BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 91-151-C - ORDER NO. 91-567

JULY 1, 1991

IN RE: Application of London Communications, Inc. for Approval of its South Carolina PSC Tariff No. 2.	) ORDER APPROVING) TARIFF TO PROVIDE) "0+" COLLECT) INTRALATA AND) LOCAL CALLS FROM) CONFINEMENT) FACILITIES

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a tariff filed on February 12, 1991, by London Communications, Inc. (the Company). The purpose of the tariff is to introduce descriptions, requisitions, and rates for the provisioning of Alternate Operator Service in correctional facilities. The tariff only applies to inmate telephone service originating from correctional facilities and terminating within the State of South Carolina. The tariff was received and noticed in accordance with the Commission's procedures.

By Order No. 91-108 in Docket No. 90-642-C, the Commission granted the Company a Certificate of Public Convenience and Necessity to provide intrastate, interLATA service through the resale of intrastate WATS, MTS, FX and Private Line Services, or any other services authorized for resale by tariffs of facility

based carriers approved by the Commission. The Commission had previously held in Order No. 91-108 that the Company's request for the intraLATA provision of "0+" automated operator collect calling was not properly before the Commission in that Docket. The Commission further stated that in order to request to provide the desired service on an intraLATA and local basis, London must make the appropriate filing with the Commission subject to public notice. By filing and noticing this tariff, London has complied with the Commission's directives. The Commission will now consider the Company's request to provide such service.

After reviewing the evidence in the record the Commission makes the following findings of fact and conclusions of law:

FINDINGS

1. The Commission has determined in Order No. 91-122 issued in Docket No. 90-305-C that a Certificate of Public Convenience and Necessity is required to provide "0+" collect local and intraLATA operator assisted service from confinement facilities.

2. Under the context of Docket No. 90-305-C, the Applicants were seeking interLATA authority, as well as intraLATA and local authority. This Commission has already granted London a Certificate of Public Convenience and Necessity to operate as a long distance interexchange carrier with the authority to provide "0+" automated collect calling, among other things, to its customers on an interLATA basis. London is not required to apply for another "certificate," only to seek additional authority by filing the appropriate tariff (See, Order No. 91-108, supra.).

3. The services under consideration are proposed to be provided to a very limited market - to provide confinement facility inmates with access to telephones to make personal telephone calls.

4. The proposed service is provided through advanced store and forward technology which permits the inmates to make collect-only calls.

5. The Commission has previously determined in Docket No. 90-305-C that public convenience and necessity has been established for "0+" automated collect calling services on an intraLATA and local basis from confinement facilities.

6. The Company's tariff proposal would allow it to provide the automated collect only services from confinement facilities on an intraLATA and local basis.

7. Southern Bell, the intervenor in this matter, contends that London has not properly filed for its requested authority and that the Commission should not approve this tariff proposal "while Order No. 91-486, is the object of further possible Commission and/or judicial consideration."

8. Southern Bell also questioned the propriety of the $1.00 surcharge provision for local calls included in London's tariff.

CONCLUSIONS

1. The need for this particular service from the confinement facilities to prevent fraud, provide greater calling volume for inmates, reduce administrative costs and control the

inmate population by using the telephone system as a disciplinary tool has been previously established in Docket No. 90-305-C.

2. Through the filing of certain financial exhibits and tariffs in Docket No. 90-642-C, the Company has shown itself to be fit, willing and able to provide the telecommunications service.

3. Based on the foregoing findings and conclusions, the Commission has determined that the tariff proposal of London should be granted to London for the provision of "0+" intraLATA and local automated collect calls from confinement facilities only with the $1.00 surcharge for local calling eliminated. The Company was previously granted interLATA authority by Order No. 91-108 issued in Docket No. 90-642-C.

4. The Commission's findings and conclusions in Order No. 91-122 in Docket No. 90-305-C concerning the conditions of provision of this service are pertinent and applicable to London as set forth herein:

a. Local collect calls should be charged at the LEC rate for a coin call from a confinement facility, plus the operator assistance charge for a local call. Presently, such a call would be rated at 80¢

b. The intraLATA collect calls would be billed at the LEC's "0+" rate and that the LEC would receive compensation at its "1+" Message Toll Service (MTS) rate for the duration of the connection made with the called party whether the call was accepted or not.

5. As to interLATA collect calls, the Commission has previously determined that issue in Order No. 91-108, but such is subject to the provisions of Conclusion number 7, infra, including all sub-parts.

6. The local exchange companies should bill and collect for certified carriers providing "0+" interLATA, intraLATA and local collect calls from confinement facilities at the applicable rate for interexchange carriers.

7. The findings and conclusions of the Commission in Order No. 91-122, supra, concerning the conditions of certification are pertinent and applicable to London and shall apply as set forth herein:

a. The Company certified herein shall comply with all Commission guidelines pertaining to the provision of COCOT service as set forth in Docket No. 85-150 and any other relevant proceedings. Any departure from the requirements of the guidelines will not be allowed without a specific request for a waiver.

b. Waiver of the guidelines is not to be considered a grant of authority to provide "0+" collect store and forward calling from confinement facilities. Rather, it is merely the authorization to program the facilities so that they may carry such calls once proper certification is given by the Commission for "0+" collect calling from confinement facilities only.

c. Any confinement facility COCOT provider wishing

to provide interLATA, intraLATA or local "0+" collect calling using store and forward technology should file an application with the Commission requesting certification to provide any or all of above-mentioned services.

d. That the rates charged for such "0+" collect calls from confinement facilities on a local or intraLATA basis shall be no more than the rates charged by the LEC for local or intraLATA operator assisted calls at the time such call is completed.

e. That the rates charged for "0+" collect calls from confinement facilities on an interLATA basis shall be no more than the rates charged for interLATA operator assisted calls by AT&T Communications at the time such call is completed.

f. A rate structure incorporating a maximum rate level with the flexibility for downward adjustment has been previously adopted by this Commission. IN RE: Application of GTE Sprint Communications Corporations, etc., Order 84-622, issued in Docket 84-10-C on August 2, 1984. The Commission herein finds that the appropriate rate structure for the Applicants should include a maximum rate level for each tariff charge, with the restrictions of paragraphs 4 and 5 above duly incorporated.

g. That while the Commission is conscious of the need for the Company to adjust rates and charges timely to reflect the forces of economic competition, rate and tariff adjustments below the maximum levels should not be accomplished without notice to the Commission and to the public. The Company shall incorporate provisions for filing rate changes and publication of notice of such changes two weeks prior to the effective date of such changes, and affidavits of publication must be filed with the Commission. Any proposed increase in the maximum rate level reflected in the tariffs of the Company, which should be applicable to the general body of subscribers would constitute a general ratemaking proceeding which would be treated in accordance with the notice and hearing provisions of the S.C. Code Ann. Section 58-9-540 (Cum. Supp. 1990).

h. The Company is required to brand all calls so that they are identified as the carrier of such calls to the called party.

i. A "0+" collect call should only be completed upon affirmative acceptance of the charges from the called party.

j. Call detail information submitted by the Company to the LEC's for billing must include the COCOT access line number assigned to the line by the local exchange company.

k. The bill provided to the called party should provide the name of the Company and a toll-free number for contacting the Company concerning any billing or service questions.

l. The Company may only use such underlying carriers for the provision of intrastate interLATA telecommunications service as are certified by this Commission to provide such service and the Company will notify the Commission in writing as to its underlying carrier or carriers and of any change in its carrier.

m. The Company is subject to any applicable access charges pursuant to Commission Order No. 86-584.

n. The Company is required to file on a yearly basis surveillance reports with the Commission as required by Order No. 88-178 in Docket 87-483-C.

o. The Company should file tariffs in accordance with the findings and conclusions herein within 30 days of the date of this Order; such tariffs will be deemed the Company's maximum rates and the Company must file a price list of current charges.

8. That Southern Bell's position that London did not properly file its request for authority is without merit. The Commission's clarification of its Order No. 91-108 correctly instructed London to make the appropriate filing for public notice. Once London became certified in Docket No. 90-642-C, further certification is not required. To provide additional services,

however, the proper tariff filing must be made to the Commission. London has complied with the Commission's procedures, and its filing is in no way defective.

IT IS THEREFORE ORDERED:

1. That the Company's tariff as modified herein to provide "0+" intraLATA and local automated collect calls from confinement facilities only is approved.

2. That the rates so charged for said service are subject to the restrictions enunciated herein.

3. That local exchange companies are required to provide billing and collection services to properly certificated confinement facility "0+" providers at the applicable rate for interexchange carriers.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Henry D. Cone

VICE Chairman

ATTEST:

Deputy Executive Director

(SEAL)