety of the NCPLS comments are devoted to exhorting the Commission "to take a meaningful step" in alleviating the "exploitation" that they perceive in the inmate market.[44] These comments again ignore the fact that the Commission is indeed taking such a step via the *Inmate Rate NPRM* proceeding, and does not require the adoption of dangerous, potentially illicit call-forwarding schemes.

As an initial matter, the sincerity of Outside Connection's commitment to consumer protection is dubious at best. First, Outside Connection appears to misrepresent its services to customers, billing them for "end-to-end" service where in fact MCI was the carrier of the local portion of the call.[45] In addition, as MCI explains,[46] under the remote call forwarding scheme neither MCI nor Outside Connection provides a correct audible rate disclosure required in the Commission's rules.[47] That is, MCI's operator system will quote only the rate for a local call, as that is the number dialed; Outside Connection quotes no rate at all, as the PaeTec switch does not have that functionality. It is curious that PaeTec mentions the Commission's rate disclosure rules as an important consumer protection against high rates,[48] and then actively prevents compliance with those rules.

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43 PaeTec Comments at 5; NCPLS Comments at 1-3; Ostenso Letter.

44 NCPLS Comments at 3, 4.

45 MCI Comments at 17.

46 *Id.* at 11.

47 47 C.F.R. § 64.703. *See also Billed Party Preference for InterLATA 0+ Calls*, Second Order on Reconsideration, FCC 01-355 (rel. Dec. 12, 2001).

48 PaeTec Comments at 5.

Their dubious sincerity notwithstanding, commenters' desire to address the rates for inmate service is misdirected here. Even the prisoner advocates recognize that the Commission's authority under Section 276 enables it to address inmate service rates "head-on."[49] These concerns should be lodged within the context of the *Inmate Rate NPRM* proceeding, which falls squarely within the Commission's ratemaking authority under Section 276.[50] They are not grounds for the Commission to act outside its communications jurisdiction to abrogate valid state correctional policy. Nor are these concerns grounds for permitting Outside Connections and other entities to engage in piracy and misrepresentation of services. Petitioner's and supporting commenters' rate concerns, which may be valid, should therefore be raised as a ratemaking matter, rather than as an attempt to infringe on state correctional authority.

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49 T-NETIX Opposition at 4. *See* also NCPLS Comments at 3.

50 T-NETIX Opposition at 10 (citing *Illinois Pub. Tel. v. FCC*, 117 F.3d 555, 562 (D.C. Cir. 1997)).

CONCLUSION

For all these reasons, the Commission should deny the Petition for Declaratory Ruling, and expressly hold that neither the Communications Act nor telecommunications policy supports remote call forwarding from inmate phones.

Respectfully submitted,

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Dated: April 28, 2003

CERTIFICATE OF SERVICE

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EXHIBIT 8

Before the
Federal Communications Commission
Washington, D.C. 20554

In re:	)	
	)	WCB/Pricing: 03-14
Petition of Outside Connection, Inc.	)	
For Declaratory Ruling	)	

To the Commission:

COMMENTS OF GLOBAL TEL*LINK CORPORATION

Before the
Federal Communications Commission
Washington, D.C. 20554

In re:	)	
	)	**WCB/Pricing: 03-14**
Petition of Outside Connection, Inc.	)	
For Declaratory Ruling	)	

To the Commission:

COMMENTS OF GLOBAL TEL*LINK CORPORATION

GLOBAL TEL*LINK CORPORATION ("GTL") hereby submits these comments in response to the Petition of Outside Connection, Inc. ("OC") for Declaratory Ruling. OC requests that the Commission issue a ruling declaring that the blocking by MCI WorldCom ("MCI") and the New York Department of Correctional Services ("DOCS") of OC's long distance telephone service is unlawful as a matter of communications policy. For the reasons set forth below, GTL urges the Commission to deny OC's Petition and sustain the actions of the DOCS and MCI.

I. INTRODUCTION AND BACKGROUND

GTL is a certified provider of calling services to inmates in confinement institutions in twenty three states. Since 1989, GTL has provided services pursuant to its contracts with local, county, state, and federal facilities, including the resale of long distance and automated operator services, and the provision of equipment and security systems. Our company develops, designs, manufacturers and markets inmate telephone services exclusively. In addition to providing full end-to-end service to the confinement institutions, we also are the preferred equipment provider for several major carriers in fifteen state contracts supporting the performance of their own inmate

contracts.

With thirteen years experience in the inmate telecommunications industry and a wide ranging customer base of local, state and federal customers (confinement institutions), GTL is highly qualified to respond to the issues contained in this proceeding.

In order to understand the issues involved in the instant Petition, GTL submits it is necessary to understand the evolution of the Inmate Calling Services ("ICS") industry. ICS services began in the 1970's with coin payphones located in confinement facilities. Inmates typically had a correctional officer at their side who either dialed the number the inmate requested or watched and listened as the inmate placed the call. Officers maintained a handwritten log of inmate called numbers. From these humble beginnings sprang an entire industry devoted to servicing the unique telecommunications needs of the correctional system as well as the inmates. We ask the Commission to consider the typical inmate call set up process for an inmate call in today's environment:

> Upon picking up the receiver, the inmate will hear the following prompt, *"For English, press 1"* – in English; *"For Spanish, press 2"* – in Spanish; and so on. This prompt continues through each language chosen by facility, and available in the system, until the inmate makes a selection. An inmate is then instructed to dial "0", the area code, and the destination number. Any first number other than "0" will initiate a voice prompt which states *"This is an invalid number,"* and the call is disconnected. Once the number is dialed correctly, the system voice prompt states,
>
> *"To place a collect call, dial '1'. To place a person-to-person call, dial '2'. To place a prepaid call, dial '3'."*
>
> If any other number is pressed or no number is pressed, the system default is to place the call as a collect, station-to-station call. If inmate PINs are in use, the System then instructs the inmate to enter his or her inmate ID number, or PIN. Once the inmate enters the correct PIN, the system automatically retrieves the corresponding pre-recorded name file. If inmate PINs are not in use, the System states, "At the tone, state your name," then "At the tone, state the name of the person you are calling," for a person-to-person to call only. If the call is station-to-station, there is no prompt for the person being called. It should be noted that the time window available for the inmate to state his or her name is programmable as well.

> At this point in the call attempt, the inmate is placed on hold. During this time the call is routed through the validation system where the PIN number is checked against the call allow list, a blocked number database is checked, system diagnostics are run and certain fraud/bad debt prevention features are checked. If the call checks through the validation system, it is then passed on to our contracted LIDB hub where the number is checked to make sure it is a valid number (not a payphone, etc.), that there are no restrictions on the phone, that the phone is not a disconnected number, and so forth. A signal is returned to the phone to authorize the call. This entire process, which takes place while the inmate is on hold, normally takes less than 10 seconds.
>
> When an inmate's call cannot be completed, the automated operator will notify the inmate using a message similar to one of the following: *"The called number was busy, please try your call later." "The called party did not answer, please try your call later." "The called party did not accept your call." "The called party has placed a block on this number."*
>
> In all instances, the automated operator will make initial contact with the called party. During the automated greeting, the called party is notified of the inmate's name and the facility from which the inmate is calling. The called party will have contact with the inmate only after positively accepting the call as instructed by the automated operator. Prior to accepting the call, the automated operator will also give the called party the option to hear call rates and to hear the current account balance.

We note that this is simply an example of a typical inmate call setup and does not address the myriad of additional security measures employed by ICS providers after call setup and acceptance.

If OC's Petition is to be believed, the above described security measures, particularly call validation and routing, can simply be disregarded by the Commission without any harm to the public. This is simply not the case.

GTL's comments will focus primarily on two points contained in OC's Petition. The first area we will address is the contention by OC that ICS providers function as local exchange carriers and thus, are bound by the Communications Act to resell their services to OC. Secondly, we will comment on OC's assertions that its service does not undermine