

DOCKET FILE COPY ORIGINAL

ORIGINAL

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

RECEIVED

JUN 3 1994

In the Matter of)
)
Implementation of Section 309(j))
of the Communications Act)
Competitive Bidding)

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY
PP Docket No. 93-253

MCI PETITION FOR PARTIAL RECONSIDERATION

MCI Telecommunications Corporation (MCI), by its attorneys, hereby submits its petition for partial reconsideration of the Second Report and Order (R&O) in the above-captioned proceeding. MCI requests that the Commission reconsider its decision to exclude the Rural Radio Service, including the Basic Exchange Telephone Radio Service (BETRS), from competitive bidding.^{1/}

The Commission's conclusion in footnote 35 of the R&O -- i.e., that it "do[es] not anticipate mutual exclusivity between BETRS applications" -- is premised on the notion that "local exchange carriers generally operate under exclusive (territorial franchises." Id. While that premise is true today in the majority of states, local exchange competition has already been authorized in several states,^{2/} and is under consideration in numerous other jurisdictions.

^{1/} See R&O at ¶¶ 45-46 and Appendix B, Final Rules, §1.2102(a)(6).

^{2/} See, e.g., Application of MFS Intelenet of Maryland, Inc. for Authority to Provide and Resell Local Exchange and Interexchange Telephone Service, Case No. 8584, Order No. 71155, Maryland Public Service Commission, issued April 25, 1994.

No. of Copies rec'd 045
List ABCDE

Given recent developments in the states, the Commission should not defer resolution of the BETRS auction issue. MCI believes that it may be a matter of a few weeks or months before the Commission will face a situation where two (or more) carriers, each possessing the requisite authority under state law to provide local exchange telephone service, file mutually exclusive BETRS applications.

MCI urges the Commission to address this issue on reconsideration, rather than defer consideration of the use of competitive bidding in BETRS to a future date. Deferral would not only unnecessarily consume the resources of the Commission and the parties in a further rulemaking, but would contribute to unnecessary delay in the establishment of BETRS service to consumers in areas where multiple local exchange carriers are authorized.^{3/}

^{3/} The 1993 amendment to Section 309(i) of the Communications Act eliminates the possibility that lotteries could be employed in cases of mutual exclusivity between BETRS applicants. That leaves the Commission with only one other authorized method of resolving mutual exclusivity, comparative hearings. Any effort to create, ab initio, a new common carrier comparative hearing process, and to apply that process to mutually exclusive BETRS applications would entail far greater delay and much higher cost than the use of competitive bidding.

Wherefore, MCI respectfully requests that the Commission, upon reconsideration, revise Subpart Q of Part 1 of the Rules to specify that mutually exclusive BETRS applications will be subject to competitive bidding.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

By: Larry A Blosser
Larry A. Blosser
Donald J. Elardo
1801 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
(202) 887-2727

Its Attorneys

Dated: June 3, 1994