

ORIGINAL



MEMORANDUM

305m

TO: Docket Control

FROM: Ernest G. Johnson *EA for EGJ*
Director
Utilities Division

THRU: Wilfred Shand, Jr. *WS*
Manager, Telecommunications & Energy Section
Utilities Division

Matthew Rowell *MR*
Chief, Telecommunications & Energy Section
Utilities Division

AZ CORP COMMISSION
DOCUMENT CONTROL

2005 OCT 17 A 10:24

RECEIVED

DATE: October 18, 2005

RE: IN THE MATTER OF THE APPLICATION OF INMATE CALLING SOLUTIONS, LLC FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY FOR CUSTOMER OWNED PAY TELEPHONE SERVICE (DOCKET NO. T-04294A-04-0879)

On December 9, 2004, Inmate Calling Solutions, LLC ("Applicant") filed an application to obtain a Certificate of Convenience and Necessity ("CC&N") to provide customer owned pay telephone ("COPT") service. The rates, charges, terms and conditions for COPT service are contained within its custom tariff. On September 29, 2005, the Applicant amended its original application to state that it will provide service in accordance with the rates, charges, terms and conditions contained within the Generic COPT Tariff. The Applicant also submitted a rate sheet indicating that its rates fall within the rates allowed in the Generic COPT Tariff.

Staff issued a data request to the Applicant on February 24, 2005. Staff received the Applicant's responses to Staff's data request on July 23, 2005. In its response, the Applicant stated that its payphones will only be used in inmate environments and that calls placed by inmates are limited to collect or prepaid only. The Applicant also stated that for security reasons, placards are not allowed to be posted on telecommunications equipment that is to be used by inmates.

In past Commission decisions concerning COPT providers in correctional facilities, the Commission has approved waivers of the posting and disclosure requirements subject to the condition that the correctional facility provide information to inmate end users and their families or called parties that informs all users of the dialing instructions and the identity, rates, customer service number and identity number of the company requesting the authority to providing COPT service. The Applicant has stated that any correctional facility that enters a contract with it will be required to provide the above information. The Applicant also stated that the following

options will be made available to the caller and/or called party before any charges are assessed:

1. Rate quotes for collect calls are available upon request at the time the call is placed.
2. Rate quotes are provided via an automated announcement during the call set-up process and prior to call acceptance.
3. The called party may listen to the rates and opt to refuse the call without incurring any charges.

Staff believes the Applicant has taken the necessary action to be exempt from the requirement to provide calling instructions and rate information through the use of a placard affixed to the telephone.

On September 30, 2005, the Applicant also stated that because it is providing COPT service in correctional facilities, that it is requesting the following waivers to the Generic COPT Tariff:

1. At the request of the correctional facility, the Applicant will arrange to block access to other carriers, 911, directory assistance and specified dialing sequences (1+800, 10XXX, 976-XXXX, etc.);
2. At the request of the correctional facility, the Applicant will arrange to block incoming calls;
3. At the request or specifications of the correctional facility, the Applicant will limit the availability of service to inmates;
4. At the request of the correctional facility, the Applicant will limit service to collect calling and correctional facility provided prepaid calling cards only.

Staff believes requests for waivers of the above portions of the Generic COPT Tariff are consistent with waivers granted to other providers of COPT services in correctional facilities and should be granted in this matter as well.

The Applicant also provides prepaid calling cards to the inmates. The Applicant has indicated that the rates and charges for these prepaid services are shown on the reverse side of the prepaid calling cards and that rate details are also provided to the inmates at the point of purchase within the correctional facility.

Staff recommends approval of the application. Staff also recommends approval of the Applicant's requested waivers to the Generic COPT Tariff.

Originator: Adam Lebrecht

Attachment: Original and Thirteen Copies

SERVICE LIST FOR: IMATE CALLING SOLUTIONS, LLC
DOCKET NO. T-04294A-04-0879

Ms. Robin Norton
Technologies Management, Inc.
210 North Park Avenue
Winter Park, Florida 32789

Mr. Ernest G. Johnson
Director
Arizona Corporation Commission
Utilities Division
1200 West Washington
Phoenix, Arizona 85007

Mr. Christopher C. Kempley
Chief Legal Counsel
Arizona Corporation Commission
Legal Division
1200 West Washington
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief Administrative Law Judge
Arizona Corporation Commission
Hearing Division
1200 West Washington
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