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ROBERT M. HALPERIN
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April 25, 1996

BY HAND

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

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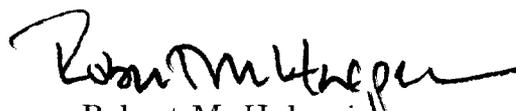
**Re: In the Matter of Policy and Rules Concerning
the Interstate, Interexchange Marketplace;
CC Docket No. 96-61**

Dear Mr. Caton:

Transmitted herewith on behalf of the State of Alaska are an original and eleven copies of the "Comments of the State of Alaska" in the above-referenced proceeding in response to sections I-III and VII-IX of the Commission's Notice of Proposed Rulemaking released March 25, 1996.

In the event there are any questions concerning this matter, please communicate with the undersigned.

Very truly yours,


Robert M. Halperin

Enclosures

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of)
)
Policy and Rules Concerning the)
Interstate, Interexchange Marketplace) CC Docket No. 96-61
)
Implementation of Section 254(g) of the)
Communications Act of 1934, as amended)

COMMENTS OF THE STATE OF ALASKA

THE STATE OF ALASKA
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Dated: April 25, 1996

SUMMARY

The Commission's proposed detariffing policy is not in the public interest. Common carriers offering interexchange services to the public should be required to file tariffs.

The proposed detariffing policy does not satisfy the standards set forth in the Telecommunications Act of 1996 for forbearance from enforcement of statutory or regulatory requirements. Detariffing is not necessary to ensure that interexchange services rates are just, reasonable and nondiscriminatory, to protect consumers, and to protect the public interest. To the contrary, continued enforcement of statutory tariff-filing requirements is necessary to achieve these objectives for a variety of reasons.

First, Congress has just codified the Commission's geographic rate averaging and rate integration policies. Tariff-filing is the most effective way of monitoring compliance with these new statutory requirements. The Commission should not eviscerate the Telecommunications Act's requirements by eliminating that enforcement mechanism.

Second, the telecommunications landscape is changing. The Commission cannot reasonably predict how carriers will respond to this new environment. Its experience with respect to different services (for example, commercial mobile services) or different regulatory constraints (for example, those created by dominant carrier regulation of AT&T) does not establish that detariffing of interexchange services now is necessary to assure just and reasonable rates.

protect consumers, and protect the public interest

Third, interexchange telecommunications services are an essential lifeline for millions of Americans. That lifeline is particularly important to those residing in rural, insular, and high cost areas. Interexchange services are how people in rural, insular and high cost areas receive needed health care services, educational information, and commercial information. The Commission should not forbear from applying tariff requirements without great confidence that these Americans will not be injured as a result.

Fourth, the Commission is tasked with the responsibility of assuring that telecommunications services are provided to these Americans in a manner that complies with statutory requirements. The Commission should not both leave that responsibility to others and at the same time deny others the information they need to enforce their rights. Adherence to the statutory requirement of tariff-filing is an appropriate way for the Commission to fulfill its responsibility.

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

In the Matter of)	
)	
Policy and Rules Concerning the)	
Interstate, Interexchange Marketplace)	CC Docket No. 96-61
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Implementation of Section 254(g) of the)	
Communications Act of 1934, as amended)	

COMMENTS OF THE STATE OF ALASKA

The State of Alaska ("the State" or "Alaska") hereby submits these comments in response to sections I-III and VII-IX of the Commission's Notice of Proposed Rulemaking released March 25, 1996 ("Notice"). The State believes that adoption of the Commission's proposed detariffing policy would not be in the public interest. Common carriers offering interexchange services to the public should be required to file tariffs.

Section 401 of the Telecommunications Act, adding section 10 to the Communications Act of 1934, as amended, allows the Commission to forbear from enforcing a provision of the Communications Act or a Commission regulation only if the Commission determines that --

- (1) enforcement of such regulation or provision is not necessary to ensure that the charges, practices, classifications, or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory;
- (2) enforcement of such regulation or provision is not necessary for the protection of consumers; and

- (3) forbearance from applying such provision or regulation is consistent with the public interest.

The Commission's detariffing proposal cannot pass the statutory test for forbearance set forth in the Telecommunications Act for several reasons.

First, as set forth in the State's comments (submitted April 19, 1996) on sections IV-VI of the Commission's Notice, Congress added a new section 254(g) to the Communications Act of 1934, as amended, to codify and expand upon the Commission's long-standing policies of geographic rate averaging and rate integration. Congress has for the first time explicitly required the Commission to adopt rules requiring providers of interexchange services (1) to charge customers in rural and high cost areas rates that are no higher than the rates charged to customers in urban areas, and (2) to charge customers in each state rates that are no higher than the rates charged in any other state.

Tariffs are the best mechanism for enforcing section 254(g). Interested parties and Commission staff will have no way of knowing whether carriers are adhering to those requirements unless tariffs containing the rates of services being offered are on file with the Commission. Tariffs are thus necessary (1) to ensure that charges for telecommunications services are just, reasonable, and not unjustly discriminatory, (2) to protect consumers, and (3) to protect the public interest, as determined by Congress in section 254(g) of the Communications Act. The Commission should not eviscerate the geographic rate averaging and rate integration requirements that Congress has just adopted by eliminating the most effective mechanism for monitoring compliance with those requirements.

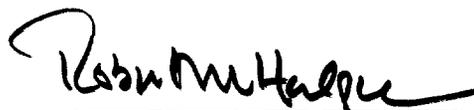
Second, the telecommunications landscape has been changed by the adoption of the Telecommunications Act and will be further changed by the Commission's implementation of that Act. The Commission cannot reasonably predict how carriers will respond to this new environment. Its experience with respect to different services (for example, commercial mobile radio services) or different regulatory constraints (for example, pricing of interexchange services while dominant carrier regulation applied to AT&T) does not establish that tariffing is not necessary to assure just and reasonable interexchange services rates, protect consumers, and protect the public interest.

Third, interexchange telecommunications services are not the same as services that are sold everyday in unregulated marketplaces. Among other things, interexchange telecommunications services are an essential lifeline for millions of Americans. As Congress recognized in other sections of the Telecommunications Act, particularly those adding section 254 to the Communications Act, that lifeline is particularly important to those residing in rural, insular, and high cost areas. Interexchange services are how people in rural, insular and high cost areas receive needed health care services, educational information, and commercial information. Given the remoteness and isolation of many of these locations, interexchange telecommunications may be the only viable method of communicating. The Commission should not forbear from applying tariff requirements without great confidence that these Americans will not be injured as a result.

Fourth, the Telecommunications Act makes more clear than ever that the Commission is tasked with the responsibility of assuring that telecommunications services are provided to these Americans in a manner that complies with statutory requirements. The Commission should not leave that responsibility to others. The residents of rural Alaska, for example, lack the resources and information necessary to enforce their statutory rights to just, reasonable, nondiscriminatory, and affordable rates. The Commission cannot reasonably expect them to prosecute complaints with a regulatory agency located many thousands of miles away, particularly if they lack the tariff information necessary to prove their case. Congress has tasked the Commission with the responsibility of enforcing telecommunications laws and assuring that rates are just, reasonable, nondiscriminatory and affordable. Adherence to the statutory requirement of tariff-filing is an appropriate way of fulfilling that responsibility.

Respectfully submitted,

THE STATE OF ALASKA



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April 25, 1996

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CERTIFICATE OF SERVICE

I hereby certify on behalf of The State of Alaska that a true and correct copy of the foregoing "Comments of the State of Alaska" was served by hand delivery, this 25th day of April, 1996. upon the following:

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