

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

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In the Matter of)
Unbundling of Local Exchange)
Carrier Common Line Facilities)

RM-8614

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY
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**Reply Comments of Cablevision Lightpath, Inc.
In Support of Petition for Rulemaking**

Cablevision Lightpath, Inc. ("Lightpath") respectfully submits these reply comments in support of the petition for rulemaking of MFS, seeking unbundling of the local loop. Lightpath is a wholly-owned subsidiary of Cablevision Systems Corp. ("CSC"), the nation's fifth largest cable television operator, with more than 2.5 million subscribers in 19 states. Lightpath has been providing non-switched voice and data transport to customers in New York since 1992 and subsequently has begun providing switched telecommunications service to commercial subscribers located in and around the cable service area served by CSC in New York. Lightpath plans to trial residential service in New York in 1995 and is presently investigating the feasibility of providing local exchange services in Connecticut, New Jersey, Ohio, and Massachusetts.

Lightpath strongly supports MFS' effort to require the unbundling of the local loop. Unbundling incumbent LEC networks will promote effective competition. Many new companies entering the telephony market will need access to the bottleneck facilities of the incumbent LEC in order to begin to offer service. The bottleneck facility most in need by many potential competitors will be access to loops. This has been recognized by several state Commissions, such as New York's, which ordered access line loop unbundling in its Docket 91-C-1174 to ensure that competitors could purchase unbundled loops from NYNEX.

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NYNEX in its Comments in this proceeding has made the incorrect and misleading assertion that "The recent entry of a major cable TV provider, Cablevision Lightpath, as a CLEC in New York, disproves MFS' claim that 'cable overlay' is not a feasible alternative to the local loop." Lightpath agrees with MFS' position that cable overlay alone does not fulfill the needs of other potential competitors, that is, access to the customer. NYNEX' assertion obfuscates the real issue of access to the loops of the incumbent LECs, by attempting to suggest that merely because Lightpath has decided to become a CLEC, other potential competitors, such as MFS, would have a source of unbundled loops. This suggestion is incorrect for several reasons. First, cable operators, for the most part, do not have franchise areas that mirror either the service territory of an incumbent LEC or the territory that a new entrant into local telephony would choose to serve. It is not at all clear that all cable providers intend to provide telephony in the near future. Therefore, a potential CLEC might well find that one or more cable providers in its intended service area was unwilling or unable to provide unbundled loops. This is why all incumbent LECs must be required to unbundle their loops, for such unbundling is the only way to ensure the availability of loops throughout the country to competitors, which is essential if local competition is to become a reality.

NYNEX' assertion is also flawed in that it assumes that cable providers will have a ubiquitous telephone network in place immediately. This may not be the case. As a result of the significant investment required, cable companies will probably roll out their telephone service to the areas they serve. Moreover, within each cable company's service area, it does not pass all homes and businesses, and many of the homes and businesses it passes do not subscribe. In addition, some jurisdictions, such as Connecticut, may require new entrants to

provide telephone service in areas beyond the franchised territory of a single cable operator. Even cable providers will therefore need some access to unbundled loops to fulfill a regulatory mandate.

NYNEX seems to be suggesting that LECs need not unbundle loops because cable operators will be able to provide other potential entrants with unbundled loops. If the incumbent LEC is not required to unbundle loops, however, then a fortiori, no such requirement should be imposed upon a cable operator. Other CLECs, such as MFS, would have to stand on the sidelines, to the severe detriment of competition.

In sum, while Lightpath is excited about the possibility that it may some day be able to offer many subscribers competition with NYNEX for local dialtone service through its cable network, if the Commission wishes to bring about vigorous competition for local service and interstate access, it should take the actions requested by MFS to unbundle the local loop.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of April 1995, copies of Cablevision Lightpath, Inc.'s Reply Comments were served by first-class mail, postage prepaid, on the following:

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