LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER R-31891

LOUISIANA PUBLIC SERVICE COMMISSION, EX PARTE

Docket Number R-31891 In Re: Review and Update of the Regulations and Guidelines of the Louisiana Public Service Commission Applicable to Customer Owned Coin Operated Telephone Service Providers and Alternate Operator Service Providers

(Decided at the Commission's December 12, 2012
Business and Executive Session)

Introduction

At the Louisiana Public Service Commission's ("Commission" or "LPSC") Business and Executive (sometimes "B&E") Session held on March 23, 2011, the Commission initiated this investigation to review and update, as required, the Commission's regulations and guidelines applicable to Customer Owned Coin Operated Telephone ("COCOT") and Alternate Operator Service ("AOS") Providers (also known as Operator Service Providers ("OSPs")). In particular, the Commission indicated that it was interested in the results of an analysis of whether the rates charged to inmates incarcerated in State, Parish and local correctional facilities were just and reasonable. Notice of the initiation of this Docket, including the time permitted for intervention, was published in the Commission's Official Bulletin on April 15, 2011.

Following the inception of this rulemaking docket, several parties filed timely motions to intervene as follows: Sprint Spectrum, L.P. ("Sprint"),[1] Global Tel*Link ("Global"),[2] Infinity Networks, Inc. ("Infinity");[3] Network Communications International Corporation ("NCIC"), Securus Technologies, Inc. ("Securus"), the Louisiana Cable and Telecommunications Association, Inc. and the Small Company Committee of the Louisiana Telecommunications Association ("SCC").[4] The Department of Corrections (now the Department of Public Safety and Corrections ("DPS&C")) made an appearance and sought "Interested Party" status pursuant to Rule 6 of the Commission's Rules of Practice and Procedure ("Commission Rules"), which

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1 Sprint subsequently withdrew from this Docket.

2 Global subsequently requested to become "inactive" and ultimately withdrew from the Docket.

3 Infinity subsequently withdrew from this Docket.

4 The SCC subsequently withdrew from this Docket.

was granted. Approximately nineteen months after the opening of the Docket, City Tele-Coin Company, ("CTC") and The Louisiana Sheriffs' Association ("LSA") requested leave to intervene out of time, which motions were granted.

During the course of the investigation, the Commission Staff requested a variety of information from the parties to the Docket. Two rounds of data requests were propounded. The first contained 22 data requests and the second contained an additional six detailed data requests. The Staff data requests sought information about a variety of the providers' operations including: the institutions in which the carriers provided service in Louisiana; the contractual terms of the agreements between the carriers and the correctional institutions; the level of rates charged by the providers; the design of the rates; the specific services provided; the cost to provide each service; the earned returns on the carriers' Louisiana operations; the level of commissions paid to the correctional facilities; whether any surcharges or fees are assessed and collected by the carriers (in addition to the rates charged for telecommunications services pursuant to the Commission-authorized rate caps); whether the collection of any such surcharges or fees was approved by Commission Orders; whether the carriers would be in favor of any changes to the level or design of the rate caps approved by the Commission and currently in effect; changes to the level and design of rates favored by the carriers; and the timing of implementing any changes to those rates and/or surcharges and fees.

The responses to Staff's discovery varied widely from provider to provider. One carrier provided somewhat detailed information on not only the services it provides but also, for a limited time, on its claimed cost of providing those services and its earned returns. Other carriers provided considerably less information claiming that they couldn't break out costs and profitability associated with their Louisiana operations, because they didn't keep their books on that basis, nor did they see any reason to do so. They did not attempt to provide this information. Every carrier that responded to the Staff's data requests claimed that some or all of the information provided was proprietary, confidential, commercially sensitive or constituted trade secrets and was therefore entitled to the confidentiality protections provided by Rule 12 of the Commission Rules. The Commission Staff has respected these assertions by the carriers and treated this information in accordance with Rule 12 of the Commission Rules. None of the claimed proprietary information has been made public.

In addition to the data requests propounded by the Commission Staff, the Commission conducted a technical conference on August 21, 2012. On October 19, 2012, the *Commission Staff Recommendations* ("Staff Recommendations") were filed in the Docket and distributed to all parties on the Official Service List. Notice of the Staff Recommendations appeared in the Commission's Official Bulletin, and they were posted on the Commission website. Comments were invited on the Staff Recommendations and were submitted by Securus, DPS&C, CTC, NCIC and Global.

Thereafter, this matter was discussed at the Commission's November 15, 2012 Business and Executive Session. After extensive discussion, and the appearance and testimony of numerous parties and members of the public, a motion to adopt the Staff Recommendations failed by a vote of 2-2 with one abstention. The matter was scheduled to appear on the Agenda for the December 12, 2012 B&E. On November 21, 2012 the *Commission Staff Consultant Report* ("Consultant Report") was distributed to all parties on the Official Service List. The following parties and entities filed comments on the Consultant Report: Securus, NCIC, CTC, Global, DPS&C, and the LSA. Thereafter, this matter was discussed at length at the Commission's December 12, 2012 Business and Executive Session.

Jurisdiction and Applicable Law

Article IV § 21 of the Louisiana Constitution of 1974 invests the Louisiana Public Service Commission with the following authority:

> The Louisiana Public Service Commission shall have all power and authority to regulate common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

The Commission has, on a continuous basis, since at least 1989, exercised its Constitutionally-granted jurisdiction to regulate the rates charged and services rendered by Operator Service Providers serving correctional facilities. In 1988, the Commission established Docket No. U-17957 to investigate the operating practices and rates and charges of Alternate Operator Service Providers. The Commission directed the Staff to examine the rates and charges of the AOS companies as well as their operating practices. In its Order No. U-17957 (March 7,

1989), the Commission set forth rules and regulations applicable for AOS companies then operating in Louisiana.[5]

On February 12, 1993, the Commission issued Order No. U-17957-B (corrected). In that order the "cap" for OSP calls was established by utilizing the highest daytime rate for each category of service from among a benchmark group consisting of AT&T, MCI, Sprint and South Central Bell. At that time, the Commission also established a sub-docket to address those unique issues concerning correctional institutions.

Commission Order No. U-17957-B (corrected), among others, included the following requirements.

VIII Intrastate Service and Rates

> D. A benchmark group will be used to establish a cap on rates for operator services. The benchmark group will consist of AT&T, MCI, Sprint, and South Central Bell. The cap will be established by utilizing the highest daytime rate for each category of service from among the benchmark group.
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> All providers of operator services are subject to the cap with the exception of the members of the benchmark group. Each member of the benchmark group shall provide summary sheets to the Commission with details of the charges per mileage service it offers.
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> *Providers of operator services may file tariffs with rates higher than the cap if they are able to demonstrate to the Commission why the cost, value of service, or other factors justify rates higher than the cap established by the benchmark group.*
>
> E. No OSP shall charge for a noncompleted call.
>
> *F. Surcharges in addition to those contained in the cap are prohibited.*
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> (Order No. U-17957-B (corrected) (February 12, 1993), Guidelines for Operator Service Providers Section VIII Intrastate Services and Rates (D), (E), & (F) (emphasis supplied)):

The language in Sections "D" and "F" above was retained in the subsequent OSP General Orders (*See, e.g.,* General Order, September 18, 1998 at 19.)

In a subsequent OSP General Order, the Commission recognized that one unique aspect of the provision of telephone service to inmates at correctional institutions is that inmates have no choice as to their telephone service provider. Whatever AOS provider is chosen by the correctional institution is the one that must be used by the inmates. In addition, in the overwhelming majority of cases, it is not the inmates who pay for the telephone service. Rather,

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[5] The Commission Orders addressing service offered by OSP providers are sometimes referred to herein as the Commission's "General Orders."

it is the parents or grandparents or children of the inmates who pay for the calls. In Order No. U-17957-C, the Commission recognized these unique attributes of the provision of telecommunications service in correctional institutions as follows:

> Another issue must be considered regarding the application of the Guidelines to correctional institutions. *As noted previously, the calls made by inmates are generally collect calls charged to their families and friends. It is these individuals who must ultimately pay for the calls.* The rate cap contained in the permanent Guidelines consists of the highest daytime rates from among the rates of South Central Bell, AT&T, MCI and Sprint. *Inmates do not have the ability to access the operator service provider of their choice and therefore cannot "shop" for the lowest possible rate. Given the fact that these customers have no choice as to their provider, there is no reason to eliminate the requirement that OSPs serving correctional institutions be required to abide by the rate cap. In addition, as further protection, we will revise the rate cap for use at correctional institutions in two additional respects. First, the rate cap must reflect time of day discounts. Therefore, the highest daytime, evening and night rates of the benchmark group would cap prices for calls made during those times.* (Order No. U-17957-C, September 23, 1993 at 4-5, (emphasis supplied)).

The Commission has continuously exercised its regulatory authority on these OSP rates since 1989. Some of these orders were Commission-ordered *increases* in the rate caps, pursuant to requests by providers. (*See, e.g.,* Order No. U-27938 (August 1, 2007)).

Of all of the entities that were either Intervenors in this Docket, Interested Parties, or offered comments on the Staff Recommendations or the Consultant Report, only one raised an issue as to whether the Commission has jurisdiction over the provision of telecommunication services in Louisiana correctional institutions.[6] The Commission's Constitutionally-granted plenary jurisdiction over public utilities and common carriers unquestionably provides jurisdiction to regulate AOS/OSP providers. The breadth of the Commission's authority has been affirmed by the Louisiana Supreme Court consistently on numerous occasions. *See, e.g., Cajun Electric Power Cooperative, Inc. v. LPSC,* 544 So.2d 362 (La.), *cert. denied* 493 U.S. 991, 110 S.Ct. 538, 107 L.Ed.2d 536 (1989); *Cajun Electric Power Cooperative, Inc. v. LPSC,* 532 So.2d 1372, 1380, 1381 (La. 1988) (on original hearing) (Dennis, J. dissenting (Calogero, J. dissenting); *South Central Bell Telephone Co. v. LPSC,* 412 So.2d 1069, 1070 (La. 1982); *Central Louisiana Electric Co. v. LPSC,* 373 So.2d 123, 128 (La. 1979); *Louisiana Consumers' League Inc. v. LPSC,* 351 So.2d 128, 131 (La. 1977).

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6 See November 7, 2012 Comments of CTC questioning whether the Commission "has jurisdiction to regulate VoIP service providers such as CTC." (CTC Comments at 1).

Staff Recommendations

On October 19, 2012 the Staff Recommendations were issued and distributed to all Intervenors and Interested Parties to the Docket. Staff sought comment and input on its Recommendations from all parties to the Docket. A summary of the Staff Recommendations is set forth immediately below.

Rate Simplification

The Staff found that the telecommunications industry and the manner in which rates are set have changed dramatically since the Commission first adopted the level and structure of rates in its AOS General Order in 1989, as described above. In the past, rates were set on factors such as the time of day the call was made, the length of the call, whether it was local, intra-LATA intrastate, inter-LATA intrastate, or interstate, the mileage between the central offices originating and terminating the call, whether it was a person to person or station to station call and similar criteria. About 750 rate "caps" were established that set the maximum amounts that could be charged for calls combining variables from all of these categories. The level of the caps was determined by reference to the rates of a "benchmark group" consisting of AT&T, MCI, Sprint and South Central Bell. Caps were established by utilizing the highest rate for each category of service.

Since the adoption of the General Orders, the technology utilized to deliver telecommunications services to correctional facilities has changed dramatically. The vast majority of service to correctional institutions in Louisiana is delivered via Voice Over Internet Protocol ("VoIP"). The carriers in this Docket all indicated that, to the extent that they are not already there, they are moving toward 100% use of the VoIP technology. The VoIP technology is far less expensive than the old circuit-switched technology that was utilized when the General Orders were adopted. The cost to provide the basic telecommunications services has declined dramatically because of these improvements in technology. In addition, the difference in cost of providing different services (*e.g.*, local, intra-LATA, inter-LATA) has been virtually eliminated. In most respects, costs do *not* vary based on time of day, call mileage, whether the call is intra-LATA/inter-LATA, or the type of call (station-to-station, collect, station-to-station third number, station-to-station operator handled, or calling card). Many of the provider Intervenors generally agree.

The Commission Staff, as well as every telecommunications provider who is a party to the case and offered opinions on the subject, agree that the current rate structure must be simplified. The current structure does not reflect conditions today and is unnecessarily complicated. Given the new technology, and the fact that the cost to complete all types of calls is virtually identical, there is no reason for time of day rates, inter-LATA, intra-LATA distinctions or rates based on mileage bands.

Rate Level

The Commission Staff, based on the information provided by the Intervenors and obtained independently, calculated that the average revenue per call for calls made from correctional institutions in Louisiana for a 12 minute call is about $3.00. This is supported by the most detailed information supplied by the providers. This ranked at about the middle level - both nationwide and among Southern states. The data supplied by the providers also demonstrated that the cost of that average 12 minute call to the provider was approximately $1.59 including a reasonable profit to the provider. The Staff recommended that a reduction in rates, on average of about 25% would still permit the prison telephone providers to recover all of their costs associated with the provisioning of telephone service and completion of calls, including the generation of reasonable returns to the providers. It would also permit the payment of commissions to the correctional facilities.

The Staff recognized that there are a variety of costs that must be incurred by the carriers providing service to penal institutions that are unique to those institutions. These include costs incurred in connection with security, fraud prevention, number verification, and collections. The cost of these provider-supplied services are covered in the Staff's Recommendations to reduce the average cost of a 12 minute call to $2.29. A reduction in the average revenue per call to $2.29 would not make Louisiana's costs per call even close to the lowest in the nation (at least 13 states would still have lower average cost per minute rates). In addition, as described below, these would not be flash cuts. Rather, pursuant to the Staff Recommendations, carriers would have up to 24 months to implement the rate changes. The Staff also recommended that because so many costs of a call are incurred whether or not it is a one minute or a twelve minute call (*e.g.,* determining the inmate's PIN; verifying the called number; validating the called party account on collect calls; processing the call; announcing the inmate call; and completing the call) that there be a substantial initial charge ($1.69) and

subsequent per minute charges of $.05/minute. The Staff Recommendation regarding rate levels would reduce the cost of an average call by just under 25%.

Surcharges and Fees

In addition to analyses of the level and design of rates, Staff investigated and provided recommendation on one additional major issue. This is the surcharges or fees assessed by the AOS/OSP carriers serving correctional institutions that are collected over and above the rates charged pursuant to the rate caps.[7] Separate surcharges are assessed by the carriers for the following types of transactions (the various carriers assign different names to the surcharges and the amount of the surcharges vary from carrier to carrier):

Prepaid Funding by Phone - This is a charge incurred by relatives or friends to buy calling time for inmates. It works as follows: If a family member or friend of an inmate wants to fund $50.00 of calling time, it could cost, depending upon the carrier, anywhere from $2.50 to $8.50 to fund that account. Stated otherwise, to fund $50.00 of calling time could cost a friend or relative $58.50. Alternatively, if a friend or relative paid $50.00, only $41.50 of calling time would be available.

Refund Fee Surcharge - This is a charge for obtaining a refund of amounts remaining in an inmate's account. This surcharge works as follows: Assume an inmate has $30.00 remaining in a prefunded phone account and is released from prison. The former inmate may be charged $5.00 to obtain a refund of the unused amount, meaning, in the example above, only $25.00 will be refunded. Some carriers have policies that have the amounts in the prepaid accounts forfeited

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7 At the November 15, 2012 Business and Executive Session, Commissioner Skrmetta directed the Staff to perform additional analysis of the issue of fees and surcharges as follows:

> I direct Staff to research fees and deposits that are being required by prison payphone providers/correctional facilities to establish pre-paid telephone accounts for inmate calls and provide recommendations back to the LPSC. I want the focus to be on the basis for these fees and deposits, processing of said fees and deposits and how refunds of these fees are provided.

(Tr. November 15, 2012 B&E at 8-9).

The Staff performed the requested analysis and distributed it to all parties to the Docket on December 6, 2012. In that document, the Staff reaffirmed its original recommendation to have the Commission require that all such surcharges and fees be removed within 30 days and also provide the carriers with the opportunity to make filings with the Commission seeking Commission-authorized exemptions or exceptions to the surcharge/fee prohibition.

to providers if there is no activity in the account for 90 or 180 days. At least one carrier simply makes no refunds at all.

This is not an exhaustive list of the additional surcharges and fees being assessed by the carriers serving correctional institutions in Louisiana. One carrier assesses a 4% per-call "Validation Surcharge" applied to the base rate of all calls. These are just several examples of and fees that are assessed by carriers serving correctional institutions. It is the carriers, not the correctional institutions that retain the money generated by these surcharges and fees. The Staff indicates that there is no evidence that the Commission has ever approved any of these surcharges or fees and the vast majority of these surcharges and fees are not contained in the carriers' tariffs.

Timing of Implementation

The final portion of the Staff Recommendation addresses the timing of implementation of the changes in the rate cap, rate design and elimination of the surcharges and fees. The Staff recommended that any rate and rate design changes adopted by the Commission should be implemented for the next contract after an existing contract expires. In the event that a contract has an option, extension, or rollover provision, the new cap and rate design would apply to any such option, extension or rollover of the contract. However, regardless of the date of the expiration of any contract, any revised rate cap and rate design should be effective no later than 24 months after the effective date of a Commission Order in this Docket. For the surcharges and fees, the Staff recommends that they be removed within 30 days of the effective date of a Commission Order in the Docket. The carriers should be authorized to seek, from the Commission, exemptions or exceptions from the rate changes and from the elimination of the surcharges and fees.

Based on the data provided by the carriers, the information accumulated by the Staff, the technical conference and input from the carriers and the LPSC, the Staff made the following six recommendations:

1) A single rate cap shall be established eliminating all rate differentials based on inter-LATA, intra-LATA, mileage bands, time of day, etc.;

2) The rate cap shall contain an Initial Charge of $1.69 and a per-minute-of-use charge of $.05;

3) Surcharges being collected by the AOS providers that have not been authorized by the Commission General Orders and have not been approved by an affirmative vote of the Commissioners, shall be eliminated within 30 days of the effective date of a Commission Order in this Docket;

4) The new rate cap and rate design shall be implemented for the next contract after an existing contract expires but if a contract has an option, extension, or rollover provision the new rate cap will apply to any such option, extension or rollover of the contract. However, regardless of the date of the expiration of any contract, the revised rate cap and rate design shall be effective no later than 24 months after the effective date of the Commission Order adopting the changes;

5) The carriers are authorized to seek exemptions/exceptions from the amounts that can be charged under the rate cap or from the elimination of the unauthorized surcharges.

6) Rates and caps for local calls currently in effect shall remain in place.

Comments on Staff Recommendations

As previously mentioned, numerous entities submitted comments on the Staff Recommendations and/or the Consultant Report. Some of those entities were parties to the Docket and participated in the proceedings. Others did not seek intervenor status until after the Staff Recommendations were issued nor did they seek to participate in the Docket as Interested Parties. The Commission considered the substantive comments of all of these entities.

Securus

Securus objected to the Staff Recommendations and the Consultant Report alleging that there was inadequate support for the Staff Recommendations and Consultant Report; the rate recommendation would not provide Securus with recovery of all of its costs (including commissions to be paid to correctional facilities); data from state, parish/county and local penal institutions is not broken out, distorting results; the elimination of the additional surcharges and fees is unwarranted as they cover costs (of the providers) not included in rates and since the Commission never rejected the tariffs, Securus is entitled to recover the surcharges; finally Securus objects to the 30 day requirement to remove the surcharges and the requirement that rate changes take place when current contracts expire or within 24 months. Securus agrees with the Staff that the existing rate structure needs to be simplified, but seeks more flexibility. It agrees with Staff that rates should not vary by call type, distance or time of day, but that these caps must be established on an institution-specific basis. Securus also agrees that the "transport" costs of completing inmate calls is increasingly insensitive to differences in the time-of-day, call type, call jurisdiction and distance.

NCIC

NCIC agrees with Staff that a single rate cap should be established for each jurisdiction. For local calls it recommends the current cap. For all other calls, NCIC recommends an initial setup charge of $2.15 with a per minute use charge of $.25, for an average

12-minute call cost of $5.15 as opposed to the Staff's recommendation of an initial charge of $1.69 and $0.5 for each additional minute, for a total cost of an average 12 minute call of $2.29.[8] NCIC alleges that Staff's rates won't cover costs. It opposes the elimination of the surcharges and fees and disagrees with the timing of implementation of the rate changes. It claims that Staff did not use all of the data supplied by the intervening carriers, did not support the fact that VoIP technology has lowered the cost of providing service, and did not properly differentiate among state, parish and local facilities. NCIC alleges that no Public Service Commission has eliminated the payment of commissions to penal institutions - rather, it has been State Legislatures that have eliminated the payment of commissions. NCIC objects to the discontinuance of the surcharges and requests that the following surcharges be put in place: $4.95 - Account establishment fee using live operator; $2.50 - Account establishment fee robot IVR; $1.50 - Funding fee for automated recharges; $2.50 - Refund fee for live operator recharges. NCIC disagrees that unauthorized surcharges should be removed within 30 days and objects to the 24 month limit to implement the rate changes.

DPS&C

The DPS&C states that it "has no knowledge in [sic] or understanding of all the varying rate differentials on the type of call and thus has no comment on the varying rate caps." Its function is public safety and works to ensure inmate calls are not made to victims, felons and gang members. All inmate calls are recorded and monitored. DPS&C Staff monitors calls at all nine DPS&C facilities. Reducing the rates will have negative impacts on public safety and prison security. The new contract with Securus included upgrades to the phone facilities. If commissions paid to DPS&C are reduced, it will not be able to pay its telephone-related employees. Commissions help pay for offender welfare and public safety. Reducing rates may result in limiting contact between prisoners and family. If the Staff Recommendations are adopted, DPS&C recommends that they not be implemented until all current contracts, plus option periods, expire. The DPS&C takes no position on the elimination of the surcharges and fees.

GTL

GTL agrees with the Staff that time of day and mileage rate distinctions should be eliminated but wants to maintain distinctions between intra-LATA and inter-LATA calls. It

[8] NCIC's proposal could increase the cost of inmate calls on average, above the levels currently in place.

notes that Louisiana rates are roughly in the middle of the range in the South and nationally. The Staff Recommendations do not adequately take into consideration the law enforcement aspects of a prison phone system. GTL claims that its surcharges are tariffed and objects to the 30 day surcharge elimination period and the 24 month maximum period to implement the new rates.

CTC

CTC challenges the Staff Recommendations questioning "whether the LPSC has jurisdiction to regulate VoIP service providers such as CTC." It believes that Staff Recommendations will harm Louisiana sheriffs and the DPS&C (and in some cases the public and inmates) by eliminating a funding source, safety and security features, revenues from state and parish budgets and inmate job training, health and educational programs. The lowering of rates could cause taxes to increase. CTC points out the many unique and costly features of inmate telecommunications. In most states that have no commission payments, it was the result of legislative action. CTC challenges the Staff's analysis of the issues. Finally, CTC cites the $650,000 minutes of free calls for inmates it claims it provided last year and claimed that if fees paid to CTC were eliminated, the free calls would cease. CTC did not comment on the elimination of surcharges or fees. It sought deferral of a Commission decision.

LSA

LSA objects to the Staff Recommendations on the ground that they did not consider the impact of the proposals on public safety and security. It notes that the commission revenues allow law enforcement to protect public safety and institutional security; taxpayers will have to make up any shortfalls; Louisiana prison rates rank about in the middle of the Southern states and nationally. The LSA states it is studying inmate telephone issues to develop uniform standards, while potentially eliminating some fees to reduce the cost of the calls and maintaining security and public safety. The LSA did not comment on the elimination of the unauthorized surcharges and fees. It requested deferral of Commission action.

Commission Consideration of the Issues

At the December 12, 2012 B&E, the Commission adopted the Staff Recommendations with the following revisions: The single rate cap of an initial charge of $1.69 and a per minute charge of $.05 would only apply to calls to: 1) immediate families of inmates; 2) legal aid services and groups; 3) clergy, churches, pastors, ministers and similarly situated entities; 4) governmental agencies, including schools; and 5) attorneys and public defenders. All other rate caps currently in effect shall remain in place. The new rate cap and rate design for the

five categories of call recipients will be implemented for the next contract after an existing contract expires, but if a contract has an option, extension, or rollover provision, the new rate cap will apply to any such option, extension or rollover of the contract. However, regardless of the date of the expiration of any contract, the revised rate cap and rate design shall be effective no later than 24 months after the effective date of the Commission Order adopting the changes. All other provisions of the Staff Recommendations, including the elimination of the surcharges and fees, remain the same.

The Commission's action will result in just, reasonable and not unduly discriminatory rates. As previously discussed, the structure of the prison telecommunications industry is that it is the mothers, fathers, children, relatives and friends of the inmates who actually pay for the calls, not the inmates themselves. The rate proposal adopted by the Commission will reduce calling rates by about 25% to precisely those individuals and entities that fund the inmates calling accounts and those whose contact is most necessary to rehabilitation - family, clergy and legal assistance. The carriers and correctional institutions are protected from any adverse consequences of the Commission's rate reduction and rate redesign in at least two ways. First, these are not flash cuts with immediate impact on existing contracts. The reduced and redesigned rates will not go into effect until current contracts expire or after 24 months. There will thus be ample opportunity to incorporate the Commission-mandated rate and rate design changes. Second, to the extent that a correctional institution or a carrier believes that a higher rate than that mandated by this Order is justified or warranted, it has the opportunity to file with the Commission for exemptions or exceptions from any provision of the new rates. If the carrier or correctional institution makes such a filing and can demonstrate for cost of service, public policy, public health and safety, or for any other reason that an exemption or exception from the new rates is warranted, the Commission, by affirmative vote, may authorize the establishment of rates other than those required by this Order.

Regarding the elimination of the surcharges and fees, since 1989, when the Commission began exercising its Constitutionally-granted authority to set rates for OSPs serving correctional facilities, it has consistently prohibited those providers from assessing and collecting surcharges or fees that were not specifically authorized in the approved rate caps or otherwise approved by a vote of the Commission. These prohibitions have remained in the Guidelines from the Commission's very first General Order in 1989, to the present, as follows:

> "Surcharges, in addition to those contained in the cap are prohibited."
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> [Order No. U-17957 (March 7, 1989) Guidelines VIII F. at p. 9.]
>
> "Surcharges, in addition to those contained in the cap are prohibited.
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> [Order No. U-17957-B (corrected) (February 12, 1993) Guidelines VI F. at p. 7.]
>
> "Surcharges in addition to those contained in the Commission's rate cap are prohibited."
>
> [General Order, September 18, 1998 at 19.][9]

Because there has been no explicit prior approval of these surcharges, they violate the Commission General Orders cited above and their collection should cease immediately. These surcharges and fees are not contained in the existing rate caps, they were not specifically approved by a vote of the Commission and most of them are not contained in the carriers' tariffs. They are simply unauthorized. Two carriers have some of their surcharges in their tariffs. Even for those carriers, however, these surcharges are not contained in the cap, nor have they been approved by a majority vote of the Commission. None of the surcharges currently being collected by the correctional facility carriers have ever been brought to the Commission for consideration and approval.

Although the Commission's OSP Orders do contain a prohibition of assessing any surcharges not contained in those orders or the caps, those orders also contain language such as the following:

> 2c. The Commission, through its Secretary, must accept, reject or elect to follow the procedure set forth in 3 below [not applicable] within ten (10) working days after the filing of a tariff. If no action is taken within the ten (10) day period the tariff is deemed accepted.
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> General Order, Sept. 18, 1998

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9 The regulations for competition in the local telecommunication market were most recently amended in General Order No. R-31825, dated June 20, 2012. Section 401(D)7 of the regulations is entitled **Prohibited Tariff Filings** and states:

> A tariff filing that is designed to alter or modify any Commission order, rule, regulation, policy or procedure in any way is prohibited.
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> Order No. R-31825, Attach. A, § 401(d)7, p. 20 (June 20, 2012).

This same provision has continuously appeared in the prior Local Competition orders since 1996 (General Order November 25, 1996). Therefore, any suggestion that collection of surcharges is authorized by merely filing a tariff containing fees that were not contained in the General Order rate caps or specifically authorized by the Commission, is rejected.

In that same General Order, one page later, the following language appears:

> 5. PSPs and OSPs may petition the Commission seeking rates higher than the cap if they are able to demonstrate to the Commission why setting rates higher than the rate caps would promote the public interest, such as higher costs of providing services, enhanced value of services or other such factors.
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> 6. No OSP shall charge for a noncompleted call. A positive response from the end user is required prior to the initiation of charges for a collect call.
>
> *7. Surcharges in addition to those contained in the Commission's rate caps are prohibited.*
>
> *Id. (emphasis supplied)*

Identical or similar specific prohibitions have appeared in the Commission's OSP orders since at least 1989. Simply including a prohibited surcharge in tariff language does not do away with these Commission-mandated prohibitions.

The Commission's decision to have the carriers remove all surcharges within 30 days will also result in just, reasonable, and not unduly discriminatory rates. These surcharges and fees directly violate provisions of numerous Commission General Orders. There is no evidence that the carriers applied for, much less received Commission approval for any of these fees or surcharges. In addition, as with the revised rate caps, every carrier will have the opportunity to seek exemptions or exceptions from the elimination of these surcharges and fees. To the extent that a carrier is able to demonstrate, for cost of service, public policy, public health and safety, or for any other reason that an exemption or exception from the elimination of the surcharges or fees is warranted, the Commission may authorize the collection of the surcharge at an appropriate level.

At the conclusion of the Commission's consideration of these issues at the December 12, 2012 Business and Executive Session, Commissioner Skrmetta gave the Staff the following directive:

> [I] [d]irect Staff to open a docket beginning January of 2013 to create a specific docket for regulatory prison telephone communication system, and to transfer all current prison telephone communication companies from the [COCOT] docket into a specific docket created especially for dealing with the prison telephone system. And to set a technical conference to take place at the end of January, I prefer it to be in New Orleans.
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> (December 12, 2012 B&E Tr. at 150).

Commission Action at the December 12, 2012 Business and Executive Session

These matters were considered by the Commission at its December 12, 2012 Business and Executive Session. On Motion of Commissioner Boissiere, seconded by Commissioner Skrmetta and unanimously adopted, the Commission voted as follows: The Commission Staff Recommendations are adopted with the following changes. The single rate cap of an initial charge of $1.69 and a per minute charge of $.05 would only apply to calls to: 1) immediate families of inmates; 2) legal aid services and groups; 3) clergy, churches, pastors, ministers and similarly situated entities; 4) governmental agencies, including schools; and 5) attorneys and public defenders. All other rate caps currently in effect shall remain in place. Copies of the resulting rate caps are attached to this Order. The new rate cap and rate design for the five categories of call recipients will be implemented for the next contract after an existing contract expires, but if a contract has an option, extension, or rollover provision, the new rate cap will apply to any such option, extension or rollover of the contract. However, regardless of the date of the expiration of any contract, the revised rate cap and rate design shall be effective no later than 24 months after the effective date of the Commission Order adopting the changes. All other provisions of the Staff Recommendations would remain the same and were included in Commissioner Boissiere's substitute motion. By a vote of 5-0, the Commission voted to approve Commissioner Boissiere's substitute motion.

IT IS THEREFORE ORDERED THAT:

1. For calls made by inmates in correctional institutions to: 1) Immediate families of inmates; 2) Legal aid services and groups; 3) Clergy, churches, pastors, ministers and the like; 4) Government agencies, including schools; and 5) Attorneys/public defenders, a single rate cap shall be established eliminating all rate differentials based on inter-LATA, intra-LATA, mileage bands, the time of day, etc.

2. The rate cap for these five categories of call recipients shall contain an Initial Charge of $1.69 and a per-minute-of-use charge of $.05

3. All other rates and caps currently in effect shall remain in place.

4. Surcharges and fees being collected by the AOS providers that have not been authorized by the Commission General Orders and have not been approved by an affirmative vote of the Commissioners shall be eliminated within 30 days of the effective date of this Commission Order.

5. The new rate cap and rate design for the five categories of call recipients shall be implemented for the next contract after an existing contract expires but if a contract has an option, extension, or rollover provision the new rate cap will apply to any such option, extension or rollover of the contract. However, regardless of the date of the expiration of any contract, the revised rate cap and rate design shall be effective no later than 24 months after the effective date of this Commission Order.

6. The carriers are authorized to seek exemptions/exceptions from the Commission from the amounts that can be charged under the rate cap or from the elimination of the unauthorized surcharges and fees.

7. Rates and caps for local calls shall remain the same.

THIS ORDER IS EFFECTIVE IMMEDIATELY

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
January 28, 2013

/S/ FOSTER L. CAMPBELL
DISTRICT V
CHAIRMAN FOSTER L. CAMPBELL

/S/ JAMES M. FIELD
DISTRICT II
VICE CHAIRMAN JAMES M. FIELD

/S/ ERIC F. SKRMETTA
DISTRICT I
COMMISSIONER ERIC F. SKRMETTA

/S/ LAMBERT C. BOISSIERE
DISTRICT III
COMMISSIONER LAMBERT C. BOISSIERE, III

EVE KAHAO GONZALEZ
SECRETARY

/S/ CLYDE C. HOLLOWAY
DISTRICT IV
COMMISSIONER CLYDE C. HOLLOWAY

IntraState (IntraLATA & InterLATA) Maximum Allowable Rate (CAP)
Excluding Correctional Facilities

Docket No. R-31891
Adopted: December 12, 2012 Open Session
Effective: January 28, 2013

LOCAL CALLS - MAXIMUM ALLOWABLE RATE

Rates in Effect: January 28, 2013

Operator Service Fee (Initial Charge)	**0.81 per call**
Usage Fee (Per Five Minute Increment)	**0.50 per 5 minute increment**

INTRASTATE LONG DISTANCE CALLS EXCLUDING CORRECTIONAL FACILITIES - MAXIMUM ALLOWABLE RATE

IntraLATA / InterLATA	DAY RATES									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400
11 - 16	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900
17 - 22	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400
23 - 30	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
31 - 40	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
41 - 55	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
56 - 70	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
71 - 100	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
101 - 124	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
125 - 196	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
197 - 292	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
293 - +	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500

CAP INTRASTATE (INTRALATA & INTERLATA) OPERATOR SERVICES EXCLUDING CORRECTIONAL FACILITIES

SUMMARY OF OPERATOR SERVICE CHARGES

OPERATOR SERVICES	RATE
Intra & Inter - LATA	
STATION TO STATION	
Collect	$2.15
Third Number Bill	$2.25
Operator Handled	$2.20
CALLING CARD	$0.80
PERSON TO PERSON	$4.50
VERIFICATION	$4.00
INTERRUPTION	$4.00
OPERATOR ASSIST	$1.00
LOCAL DIRECTORY ASSIST. *	
LD DIRECTORY ASSISTANCE	$0.85

SUMMARY OF OPERATOR SERVICE CHARGES

OPERATOR SERVICES	RATE
Local	
STATION TO STATION	
Collect	$1.83
Third Number Bill	$1.83
Operator Handled	$1.83
CALLING CARD	$0.75
PERSON TO PERSON	$3.13
VERIFICATION	$2.00
INTERRUPTION	$4.00
OPERATOR ASSIST	$0.80
LOCAL DIRECTORY ASSIST. *	$0.31
LD DIRECTORY ASSISTANCE	

Time/Day	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
8:00 AM TO 5:00 PM	DAY						
5:00 PM TO 11:00 PM	EVENING						EVENING
11:00 PM TO 8:00 AM	NIGHT & WEEKEND						

IntraState IntraLATA Maximum Allowable Rate (CAP) for Correctional Facilities

Docket No. R-31891
Adopted: December 12, 2012 Open Session
Effective: January 28, 2013

LOCAL CALLS - MAXIMUM ALLOWABLE RATE

Rates in Effect: January 28, 2013

Operator Service Fee (Initial Charge) 0.81 per call
Usage Fee (Per Five Minute Increment) 0.50 per 5 minute increment

INTRASTATE INTRALATA LONG DISTANCE CALLS FROM CORRECIONAL FACILITIES PLACED TO:

1) Immediate Families of Inmates
2) Legal aid Services
3) Clergy, Churches, Pastors, Ministers and the Like
4) Government Agencies, including Schools and
5) Attorneys/Public Defenders

Operator Service Fee (Initial Charge) $1.69 per Call
Per Minute of Use Charge $0.05 per minute

ALL OTHER INTRASTATE INTRALATA LONG DISTANCE CALLS FROM CORRECIONAL FACILITIES:

Correctional Facility CAP for Operator Services- IntraLATA

Appendix 1, Page 2 of 3

IntraLATA	DAY RATES									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400
11 - 16	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900	$0.2400	$0.1900
17 - 22	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400	$0.2500	$0.2400
23 - 30	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
31 - 40	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
41 - 55	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
56 - 70	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
71 - 100	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
101 - 124	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
125 - 196	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
197 - 292	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500
293 - +	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500	$0.2500

Correctional Facility CAP for Operator Services- IntraLATA

IntraLATA	EVENING RATE									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100
11 - 16	$0.1680	$0.1330	$0.1680	$0.1330	$0.1680	$0.1330	$0.1680	$0.1330	$0.1680	$0.1330
17 - 22	$0.1750	$0.1680	$0.1750	$0.1680	$0.1750	$0.1680	$0.1750	$0.1680	$0.1750	$0.1680
23 - 30	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
31 - 40	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
41 - 55	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
56 - 70	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
71 - 100	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
101 - 124	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
125 - 196	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
197 - 292	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
293 - +	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900

Correctional Facility CAP for Operator Services- IntraLATA

IntraLATA	NIGHT & WEEKEND									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900
11 - 16	$0.1200	$0.1000	$0.1200	$0.1000	$0.1200	$0.1000	$0.1200	$0.1000	$0.1200	$0.1000
17 - 22	$0.1250	$0.1200	$0.1250	$0.1200	$0.1250	$0.1200	$0.1250	$0.1200	$0.1250	$0.1200
23 - 30	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.2500	$0.1250	$0.1250
31 - 40	$0.1250	$0.1250	$0.1250	$0.125[illegible]	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250
41 - 55	$0.1400	$0.1400	$0.1400	$0.14[illegible]	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400
56 - 70	$0.1500	$0.1500	$0.1500	$0.1[illegible]	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
71 - 100	$0.1500	$0.1500	$0.1500	$0.1[illegible]	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
101 - 124	$0.1500	$0.1500	$0.1500	$0.150[illegible]	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
125 - 196	$0.1600	$0.1600	$0.1600	$0.160[illegible]	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
197 - 292	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
293 - +	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700

Correctional Facility CAP for Operator Servic es- IntraLATA

SUMMARY OF OPERATOR SERVICE CHARGES

OPERATOR SERVICES	RATE
LOCAL OPERATOR ASSIST	$0.[illegible]1
STATION TO STATION	
Collect	$2.15
Third Number Bill	$2.25
Operator Handled	$2.20
CALLING CARD	$0.80
PERSON TO PERSON	$4.50
VERIFICATION	$4.00
INTERRUPTION	$4.00
OPERATOR ASSIST	$1.00
LOCAL DIRECTORY ASSIST. *	$0.31
LD DIRECTORY ASSISTANCE	$0.85

IntraState InterLATA Maximum Allowable Rate (CAP) for Correctional Facilities

Docket No. R-31891
Adopted: December 12, 2012 Open Session
Effective: January 28, 2013

LOCAL CALLS - MAXIMUM ALLOWABLE RATE

Rates in Effect: Janaury 28, 2013

Operator Service Fee (Initial Charge) 0.81 per call
Usage Fee (Per Five Minute Increment) 0.50 per 5 minute increment

INTRASTATE INTERLATA LONG DISTANCE CALLS FROM CORRECIONAL FACILITIES PLACED TO:

1) Immediate Families of Inmates
2) Legal aid Services
3) Clergy, Churches, Pastors, Ministers and the Like
4) Government Agencies, including Schools and
5) Attorneys/Public Defenders

Operator Service Fee (Initial Charge) $1.69 per Call
Per Minute of Use Charge $0.05 per minute

ALL OTHER INTERSTATE INTERLATA LONG DISTANCE CALLS FROM CORRECIONAL FACILITIES:

Correctional Facility CAP for Operator Services- InterLATA

Appendix 1, Page 3 of 3

InterLATA	DAY RATES									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400
11 - 16	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
17 - 22	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700
23 - 30	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
31 - 40	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
41 - 55	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100
56 - 70	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100
71 - 100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100
101 - 124	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100	$0.2100
125 - 196	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200
197 - 292	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200	$0.2200
293 - +	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300	$0.2300

Correctional Facility CAP for Operator Services- InterLATA

InterLATA	EVENING RATE									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100	$0.1100
11 - 16	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200	$0.1200
17 - 22	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350	$0.1350
23 - 30	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550
31 - 40	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550	$0.1550
41 - 55	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
56 - 70	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
71 - 100	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
101 - 124	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750	$0.1750
125 - 196	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
197 - 292	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800	$0.1800
293 - +	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900	$0.1900

Correctional Facility CAP for Operator Services- InterLATA

InterLATA	NIGHT & WEEKEND									
MILEAGE BANDS	STATION TO STATION						CALLING CARD		PERSON-PERSON	
	Collect		Third Number		Operator Handled					
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0 - 10	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900	$0.0900
11 - 16	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000	$0.1000
17 - 22	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150	$0.1150
23 - 30	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.2500	$0.1250	$0.1250
31 - 40	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250	$0.1250
41 - 55	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400	$0.1400
56 - 70	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
71 - 100	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
101 - 124	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500	$0.1500
125 - 196	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
197 - 292	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600	$0.1600
293 - +	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700	$0.1700

Correctional Facility CAP for Operator Services- InterLATA

SUMMARY OF OPERATOR SERVICE CHARGES

	RATE
OPERATOR SERVICES	$0.81
LOCAL OPERATOR ASSIST	
STATION TO STATION	
Collect	$2.15
Third Number Bill	$2.25
Operator Handled	$2.20
CALLING CARD	$0.80
PERSON TO PERSON	$4.50
VERIFICATION	$4.00
INTERRUPTION	$4.00
OPERATOR ASSIST	$1.00
LOCAL DIRECTORY ASSIST. *	n/a
LD DIRECTORY ASSISTANCE	$0.85