

approach, which may include the following four alternatives (among others): (1) The establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities. 5 U.S.C. 603(c).

42. According to the Petitioners, the existing rate of \$.24 does not provide the statutory requirement of fair compensation. Thus, the Commission is concerned that inadequate compensation may undermine the statutory goals of promoting competition among payphone providers while simultaneously ensuring the widespread deployment of payphones. 47 U.S.C. 276. The Commission is further concerned that inadequate payphone compensation may have adverse economic impacts on smaller entities that provide payphone service. The Commission, therefore, is examining various options, including a proposed rule increasing the default rate, to ensure the provision of fair compensation.

43. The Commission, however, recognizes that an alternative approach to increasing the default rate has been proposed by parties who contend that any increase in the default rate may further suppress demand for payphone services. The Commission also recognizes that in proposing this alternative approach, these parties contend that the fully distributed cost methodology may be ripe for reexamination.

44. Another proposed rule under consideration may entail an examination of the revenues generated by non-traditional payphone services such as the provision of internet access. In the alternative, services other than access to the internet, such as data transfer and interactive functionalities may be taken into consideration. Accordingly, the Commission will consider assessments of both the impact of internet access and other new technology services.

45. Finally, the Commission requests comment on any small business related concerns occasioned by proposed rules addressing the reexamination of the default rate, the use of non-traditional payphone services, and other alternatives that may impact small businesses.

Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

46. None.

Ex Parte Presentations

47. This matter shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's ex parte rules. 47 CFR 1.1200 *et seq.* Persons making oral ex parte presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one or two-sentence description of the views and arguments presented generally is required. Other requirements pertaining to oral and written presentations are set forth in 47 CFR 1.1206(b).

Comment Filing Procedures

48. In order to facilitate review of comments and reply comments, parties must include the name of the filing party and the date of the filing on all comments and reply comments. Comments and reply comments must clearly identify the specific portion of the NPRM to which a particular comment or set of comments is responsive.

49. Comments may be filed by using the Commission's Electronic Comment Filing System (ECFS). See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 2421 (May 1, 1998). Comments filed through the ECFS may be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters must include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and must include the following words in the body of the message, "get form <your e-mail address>="." A sample form and directions will be sent in reply.

50. Comments may be filed by filing paper copies. Parties who choose to file by paper must file an original and five copies of each filing. Two copies of each filing must also be sent to the Chief, Pricing Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street SW., Washington, DC 20554.

51. Filings can be sent by hand or messenger delivery, by commercial

overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue NE., Suite 110, Washington, DC 20002. The filing hours at this location are 8 a.m. to 7 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be discarded before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capital Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be sent to 445 Twelfth Street SW., Washington, DC 20554. The Commission advises that electronic media not be sent through the U.S. Postal Service. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

Ordering Clauses

52. Accordingly, the Petitions for Rulemaking filed by APCC and the RBOC Payphone Coalition are granted as set forth herein.

53. Pursuant to the authority contained in 47 U.S.C. 151, 154, 201–205, 215, 218, 219, 220, 226, 276 and 405, this Notice of Proposed Rulemaking is adopted.

54. The Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subjects in 47 CFR Part 64

Communications common carriers, Telecommunications, Telephone.

Federal Communications Commission.

Marlene H. Dortch,
Secretary.

Rules Changes

The Federal Communications Commission proposes to amend 47 CFR part 64 as follows:

PART 64—MISCELLANEOUS RULES RELATING TO COMMON CARRIERS

1. The authority citation for part 64 continues to read as follows:

Authority: 47 U.S.C. 154, 254(k); secs. 403(b)(2)(B), (c), Public Law 104–104, 110 Stat. 56. Interpret or apply 47 U.S.C. 201,