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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Petition for Rulemaking to Amend)
the Commission's Part 68 Rules)
to Authorize Regulated Carriers)
to Provide Certain Line Build-Out)
Functionality as Part of Regulated)
Network Equipment on Customer)
Premises)

RM-8158

**REPLY COMMENTS
OF THE
UNITED STATES TELEPHONE ASSOCIATION**

The United States Telephone Association (USTA) respectfully submits these Reply Comments on the Petition for Rulemaking (Petition) of Verilink Corporation to amend Part 68 to authorize carriers to offer line build-out (LBO) functionality under tariff to customers who want it. The comments were filed February 8, 1993. About a dozen comments were filed.

This is the current proceeding in a line of proceedings that involves an unusually technical problem. Verilink asks the Commission to allow carriers to offer this functionality to be provided in the transmission path of 1.544 Mbps services as a component of regulated network equipment located on customer premises. The Commission elected in 1991 not to issue a declaratory ruling or waiver on a similar request by BellSouth, but invited interested parties to seek a rulemaking.¹

¹ In Re: BellSouth Petition for Declaratory Ruling, or Alternatively, Request for Limited Waiver of the CPE Rules to Provide Line Build-Out Functionality as a

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USTA supports the commencement of a rulemaking to permit the provision of such functionality to customers who want it. Verilink's Petition strongly supports a rule change to permit regulated LBO. The comments filed in response to the Public Notice further justify that rule change.² The record here and in 1991 reflects that the current rules penalize customers. The Commission can grant affected customers the necessary relief in a rule without adverse impacts.

A customer using a DS1 network link has the right to provide its own LBO or to procure it from third parties. As a practical matter, there are customers who would prefer not to be forced to do this themselves. The current rules provide no corresponding right for customers to procure LBO functionality in the network from the serving carrier. There are customers who would prefer this as a simple, efficient, reliable and cost-effective option.³ Yet, they have no right to do so.

Component of Regulated Network Interface Connectors on Customer Premises, 6 FCC Rcd 3336 (Common Carrier Bureau, 1991).

² Supporting comments were filed by Pairgain Technologies, NYNEX Telephone Companies, Ameritech Operating Companies, BellSouth, Integrated Network Corporation (INC), Larus Corporation, Southwestern Bell Telephone Company, GTE, Bell Atlantic and Pacific Bell and Nevada Bell (Pacific Companies).

³ Comments of Larus Corporation at 1-2; INC at 1,4.

The resulting procedures that are required to make the DS1 link work are unnecessarily cumbersome. The underlying DS1 circuits are faster and demand more precision than 56 KB lines. As BellSouth explains, the carrier first engineers the route and determines the required LBO outpulse value. That value is provisioned in the loopback path of the network interface unit for testing. Once testing is completed, the carrier advises the customer. The carrier then must terminate the LBO functionality.⁴

The customer then has to set its CPE to the appropriate LBO output pulse option.⁵ If the customer does it incorrectly, its service is affected, and it must repeat the procedure. Each time the customer changes CPE or reconfigures the link, this process must be repeated, using up the time of both the carrier and the customer.⁶

Network based LBO would allow a customer to contract for the requisite functionality as part of its DS1 link arrangements, and it would avoid the repeated risks of disrupting the customer's own communications link, forcing use of employee time for restoration that could be better spent on other, more productive activities. Network based LBO also would avoid the same risks

⁴ Comments of Southwestern Bell at 3.

⁵ BellSouth Comments at 2-3.

⁶ Comments of INC at 4; Bell Atlantic at 2.

that this customer could pose to other customers on the same circuit.⁷ That number could be up to 25.⁸ Lastly, it also would let the carriers be more efficient, and save them money if they still have the functionality in place.⁹

There can be no adverse impact on competition, because the functionality itself does not significantly affect CPE cost or the ability of CPE vendors to sell related equipment.¹⁰ The bottom line, however, is the impact on customers. Customers should not be prevented from obtaining an option they choose as better for them.¹¹ And, as Southwestern Bell states, "(N)o known increased network costs to the customer would result."¹²

The Petition promotes exactly the "policy of the United States" to promote new technology and services that is set out in section 7 of the Communications Act, 47 USC 157.¹³

⁷ See BellSouth Comments at 3-4.

⁸ Comments of Pacific Companies at 2.

⁹ Comments of the NYNEX Telephone Companies at 2; Bell Atlantic at 3.

¹⁰ Comments of Ameritech at 2; Bell Atlantic at 1.

¹¹ See Comments of Pairgain at 1-2; BellSouth at 7; NYNEX Telephone Companies at 2; INC at 7; Pacific Companies at 4.

¹² Comments of Southwestern Bell Telephone Company at 6.

¹³ Comments of INC at 2,5-7(permitting carrier-provision of LBO in the DS1 transmission path will encourage the deployment of advanced digital transmission technologies and the modernization of the U.S.

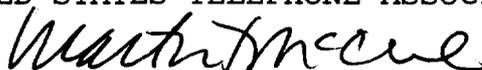
Only IDCMA opposes the Petition. However, its arguments are procedural. All of its arguments have been met in the comments supporting the Petition.¹⁴ The facts are straightforward. If rulemaking action is needed to address this issue in 47 CFR 64.702, that, too should be forthcoming. Customers who understand the impact on their service, after looking at the history of the LBO issue, would be likely to conclude that they are being denied real substantive relief as a consequence of procedural gamesmanship. IDCMA should not be permitted to add new procedural obstacles.

A rulemaking should be promptly commenced, and rapidly and favorably concluded.

Respectfully submitted,

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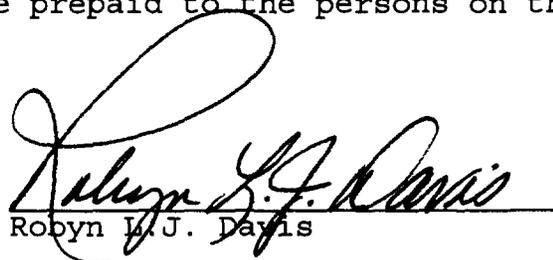
February 23, 1993

telecommunications network infrastructure.)

¹⁴ See, e.g., Comments of IDCMA at 7.

CERTIFICATE OF SERVICE

I, Robyn L.J. Davis, do certify that on February 23, 1993 copies of the foregoing Reply Comments of the United States Telephone Association were either hand-delivered, or deposited in the U.S. Mail, first-class, postage prepaid to the persons on the attached service list.


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