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Before the
Federal Communications Commission
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
)
Petition for Partial Relief)
From the Current Regulatory)
Treatment of COMSAT World Systems')
Switched Voice, Private Line, and)
Video and Audio Services)

RM-7913

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REPLY COMMENTS

MCI Telecommunications Corporation ("MCI") hereby submits its reply comments in response to the above-captioned Petition for Partial Relief ("Petition") filed by COMSAT Corporation ("COMSAT") on July 1, 1994.^{1/}

COMSAT argues that current regulation and oversight of its INTELSAT-based services "... is not commensurate with its lack of market influence today."^{2/} COMSAT provides a study that concludes that it faces substantial effective competition in all geographic and service market segments worldwide from fiber-optic cables and separate satellite systems.^{3/} The study concludes that while COMSAT possesses a legal monopoly as to the INTELSAT system, that right no longer confers any market power upon

^{1/} See, FCC Public Notice (473149) of July 26, 1994.

^{2/} Pet. p. 33.

^{3/} Pet. P. 4.

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COMSAT.^{4/} Consequently, COMSAT specifically requests that the Commission grant it streamlined tariff regulation regarding COMSAT world systems line-of-business services (INTELSAT common carrier satellite services). Such streamlined regulation would include authority to file tariffs on fourteen days' notice, with a presumption of lawfulness and with minimal cost support data.

MCI is one of COMSAT's largest customers for INTELSAT common carrier satellite services. COMSAT and MCI have chosen to arrange the bulk of their business relationships through contracts pursuant to section 211 of the Communications Act of 1934. Nonetheless, the matter of streamlined regulation in general, and as that regulatory treatment may apply to COMSAT in particular, is of concern to MCI. Thus, MCI has carefully monitored this proceeding to date, including a review of the comments filed on August 25, 1994. Such review compels MCI to file these reply comments primarily to underscore the importance to MCI and the Commission of matters regarding streamlined regulatory treatment of common carriers.

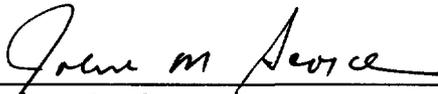
MCI, as the Commission knows, is an active participant in the tariff process concerning the provision of access services by local exchange carriers. That process involves longer notice periods and more detailed cost support than provided through the type of streamlined regulation sought here by COMSAT. These more

^{4/} Id.

extensive processes enables MCI to effectively analyze access tariff filings and thereby assist in the Commission's regulatory oversight process. MCI submits that the Commission should be mindful in its deliberations here that it not inadvertently establish any precedent for the relaxation of the tariffing regime for local access services. As to COMSAT in particular, MCI submits that streamlined regulation is an extremely important matter for both the carriers and the Commission. Decisions should be made on an adequate record and with careful deliberation.

Respectfully submitted,

MCI TELECOMMUNICATIONS CORPORATION

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Dated: September 9, 1994

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Reply Comments of MCI Telecommunications Corporation ("MCI") was sent by first-class mail, postage prepaid, this 9th day of September, 1994, to each of the following.

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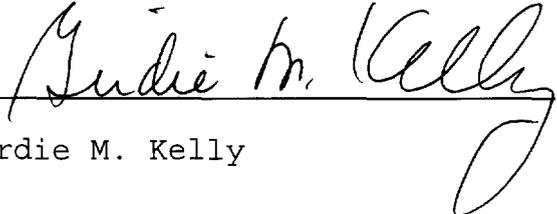
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