

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Exhibit No.:
Issue: Certificate of
Service Authority
Witness: James F. Bryan
Type of Exhibit: Rebuttal
Testimony
Company: American
Operator Services, Inc.
Case No.: TA-88-218

BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION

In the Matter of the Application)
of American Operator Services, Inc.)
for a Certificate of Service Authority)
to Provide Intrastate Operator-Assisted)
Resold Telecommunications Services)

Case No. TA-88-218

AMERICAN OPERATOR SERVICES, INC.
REBUTTAL TESTIMONY OF
JAMES F. BRYAN

August 30, 1988

3
9-20-88 TA-88-218 et al
Tweedy

ATT
August 17, 1988
Page 4

2. Adoption by AT&T of a policy to accept a competitive OSP's verbal notice of billing information prior to the transfer of an operator assisted call. (This arrangement is immediately feasible).

3. Deployment of interconnection arrangements with interexchange carriers at a negotiated intermediate switching point so that the ANI (originating telephone) information is provided to AT&T to assure accurate billing.

OSPA strongly urges you to reconsider your position and adopt the spirit of cooperation espoused in your June 17th letter. The discussions we have had recently represent a very narrow view of the issues. You, and your company, are sacrificing the convenience and interests of the calling public in favor of the competitive interests of AT&T in preserving its monopoly share of the market.

OSPA, and its members, are anxious to work with AT&T to promote the ability of the consumer to access and utilize his carrier of choice.

Please contact me with your questions or comments by September 17th, regarding this critical issue.

Paul Gamberg
Paul Gamberg
President

cc: Dennis Patrick, Chairman FCC
Greg Vogt, Chief, Enforcement Division
OSPA Membership
OSPA SURVIVAL 88 Symposium
State Regulators

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application)
of American Operator Services, Inc.)
for a Certificate of Service Authority)
to Provide Intrastate Operator-Assisted)
Resold Telecommunications Services)

Case No. TA-88-218

AFFIDAVIT OF JAMES F. BRYAN

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

James F. Bryan, of lawful age, on his oath states: that he has participated in the preparation of the attached rebuttal testimony in question and answer form, consisting of 12 pages and 2 exhibits, to be presented in the above case; that the answers in the attached rebuttal testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.

James F. Bryan

Subscribed and sworn to before me this 30th day of August, 1988.

Notary Public

My commission expires: _____

REBUTTAL TESTIMONY OF JAMES F. BRYAN

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is James F. Bryan. My business address is 6100 Executive Boulevard, Rockville, Maryland 20852.

Q. 2. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

A. I am employed by American Operator Services, Inc. d/b/a National Telephone Services, Inc. ("NTS"), as Director of Regulatory and Industry Affairs.

Q. 3. HAVE YOU PREVIOUSLY TESTIFIED IN THIS DOCKET?

A. Yes, I prefiled prepared direct testimony dated August 5, 1988.

Q. 4. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. The purpose of my rebuttal testimony is to respond to testimony filed by Mr. B. Wayne Clark of Missouri Telephone Company and Eastern Missouri Telephone Company, Mr. Thomas E. Schmersahl of Contel of Missouri, Inc., Mr. William C. Bailey of Southwestern Bell Telephone, Mr. Meade C. Seaman of GTE North, Inc. and Ms. M. Diane Drainer of the Missouri Office of Public Counsel. I would also like to largely endorse and comment upon the testimony of Mr. John B. Van Eschen of the Missouri Public Service Commission Staff.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 5. MESSRS. CLARK AND SCHMERSAHL AND MS. DRAINER EACH RAISE AN ISSUE TERMED "SPLASHING". WOULD YOU EXPLAIN WHAT THE TERM MEANS?

A. "Splashing" as described in the referenced testimony involves the redirection of a call from the original Operator Service Provider ("OSP") to another OSP (typically AT&T) for call completion and billing. AT&T is currently billing the call as originating at the point at which it entered the AT&T network (usually the location of the competitive OSP's switch) rather than from the correct originating point of the call.

Q. 6. WHAT CAUSES A CALL TO BE "SPLASHED" TO AT&T?

A. Calls may be passed to AT&T under any of three scenarios:

1. A caller specifically requests that AT&T handle a call. Unlike most competitive IXC's, AT&T provides only Feature Group D ("FGD") and Feature Group C ("FGC") access to its network. Under these forms of access, the network may be accessed either by presubscribing the line to AT&T or by the user dialing the access code "10288".

For reasons unrelated to carrier selection, many hoteliers and other institutions/CPE providers find it necessary to block dialing of "10XXX" access codes, including "10288." From these locations, therefore, it is not possible to access the AT&T network directly.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

In order to allow all users desiring use of AT&T's facilities access to AT&T, it is NTS' policy for the NTS operator to access the AT&T network at the request of the user. This is NTS' policy in spite of the fact that NTS incurs approximately \$.45 per call in nonrecoverable access expense.

2. A caller wishes to use an AT&T proprietary calling card. Effectively, use of an AT&T proprietary calling card, which can be accepted and billed only by AT&T, constitutes a request for AT&T's network. Accordingly, the same circumstances as described previously apply.

3. A caller wishes to bill a call through an independent Local Exchange Company ("LEC") with whom the competitive OSP does not have a billing agreement. AT&T is the only IXC who has the technical and contractual ability to bill a call to many of the more than 1400 independent LEC's throughout the U.S. These arrangements predate divestiture, carrying forward from the time where AT&T was the monopoly provider of interexchange toll service.

When a telephone line is presubscribed to an IXC other than AT&T, an interexchange call initiated by the caller dialing "0" will be delivered to that carrier's operator service switch. As the access network makes no provision for redirecting a call from the originating location, accessing AT&T for any of the reasons described above must be accomplished from the OSP's switch.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 7. IS THERE A TECHNICAL SOLUTION WHICH WOULD RESOLVE THE CONSUMER
CONFUSION ON THIS ISSUE?

A. Yes, there are a couple of solutions. First, it is a simple software change on the part of AT&T to modify their network to accept the Automatic Number Identification ("ANI") from OSP's on redirected calls, correctly billing those calls from the originating point. We have proposed such a solution to AT&T, most recently in an August 9, 1988 letter to AT&T's Vice President-Operator Services (Exhibit 1). Through-rates are very common in common carrier systems, notably in trucking where they are referred to as interline agreements.

Second, as I previously noted, AT&T does not provide alternatives to FGC or FGD access to their network. Were such alternatives (such as 950 or 800 access) available from AT&T, it would be possible to instruct the caller to hang up and redial, using an available AT&T access code. An industry trade association, Operator Service Providers of America, has corresponded with AT&T regarding this alternative (see Exhibit 2), with similarly disappointing results.

I must remark that I find it interesting that, unlike the trucking industry where carriers actively compete for interline business, AT&T adamantly refuses to cooperate in correctly billing traffic

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

"given" to it by competitive OSP's. AT&T's share of the entrenched operator service market is approximately 96 percent, and it has expressed absolutely no interest in helping to end the consumer confusion created by this situation. It is NTS and other so-called "alternative" OSPs which are injured by this problem.

Q. 8. MR. WILLIAM BAILEY OF SOUTHWESTERN BELL STATED "TO MY KNOWLEDGE, MANY AOS PROVIDERS DO NOT PERMIT END USERS A CHOICE AT THE LOCATIONS THEY SERVE." WOULD YOU RESPOND TO THAT ASSERTION?

A. To begin with, competitive OSP's do not typically provide the CPE at the served location. Accordingly, the OSP is no more responsible for what types of access codes are allowed or not allowed than is Southwestern Bell at those same locations. Furthermore, as I previously stated, it is NTS' policy to provide access to AT&T through its operators where no other alternative exists.

Q. 9. DOES AT&T OFFER A CHOICE OF OPERATOR SERVICE PROVIDERS WHERE IT PROVIDES SERVICE?

A. No.

Q. 10. DOES SOUTHWESTERN BELL OFFER A CHOICE OF OPERATOR SERVICE PROVIDERS WHERE THERE ARE AUTHORIZED COMPETITORS ON AN INTRALATA BASIS?

A. No.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 11. MS. DRAINER OF THE MISSOURI OFFICE OF PUBLIC COUNSEL MAINTAINS THAT "AOS" IS NOT IN THE PUBLIC INTEREST FOR A NUMBER OF REASONS. WOULD YOU RESPOND TO HER RATIONALE?

A. Certainly. Without exception her six stated reasons are erroneous. I am particularly disturbed by Ms. Drainer's failure to address NTS' application directly. Instead, she chose to make largely unsubstantiated allegations concerning the OSP industry generally. Taking the reasons in the order given by Ms. Drainer:

1. End users have experienced excessively high toll rates and surcharges associated with using AOS.

Admittedly, the rates charged by some OSP's have been extremely high. However, the rates of virtually all OSP's have declined dramatically over the past six months, and rate levels in OSP industry continue to fall. Early high rates may largely be attributed to the fact that the industry was still in its infancy and searching for its appropriate rate levels. I would also submit that this is not, of itself, sufficient ground for a "death penalty" for an industry which is only now beginning to properly develop. Even granting some validity to this argument, prior to the time market forces began bringing rates back into line, the argument simply suggests that some different form of rate regulation or disclosure might be required.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Finally, I must note that this is an application proceeding, not a generic inquiry. Yet Ms. Drainer completely ignored the actual rates proposed by NTS.

2. End users have stated that they were not given adequate notification by the operator that they were using an AOS operator.

Again, Ms. Drainer fails to address the business practice of the applicant herein. NTS agrees that customer notification is very important. For precisely that reason, NTS announces itself on every call at least once, and as many as three times! In addition, NTS provides tent cards to subscribing properties which provides written notice of NTS' services. We believe that these notification procedures more than reasonable, adequate notice to all end users.

3. End users have been denied access to the carrier of their choice by AOS providers.

This is simply a misconception. Most typically, the competitive OSP does not provide the CPE which is programmed to allow or not to allow specific carrier access codes. As

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

was previously explained, many hoteliers and other subscribers to competitive OSP's do block access to 10XXX access codes, but that is due to exposure to fraud and has nothing to do with what company provides the operator services. Moreover, NTS' policy is to route callers to an AT&T operator upon request.

4. Emergency calls have not been routed by AOS providers in the fastest possible manner to the proper local emergency service provider.

Ms. Drainer failed to cite any specific examples or evidence of this circumstance so it is difficult to respond. However, I believe that NTS is well equipped to provide efficient emergency call assistance. Indeed, to my knowledge, NTS has never failed to properly process an emergency call. In any event, NTS would not oppose reasonable emergency service standards to apply to all OSP's.

5. End user's telephone service can be disconnected by the local exchange company (LEC) should the AOS provider have a billing and collection contract with the LEC and disconnect is part of that agreement for nonpayment of AOS charges.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

It is NTS' experience that there are numerous safeguards in the system, both imposed externally by regulatory authority and internally by the IXC's and LEC's, to prevent any unreasonable disconnection of local service due to nonpayment. The most important protection is the fact that LEC's will not disconnect local service for nonpayment of long distance charges which are legitimately in dispute. It is NTS' position simply that its charges should be treated no differently than any other IXC's.

6. End users have been charged for incomplete calls and unanswered calls by the AOS providers.

This is an ongoing problem for all non-AT&T carriers due to the inability to obtain hardware answer supervision in non-equal access areas. When hardware answer supervision cannot be obtained, the competitive IXC has no choice but to use some call timing substitute for the hardware answer signal. Ms. Drainer misrepresents this use of an estimate, which will necessarily allow some unanswered calls to be billed just as it will fail to bill some short duration calls that were answered, as a "practice of a number of AOS providers to charge end users for incomplete and unanswered calls." The OSPA Code of Responsibility appended to my Direct Testimony, in fact, prohibits such a practice.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 12. WOULD YOU CARE TO COMMENT UPON MR. RICCA'S CLAIM THAT TELECONNECT'S OPERATOR SERVICES ARE SOMEHOW DIFFERENT THAN THOSE OFFERED BY NTS?

A. Yes. Mr. Ricca's contention simply is untrue. Teleconnect is an active, aggressive and direct competitor of NTS' in marketing operator services to the hospitality industry. When Teleconnect serves a hospitality property, it operates identically to NTS; i.e. Teleconnect accepts LEC-issued calling cards utilized by transient callers who likely are not regular Teleconnect subscribers. Mr. Ricca's effort to distinguish Teleconnect's operator services is nothing more than a disingenuous attempt to misuse the regulatory process to gain an artificial regulatory advantage over its competitors.

Q. 13. BOTH THE COMMISSION STAFF AND THE PUBLIC COUNSEL HAVE PROPOSED RULES FOR THE REGULATION OF OPERATOR SERVICES. WOULD YOU DISCUSS THE RULES AS PROPOSED?

A. I would like to strongly endorse the rules proposed by Mr. John Van Eschen of the Commission Staff in his Direct Testimony. It is NTS' opinion that these rules effectively protect the public interest while allowing sufficient flexibility to allow all OSP's to adapt to a rapidly evolving environment.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

There is one small reservation to this endorsement, in that many of the smaller LEC's (particularly those which have not converted to equal access facilities) have not implemented multicarrier billing systems. To the extent that this implementation may be made more difficult or expensive, or to the extent that competitive OSP's are prevented from billing into these areas, splashing concerns may be made more difficult to address. Through mutual cooperation and assistance, however, I am confident that this is a concern that the Commission and the competitive OSP industry can resolve.

The rules proposed by Ms. Drainer address, in general, the same concerns as those proposed by the Commission Staff, but are substantially less clear and, in the case of the posting requirements and provision of access to other OSPs, may constitute discriminatory treatment unless imposed equally on all OSP's. I cannot over-emphasize the importance of even-handed treatment in this area. Imposition of notice requirements, for example, upon NTS which are not also required of AT&T can only be regarded as a highly anti-competitive discrimination. Finally, as conceded by Ms. Drainer, Public Counsel simply recommended implementation of the rules recommended by NARUC for consideration (emphasis added) by regulatory authorities.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Q. 14. DO YOU HAVE ANY FINAL COMMENTS?

A. Yes, I have two. First, I would like to heartily endorse Mr. Van Eschen's indication that the service rules should apply to all providers of operator services. Should a rulemaking proceeding be required to implement this recommendation, NTS would be pleased to participate. Second, I would like to thank and congratulate the Commission Staff for an excellent investigation and development of a very fair set of proposed rules. They are among the best thought-out and most even-handed developed to date in the industry.

Q. 15. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?

A. Yes, it does.

EXHIBIT 1

August 9, 1988

Mr. Merrill Tutton
Vice President--Operator Services
AT&T Communications
295 North Maple Avenue
Basking Ridge, New Jersey 07920

Dear Mr. Tutton:

American Operator Services, Inc. d/b/a National Telephone Services ("NTS") is an independent provider of interexchange operator services. We complete operator assisted traffic routed to us by a host of traffic aggregators such as hotels, hospitals and airports. In the performance of those services, we "hand off" substantial traffic volumes to AT&T Communications ("AT&T") for completion. This practice has caused some consumer confusion, which I hereby invite your cooperation in resolving.

Allow me to explain the problem in a little more detail. We regularly receive traffic which can only properly be completed by AT&T. This traffic generally falls into three categories: 1) end users who express a preference to be transferred to an AT&T operator; 2) certain end users who wish to use an AT&T Calling Card to charge their call; and 3) end users who seek to have their charges billed through a local exchange company ("LEC") that only AT&T can bill to (principally very small independent telephone companies). Although these instances represent only a small proportion of the calls we receive, it amounts to a large volume of traffic in the aggregate.

The customer confusion which I referred to earlier stems from the fact that we "hand off" such traffic to AT&T at the locale of our operator center, which normally is not the same as the originating point of the call. AT&T, on the other hand, bills the call as if it had originated at the point where the call was handed off to it. For example, a call placed at an NTS subscriber property in Memphis to a Miami terminating number would be routed through our Atlanta operator center. If that call were transferred to AT&T at our operator center in Atlanta, AT&T would bill the call as if it had originated in Atlanta instead of Memphis. Naturally, the end user becomes confused and irritated when he receives his bill.

We have carefully deliberated regarding how we can eliminate this confusion and better serve our customers. We believe that the best solution entails the joint establishment by NTS and AT&T of a "through route."

Mr. Merrill Tutton
August 9, 1988
Page 2

Indeed, my attorneys inform me that we may be obligated by law to work together in establishing such an arrangement.

Section 201(a) of the Communications Act provides that carriers may be required to establish through routes in certain circumstances. The section states:

"(i)t shall be the duty of every common carrier . . . in cases where the Commission, after opportunity for hearing, finds such action necessary or desirable in the public interest . . . to establish through routes and charges applicable thereto and the divisions of such charges . . ."

The FCC has defined a "through route" as

"an arrangement, express or implied, between connecting (carriers) for continuous carriage . . . from the originating point on the line of one carrier to destination on the line of another."

MTS and WATS Market Structure, 93 FCC 2d 241, 255 n.16 (1983). The manner in which hand-off calls are currently completed would seem to qualify as such a "through route." The FCC has previously determined that "(s)witching at the credit card switch is an intermediate step in a single end-to-end communication." Southwestern Bell Telephone Co., CC Docket No. 88-180, rel. April 22, 1988 (Order Designating Issues for Investigation.)

As I understand it, to establish such a through route our companies must negotiate both a reasonable rate to be charged and an equitable division of the revenues collected. This would take the form of a carrier-to-carrier agreement. As part of such an agreement, NTS would agree to pass all ANI signaling information to AT&T to enable AT&T to reflect the correct originating point of each call in its billing. NTS is interested in negotiating and implementing such an agreement with AT&T as soon as possible.

I am sure that you share my desire to end any customer inconvenience presently being experienced. I will call you within the next few days to discuss your reaction to our proposal.

Sincerely,


Joseph A. Switzer
Senior Vice President

JAS/gmh

EXHIBIT 2

OSPA
Operator Service
Providers of America

August 17, 1988

Mr. Russell T. Natoce, Jr.
District Manager
Special Long Distance
AT&T
295 North Maple Avenue
Basking Ridge, New Jersey 07920

Dear Mr. Natoce:

Thank you for your letter of June 17, 1988 regarding "splashing." We appreciate the regard in which you hold OSPA and look forward to working with your organization in an effort to resolve the concerns you have raised.

OSPA members clearly recognize the two customers they serve (the aggregator and the end user) and the consequent responsibilities. Our organization has made great strides in an effort to reduce confusion regarding operator services. All OSPA members identify themselves to callers at the time calls are made, quote rates and billing information upon request and provide toll free numbers for customer inquiry.

In spite of the fact that AT&T enjoys some notable advantages in access to information (EVA and SNFA), and other economies of scale; our members have reduced rates throughout the nation. OSPA members have innovated new services and technology which have stimulated increased demand for operator services.

The problem which prompted your letter of June 17th, regarding "splashing" is still unresolved. We were encouraged by the preliminary indications you gave in Michigan, San Diego, and on the phone that AT&T was considering alternative forms of toll-free access for those users who wish to use AT&T facilities; notably "800" or "950" toll free access. This access arrangement makes freedom of choice available to all interexchange customers. In turn, all OSPs, including AT&T, should encourage and assist traffic aggregators, including equipment and premise owners, to allow callers to access all interexchange carriers in a toll free manner.

AT&T has also been asked by two OSPA Members to interconnect with a competitive OSP for the purpose of accepting the originating telephone number (ANI) for a call at an intermediate point. Competitive OSPs could then transmit the billing information directly to AT&T. This could be accomplished verbally (between the carriers), or by a mechanized mean using dedicated trunks between switching nodes. Such an arrangement would enable AT&T to properly bill the call to AT&T customers today. After verbally entertaining this offer, it is my understanding that ATT has turned it down.

For the record, I would like to briefly review the issues involved:

Calls may be "splashed" to AT&T under any of these sets of scenarios:

1) A caller requests AT&T.

In situations where a premises owner's lines are presubscribed to a carrier other than AT&T, the only available access to AT&T is through the LEC or another OSP. AT&T only utilizes Feature Group C ("FGC"), Feature Group D ("FGD"), or dedicated access to its network. This means that callers requiring operator assistance may only reach AT&T by dialing 0 or 10288. The AT&T access code 10288 may only be used in areas where FGD equal access is available. Many institutions, such as hotels, and other telephone users block "10XXX" access codes for the following reasons:

A. The PBX or telephone instrument may not be capable of distinguishing between 10XXX-1 and 10XXX-0 routing. By allowing 10XXX, a transient caller could access any available IXC by dialing 10XXX-1 and place a call. The 10XXX-1 dialing arrangement means the call is always charged to that originating line. The hotel or telephone owner however, has no means of recovering the cost of such a call from the caller, who cannot be identified by the premises owner or who has left the site from which the call was placed by the time the bill arrives. Therefore, the telephone owner is exposed to a high level of fraud by allowing 10XXX-1 access to long distance carriers.

B. Even where a PBX or telephone is capable of restricting access to 10XXX-1, while permitting 10XXX-0, it is necessary for the site owner to obtain originating line screening from the LEC to ensure that the operator assisted call is not billed to the telephone line. This feature is not only limited in availability, it is provided as an extra cost feature to non-LEC and non-ATT equipment owners. This places non-LEC and non-AT&T vendors at a competitive disadvantage in the marketplace. Premise owners are unlikely to select a non-LEC or non-AT&T product when that product requires extra features and additional costs.

C. Premise owners may find the services and innovations available from competitive OSPs and equipment vendors more desirable than comparable LEC or AT&T offerings. Even in cases where the site owner elects to utilize a non-LEC or non-AT&T product, however, fraud can, and does occur. Due to delays, in the deployment of validation data bases to competitive OSPs, it is impossible to assure that premise owners are not billed for calls placed using 10XXX-0 access. Again, the institution or telephone owner would have no means of recovering the cost of such a call.

2. A caller wants to use a proprietary AT&T calling card.

AT&T intends to issue a proprietary 19 digit calling card in their own database. This action suggests that those calls can be accepted and billed only through AT&T facilities. Accordingly, AT&T customers and competitive OSPs are confronted with the same situation as discussed in Number 1 above.

3. A caller wishes to bill a call through a Local Exchange Company with whom the competitive OSP has no billing arrangements.

The majority of independent telephone company billing systems were designed to accommodate the requirements of only one single toll carrier. OSPA recognizes that these billing arrangements and systems were established during AT&T's monopoly period and the industry is working to rectify the problem. Although LECs have made progress in developing billing capabilities for multiple carriers, and have contracted with competitive OSPs for billing, the process of redesigning of the existing system is a slow one. Currently, over 1000 independent companies are incapable or unwilling to bill OSP calls on behalf of non-AT&T carriers. Thus, OSPs must send calls billed to 1000 telephone companies to AT&T for processing.

In our view, your statement that the "splashing" problem and the associated problem of "10XXX" blocking are problems of the competitive OSP industry and not AT&T is an erroneous one. AT&T must address the "splashing" issue; to do otherwise is a violation of the spirit and intention of the Modified Final Judgment. Our attempts to work with you and your organization to develop the means by which AT&T customers may use their carrier of choice have, thus far, been unsuccessful. OSPA, and its members have offered the following alternative solutions:

1. Toll free 950 or 1-800 access capability for AT&T's customers.