

FILED

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BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI

PUBLIC SERVICE COMMISSION

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In the matter of the application of)
American Operator Services, Inc.,)
for a certificate of service authority) Case No TA-88-218
to provide Intrastate Operated-Assisted)
Resold Telecommunications Services.)

In the matter of Teleconnect Company)
for authority to file tariff sheets)
designed to establish Operator Services) Case No TR-88-282
within its certificated service area)
in the State of Missouri.)

In the matter of Dial U.S. for authority)
to file tariff sheets designed to)
establish Operator Services within its) Case No. TR-88-283
certificated service area in the State)
of Missouri.)

In the matter of Dial U.S.A. for authority)
to file tariff sheets designed to)
establish Operator Services within its) Case No. TR-88-284
certificated service area in the State)
of Missouri.)

In the matter of International Telecharge,)
Inc. for authority to file tariff sheets) Case No. 8800148
designed to establish Operator Services)
within its certificated service area in the)
State of Missouri.)

Case No. TA-88-12 ✓

INTERNATIONAL TELECHARGE, INC.'S
OPPOSITION TO THE MOTION TO CONSOLIDATE

Comes now International Telecharge, Inc. (ITI) by Hendren
and Andrae, Richard S. Brownlee, III, and for its Opposition to
the Motion to Consolidate states:

1. On September 25, 1987, in Case No. TA-88-12, the
Commission issued a Report and Order granting ITI a certificate
of public convenience and necessity to provide intrastate,
intraLATA and interLATA toll telecommunications services in
Missouri. As part of its Application in Case No. TA-88-12, ITI
clearly stated in its Description of Services that it would be

providing operator assisted services. The Description of Services, states, inter alia:

International Telecharge, Inc. (ITI) intends to provide resold interexchange service within the State of Missouri. Communications may also terminate to other points within the United States and foreign countries. ITI is an enhanced telecommunications provider of operator assisted services. As previously stated, ITI's services primarily are oriented toward the lodging industry, medical facilities, business establishments and pay phone owners. These entities subscribe to ITI's services to enable persons, guests, patients, users and/or employees to place long distance calls and apply charges to the users credit card or valid telephone number.

The entire Description of Services is attached hereto, marked Exhibit 1, and is incorporated as if fully set forth herein.

2. Pursuant to said Report and Order, tariffs were filed on or about October 14, 1987, and have been assigned File No. 8800148. The tariffs requested a December 1, 1987, effective date, which has been voluntarily extended at Staff's request to August 1, 1988.

3. Cost data to support said tariff filing in compliance with H.B. 360 was filed with the Commission on April 29, 1988.

4. Since the granting of the certificate on September 25, 1987, ITI has expended substantial funds and resources to provide services in Missouri. Since certification, ITI has handled over 70,000 calls of nearly 300,000 minutes for Missouri, and presently serves over 90 properties consisting of hotels, motels, hospitals and similar institutions.

5. It is ITI's best information and belief that AT&T, MCI and U.S. Sprint are currently providing operator assistance

services similar to those proposed in ITI's tariff offering. In addition, ITI believes it has the same authority to operate within the State of Missouri as do AT&T, MCI and U.S. Sprint. Such carriers should be treated similarly under similar circumstances. Since AT&T's certificate of authority bestows on AT&T no greater or lesser authority than that which ITI receives under its certificate, ITI believes that this proposal to offer services which are at a minimum identical to and, as a practical matter, more enhanced than those of AT&T, at rates comparable or equal to those offered by AT&T, under the same terms and conditions of those utilized by AT&T, constitutes a prima facie showing of reasonableness. ITI offers services that are not generally available to the public from "traditional" operator service providers (i.e., Southwestern Bell and AT&T). ITI furnishes users with features such as 24-hour multilingual operators, major credit card billing, and maintenance and repair services. The company is also preparing to offer enhanced operator assistance services such as message forwarding and teleconferencing. Message forwarding allows callers to leave a recorded message when the called party cannot be reached. ITI will attempt to deliver the message to the called party at regular intervals for several hours. Teleconferencing enables a user to speak with several parties simultaneously. These services, and others, are clearly beneficial to the calling public.

6. Since the initiation of services, ITI is unaware of any formal or informal complaints being lodged against it in the State of Missouri. The rates of AT&T, which are the proposed rates of ITI, have been found by the Commission to be reasonable when charged by AT&T for the same services.

7. ITI respectfully requests that its tariff be implemented, subject to any refund through rate reduction that the Commission would later deem appropriate. Such a solution would address Public Counsel's concern of overcharging, while allowing ITI to fairly compete with other operator services providers and to meet customer needs.

8. Public Counsel's Motion to Consolidate is based on unspecific allegations of overcharging and poor service from other states. ITI submits that none of the allegations are supported nor are they applicable to its Missouri offering and that each offering should be viewed on its own merits. Such a consolidation, therefore, should not occur as it would improperly mix the different factual situations of the companies involved.

Public Counsel's Motion to Consolidate in essence requests a rulemaking by the Commission (i.e., Public Counsel is moving the Commission to develop and enunciate a uniform general policy regarding AOS providers.) It is improper to consider and formulate rules and regulations of general applications within the context of individual proceedings and without complying with the prescribed statutory safeguards for a general rulemaking. Missouri Administrative Procedures, 4 CSR 240-2.180.

9. Public Counsel has asserted that they failed to receive notice of the pendency of the certification proceeding in Case No. TA-88-12, wherein ITI applied for reseller certification. This representation on Public Counsel's part is incorrect as they received copies of the Order and Notice Establishing the Docket on or about August 21, 1987, wherein, along with all other parties, they were invited to intervene. Public Counsel failed to do so at that time and thus should be barred from now challenging the certification.

10. Finally, the proposed procedural schedule of the requested consolidated case would delay any decision by the Commission to such an extent as to cause ITI to be faced with a competitive disadvantage, unnecessary significant expenses, improper network utilization, and possible failure of business in Missouri.

WHEREFORE, ITI respectfully requests that the Commission approve the ITI tariff and further requests that Public Counsel's Motion to Consolidate be denied.

HENDREN AND ANDRAE


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Attorneys for International
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Certificate of Service

I hereby certify that a true copy of the foregoing Suggestions in Opposition to Motion to Consolidate was mailed on July 8, 1988, to all counsel of record.

Richard S. Brownlee III
Richard S. Brownlee, III

EXHIBIT I

DESCRIPTION OF SERVICE

International Telecharge, Inc. (ITI) intends to provide resold interexchange service within the State of Missouri. Communications may also terminate to other points within the United States and foreign countries. ITI is an enhanced telecommunications provider of operator assisted services. As previously stated, ITI's services primarily are oriented toward the lodging industry, medical facilities, business establishments and pay phone owners. These entities subscribe to ITI's services to enable patrons, guests, patients, users and/or employees to place long distance calls and apply charges to the users credit card or valid telephone number.

For purposes of convenience and clarity in presenting ITI's operations to the Commission, a chart has been included to provide an overview of ITI's operations. (Attachment A). The call originator can be any of the above referenced parties and as the chart shows, the call is connected and routed through a local exchange carrier and/or telephone company. The calls are terminated into our own Operator Service Digital Switching System, commonly referred to in the industry as a Traffic Service Position System (TSPS). The particular model of TSPS used by ITI is the industry standard Northern Telecom, Inc. DMS equipment. This is shown as the DMS 250 on the chart. (the DMS computer then connects ITI operator to calls coming from a user). When used in conjunction with other equipment also located at our facility (such as the Stratus Computer), the ITI operator is able to perform the following tasks:

1. Rate the call according to various factors such as time of day, length of call, etc., depending on the tariff that may apply in particular jurisdiction;
2. Bill the call to the charge card or telephone numbers provided by the individual making the call; and
3. Validate credit card numbers. In the near future, this system will also verify that major credit cards have not been stolen or that the credit limit has not been reached.

Following operator handling, the call is extended to an interexchange carrier's network for completion. This terminating location could be a location in another country, another state, or within the state of Missouri to the extent that such traffic is allowed under Commission Regulations and Orders.

As further explanation, it should be noted that users are provided with instructions which access ITI through the dialing of a specific code to place a long distance phone call over the ITI system. If the user dials these prefixes, the call is answered by an ITI operator. Other instructions are provided for placing local and other types of calls from that phone; and, indeed, all calls are routed through the local exchange office.

While ITI can service many types of businesses, as shown in Exhibit "A", the primary point is that the user of the phone can reach a live operator 24 hours

a day, 365 days a year and can place a long distance phone call, billing it to one of the many credit mechanisms available through the ITI system. In addition, that caller can receive instant credit for incompletes, misdialed or trouble calls.

International Telecharge, Inc. currently maintains its switching and operator service center in Dallas, Texas. All calls are routed to this facility for bill processing and completion as described in Attachment "A." Additional switching centers will be added as the company grows.

ITI's operator services are available in many cities throughout the United States. These cities are listed in the company's FCC tariff (see Exhibit VII). Calls are routed to and from ITI via resold facilities. The company utilizes services provided by AT&T, ITT, MCI and Telesphere. Arrangements with other interexchange carriers are being pursued as well.

The maintenance and repair of the ITI network is controlled at the Dallas switching facility. Technicians are on site during normal business hours and are on call 24 hours a day to handle transmission, equipment and/or switching problems. These individuals are also capable of contacting ITI's underlying carriers for trouble resolutions 24 hours a day, seven days per week.

Users may report troubles to the operator or to the customer service group. Complaints are reported immediately to the appropriate technician/engineer for resolution. In addition, calling patterns are frequently monitored by the Network Administration group and additional facilities are procured when call completion (blocking) levels are projected to exceed a P.01 grade of service.

The company has created a separate department to handle billing inquiries and disputes. This group responds to invoice and/or service complaints from ITI's billed users.

ITI has also secured agreements with its billing agents for handling questions about ITI charges. The billing entity is empowered to issue credits to ITI accounts or will refer the caller to ITI directly.

The services proposed by ITI offer end users a valuable alternative to customer operator assistance service arrangements. ITI enables callers to 1) select from a variety of payment methods, 2) access any telephone in the world, 3) receive immediate credit for misdialed or uncompleted calls, 4) report troubles quickly and 5) obtain rate information at the time a call is placed. As demonstrated in this application, the company is uniquely qualified to provide businesses, lodging establishments, hospitals, pay phone owners and end users with a viable operator assisted long distance telecommunications services.

Dialing Process

1/22/67

