

Southwestern Bell

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

December 15, 1992

William A. Blase, Jr.  
Director  
Federal Regulatory

Ex Parte

Ms. Donna Searcy, Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Room 222 (1170)  
Washington, D.C. 20554

Re: WPC-6670  
CC Docket No. 92-101  
CC Docket No. 86-10

Dear Ms. Searcy:

In accordance with Commission rules governing ex parte presentations, please be advised that, today, Dan Hubbard, Vice President-R&PA, Stephen Melnikoff, Vice President-Federal Regulatory and the undersigned met with Kathleen Abernathy, Legal Advisor to Commissioner Marshall to discuss the issues listed above. Positions expressed by Southwestern Bell were consistent with those in the record. In addition, the attached handouts were provided in the meeting.

If you have any questions, please let me know.

Sincerely,

*William A. Blase, Jr.*

Attachments

cc: Kathleen Abernathy

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Washington, DC 20006

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**800 DATA BASE**

**CC DOCKET NO. 86-10**

**A NATIONWIDE DATA BASE SYSTEM FOR 800 ACCESS THAT PERMITS FULL NUMBER PORTABILITY WAS MANDATED IN THE COMMISSION'S SEPTEMBER 4, 1991 ORDER (¶ 19)**

- o NUMBER PORTABILITY WAS DETERMINED TO BE IN THE PUBLIC INTEREST (¶ 24)**
  
- o NUMBER PORTABILITY REQUIRES 10-DIGIT TRANSLATION**
  
- o 10-DIGIT TRANSLATION FOR 800 ACCESS SERVICE WITH NUMBER PORTABILITY REQUIRES SS7 TECHNOLOGY AND 800 DATA BASE ARCHITECTURE**
  
- o 800 DATA BASE ARCHITECTURE IS INCREMENTAL TO THE EXISTING NETWORK**
  
- o INVESTMENT AND EXPENSE TO PROVIDE NUMBER PORTABILITY IS SIGNIFICANT**

(2)

**800 ACCESS SERVICE WITH NUMBER PORTABILITY  
SHOULD NOT BE CONSIDERED A RESTRUCTURE  
UNDER THE COMMISSION'S PRICE CAP RULES**

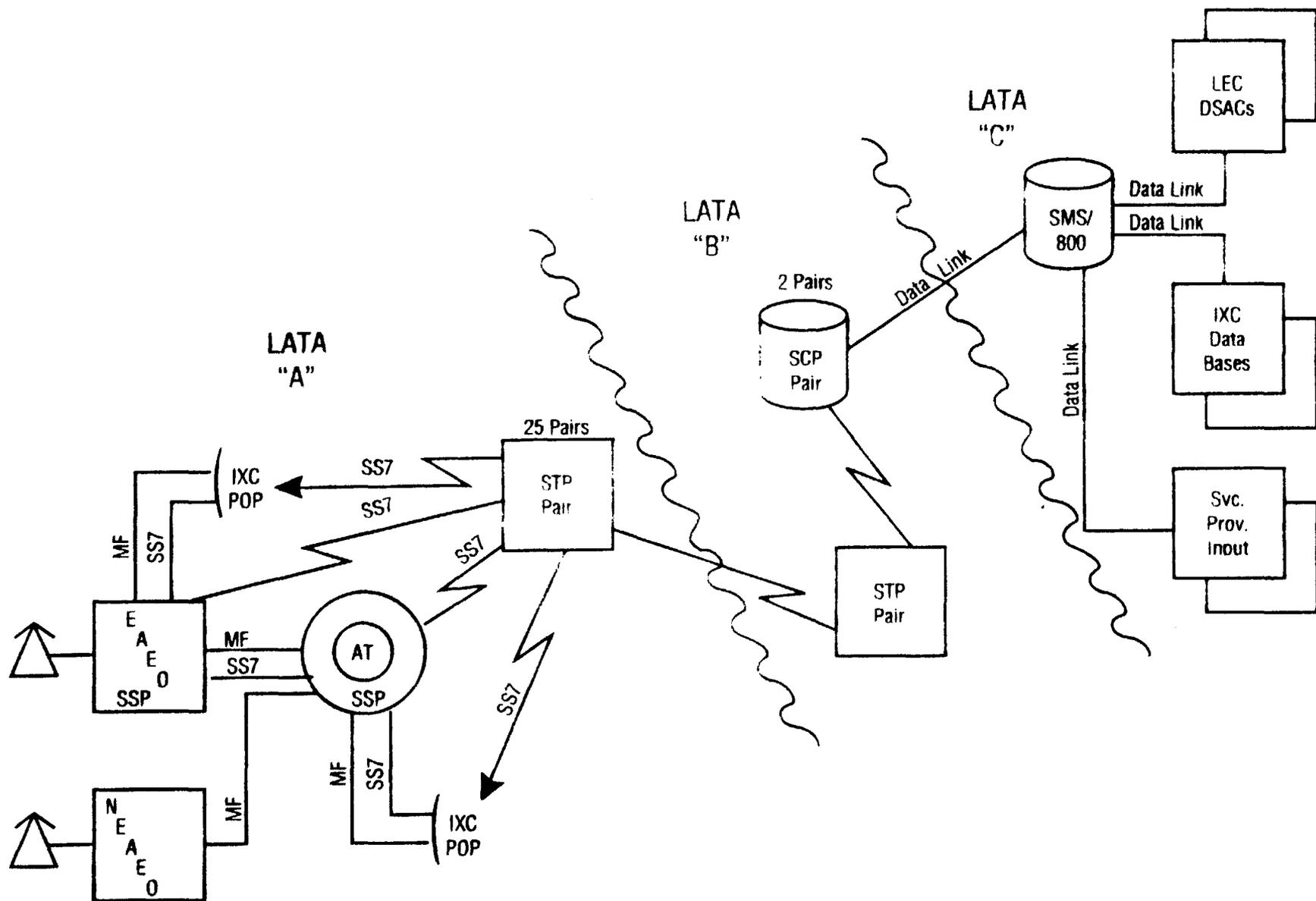
- o PRICE CAP RULES FOR RESTRUCTURES  
REQUIRE REVENUE NEUTRALITY**
  
- o SERVICES CLASSIFIED AS  
RESTRUCTURED DO NOT PROVIDE  
ADDITIONAL FUNCTIONAL CAPABILITIES  
BEYOND THOSE OF THE SERVICES THEY  
REPLACE - HENCE THE REQUIREMENT  
FOR REVENUE NEUTRALITY (CC  
DOCKET 87-313, FNPRM, RELEASED MAY  
1988, ¶ 325, FN. 720; ADOPTED, APRIL  
1989, ¶ 518)**
  
- o NUMBER PORTABILITY IS A NEW  
FUNCTIONAL CAPABILITY NOT  
CURRENTLY AVAILABLE WITH 800-NXX  
NETWORK ARCHITECTURE**

(3)

**800 ACCESS SERVICE WITH NUMBER PORTABILITY SHOULD BE CONSIDERED A NEW SERVICE UNDER THE COMMISSION'S PRICE CAP RULES**

- o THE COMMISSION'S RULES DEFINE A NEW SERVICE AS ONE THAT ADDS TO THE RANGE OF OPTIONS ALREADY AVAILABLE TO CUSTOMERS (CC DOCKET 87-313, ¶ 314, ORDER RELEASED 10-4-90)**
  
- o 800 DATA BASE QUERY CHARGE WILL ONLY RECOVER 800 DATA BASE ARCHITECTURE COSTS**
  
- o FULL 800 DATA BASE COST RECOVERY IS CONSISTENT WITH THE COMMISSION'S FINDING IN ITS APRIL 1989 REPORT AND ORDER IN CC DOCKET NO. 86-10, ¶ 70**
  
- o COMPETITIVENESS OF 800 SERVICE MARKET WILL CONTROL IMPACT ON END USER - NO REQUIREMENT FOR IXC TO PASS ON 800 DATA BASE CHARGES**

# 800NXX vs. 800 Number Portability



### New v. Restructured Service Definition

p. 314, CC Docket No. 87-313, Released 10/4/90

"We will consider as new, services which add to the range of options already available to customers. A new service may, but need not, include a new technology or functional capability. Many new services are, in essence, re-priced versions of already-existing services ... As long as the pre-existing service is still offered, and the range of alternatives available to consumers is increased, we will classify the service as new. Restructured services, on the other hand, involve the rearrangement of existing services ... When a service has been restructured, the previous version of that service no longer exists."

### 800 Database Cost Recovery

p. 70, CC Docket No. 86-10, Released 4/21/89

"CCS7 represents a new network infrastructure that will not only support a number of new interstate and state services, but will also increase the efficiency with which LECs provide existing services. As such, CCS7 represents a general network upgrade, the core costs of which should be borne by all network users. Accordingly, we will treat as the costs of providing data base access service only those costs that are incurred specifically for the implementation and operation of the data base system, and we direct the LECs to establish rates for the data base access based only on these specific costs.

### 800 Database Costs Distinguishable and in Addition to CCS7 Costs

p. 27, CC Docket No. 86-10 (Order on Reconsideration),  
Released 9/4/91

"The BOCs and GTE must implement improvements in their own networks for 800 data base access. They will have to upgrade their SS7 networks by installing STPs and implementing SS7 interconnection sufficient to meet our access time standards. In addition, they must upgrade their 800 data bases (or Service Control Points (SCPs)) now being used for interlata 800 service with the additional processors and software necessary for mandatory 800 data base access. The BOCs and GTE must also connect their 800 data bases to the Service Management System (SMS)."

## DARK FIBER PROVIDERS HAVE PROLIFERATED

- The Kirk Tyson sampling study, filed by Southwestern Bell Telephone Company (SWBT) in its September 27, 1991 Reply in W-P-C-6670, illustrates the growth of dark fiber providers within SWBT's five state service territory and demonstrates that SWBT is not the carrier of last resort with regard to dark fiber facilities:
  - Several companies in each of SWBT's major metropolitan areas have extensive fiber optic experience and are willing to provide dark fiber facilities for others.
  - At least nine of these companies are willing and able to provide dark fiber facilities anywhere in SWBT's territory.
  - Many other companies, such as electric and gas utilities, railroads, and CATV companies already use their own right of way to provide dark fiber facilities to others. Further, right of way can and has been acquired by competitive access providers to provide fiber optic cable facilities for themselves and for end users
  - For example, Metropolitan Telecommunication Resources (MTR) currently provides dark fiber facilities to all segments of the market on a nationwide basis. MTR represents various companies who have franchise authority and rights of way in 69 of the nation's top 100 metropolitan areas. MTR is actively seeking to provide dark fiber facilities to both end users and carriers.



**KIRK TYSON INTERNATIONAL**  
*Chicago • Geneva • Melbourne • New York • Singapore*

**SOUTHWESTERN BELL TELEPHONE COMPANY**

**REPORT ON SAMPLING OF  
DARK FIBER PROVIDERS**

**25 SEPTEMBER 1991**

# Sampling of Dark Fiber Providers

25 September 1991

State	Companies Providing Fiber Optic Cable	Geographic Areas Covered	Install Dark Fiber	Examples of Locations Where Fiber Optic Cable Is Deployed
Texas	Phonoscope Cable	Primarily Houston	Yes	Exxon  BP North America Petroleum
	Digital Direct of Dallas	United States	Yes	Downtown Dallas
	Western Union ATS (Now owned by MCI)	United States	Yes	Houston, Dallas, San Antonio, Kansas
	TU Electric	Northern 1/3 of Texas	Yes	Dallas/Fort Worth
	Data Connection	Texas	Yes	San Antonio, Dallas/ Fort Worth
	ACS Dataline	United States	Yes	Houston, Austin, San Antonio
	Data Aids	United States	Yes	Austin, Houston, San Antonio, Kansas
Oklahoma	Public Service of Oklahoma (PSO)	Tulsa metropolitan area	Yes	PSO, Wiltel



## Sampling of Dark Fiber Providers

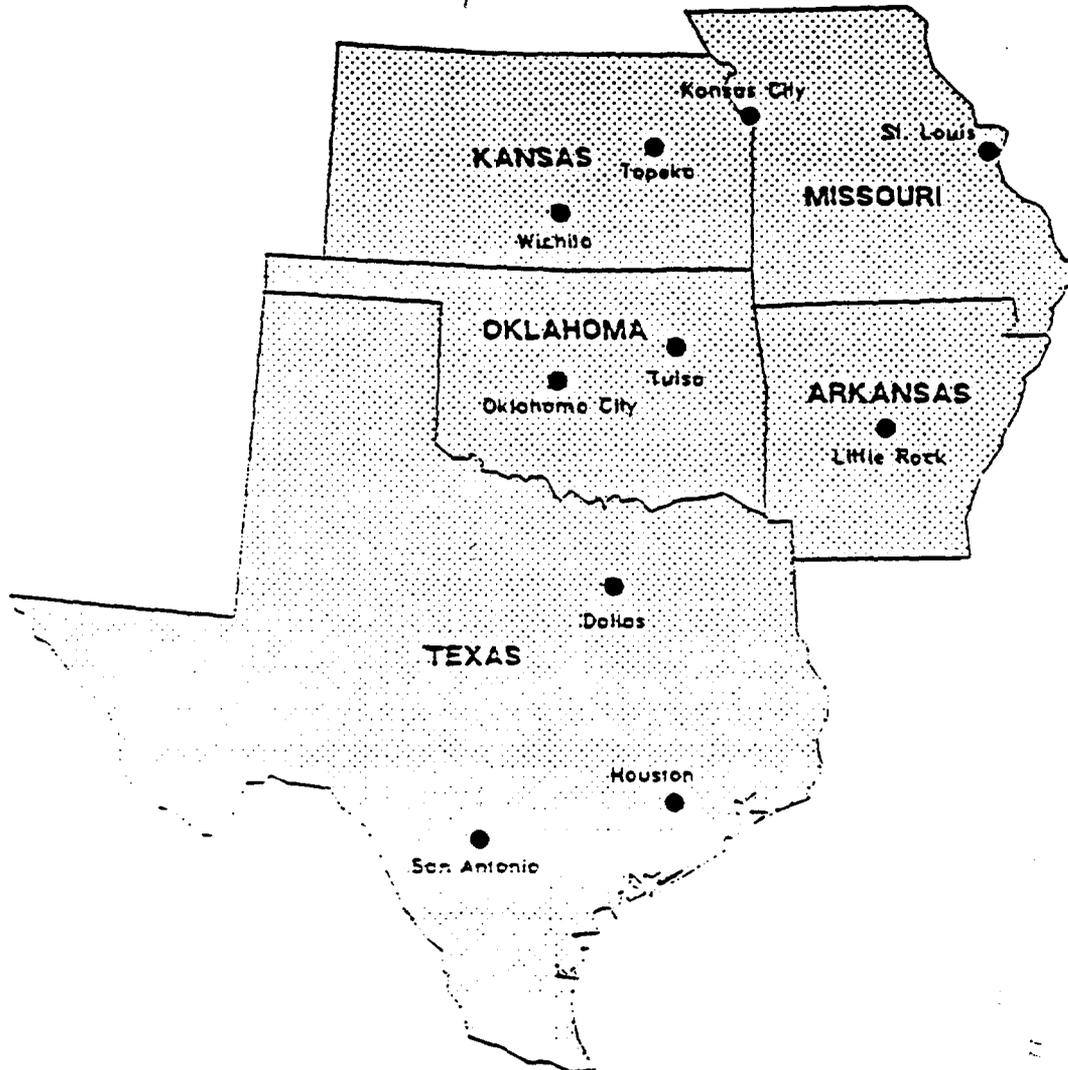
25 September 1991

State	Companies Providing Fiber Optic Cable	Geographic Areas Covered	Install Dark Fiber	Examples of Locations Where Fiber Optic Cable is Deployed
Missouri	Itak	Primarily Kansas City area	Yes	Primarily Kansas City area
	U.S. Electric	Primarily Kansas City area	Yes	North Kansas City Hospital, Allied Signal
	Alta Telecommunications (St. Louis Fibercom)	St. Louis Fibercom - St. Louis area Alta Telecomm - United States	Yes	Metro Link Light Rail System
	TeleCable of Springfield	Springfield	Yes	Primarily for own use
Arkansas	Arkansas Power & Light	Arkansas	Yes	Little Rock to New Orleans
Kansas	FCI	Within 200 miles of Topeka	Yes	None Yet
	Kansas Gas & Electric (Kansas Power & Electric)	Eastern 2/3 of Kansas	Yes	Primarily for own use
Other	Knewt Network Technologies	United States, Worldwide	Yes	Oklahoma City, Oklahoma State University
	Optical Networks International	United States, Worldwide	Yes	Piano & Kingwood, Texas
	Metropolitan Telecommunication Resources	United States	Yes	Dallas, Kansas City, St. Louis
	FiberLen	United States, Worldwide	Yes	Throughout the United States



# Geographic Coverage of Selected Companies Installing Fiber Optic Cable

25 September 1991

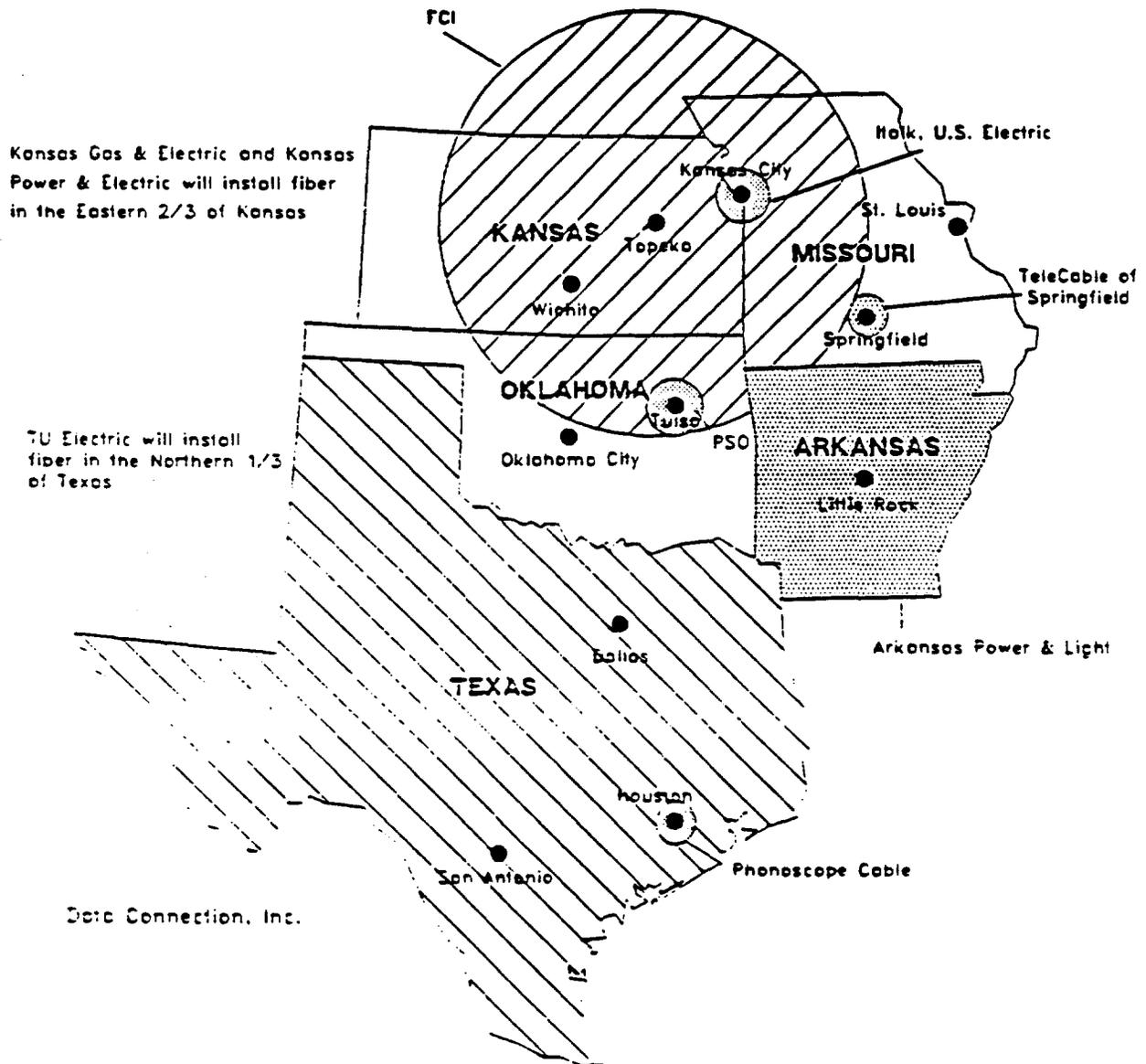


The following companies will install fiber optic cable in all five states:

Digital Direct of Dallas, Inc.  
Western Union ATS  
Kiewit Network Technologies, Inc.  
Optical Networks International  
Ate Telecommunications (St. Louis Fibercom in St. Louis)  
MTE  
ACS Dateline  
Fibercom, Inc.  
Data Aids

# Geographic Coverage of Selected Companies Installing Fiber Optic Cable

25 September 1991





## metropolitan telecommunication resources

representing alternate access and private point-to-point networks from coast-to-coast

Since 1985, MTR has been a focal point for cable television companies and electric utilities who have elected to provide high capacity digital communications, usually on fiber optical cable, to major telecommunications consumers and inter-exchange carriers.

These service companies are determining that their presence in this arena is a logical and strategic extension of their business. MTR's role is to not only show them how to establish their business, including end-users expectations, but to bring them prospective customers.

On behalf of our clients, MTR maintains constant contact with all of the major carriers, many regional carriers, as well as many major end-user consumers of high capacity telecommunications services. Since some service requests extend beyond franchise areas of many of these companies, MTR works with several providers to bring together a unified product that is acceptable to the carrier and end user.

MTR's work has been featured in *Multichannel News*, *Cablevision* and *Lightwave*.

about mtr



# metropolitan telecommunication resources

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## Kim A. Reagh

Mr. Reagh is President of Metropolitan Telecommunication Resources. Founded by Mr. Reagh in 1979, since 1985, MTR has been exclusively devoted to marketing and brokering the fiber optic telecommunication services of metropolitan providers, which are typically Cable Television MSOs. Today, in various capacities MTR has represented 9 of the top 15 MSOs.

Mr. Reagh started in the field of telecommunications as a member of the United States Air Force. His entire military career was at the Pentagon, his last assignment being Chief of the Pentagon Station of Air Force HF Radio. Later he assumed numerous positions at the director level in Iowa State Government and, before forming MTR, served as executive consultant in the field of telecommunications to Iowa's present and immediate past Governors.

He received his Bachelor's and Master Degrees from Drake University and continued post Master's study at UCLA.

## Quentin Hoover

Quentin, Executive Vice President, has spent the past 20 years in sales and management capacities in the data processing and communication industries – the last being with Infinet, Inc., a North Andover, Massachusetts-based manufacturer of communication equipment and systems where he managed an 11 state area.

Since joining MTR, his primary focus has continued to be in marketing and sales. During this time, MTR has had to re-define its portion of the rapidly-evolving alternate access market and develop business plans for obtaining its goals. The dynamics of this industry have been due, in part, to the increased willingness of the industry to accept non-telephone based alternate providers and the cable television organizations and utilities to provide such services. Quentin has played an important role in the motivation of both those users and suppliers. He is also responsible for MTR's sales to both end-users and inter-exchange carriers.

Following four-years in communications with the US Navy, Quentin received his MBA from the University of Maryland.

Both Mr. Hoover and Mr. Reagh have made numerous presentations to various national inter-exchange carriers and cable television organizations.

key staff



**metropolitan telecommunication resources**

representing alternate access and private point-to-point networks from coast-to-coast

## *Kansas City FiberNet*

Kansas City FiberNet is an alternate access company established by American Cablevision (ATC & TCI). In 1986 KCFN was envisioned as a natural outgrowth of one of the first attempts in the nation to use AM and FM modulated fiber optic cable to interconnect cable hub stations with a head end.

In 1988 excess capacities of this fiber was marketed to potential business consumers who desired to use the capacity to interconnect to other offices throughout the city or, more typically, to long distance carriers. Services offered are digital voice lines of 1.544 MBS, known as a DS-1, which is 24 individual phone lines and 45 MBS, known as DS-3, which is 28 DS-1 circuits or 672 individual phone lines. Medium and high speed digital data and video are also offered.

Early 1991, in cooperation with Telecable Corporation, the franchise holder of Overland Park, Kansas, a high growth suburb of the metropolitan area, KCFN built its first fiber, a route of approximately 10 miles, outside of American's franchise. Today KCFN consists of approximately 140 route miles and 1500 fiber miles of plant exclusively devoted to this business. All major carriers and most regional inter-exchange carriers and many major end users consumers are KCFN's customers.

KCFN is certificated in both the states of Missouri and Kansas.

MTR has been an integral part of KCFN from the beginning, by first providing general management of the venture and now being its exclusive sales and marketing agent.

kcfn



# metropolitan telecommunication resources

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## Alternate Access Work by MTR List of Cities

Atlantic City, NJ  
Austin, TX  
Charlotte, NC  
Cheyenne, WY  
Chicago, IL  
Dallas, TX  
Denver, CO  
Des Moines, IA  
Detroit, MI  
Fort Worth, TX  
Harrisburg, PA  
Kansas City, MO  
Miami, FL  
Omaha, NE  
Overland Park, KS  
Palo Alto, CA  
Plano, TX  
Portland, OR  
Richardson, TX  
Sacramento, CA  
Salt Lake City, UT  
San Jose, CA  
Seattle, WA  
Shreveport, LA  
Sioux Falls, SD  
Springfield, MO  
St. Louis, MO

cities



# metropolitan telecommunication resources

representing alternate access and private point-to-point networks from coast-to-coast

## Metropolitan areas containing at least one MTR represented city

Akron, OH	Los Angeles, CA
Albany, NY	Memphis, TN
Albuquerque, NM	Miami, FL
Atlanta, GA	Milwaukee, WI
Augusta, GA	Minn/St Paul, MN
Austin, TX	Mobile, AL
Bakersfield, CA	New Orleans, LA
Baltimore, MD	New York, NY
Birmingham, AL	Norfolk, VA
Boston, MA	Ok City, OK
Canton, OH	Omaha, NE
Charlotte, NC	Orlando, FL
Chicago, IL	Philadelphia, PA
Cincinnati, OH	Phoenix, AZ
Cleveland, OH	Portland, OR
Columbus, OH	Raleigh/Dur, NC
Dallas, TX	Richmond, VA
Denver, CO	Rochester, NY
Des Moines, IA	Sacramento, CA
Detroit, MI	Saginaw, MI
El Paso, TX	Saint Louis, MO
Flint, MI	San Antonio, TX
Fresno, CA	San Diego, CA
Greensboro, NC	San Francisco, CA
Greenville, SC	Seattle, WA
Harrisburg, PA	Springfield, MA
Honolulu, HI	Stockton, CA
Houston, TX	S. Lake City, UT
Indianapolis, IN	Tampa, FL
Jacksonville, FL	Tulsa, OK
Jackson, MS	Washington, DC
Kansas City, MO	Wichita, KS
Lakeland, FL	W. Palm Beach, FL
Lansing, MI	Youngstown, OH
Las Vegas, NV	

metropolitan areas