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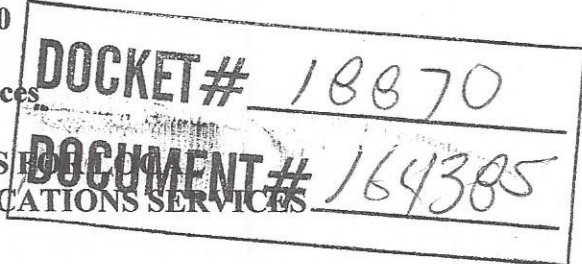
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Docket No. 18870

In Re: Institutional Telecommunications Services

ORDER MODIFYING RATES FOR
INSTITUTIONAL TELECOMMUNICATIONS SERVICES



On November 5, 2015, the Federal Communications Commission (FCC) released its *Second Report and Order and Third Notice of Proposed Rulemaking in the Matter of Rates for Interstate Inmate Calling Services* ("FCC Order"). In this Order, the FCC set rate caps for Inmate Calling Services, Ancillary Service Charges and prohibited per-call or per-connection charges on consumers.

On March 7, and March 23, 2016, the US. Court of Appeals for the District of Columbia Circuit ("DC Circuit Court") issued a stay of the application of the previously adopted interstate and intrastate per-minute rate caps for Institutional Telecommunications Services. The DC Circuit Court did not stay the FCC's prohibition on a per-call or per-connection charge rate or elimination and/or reduction in the amount of ancillary fees that could be charged by ITS providers in connection with inter and intrastate ITS.

In 2004, the Commission initiated a proceeding to examine the rates charged by ITS providers in Georgia. After conducting evidentiary hearings, the Georgia Public Service Commission ("Commission") ordered that all companies certified to provide ITS in Georgia phase in reductions to the rate caps over the years 2006 through 2009. Since 2009, the following rate caps have remained in place:

<u>Surcharge</u>	<u>IntraLATA</u>	<u>InterLATA</u>
\$2.00	\$0.1900/min	\$0.1900/min

<u>Surcharge</u>	<u>LOCAL</u>
\$2.20	\$0.50/call

Because the new FCC regulations prohibiting per-call surcharges were not stayed by the Federal District Court, carriers certified to provide ITS may no longer impose the per-call or per-connection charges permitted under the Commission's ITS order.

STAFF RECOMMENDATION

Staff recommended that the Commission modify the existing rate for a local ITS call by permitting ITS carriers to charge a rate of \$0.18/minute with a cap of \$2.70/call for local services. This cap is equal to the sum of the surcharge and the per-call rate caps that the Commission previously adopted.

The Commission's ITS Order permitted ITS providers to charge a \$2.00 surcharge for intraLATA and interLATA calls. Under the FCC Order, ITS carriers are no longer permitted to impose this surcharge on such calls. Staff did not recommend any change to the per-minute rate for intraLATA or interLATA ITS calls. Staff also recommended that the Commission reject all tariffs for ITS that have been filed with the Commission that include rates that are either over \$0.18/min for a local call or over \$0.19/min for an intraLATA or interLATA call. Staff recommended that ITS carriers be directed to file tariffs that implement its recommendation by July 13, 2016, and that the tariffs specify an effective date of July 20, 2016.

COMMISSION DECISION

The Commission adopts Staff's recommendation. It is sensible to modify the permissible charges for local service because the local rate currently in effect does not include a per-minute charge. Therefore, absent modification to the local rate, the FCC's prohibition on per-call or per-connection charges would plainly impair the ability of an ITS carrier to recover a reasonable charge for a local call. The specific modification recommended by Staff is rational because it adopts the same cap for a local ITS call that is provided for in the Commission's existing ITS rates. Under the local rate as modified in this order, a local ITS call that lasts less than fifteen minutes will cost less than the \$2.70 cap

The Commission also adopts Staff's recommendation to reject all ITS tariffs filed with the Commission that include rates that fail to comply with the local rate as modified by this order, or with the existing rates for intraLATA and interLATA ITS services. ITS carriers must file tariffs that implement this order by July 13, 2016 to be effective July 20, 2016.

WHEREFORE, it is

ORDERED, that the rates for a local ITS call is hereby modified to permit ITS carriers to charge a rate of \$0.18 per minute with a cap of \$2.70 per call.

ORDERED FURTHER, that all ITS tariffs filed with the Commission that include rates that are either over \$0.18/min for a local call or over \$0.19/min for an intraLATA or interLATA call are hereby rejected.

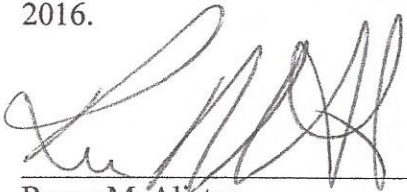
ORDERED FURTHER, that ITS carriers must file tariffs that implement this order by July 13, 2016 to be effective July 20, 2016.

ORDERED FURTHER, that all findings, conclusions and decisions contained within the preceding sections of this Order are adopted as findings of fact, conclusions of law, and decisions of regulatory policy of this Commission.

ORDERED FURTHER, that any motion for reconsideration, rehearing or oral argument shall not stay the effectiveness of this Order unless expressly so ordered by the Commission.


ORDERED FURTHER, that jurisdiction over this proceeding is expressly retained for the purpose of entering such further order or orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 7th day of July 2016.



Reece McAlister
Executive Secretary

7-7-16
DATE



Chuck Eaton
Chairman

7-7-16
DATE