

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: RELIANCE TELEPHONE OF GRAND FORKS, INC.	DOCKET NO. TF-2019-0026
INMATE CALLING SOLUTIONS, LLC d/b/a ICSOLUTIONS	DOCKET NOS. TF-2019-0030, TF-2021-0071
SECURUS TECHNOLOGIES, INC.	DOCKET NO. TF-2019-0033
NETWORK COMMUNICATIONS INTERNATIONAL CORP d/b/a NCIC INMATE COMMUNICATIONS	DOCKET NO. TF-2019-0037
GLOBAL TEL*LINK CORPORATION	DOCKET NO. TF-2019-0039
SMART COMMUNICATIONS HOLDING, INC.	DOCKET NO. TF-2019-0269
ENCARTELE, INC.	DOCKET NO. TF-2019-0270
INQUIRY REGARDING SERVICES AND RATES FOR ALTERNATIVE OPERATOR SERVICES	DOCKET NO. NOI-2019-0001

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ORDER ADDRESSING COMPLAINT AND REQUEST FOR FURTHER PROCEEDINGS

On August 20, 2019, the Utilities Board (Board) initiated an inquiry to evaluate the regulatory framework that applies to inmate calling service providers. This inquiry was opened in conjunction with the Board's termination of a rule making to address inmate calling service in Docket No. RMU-2017-0004. The August 20, 2019 order required inmate calling service providers to file complete tariffs. The Board also requested comments regarding various aspects of inmate calling service in Iowa. The Board has currently approved nine inmate calling service tariffs, and all tariffs are subject to complaint and investigation.

OCA COMPLAINT AND REQUEST FOR FURTHER PROCEEDINGS

On June 9, 2021, the Office of Consumer Advocate (OCA), a division of the Iowa Department of Justice, filed a complaint and request for further proceedings in Docket No. NOI-2019-0001 and in seven separate inmate calling service providers' individual tariff dockets. OCA requested the Board initiate further proceedings regarding whether per-minute charges greater than \$0.21 are just and reasonable. The inmate calling service providers against whom OCA filed its complaint are: Reliance Telephone of Grand Forks, Inc. (Reliance); Securus Technologies, Inc. (Securus); Network Communications International Corp d/b/a NCIC Inmate Communications (NCIC); Global Tel*Link Corporation (GTL); Encartele, Inc. (Encartele); Inmate Calling Solutions, LLC d/b/a IC Solutions (ICSolutions); and Smart Communications Holding, Inc. (Smart). At this time, only three inmate calling service providers have filed in response to OCA's complaint and request for further proceedings.

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a. Encartele

On June 15, 2021, in Docket No. TF-2019-0270, Encartele filed a revised tariff that reduced the intrastate per-minute rates in Iowa to \$0.21 per minute. On June 15, 2021, OCA also filed a withdrawal of complaint and request for further proceedings related to Encartele in Docket Nos. TF-2019-0270 and NOI-2019-0001. On June 25, 2021, the Board issued an order that approved the revised tariff sheets with the \$0.21 per-minute rates in Docket No. TF-2019-0270.

b. ICSolutions

On June 25, 2021, in Docket No. TF-2021-0071, ICSolutions filed revised tariff sheets to lower the intrastate per-minute rates in Iowa to \$0.21 per minute. On June 28, 2021, OCA filed a withdrawal of complaint and request for further proceedings as it relates to ICSolutions in Docket Nos. TF-2021-0071 and NOI-2019-0001. On July 26, 2021, ICSolutions' revised tariff sheets were approved with the \$0.21 per-minute rates in Docket No. TF-2021-0071.

c. GTL

On June 29, 2021, GTL filed a response to OCA's complaint and request for further proceedings in Docket No. TF-2019-0039. GTL asserts that OCA's request lacks legal support because the Federal Communications Commission (FCC) revised interstate rates, which is not a "*per se* violation of a statute governing *intrastate* calling rates." GTL also states that the Board has recently found up to \$0.25 per minute to be just and reasonable. GTL also asserts that the request for further proceedings is precluded because OCA stated that GTL's rate of \$0.22 for Black Hawk County Jail

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“do[es] not significantly exceed the \$.21 interim rate cap established by the FCC for interstate calls.”

On July 2, 2021, OCA filed a reply to GTL’s response in Docket Nos. TF-2019-0039 and NOI-2019-0001, which reiterated OCA’s initial assertions in its complaint and request for further proceedings. OCA reiterated that the FCC has reduced interstate rates to a cap of \$0.21 per minute. OCA stated that intrastate rates are relevant to all AOS providers that have a rate higher than \$0.21 per minute. OCA therefore requests further proceedings, when the AOS provider has a higher intrastate per-minute rate, to determine if the rates are just and reasonable. OCA requests that, if the rates are not found to be just and reasonable, the Board require the company to file a revised tariff that sets per-minute intrastate rates no higher than the FCC \$0.21 per-minute interstate rate.

d. Other Inmate Calling Service Providers

Reliance, Securus, NCIC, and Smart have not provided a response to OCA’s complaint and request for further proceedings. As stated above, OCA requests the Board initiate further proceedings to determine whether per-minute charges greater than \$0.21 are just and reasonable.

BOARD DISCUSSION

The Board has recently determined that the rates set for each of the inmate calling providers are just and reasonable. The rates approved by the Board include some rates of \$0.25 per minute. The rates approved by the Board were consistent with rates approved by the FCC prior to the recent FCC order setting a cap of \$0.21 per

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minute. OCA requests that the Board open proceedings to review the rates for inmate calling service that were approved only for intrastate service. The Board is not convinced that it must open proceedings because the FCC has reduced the cap for interstate rates. Consistency with interstate rates is an important part of the Board's review; however, the Board has approved rates for intrastate calls that exceed and that are less than the prior FCC rates. The Board considers it a more reasonable option to wait until the FCC has completed its review of all inmate calling rates, such as rates paid for ancillary fees, and then determine if a proceeding should be opened to address any differences between interstate rates and intrastate rates. The Board will deny OCA's request to open proceedings at this time.

ORDERING CLAUSE

IT IS THEREFORE ORDERED:

The request for further proceedings filed on June 9, 2021, by the Office of Consumer Advocate, a division of the Iowa Department of Justice, is denied.

UTILITIES BOARD

Geri Huser Date: 2021.07.29
15:02:07 -05'00'

Richard Lozier Date: 2021.07.29
15:42:44 -05'00'

ATTEST:

Anna Hyatt Date: 2021.07.30
05:45:34 -05'00'

Josh Byrnes Date: 2021.07.29
16:27:10 -05'00'

Dated at Des Moines, Iowa, this 30th day of July, 2021.