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STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

May 12, 2004

**VIA ELECTRONIC & OVERNIGHT MAIL**

Ms. Carole J. Washburn  
Executive Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
Olympia, Washington 98504-7250

RE: Docket No. UT-(new)  
Value-Added Communications, Inc.'s Petition for Waiver

Dear Ms. Washburn:

Enclosed for filing please find the original and twelve (12) copies of the Petition for Waiver submitted on behalf of Value-Added Communications, Inc. ("VAC"). VAC is seeking exemption from WAC 480-120-262(3) as the rule pertains to calls from inmate phones in correctional facilities.

If you have any questions, please contact me at (512) 343-2544.

Sincerely,

Jarrod Harper  
Authorized Representative for  
Value-Added Communications, Inc.

JH/pjf

Enclosures

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

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Petition for Permanent Exemption  
from WAC 480-120-262(3),  
Operator Service Providers

Docket No. UT-

VALUE-ADDED COMMUNICATIONS, INC.'S  
PETITION FOR WAIVER

STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

Value-Added Communications, Inc. ("VAC") hereby petitions the Washington Utilities and Transportation Commission ("Commission") for a permanent exemption from provisions of WAC 480-120-262(3) as that rule pertains to calls from inmate phones in correctional facilities.

**I. THE RULE**

WAC 480-120-262 became effective on July 1, 2003. It contains requirements for Operator Service Providers (OSPs) who are providing operator services from payphones and other call aggregator locations.

As adopted, WAC 480-120-262 subsection (3) reads as follows:

(3) Oral disclosure of rates. This subsection applies to all calls from pay phones or other call aggregator locations, including, but not limited to, prison phones and store-and-forward pay phones or "smart" phones. When a collect call is placed, both the consumer placing the call and the consumer receiving the call must be given the rate quote options required by this section.

(a) Oral rate disclosure message required. Before an operator-assisted call from a call aggregator location can be connected by an OSP (whether by a presubscribed or other provider), the OSP must first provide an oral rate disclosure message to the consumer. If the charges to the consumer do not exceed the benchmark rate in (f) of this subsection, the oral rate disclosure message must comply with the requirements of (b) of this subsection. In all other instances, the oral rate disclosure message must comply with the requirements of (c) of this subsection.

(b) Rate disclosure method when charges do not exceed benchmark. The oral rate disclosure message must state that the consumer may receive a rate quote and explain the method of obtaining the quote. The method of obtaining the quote may be by pressing a specific key or keys, but no more than two keys, or by staying on the line. If the consumer follows the directions to obtain the rate quote, the OSP must state all rates and charges that will apply if the consumer completes the call.

(c) Rate disclosure method when rates exceed benchmark. The oral rate disclosure message must state all rates and charges that will apply if the consumer completes the call.

(d) Charge must not exceed rate quote. If the OSP provides a rate quote pursuant to either (b) or (c) of this subsection, the charges to the user must not exceed the quoted rate. If a consumer complains to the commission that the charges exceeded the quoted rate, and the consumer states the exact amount of the quote, there will be a rebuttable presumption that the quote provided by the complaining consumer was the quote received by the consumer at the time the call was placed or accepted.

(e) Completion of call. Following the consumer's response to any of the above, the OSP must provide oral information advising that the consumer may complete the call by entering the consumer's calling card number.

(f) Benchmark rates. An OSP's charges for a particular call exceed the benchmark rate if the sum of all charges, other than taxes and fees required by law to be assessed directly on the consumer, would exceed, for any duration of the call, the sum of fifty cents multiplied by the duration of the call in minutes plus fifty cents. For example, an OSP's charges would exceed the benchmark rate if any of these conditions were true:

(i) Charges for a one-minute call exceeded one dollar;

(ii) Charges for a five-minute call exceeded three dollars; or

(iii) Charges for a ten-minute call exceeded five dollars and fifty cents.

## II. DISCUSSION

WAC 480-120-262(3) requires rate disclosure on all operator assisted calls placed from pay phones or other aggregator locations, including but not limited to prison phones, if

the sum of the operator service provider's charges for an operator assisted call exceed, for any duration of the call fifty cents per minute plus fifty cents.

VAC has approximately 1240 coinless inmate telephone lines installed in correctional facilities within the state of Washington. 1155 of these lines utilize a rate quoting platform that provides both the caller and the recipient of the collect inmate call the required rate quote options.

VAC seeks a permanent waiver for the remaining 85 of inmate lines. These lines are utilized as "attorney-client privileged" lines. If these lines are provided with the rate quote equipment, there exist the possibility that these lines would be subject to call recording because the inmate telephone system equipment utilized for rate quote also has inherent to its basic operation, call recording and monitoring features.

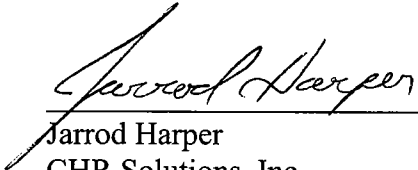
For this reason, when inmates, attorneys, or correctional facility personnel want to ensure that they have a secure line on which their calls are not capable of being recorded, they request the 'attorney-client privileged' lines. The Department of Corrections has stated that they require "inmates be provided with a telephone and telephone line that is in no way connected to the inmate monitoring system. This requirement prevents inadvertent monitoring or the recording of privileged calls."

### III. CONCLUSION

VAC seeks a permanent exemption from WAC 480-120-262(3) pertaining to required rate quoting for the 85 coinless inmate lines identified as 'attorney-client privileged' lines due to the inherent monitoring and recording risk associated with the rate quote equipment.

Dated this 12 day of May, 2004.

Value-Added Communications, Inc.

  
Jarrod Harper  
CHR Solutions, Inc.  
3721 Executive Center Dr.  
Suite 200  
Austin, Texas 78731

Authorized Representative for  
Value-Added Communications, Inc.