

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: August 21, 2001**

**REGULAR AGENDA** \_\_ **CONSENT AGENDA** **X** **EFFECTIVE DATE: August 31, 2001**

**DATE:** August 1, 2001

**TO:** Phil Nyegaard and Lance Ball

**FROM:** Celeste Hari

**SUBJECT:** Verizon Northwest Inc., Tariff Advice Nos. 756 and 757  
Payphone Compensation Obligation Charge

**SUMMARY RECOMMENDATION:**

Staff recommends the filings be allowed to go into effect.

**DISCUSSION:**

Verizon Northwest, Inc. (Verizon) filed Tariff Advice Nos. 756 and 757, on July 18, 2001. The filings are effective August 31, 2001. The filings are dealing with the same issue within the Company's Tariffs, P.U.C. OR. No. 9 (Advice 757) and P.U.C. OR. No. 11 (Advice 756). The substance of the filings concerns Payphone Compensation Obligation as set forth by the Federal Communications Commission (FCC).

The purpose of the filings is to introduce a \$0.25 surcharge for public payphone use for either local or toll calls when the call is paid by billing an alternate number rather than depositing money in the coin box. The surcharge covers Verizon's \$0.24 per call payment to payphone providers. The surcharge does not apply to emergency numbers (911) or calls made by hearing impaired or disabled persons to a telecommunications relay service. The filing is in accordance with FCC 47 CFR Section 64.1300, Payphone Compensation Obligation, which resulted from CC Docket 96-128. FCC 47 CFR Section 64.1300 states:

- (a) Except as provided herein, every carrier to whom a completed call from a payphone is routed shall compensate the payphone service provider for the call at a rate agreed upon by the parties by contract.
- (b) The compensation obligation set forth herein shall not apply to calls to emergency numbers, calls by hearing disabled persons to a telecommunications relay service or local call for which the caller has to make the required coin deposit.
- (c) In the absence of an agreement as required by paragraph (a) of this section, the carrier is obligated to compensate the payphone service provider at a per-call rate of \$0.24.

The filings are cost recovery in nature. The Company estimates net annual revenues will increase by \$13.00 from these filings.

**STAFF RECOMMENDATIONS:**

I have reviewed the filings and find them to be consistent with the FCC ruling and Oregon law. I recommend that the filing be allowed to go into effect.