

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. SC-62, SUB 5

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Request by Pay Tel Communications, Inc., )	
for Waiver of Rule R13-9(d) of the Rules )	ORDER REQUESTING COMMENTS
and Regulations of the North Carolina )	
Utilities Commission )	

BY THE CHAIRMAN: On December 1, 2016, Pay Tel Communications, Inc. (Pay Tel or Petitioner) filed a Verified Petition for Waiver of Rule R13-9(d) of the Rules and Regulations of the North Carolina Utilities Commission (Verified Petition). Commission Rule R13-9(d) provides;

(d) *0 + Local Automated Collect Station-to-Station.* The recipient of a local automated collect station-to-station call may not be charged more for the call than would have been charged by Windstream Concord Telephone, Inc. for a local collect station-to-station call.

The Petitioner stated that it provides inmate calling services to 53 jails and no prisons in North Carolina, that, pursuant to Commission Rule R13-9(d), Petitioner is authorized to charge a maximum of \$1.71<sup>1</sup> per local, automated collect station-to-station call, that the rate that Petitioner is allowed to charge under Commission Rule R13-9(d) does not reflect the Petitioner's cost of service, and that the Federal Communications Commission's Order addressing Rates for Interstate Inmate Calling Services, Second Report and Order and Third Further Notice of Proposed Rulemaking, 30 FCC Rcd 12763 (2015)(the FCC ICS Order) combined with North Carolina's cap on local rates has had a detrimental impact on Petitioner's ability to earn fair compensation for the provision of inmate calling services in North Carolina. Further, the Petitioner stated that the ICS Order prohibits per call surcharges and per call flat rates, that the Commission should restructure the rate that the Petitioner is authorized to charge by Commission Rule R13-9(d) to allow it to collect a maximum "per minute" calling rate of \$0.28 for 0+ local automated collect station-to-station calls in North Carolina and that the actual rate that Petitioner would charge any particular correctional facility, subject to the maximum rate cap, would be determined based on Petitioner's contract with that correctional facility.

The Petitioner thereafter requested that the Commission issue an order: (a) waiving the requirements of Commission Rule R13-9(d) as applied to Petitioner, (b)

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<sup>1</sup> In Docket No. P-100, Sub 84c, Commission Rule R13-9(d) was revised by the May 1, 2008 Order Revising Rule R13-9(d) to reflect its current terms and to establish the per call rate cap for 0+ local automated collect station-to-station calls of \$1.71.

approving Petitioner's proposal to implement a cap or maximum calling rate of \$0.28 per minute for local automated collect station-to-station calls in North Carolina, and (c) approving Petitioner's proposal that the maximum calling rate of \$0.28 "per minute" become effective not later than 30 days from the filing date of the Verified Petition.

After carefully considering the request and the record proper, the Chairman finds that good cause exists to request that: (1) the Public Staff, the Attorney General and/or any other interested party file comments by no later than Friday, January 13, 2017; and (2) the Petitioner file reply comments by no later than Friday, January 27, 2017. Further, the Chairman finds that good cause exists to require the Clerk to serve a copy of this Order by electronic mail and/or first class mail on all certificated payphone providers, North Carolina Prisoner Legal Services and all other persons on the mailing list of Docket No. P-100, Sub 84.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 2<sup>nd</sup> day of December, 2016.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Linnetta Threatt".

Linnetta Threatt, Acting Deputy Clerk