



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News media information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
Internet: <http://www.fcc.gov>
TTY 202 / 418-2555

DA 01-1613
July 6, 2001

COMMENTS INVITED ON AT&T's APPLICATION TO DISCONTINUE INTERSTATE SENT-PAID COIN SERVICE

NSD File No. W-P-D-497

Comments Due: July 20, 2001

Section 214 Application **Applicant: AT&T**

On May 21, 2001, AT&T Communications (AT&T or Applicant), located at 55 Corporate Drive, Bridgewater, NJ 08807, filed an application requesting authority under section 214(a) of the Communications Act of 1934, 47 U.S.C. § 214(a), and section 63.71 of the Federal Communications Commission's (FCC or Commission) rules, 47 C.F.R. § 63.71, to discontinue AT&T Sent-Paid Coin Service (Service). The Service is referenced in sections 3.8.6, 4.1.1, 5.1, and 24.1 of AT&T Tariff FCC No. 27. Specifically, AT&T states that it seeks to withdraw the Service from "dumb" coin telephones that require network signaling to handle coin-related functions.¹ On June 18, 2001, AT&T filed a supplement to its application containing more specific information about the proposed discontinuance.

The application indicates that AT&T seeks to withdraw the Service beginning in the second quarter of 2001. It estimates that the entire discontinuance process will take at least several months. The application states that all locations throughout the country where Applicant offers the Service will be affected.

Applicant states that pay phone customers who use the Service are anonymous. Accordingly, AT&T cannot identify past or prospective users, and cannot provide written notice as required by section 63.71. AT&T explains that it is implementing an alternative notice mechanism whereby it will play an announcement whenever the Service is used. AT&T provides that the announcement will state as follows: "Your call will now be completed. Please note, effective soon, this phone will no longer accept coins for AT&T

¹ According to AT&T, it seeks to retire network-controlled coin calling from "dumb" coin phones that require Feature Group C-based network signaling to: (a) determine the rates for a dialed call; (b) track the deposit of coins into the phone; (c) time the call to require deposit of additional coins for additional periods; (d) terminate calls when the usage the customer has paid for has expired; and (e) return coins when appropriate.

long distance calls. You may wish to begin using a prepaid calling card or other payment methods as a substitute.” AT&T states that it will play the announcement for a minimum of sixty (60) days prior to discontinuing the Service. Moreover, AT&T states that it will not withdraw the Service in any state until it has received the necessary approval from the state’s regulatory authority.

In its June 18th supplement, Applicant reports that its revenues from the Service are small and rapidly declining. AT&T also explains that discontinuance of the Service will affect only a limited category of payphone calls and only a small fraction of payphones. Moreover, AT&T claims that discontinuance would not have a disproportionate impact on any group of customers. Applicant adds that only a handful of calls are placed using the Service from each phone at issue, and that the annual costs of providing the Service are in the scores of millions of dollars – an amount many times greater than the revenues generated by the Service.

Applicant also states in its supplement that if a consumer uses a payphone to place an interstate call using the Service, he or she will pay a minimum of four dollars and sixty-five cents (\$4.65) (one dollar and ninety-five cents (\$1.95) for a coin surcharge + two dollars and seventy cents (\$2.70) for each three (3) minute period). AT&T explains that once the Service is discontinued, consumers can use a prepaid calling card with the same payphones, consumers will receive the same interstate service, and consumers will pay typically three dollars and forty-five cents (\$3.45) less in fees for the same three (3) minute call. According to Applicant, it has offered to provide various consumer advocacy organizations with consumer education information regarding the use of prepaid phonecards.

In accordance with 47 C.F.R. § 63.71(c), the application will be deemed to be automatically granted on the thirty-first (31st) day after the release date of this notice, unless the Commission has notified Applicant that the grant will not be automatically effective. The FCC will normally authorize proposed discontinuances of service unless it is shown that customers or other end users would be unable to receive service or a reasonable substitute from another carrier, or that the public convenience and necessity is otherwise adversely affected.

Comments objecting to this application must be filed with the Commission by **July 20, 2001**. Such comments should refer to application file number **W-P-D-497**. Comments should include specific information about the impact of this proposed discontinuance on the commenter, including any inability to acquire reasonable substitute service. Comments should be sent to the Office of the Secretary, Federal Communications Commission, 445 12th Street, SW, Room TW-A325, Washington, DC 20554. Two (2) copies of the comments should also be sent to the Network Services Division, Common Carrier Bureau, Federal Communications Commission, 445 12th Street, SW, Room 6-A207, Washington, DC 20554; Attention: Al McCloud.

The application will be available for review and copying during regular business hours at the FCC Reference Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC 20554, (202) 418-0270. The application may also be purchased from the Commission’s

copy contractor, International Transcription Service, Inc. (ITS), 1231 20th Street, NW, Washington, DC 20036, telephone (202) 857-3800, facsimile (202) 857-3805, TTY (202) 293-8810.

For further information, contact Al McCloud, (202) 418-2499 (voice), amecloud@fcc.gov, or Jon Minkoff (202) 418-2353 (voice), jminkoff@fcc.gov, of the Network Services Division, Common Carrier Bureau. The TTY number is (202) 418-0484. For further information on procedures regarding Section 214 please visit the Network Services Division web site at: <http://www.fcc.gov/ccb/nsd/documents/214.html>.

-FEDERAL COMMUNICATIONS COMMISSION-