The NECs, on the other hand, argue that saddling them with the same regulatory requirements applicable to the incumbents or granting the incumbents the regulatory freedoms requested by them will destroy the nascent competition. The NECs claim that competition and regulation are substitutes for each other and that regulation should be commensurate with the degree of market power exercised by a firm. In order for regulation to be relaxed or eliminated for the ILECs, these commenters maintain that genuine competitive offerings must be widely and easily available to customers. The NECs also encourage the Commission to recognize the necessity of asymmetrical regulation as have the states of Wisconsin, Florida, and Colorado. The NECs generally agree, however, that widespread regulation of new local service providers is unnecessary and would raise costs for the NECs and ultimately for subscribers. They state that extensive regulatory requirements on NECs would also constitute a barrier to entry. NECs acknowledge that in limited situations it may be necessary for the Commission to apply certain regulatory requirements on all competitors; however, overall, the ILECs' regulatory symmetry arguments should be rejected as anti-competitive, according to the NECs.

Having thoroughly considered the comments on this issue, we agree that, to the extent feasible, it is appropriate to adopt guidelines that do not unduly favor any LEC over another[9]. However, in developing our final guidelines on local competition we note with approval United/Sprint's challenge that any local competition guidelines should strive for balance between all providers. According to United/Sprint, that does not mean that there must be identical regulatory parity for ILECs and NECs,[10] but neither does it mean that NECs be given free rein (United/Sprint reply comments at 1). With these competing goals in mind and in light of the 1996 Act, the Commission has revised staff's proposal in a manner which appropriately weighs the need for certain NEC regulations balanced against the monopoly power yielded by the ILECs. The guidelines, as revised, still reflect different treatment for ILECs and NECs in certain areas. However, we disagree that to do so amounts to unlawful and discriminatory preference for the NECs. Symmetrical regulation is only appropriate when circumstances are symmetrical. Given that the ILECs, as of the issuance of these guidelines, control essential bottleneck monopoly facilities and retain the attributes of their status such as ownership and control over the assignment of telephone numbers, the circumstances are not perfectly symmetrical. We have, however, looked for establishing symmetry where appropriate, in light of the ILECs' comments. For example, in areas where there is competition we have established symmetrical treatment of ILECs and NECs concerning the timing of new services and related filings where there is an operational competitor in the ILEC's market. We agree with TCG Cleveland (TCG) that the AT&T analogy raised by Ameritech is distinguishable from the situation now before us. As noted by TCG, AT&T in 1985 no longer controlled any essential facilities needed to reach the ultimate consumer. However, for local exchange competition, the ILECs will, for the foreseeable future, continue to control the essential network facilities necessary to feasibly originate and terminate calls for end users. This factor alone justifies a difference in regulatory obligations between the ILECs and the NECs. In addition, we note that, OTA's arguments to the contrary notwithstanding, the 1996 Act has recognized, in Section 251, a distinction in the manner in which ILECs are treated as compared to the NECs. As a final matter, we are committed to continually monitor the guidelines set forth herein and, to the extent the Commission determines in the future it is appropriate to amend any guideline to alter the requirements on any local provider we will do so. We have committed to our own review of these guidelines on an ILEC by ILEC or industry-wide basis no later than three years after the adoption of these guidelines. In addition, we have made other avenues such as Sections 4927.03 and 4927.04, Revised Code, available to the ILECs should they feel the need to petition for relief prior to that time.

I. OVERVIEW OF THE GUIDELINES

As noted above, the comprehensive revision of the 1934 Telecommunications Act by the 1996 Act has caused us to revise, significantly, particular areas of staff's proposal. One such area which has been significantly revised is the former Compensation Section which has now been broken down into Interconnection, Transport, and Termination of Traffic Compensation, and Pricing Standards. Another portion of staff's proposal that has been reworked substantially is the Resale Section. The final area which has been significantly revised is the Universal Service Section. These areas will be discussed in more detail below.

II. CERTIFICATION ISSUES

A. Jurisdiction

Staff's proposal stated that all facilities-based and nonfacilities-based entities seeking to provide basic local exchange services in accordance with Section 4905.03(A)(2), Revised Code, would be considered telephone companies subject to Commission jurisdiction. In addition, such entities would be required to obtain a certificate of public convenience and necessity from the Commission prior to offering basic local exchange service in the State of Ohio. A facilities-based provider was defined, for purposes of these guidelines, as a local service provider that directly owns, controls, operates, and maintains a local switch used to provide dial tone to that provider's end users in a specific circumscribed portion of its serving area. Such a carrier would be deemed facilities-based with respect to that circumscribed portion of its serving area to which it provided dial tone via its own local switch. Conversely, a nonfacilities-based provider was defined as a local service provider that does not directly own, control operate, or maintain a local switch used to provide dial tone to end users in a specific circumscribed serving area. Such a carrier would be deemed nonfacilities-based with respect to those portions of its serving area in which it did not provide dial tone via its own local switch. Other areas of the staff proposal set forth varying rights and responsibilities depending upon whether the NEC was classified as facilities or nonfacilities-based. This portion of staff's proposal engendered significant comments

Many commenters maintain that the distinction between facilities-based and nonfacilities-based carriers should be eliminated throughout the guidelines (CompTel initial comments at 12-17; MCI initial comments at 50; Cincinnati Bell initial comments, Appendix C at 1; Scherers initial comments at 5; United/Sprint initial comments at 5-6; GTE initial comments, Appendix C at 1-2; AT&T initial comments, Appendix C at 1; TCG initial comments at 11-12). Ameritech and ALLTEL assert that the staff's

distinction between facilities-based and nonfacilities-based carriers, based on the control

and ownership of a switch, does not comport with the singular definition of a telephone

company found in Section 4905.03(A)(2), Revised Code, nor with the Commission's

previous certification practices. Ameritech and ALLTEL suggest adopting one definition

of local exchange service provider that is consistent with Section 4905.03, Revised Code,

and affording all carriers meeting that definition with the rights and responsibilities of

common carriers. Ameritech and ALLTEL also suggest amending the staff's proposal to

clarify that a telephone company includes not only an entity which owns or controls

switching equipment but also one with transport capabilities that result in the

transmission of a telephonic message. Ameritech would further clarify the definition

by establishing that a lease arrangement falls within the language of Section 4905.03,

Revised Code (Ameritech initial comments at 20-21; ALLTEL initial comments at 18).

The United States Department of Defense and All Other Federal Executive

Agencies (FEAs) aver that the proposed definition of facilities-based carriers is too

restrictive (FEA initial comments at 3). OCTA claims that a better approach would be to

distinguish between incumbent providers and new entrants (OCTA initial comments at

3). GTE maintains that the proposed distinction engenders serious opportunities for arbitrage and, in any event, will create administrative nightmares as a NEC's status will

always be in a state of flux (GTE initial comments at 1-2). Westside Cellular Inc. dba

Cellnet of Ohio, Inc. (Cellnet) argues that the staff's proposal represents a radical

departure from past Commission practice established in The Hogan Company dba

Interwats case.11 In that case, according to Cellnet, the Commission correctly held that,

because Hogan did not own or operate switching or transmission facilities, it was not a

telephone company as defined in Section 4905.03, Revised Code (Cellnet initial

comments at 3).

CompTel supports certification for so-called "pure resellers." The important

issue is, according to CompTel, that local facilities ownership should not determine the

rate a carrier pays or whether it is entitled to purchase out of a carrier-to-carrier tariff

(CompTel reply comments at 13). ETI maintains that a distinction based upon whether

a carrier determines to become certified is certainly appropriate. For instance, a reseller

which chooses to seek certification and agrees to undertake certain regulatory

obligations should be permitted to buy services out of the carrier-to-carrier tariff (ETI

reply comments at 3-7). United/Sprint submits that local service requires a higher

standard of care than toll services; therefore, the Commission should treat local facilities

and nonfacilities-based carriers the same for regulatory purposes (United/Sprint reply comments at 3).

After reviewing all of the comments concerning the facilities/nonfacilities-based distinction, the Commission finds that there is no rational reason to distinguish between facilities-based and nonfacilities-based carriers for most purposes. That is, all certified providers of basic local exchange service should have, except as specifically noted otherwise herein, the same rights and regulatory obligations as the ILECs. There are, however, still reasons for maintaining the distinction between facilities and nonfacilities-based providers throughout a limited number of specific sections of these guidelines (e.g., for universal service and unbundling). The final guidelines have, therefore, been revised accordingly. One such area where the facilities/nonfacilities-based distinction is not a viable one is in the obligation to become certified for those entities meeting the definition of a telephone company subject to the Commission's jurisdiction under Section 4905.03(A)(2), Revised Code.

Section 4905.03(A)(2), Revised Code, defines a telephone company subject to Commission jurisdiction as "[a]ny person, firm, copartnership, voluntary association, joint-stock association, company, or corporation, wherever organized or incorporated, when engaged in the business of transmitting telephonic messages to, from, through, or in this state and as such is a common carrier." By the definitions found throughout

Section 4905.03, Revised Code, the Ohio General Assembly is directing the Commission

to regulate that aspect of service between the consumer and the entity holding itself out

as the provider of service. Thus, in making a determination as to our jurisdiction over

providers of local service, we must consider if the entity is (1) engaged in the business of

transmitting telephonic messages; (2) to, from, through, or in Ohio; and (3) as such is a

common carrier.

First, we turn to the question of what is a telephone common carrier. While

there is no definition of this term in the Ohio Revised Code or in any legislative

history, the Ohio Supreme Court in Celina, at page 492, set forth its interpretation of

what this concept means. The Court found that a telephone common carrier:

undertakes, for hire or reward, to carry, or furnish the medium for

carrying, messages, news, or information, for all persons indifferently,

who may choose to employ it, or use such medium, from one place to

another. The telephone company then must serve, without

discrimination, all who desire to be served and who conform to the

reasonable rules of the company.

Because there is limited precedent dealing with the issue of telephone common carriage in Ohio, it is helpful to look at treatment of the issue in other jurisdictions. One such jurisdiction that has had substantial opportunities to address the issue of common carriage is the Federal Communications Commision (FCC). The FCC applies similar criteria to those set forth by the Ohio Supreme Court in its determinations of what constitutes a telephone common carrier subject to FCC jurisdiction; therefore, an evaluation of FCC precedent is helpful to an interpretation of our jurisdictional authority. Criteria the FCC considers includes: (1) whether the entity is offering services to the public indiscriminately; (2) whether the entity transmits intelligence of the user's own design and choosing; (3) whether the entity is providing service for profit; and (4) whether the entity is engaged for hire in interstate or foreign communication.[12]

In evaluating this concept of indiscriminate offering to the public, which is analogous to offering the service, without discrimination, to all persons who desire to be served, as referenced by the Ohio Supreme Court, the District of Columbia Court of Appeals determined in AT&T v. FCC[13] that:

> [T]his does not mean that a given carrier's services must practically be available to the entire public, but rather, one may be a common carrier though the nature of the service rendered is sufficiently

specialized as to be of possible use to only a fraction of the population, and business may be turned away either because it is not of the type normally accepted or because the carrier's capacity has been exhausted.

Another factor applied by the FCC to evaluate the indiscriminate offering to the public standard is the concept of offering service for a profit. In approving the use of profit as a criteria in evaluating the indiscriminate offering to the public, the Second Circuit Court of Appeals in AT&T et.al. v. FCC14 stated "[P]rofit is a significant indicium of common carriage; it increases the likelihood that the party making the profit is also making an indiscriminate offering to the public." This consideration of profit as a criteria is similar to the language set forth in Celina to the extent that service is offered for hire or reward.

The Second Circuit Court of Appeals in AT&T et al. v. FCC also noted that the indiscriminate offering of service to the public can be established regardless of the actual ownership or operation of the facilities involved.15. Two remaining indicia of an indiscriminate offering to the public were approved by the Second Circuit Court of Appeals. Those criteria are looking to the use of advertising or of short-term joint arrangements; either of which may signal the existence of an indiscriminate offering to the public. AT&T, supra.

Regarding the issue of transmitting intelligence of the customer's own choosing, the FCC held in Frontier Broadcasting Co. v. Collier16 that, while the carrier provides the means or methods of communication, the choice of the specific intelligence to be transmitted is the sole prerogative of the subscriber. The final criteria the FCC evaluates in determining an entity's common carrier status is the issue of interstate or foreign communications. This correlates to the standard set forth by the Ohio Supreme Court that the activity in question must be "to, from, through or in" Ohio. Having discussed the similarity between the criteria the FCC uses to determine if a given entity is a common carrier and the standards the Ohio Supreme Court set forth in evaluating the concept of common carriage, we find such precedent compelling and will adopt it in the appropriate areas in making our determinations of what is a common carrier.

At the time the definition of a telephone company in Section 4905.03(A)(2), Revised Code, was established and the order in Celina was issued, it was clear that telephone service was only provisioned over telephone facilities owned by the entity involved and such provision qualified as common carriage under the applicable definitions. New questions have arisen, however, given the state of technology available today. One new practice which raises issues involving telephone service involves parties purchasing private line or bulk-billed services and either sharing service among various parties or reselling or rebilling the service for profit. The FCC in its Docket No. 20097 (Resale and Shared Use of Common Carrier Services and Facilities) adopted July 1, 1976; released July 16, 1976) determined that those entities reselling service[17] meet the definition of a common carrier and, thus, fall under the FCC's jurisdiction while those entities merely sharing service do not fall under the definition of common carriage and, thus, do not warrant FCC jurisdiction. For many of the same reasons espoused by the FCC in its Resale decision, we determine that those entities involved in the reselling or rebilling of service to consumers satisfy the criteria of being common carriers which may be subject to Commission jurisdiction. Next, we must determine whether those resale/rebiller entities who are common carriers are "engaged in the business of" transmitting telephonic messages.

Crucial to our determination of whether an entity is engaged in the business of transmitting telephonic messages is the relationship the involved entity has with its customers. For example, portraying or holding oneself out to the end user as the entity responsible for establishing service, addressing consumer concerns and complaints, and receiving remuneration for services rendered are all indicia of engaging in the business of transmitting telephonic messages. To the extent a reseller/rebiller satisfies both the "common carrier" and "engaged in the business of" criteria set forth in Section 4905.03(A)(2), Revised Code, we see no difference, except for the ownership of telephone plant, between resale and traditional telephone service. As the FCC stated in the Resale decision, "[T]he public neither cares nor inquires whether the offeror owns or leases the facilities. Resellers will be offering a communications service for hire to the public just as the traditional carriers do. The ultimate test is the nature of the offering to the public." We concur with the FCC's reasoning on the issue of resale and, as addressed more fully below, we will exercise our jurisdiction over resellers/rebillers who seek to provide basic local exchange services to end users in Ohio.

The Commission also desires to address the averment raised by Cellnet that our Hogan decision requires a different result. Contrary to the arguments raised by Cellnet, Hogan does not require a different determination. Hogan was specifically limited by the Commission to representations made by the company in its application. This is evidenced by the fact that entities with operations similar to Hogan were still directed to file for an affirmative determination as such from the Commission. In finding that there were no public policy concerns which warranted Commission action at that time, the Commission found persuasive the fact that Hogan was not holding itself out as an interexchange carrier. Rather, the company was merely serving as an agent for end users in obtaining telecommunication services which satisfied the end user's needs.

Through this agency relationship, we expected that Hogan would act as a consultant

evaluating the telecommunications services and facilities of and recommending

options to end user's which would most effectively meet the end users needs. It has,

however, subsequently been brought to our attention that entities such as Hogan have

been holding themselves out as the end user's telecommunications provider, the entity

actually providing interexchange service to consumers and receiving recurring

remuneration for telephone usage of the end user. Therefore, as outlined above, this

type of activity qualifies a telecommunications provider who is reselling as a telephone

company subject to Commission jurisdiction.

Another primary factor influencing our decision in Hogan was that we foresaw

no significant public policy concerns which warranted Commission action, including

requiring those entities to submit to our direct jurisdiction. History has shown,

however, that since the Hogan decision, we have received a substantial number of

complaints from consumers alleging that their interexchange carrier service had been

switched to another carrier without their authority. This process has become known in

the industry as "slamming". Many of these slamming complaints are attributable to

those entities heretofore deemed to be rebillers like Hogan. Finally, the Commission limited its waiver that it granted Hogan and similar rebillers to interexchange services.

The scope of the applicable regulation of those entities in the provision of local

exchange service is being considered, for the first time in this docket. While we need

not address in this local competition proceeding the regulations applied to rebillers of

interexchange services, the Commission is not ruling out such a proceeding in the

future. On the issue of competition in the local exchange service market, however,

sound public policy dictates that, at this time, we maintain full jurisdiction over those

entities satisfying the criteria, set forth above, which determines what is a telephone

company subject to Commission regulation pursuant to Section 4905.03(A)(2), Revised

Code. All telephone companies engaged in the business of providing basic local

exchange services will be subject to the standards currently applicable to the ILECs.

Examples of such standards include, but are not limited to, certification, end user tariffs,

annual reporting requirements, the appropriate tax authority, and universal service

expectations.

By this decision we are not ruling out the possibility that later experience may

show that the public interest would be better served by revising the regulations applied

to all ILECs including resellers and rebillers. If so, to the extent the law allows it, we

may review this matter and act accordingly. The Commission would also note that we can utilize the flexibility provided by Section 4927.03, Revised Code, for competitive telephone companies and Section 4927.04(B), Revised Code, for those providers serving less than 15,000 access lines in order to tailor regulatory requirements to meet the individual provider's needs in an appropriate regulatory proceeding. We have done so in the guidelines to tailor our regulation of these entities to address the principal problem that have arisen, namely, fair dealing with Ohio's consumers.

B. Exemptions for Certain LECs

Staff's proposal authorized small LECs (SLECs) to seek a three-year waiver or waivers of the local competition procedures on a guideline-by-guideline basis. SLECs seeking such waivers were directed to justify their request and provide an explanation of the steps the SLECs would take during the waiver period to prepare to address a bona fide request upon the expiration of the waiver period. SLECs granted a waiver were not, however, relieved from entering into arrangements with NECs regarding interconnection and compensation for traffic exchange.

Ameritech supports affording SLECs a three-year period in which the SLECs could apply for an exemption from these rules conditioned upon the SLECs committing to, during this transition period, a specific timetable to correct uneconomic rate structures and to lower access charges and billing and collection rates (Ameritech initial comments at 20). OCC and OCTA sought clarification regarding whether the SLECs had a three-year period in which to request waivers or whether approved waivers would expire at the end of three years (OCC initial comments at 25; OCTA reply comments at 8). Telephone Service Company (TSC) opines that the staff's waiver mechanism is so burdensome that it affords no relief whatsoever. Accordingly, TSC recommends that the Commission incorporate the cooperative waiver mechanism found in 564 which permits the SLECs to work with the Commission's staff to develop the necessary waivers (TSC initial comments at 6).

The Chillicothe Telephone Company (Chillicothe), Century Telephone of Ohio, Inc. (Century), and ALLTEL propose extending the exemption to carriers serving fewer than 50,000, 100,000, and 500,000 access lines, respectively (Chillicothe initial comments at 2; Century initial comments at 3; ALLTEL initial comments at 18). In addition, Century and ALLTEL propose a blanket exemption from all of the guidelines for three and four years, respectively (Century's initial comments at 3; ALLTEL initial comments at 18). Scherers Communications Group, Inc. (Scherers) requests that we clarify the definition of SLECs to specify that the number of lines must be under 15,000 for a company's entire operation, not just the Ohio portion of its business (Scherers initial comments at 6). OCC objects to ALLTEL's proposal because it would leave only Ameritech, GTE, Cincinnati Bell, and United/Sprint subject to competition. OCC sympathizes with Scherers' concern for ILECs that are part of a multi-state operation, but maintains that the Commission already determined that ILECs associated with a holding company could still take advantage of the benefits afforded small telephone companies by Case No. 89-564-TP-COI (OCC reply comments at 47).18

The Ohio Small Local Exchange Carriers (OSLECs) sought, as a class, a seven-year exemption from local exchange telephone service competition conditioned upon their refraining from seeking to compete outside of their service territories (OSLECs initial comments at 4). While appreciative of staff's consideration of their unique circumstances, the OSLECs aver that the staff's proposal contemplating rule-by-rule waivers is inadequate, unworkable, unduly complex, and very expensive to implement (OSLECs initial comments at 5). According to the OSLECs, the SLECs do not have the requisite accounting, economic, legal, and engineering resources available "in house" to allow them to realistically seek waivers on a rule-by-rule basis. Moreover, it is their belief that any such proceeding seeking individual company-specific waivers will undoubtedly be met with opposition by certain LECs which will, in effect, discourage applications for waivers from even being filed. For all of these reasons, the OSLECs claim that relief for the SLECs must be across the board and for a period sufficiently long to permit the scrutiny and observation of competition as it emerges in low-cost and metropolitan areas and to afford the SLECs time to prepare for competition (OSLECs initial comments at 6).

OCTA, on the other hand, opposes granting the SLECs a seven-year exemption from competition in their service areas. OCTA claims that the SLECs have already had seven years from the effective date of H.B. 563 to prepare for competition. More importantly, according to OCTA, the Ohio General Assembly afforded SLECs an opportunity, through Section 4927.04(B), Revised Code, to seek exemptions from most of the provisions of Chapters 4905 and 4909 by filing an application with the Commission (OCTA reply comments at 10). OCTA recommends, therefore, that the Commission reject the SLECs' call for a blanket seven-year moratorium on competition in SLEC service areas. MFS further states that there is no compelling reason to deny, for such a lengthy period, SLEC customers the benefits of competition that will be available to other Ohioans far sooner (MFS reply comments at 5). In any event, OCTA avers that any waiver provisions should similarly apply to the NECs as well as the SLECs because such entities will be equivalent to or smaller than SLECs (OCTA initial comments at 5).

The 1996 Act affords rural telephone companies (RLECs) and rural carriers, as defined therein, exemptions and the opportunity to seek suspensions or modifications of various obligations under the 1996 Act. Specifically, Section 251(f)(1) affords RLECs with an automatic exemption from the obligations imposed generally on all ILECs by the 1996 Act.[19] This exemption may be terminated by a state commission following receipt of a bona fide request for interconnection, services, or network elements and a finding by the state commission that the request is not unduly economically burdensome, is technically feasible, and is consistent with Section 254 (universal service provisions) of the 1996 Act. Section 251(f)(2), on the other hand, authorizes rural carriers to seek a suspension or modification of an obligation or obligations under the 1996 Act. The state commission shall grant such petition to the extent that, and for such durations as, the state commission determines that such suspension or modification is necessary to avoid a significant adverse economic impact on users of telecommunications services generally, to avoid imposing a requirement that is unduly economically burdensome, or to avoid imposing a requirement that is technically infeasible. In addition, the state commission must find that the petition is consistent with the public interest, convenience, and necessity.

The OSLECs submit that, notwithstanding the 1996 Act, the Commission maintains the full authority to grant the seven-year exemption from competition requested by the small companies. However, should the Commission conclude that it preferred to grant the requested relief in the context of the 1996 Act, the OSLECs request that the Commission treat their comments in this matter as a joint petition for relief under Section 251(f)(2) of the 1996 Act (OSLECs supp. comments at 1-2). In the alternative, the small companies request that the Commission find that a presumption exists that suspension is necessary for all of the small companies and that the suspension be granted for a period not to exceed seven years upon the filing of a simple request for suspension. Any intervening party opposing the request would bear the burden of overcoming the presumption and the Commission would have 180 days to determine the matter. The small companies maintain that this process would satisfy the intent of the 1996 Act that small companies serving rural areas be treated differently than large telephone companies (OSLECs supp. comments at 2-3).

Century and Chillicothe maintain that, as defined in the 1996 Act, they are RLECs and, therefore, receive an automatic exemption from the obligations set forth in Section 251(c) of the 1996 Act (Century supp. comments at 1; Chillicothe supp. comments at 1-2).

ALLTEL asserts that a state may require, consistent with the authority provided under Section 253(f), that a telecommunications carrier seeking to provide service in an area served by a RLEC meet the requirements of an eligible telecommunications carrier under the 1996 Act before being permitted to provide such service (ALLTEL supp. comments at 4). OCTA and Time Warner maintain that the Commission should review any requests for exemption under the 1996 Act from those other than traditional SLECs strictly and that the burden of substantiating the request must be on the requesting party (OCTA and Time Warner supp. comments at 14-15). OCC agrees that the burden of proof must be on the entity seeking a rural carrier modification or suspension (OCC supp. comments at 28).

Having thoroughly reviewed the comments on this provision of staff's proposal and being fully informed of the treatment afforded RLECs and rural carriers under the 1996 Act, the Commission now makes the following determinations. Those ILECs meeting the definitions of a RLEC or a rural carrier will be afforded either an exemption or an opportunity to seek a modification or suspension from the applicable provisions of the 1996 Act. Those RLECs who seek an exemption under Section 251 of the 1996 Act or who seek a waiver of these guidelines shall submit a plan, within 12 months of the issuance of this order, or within 60 days of the receipt of a bona fide request for interconnection, services, or network elements, whichever occurs earlier, explaining the steps the carrier will take to prepare for the introduction of local competition in its service area. This plan must include, at a minimum, an explanation of how the plan will benefit the public interest; the steps the involved carrier will take to prepare itself for competitive entry in the form of specific milestones and a timeline; a timetable and outline of information to be included in progress reports regarding the preparations for competitive entry; and any other information relevant to support its plan including, but not limited to, empirical information (with supporting documentation) concerning economic burden, technical feasibility, and impact on universal service.

The exemption afforded RLECs by Section 251(f)(1) of the 1996 Act will automatically apply to all providers meeting the qualifications of an RLEC. This exemption shall remain in place until the RLEC receives a bona fide request for interconnection, services, or network elements and for which the Commission determines that such request is not unduly economically burdensome, is technically feasible, and is consistent with universal service. RLECs which have an exemption still have a duty to provide resale, number portability, dialing parity, access to rights-of-way, and reciprocal compensation to all requesting telecommunications carriers. In addition, RLECs that have an exemption must still, unless granted a waiver, comply with the remaining guidelines set forth in this matter. As a final RLEC matter, the Commission shall issue an order within 120 days of receipt of a bona fide request which either terminates the exemption and establishes an implementation schedule or an order which outlines its findings pertinent to the bona fide request.

Likewise, each rural carrier seeking an exemption under Section 251 of the 1996 Act or which seeks a waiver of these guidelines must submit a plan to the Commission for the Commission's review and approval which shows how it is preparing for the introduction of local competition in its service area. For rural carriers that are also RLECs, the plan must be filed within one year from the date the Commission adopts these guidelines or 60 days after the receipt of a bona fide request, whichever is earlier. For rural carriers that are not also RLECs, the plan must be filed within 180 days from the date the Commission adopts these guidelines, or 30 days after the receipt of a bona fide request, whichever is earlier. This plan must include, at a minimum, the same factors required in an RLEC plan. Upon a petition from a rural carrier for a modification or suspension of the application of a requirement or requirements under the 1996 Act, the Commission shall issue an order within 180 days after receiving such petition. Pending action on the request, the Commission may suspend enforcement of