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

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
 )  
Implementation of the Local )  
Competition Provisions in the )  
Telecommunications Act of 1996 )

CC Docket No. 96-98

**REPLY COMMENTS OF MCI TELECOMMUNICATIONS CORPORATION**

Pursuant to Section 1.429 of the Federal Communications Commission's (the "Commission") Rules and Regulations, 47 C.F.R. 1.429, MCI Telecommunications Corporation ("MCI"), by its undersigned attorneys, hereby files this reply to oppositions and comments filed in response to petitions for reconsideration and clarification with regard to the Commission's Second Report and Order and Memorandum Opinion and Order.<sup>1</sup>

- I. **THE COMMISSION SHOULD REAFFIRM THAT THE ORDER CONTEMPLATES THAT DIALING PARITY IS REQUIRED FOR THE FORESEEABLE FUTURE, BUT DOES NOT SANCTION A STATE'S IMMEDIATE REMOVAL OF LATA BOUNDARIES**

In the Order, the Commission requires that dialing parity be implemented based on LATA boundaries "given that the Bell Operating Companies' (BOCs) operations are likely to be shaped by LATA boundary restrictions for a period of unforeseeable duration"<sup>2</sup> and recognizes that

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<sup>1</sup>Implementation of the Local Competition Provision of the Telecommunications Act of 1996, Second Report and Order and Memorandum Opinion and Order, FCC 96-333 (August 8, 1996) (the "Order").

<sup>2</sup>Order, ¶ 5.

implementation of the Telecommunications Act of 1996,<sup>3</sup> may diminish the significance of LATA boundaries<sup>4</sup>. As such, the Commission's intent is clear--LATA boundaries, and not state borders, are the appropriate basis upon which to condition dialing parity requirements for the foreseeable future. The Commission should reaffirm that the Order contemplates that dialing parity is required for the foreseeable future, but does not sanction a states immediate removal of LATA boundaries altogether.

Notwithstanding the Commission's clear intent, on November 22, 1996, USWest Communications, Inc. (USWest), petitioned the Minneapolis Public Service Commission (MPSC) to consolidate all five LATAs in Minnesota "together to make Minnesota a one LATA state, such that intraLATA calling and intrastate toll calling become synonymous." However, the Order clearly mandates that for the foreseeable future, dialing parity requirements will be based on LATA boundaries. As a result, no party petitioned the Commission to clarify or reconsider its decision with respect to this issue.<sup>5</sup> USWest's Petition is a blatant attempt to obtain authority from the State of Minnesota to provide in-region, inter-LATA services without having to meet the requirements to do so pursuant to the Act. USWest's transparent attempt to obtain that authority

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<sup>3</sup>*The Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996), to be codified at 47 U.S.C. §151 et. seq. (The "Act").*

<sup>4</sup>Order, ¶ 5.

<sup>5</sup>US West's Petition was filed after commencement of this reconsideration proceeding and was not foreseeable in light of the Commission's clear and reasoned intent that LATA boundaries would define the dialing parity requirements for the foreseeable future. As a result, MCI urges the Commission to consider MCI's concerns set forth herein as a part of this proceeding to ensure that the Commission's pro-competitive policies are implemented. It is also significant to note that US WEST's petition was filed at the MPSC notwithstanding the company's recognition that "the [Telecommunications] Act assigns authority over modification to LATA boundaries to the Federal Communications Commission ('FCC')." US WEST Petition at p. 4.

by distorting the Commission's dialing parity requirements must not be sanctioned.<sup>6</sup>

II. **THE COMMISSION SHOULD REJECT ARGUMENTS THAT WOULD DENY THE BENEFITS OF DIALING PARITY TO CONSUMERS THAT RESIDE IN LATAs THAT CROSS STATE BOUNDARIES**

In its reply, Southwestern Bell restates its position that when LATAs cross state boundaries, dialing parity should be required based upon the state wherein dial tone is provided.<sup>7</sup> Southwestern Bell also supports BellSouth's proposal that dialing parity should not be required in those LATAs until such time as both states adopt presubscription.<sup>8</sup> MCI reiterates its contention that neither of those positions promotes effective local competition, and instead, serves only to deny the benefits of dialing parity to affected consumers.<sup>9</sup> Therefore, the Commission should ensure that both sets of consumers obtain the benefits of the Act's dialing parity requirement by clarifying that where LATA boundaries cross state borders, dialing parity is required in either state, regardless of whether the state has implemented presubscription. Delay of the dialing parity requirements until both states implement presubscription unfairly denies the benefits of

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<sup>6</sup>Indeed, in its Petition, US West misstates the Order's language regarding the LATA boundary issue. The Order recognizes that there may be a point in the future when it could be in the public interest for a state to require dialing parity based on its own state borders rather than on LATA boundaries. While ignoring the clearly limited implications of that language, USWest states unequivocally that the Commission has "specifically delegated its power to modify LATA boundaries to the states." USWest Petition at p. 6. That statement is mischaracterizes the Order. Instead, the context in which LATA boundaries are raised in the Order has nothing to do with a state's ability to modify those boundaries, and everything to do with some foreseeable date when it may be in the public interest to base dialing parity requirements on state borders rather than LATA boundaries.

<sup>7</sup>Southwestern Bell Reply at p. 2.

<sup>8</sup>See BellSouth Petition at p. 6.

<sup>9</sup>See MCI Opposition and Comments at p. 5.

presubscription to consumers in the state that has implemented presubscription. Requiring dialing parity only in the state where dial tone is provided, and not in the adjacent state, unnecessary delays the benefits of presubscription to consumers in one state, while their neighbors enjoy those same benefits. In the end, requiring dialing parity in both states where LATAs cross state borders will ensure greater benefits to the largest number of consumers.

III. **THE COMMISSION MUST REJECT ALL EFFORTS TO NARROW THE REQUIREMENTS CONCERNING NON-DISCRIMINATORY ACCESS TO DIRECTORY ASSISTANCE AND OPERATOR SERVICES**

Non-discriminatory access to directory assistance (DA) and operator services (OS) are essential components of basic telephone service. Seven billion DA calls are made in the United States each year. In order to effectively compete in local markets, new entrants must be able to provide DA and OS functionalities that are comparable in quality to those provided by incumbent local exchange carriers (ILECs).<sup>10</sup> Moreover, the customers of new entrants must be able to access DA and OS functionalities using the same dialing string as ILEC customers with no unreasonable dialing delays. In the end, consumers will be the winners since they will have competitive options for those services.

Several reply commenters make the unsubstantiated argument that the Order does not require the exchange of DA and OS data.<sup>11</sup> Due to the critical nature of this requirement, MCI strongly urges the Commission not to entertain this baseless position. As MCI has previously stated, DA data must be provided, and must incorporate listings supplied by competitors with the

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<sup>10</sup>*Order*, ¶ 141.

<sup>11</sup>*See, e.g.,* USTA Reply at pp.12-14; Ameritech Comments at pp. 13-16.

same level of accuracy and in the same time frame as the competitors would have provided its own customers.<sup>12</sup> To that end, DA data provided to new entrants by ILECs must, without exception, include all DA listings to which the ILEC operator has access, should be updated daily, and should include access to independent company data to which ILECs have access.<sup>13</sup>

Further, it is crucial that the Commission reemphasize its conclusion that new entrants must obtain this information in order to populate their own DA databases in order to effectively compete against ILECs for the provision of these services. Without DA listings in readily accessible format, new entrants will be ill-equipped to compete against ILECs because new entrants' customers would have only limited access to information, while ILEC customers have a full complement of information at their disposal.<sup>14</sup> If an ILEC does not provide new entrants with the data, and instead provides read-only access to a database that is not under the new entrant's control, new entrants will incur additional costs to input the data, and will not have control over

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<sup>12</sup>MCI Opposition and Comments at p. 6.

<sup>13</sup>The Commission clarifies that "title to unbundled network elements will not shift to requesting carriers" as a result of these requirements. *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, *Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers*, CC Docket No. 95-185, First Report and Order, FCC 96-235 (August 8, 1996), ("First Report and Order"), ¶ 268 n. 573. Thus, any arguments that the Commission's requirement interferes with property rights is specious. The importance of requiring that databases include access to independent company data has been recognized by at least two states. *See, e.g.*, Hawaii Admin. Rules § 6-80-63(e) (May 17, 1996) (attached as Exhibit 2) ("[a]ll telecommunications carriers, including the incumbent carrier, shall provide customer list information gathered in their capacity as providers of telecommunications service on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any telecommunications carrier or person upon request for the purpose of providing directory assistance or publishing telephone directories in any format").

<sup>14</sup>*Order*, ¶ 141.

service quality and dialing delays. Such a result is clearly contrary to the Order and the Act.<sup>15</sup>

USTA's argument that the Act and Order require read-only access is without merit.<sup>16</sup>

Section 251(a)(3) of the Act requires ILECs to provide "... new entrants with non-discriminatory access to telephone numbers, operator services, directory assistance, and directory listings, with no unreasonable dialing delays,"<sup>17</sup> as well as to "non-discriminatory access to unbundled network elements."<sup>18</sup> The Act defines "network element" to include "subscriber numbers, databases, signalling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications services."<sup>19</sup>

The Order expressly indicates that "non-discriminatory access to directory assistance and directory listings" means that the customers of all telecommunications service providers should be able to access each LEC's directory assistance service and obtain a directory listing on a non-discriminatory basis.<sup>20</sup> The Order not only sanctions, but requires precisely the type of access to DA databases that MCI advocates. Specifically, the Commission expressly requires that ILECs must share DA data with competitive carriers in "readily accessible" tape or electronic formats in

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<sup>15</sup>*See id.*

<sup>16</sup>*See* USTA Response at p. 14.

<sup>17</sup>47 U.S.C. § 251(a)(3).

<sup>18</sup>47 U.S.C. § 251(c)(3).

<sup>19</sup>47 U.S.C. § 3(a)(2)(45).

<sup>20</sup>Based upon the Act's requirement, the Commission concludes that "the term "nondiscriminatory access" means that a LEC that provides telephone numbers, operator services, directory assistance, and/or directory listings ("providing LEC") must permit competing providers to have access to those services that is at least equal in quality to the access that the LEC provides to itself." *Order* ¶102.

a timely fashion upon request.<sup>21</sup> This ensures that no LEC, either inadvertently or intentionally, provides subscriber listings in formats that would require the receiving carrier to expend significant resources for data entry.<sup>22</sup> In this regard, the Commission pointed out that ILECs have a duty to provide even “more robust” access to these databases as unbundled network elements.<sup>23</sup> This necessarily includes access to information that will allow new entrants to tell a caller that a subscriber’s telephone number is unlisted.

Both Congress and the FCC, as noted above, explicitly recognized the importance of nondiscriminatory access to DA and OS functionalities. Section 271(c)(2)(B)(vii) of the Act requires BOCs, as a condition for entering the in-region long distance market, to provide non-discriminatory access to:

- (II) directory assistance services to allow the other carrier’s customers to obtain numbers; and
- (III) operator call completion services.<sup>24</sup>

To meet the requirements of the Act and the Order, ILECs must give new entrants the option to resell the ILEC's DA and OS services or to purchase relevant unbundled elements. Importantly, this information is readily exchanged by service providers today. In fact, some ILECs have made their DA network elements available to other companies at several levels of

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<sup>21</sup>The Commission stated that section 251 (b)(3) “requires LECs to share subscriber listing information with their competitors, in “readily accessible” tape or electronic formats, and that such data be provided in a timely fashion upon request.” *Order*, ¶¶ 102, 103.

<sup>22</sup>*Order*, ¶ 141.

<sup>23</sup>*Order*, ¶ 143.

<sup>24</sup>*Id.*

unbundling. Moreover, it is common practice for existing companies to exchange data by magnetic tape or electronic format to accomplish dialing parity goals.<sup>26</sup> Because the ILECs have demonstrated the technical feasibility of providing access to DA and OS databases, these databases should be available to all new entrants.<sup>27</sup>

Thus, the DA database should be forwarded to new entrants electronically, since ILECs already exchange DA data in that fashion. Updates should be provided on a daily basis. Of course, MCI agrees that it, and all other new entrants, must provide the same DA information, and provide the same timely updates, to other carriers as the ILEC provides. All customers benefit from DA services based on a complete and accurate database since each carrier has the same responsibility for maintaining up-to-date information on subscribers. However, because this obligation should be mutual, carriers should not be allowed to charge for providing those updates.

There is one additional area of concern regarding the proprietary nature of DA and OS databases that the Commission must address. The DA databases for the large ILECs currently include data for the subscribers of many small independent telephone companies located adjacent to the large ILECs who have chosen to have the large ILEC perform the DA function for them. Some parties have taken the position that such information cannot be made available because ILECs cannot "license" software obtained from third parties. Specifically, USTA and Southwestern Bell argue that they should not have to make that data available, even subject to all

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<sup>26</sup>See, e.g., RE GTE California, Inc., Decision 89-03-051, 31CPUC2d 370, 378 (Cal. PUC, March 22, 1989) (attached as Exhibit 3) ("[t]he key circumstance that has permitted this competition to break out is the sharing of local DA databases by [GTE] and [Pacific Bell] for the primary purpose of offering a seamless 411 service on a local basis. Of course, [Pacific Bell] has been using the joint database to provide interexchange DA service for some years now").

<sup>27</sup>Order, ¶ 144.

necessary protections.<sup>28</sup> MCI contends that one method of protecting the integrity of that data is to require that the subscriber's telephone company be identified and that anyone gaining access to the subscriber information get prior approval of the telephone company for any use of that data.<sup>29</sup> As the First Report and Order recognizes, requesting carriers do not receive title to unbundled elements simply by obtaining access to the element.<sup>30</sup> Therefore, ILECs would not be "licensing" the information the new entrant. In any event, there is nothing in the Order that permits and ILEC to refrain from providing the third party information.

Rules are needed to implement the Act's requirements for nondiscriminatory access to operator services functionalities. Today, intraLATA operator calls -- both "O minus" calls where the caller only dials the "O", and "O plus" calls where the caller dials "O" plus a telephone number -- are automatically routed to the ILEC. When a new entrant's customer -- whether served by the new entrant's loops, by unbundled ILEC loops, or by a new entrant's resale of a ILEC's service -- dials "O", the ILEC should be required to send that call to the new entrant's MCI platform and to the new entrant's operator for handling.

Finally, in order to minimize customer confusion and ILEC gamesmanship, MCI reiterates its position with respect to the branding of DA and OS services. The customers of new entrants

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<sup>28</sup>See, USTA Consolidated Response at p. 12 and SBC Petition for Reconsideration. at p. 11-14.

<sup>29</sup>"Competitors who access such LEC databases will be held to the same standards as the database owner, in terms of the types of information they can legally release to directory assistance callers. The LEC that owns the database can take the necessary safeguards to protect the integrity of its database and any proprietary information, or carriers can agree that such databases will be administered by a third party." *Order*, ¶144.

<sup>30</sup>See, First Report and Order, ¶ 268, n 273.

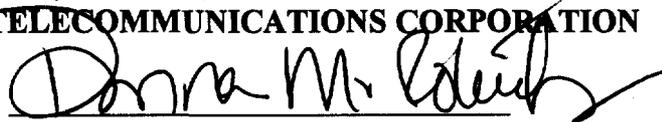
that obtain DA and OS services from new entrants via an ILEC's DA or OS platform must be provided in conjunction with the new entrant's brand name. The Order specifically directs ILECs to provide branding as part of their wholesale DA/OS offerings to other carriers.<sup>31</sup>

WHEREFORE, for the foregoing reasons, the Commission should deny certain petitions for reconsideration and clarification and grant others as discussed above and in other pleadings filed by MCI in this proceeding.

Respectfully submitted,

**MCI TELECOMMUNICATIONS CORPORATION**

By:



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Its Attorneys

Dated: December 4, 1996

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<sup>31</sup>“Brand identification is critical to reseller attempts to compete with incumbent LECs and will minimize customer confusion....We therefore conclude that where operator, call completion, or directory assistance service is part of the service or service package an incumbent LEC offers for resale, failure by an incumbent LEC to comply with reseller branding requests presumptively constitutes an unreasonable restriction on resale.” *Order*, ¶ 971.

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

**Joel Jacobs  
Marshall Johnson  
Dee Kneak  
Mac McCollar  
Don Storm**

**Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner**

**In the Matter of the Petition of  
U S WEST Communications, Inc.,  
to Redefine LATA Boundaries in  
the State of Minnesota**

**Docket No. \_\_\_\_\_**

**PETITION**

**U S WEST Communications, Inc. (hereafter "USWC") hereby petitions the  
Minnesota Public Utilities Commission to redefine LATA boundaries in the State of  
Minnesota. In support of its Petition, USWC states as follows:**

**1. USWC is a corporation organized under the laws of the State of  
Colorado. The mailing address of USWC is: U S WEST Communications, Inc., Room  
390, 200 South Fifth Street, Minneapolis, Minnesota 55402. Its Chief Executive Officer  
for Minnesota is James D. Smiley.**

**2. USWC is regulated as a telephone company pursuant to the statutes of  
the State of Minnesota, Minn. Stat. Ch. 237. Pursuant thereto, it is authorized to  
provide local and intraLATA message telecommunications service within the State of  
Minnesota. USWC operates a landline network for the provision of switched and  
dedicated local service and IntraLATA telecommunications, and for the provision of  
switched and special access services to carriers throughout its area of operations in  
the State of Minnesota.**

3. In 1984, the American Telephone and Telegraph Company ("AT&T") divested itself of the seven Regional Bell Operating Companies ("RBOC") pursuant to the Modification of Final Judgment ("MFJ"), United States v. American Tel. and Tel. Co., 552 F.Supp. 131 (D.D.C. 1982), aff'd sub. nom. Maryland v. United States, 460 U.S. 1001 (1983). USWC is one of the seven RBOCs.

4. The MFJ created Local Access and Transport Areas ("LATAs") to define the areas within which each RBOC was permitted to operate. The MFJ permitted RBOCs to provide intraLATA but not interLATA service. Within the LATAs, the RBOCs retained the right to carry "1+" local long distance traffic, and the states had authority to address competition in the intraLATA markets. A map depicting the LATA boundaries in Minnesota is attached as Exhibit 1.

5. By orders of the Minnesota Public Utilities Commission ("Commission") in In the Matter of a Consolidated Proceeding to Investigate the Provision of Intrastate Intercity Telecommunications Within the State of Minnesota, Docket No. P-442, 443, 444, 421, 433/NA-84-212 ("Docket 212"), and In the Matter of a Summary Investigation into IntraLATA Toll Access Compensation for Local Exchange Carriers Providing Telephone Service Within the State of Minnesota, Docket No. P-999/CI-85-502 ("Docket 582"), the Commission determined that competition in intrastate long distance was in the public interest.

6. In Docket 212, the Commission stated:

Local access and transport areas (LATA) were created by the MFJ for purposes of carrying out the AT&T divestiture. They were established in the MFJ order and became effective January 1, 1984. As such, the LATA boundaries are largely artifices which are necessary or convenient to carrying out the divestiture. Their principle consequence is to

delineate the areas within which the regional Bell operating companies (RBOCs) may provide telephone service.

Docket 212 Order at p. 11. The Commission went on to conclude that competition in the intraLATA market was in the public interest, and entered an order prohibiting the interexchange carriers from implementing rates or tariffs that deaverage toll rates on the basis of geographic location.

7. In Docket 582, the Commission ordered USWC to serve as the exclusive Designated Carrier, which made USWC the primary toll carrier within the LATAs. Docket 582 Order at pp. 11-18. The Commission also concluded that "intraLATA equal access presubscription is required for effective competition." Docket 582 Order at p. 42.

8. USWC and other LECs have implemented equal access presubscription throughout Minnesota. In In the Matter of an Investigation Into IntraLATA Equal Access and Presubscription, Docket No. P-999/CI-87-697 ("Docket 697"), the Commission ordered implementation of intraLATA 1+ throughout the State of Minnesota by February 16, 1995. In its Order of July 21, 1995, the Commission reiterated its policy where it "has consistently encouraged IXCs to expand their service areas so that Minnesota customers may have a greater choice of carriers." Id. at p. 11. In Docket 697, the Commission required all local exchange carriers to provide intraLATA equal access, which makes 1+ toll dialing available to all certificated IntraLATA carriers, including AT&T, MCI and Sprint.

9. Since February 16, 1995, the intraLATA toll market has been fully competitive. In addition to AT&T, MCI and Sprint, approximately 175 other companies

also have authority to provide intraLATA toll service in Minnesota. Although the Commission has certificated and recognized the ability of MCI, Sprint, AT&T and numerous other interexchange carriers to offer intraLATA toll on an equal access basis using 1+ toll dialing, it did not thereby extend authority to USWC to compete in the interLATA market with those interexchange carriers.

10. On February 8, 1996, President Clinton signed into law the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 58, ("1996 Act") which amends the Communications Act of 1934. Section 601 of the Act terminates the MFJ and makes conduct or activity to which the MFJ formerly applied subject to the Communications Act of 1934, 47 U.S.C. § 601(a)(1). Section 3 of the 1996 Act adds the following definition of a LATA:

**(43) LOCAL ACCESS AND TRANSPORT AREA.**—The term 'local access and transport area' or 'LATA' means a contiguous geographic area--

(A) established before the date of enactment of the Telecommunications Act of 1996 by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or

(B) established or modified by a Bell operating company after such date of enactment and approved by the Commission.

47 U.S.C. § 153(43) (emphasis added). Thus, the Act assigns authority over modifications to LATA boundaries to the Federal Communications Commission ("FCC").

11. On August 8, 1996, the FCC issued two orders implementing sections 251 and 252 of the Act. In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 ("First Report and Order") FCC 96-325 (August 8, 1996); and, In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98 ("Second Report and Order") the FCC 96-333 (August 8, 1996) addresses the dialing parity provision contained in section 251(b)(3) of the Act. Neither of those Orders impact the continuing efficacy of this Commission's prior action in Docket 697.

12. The FCC's Second Report and Order recognized that to fully implement the pro-competitive thrust of the 1996 Act, state commissions should remain free to adjust artificial LATA limitations to permit incumbent local exchange companies, including RBOCs, to compete fully in the intrastate toll market. Paragraph 5 of the Second Report and Order provides as follows:

5. With respect to toll service, we further find that section 251(b)(3) requires, at a minimum, that customers be entitled to choose different presubscribed, or preselected, carriers for both their intraLATA and interLATA toll calls. In states, like Alaska and Hawaii, that have no LATAs, customers must be able to choose different presubscribed carriers for both their intrastate and interstate toll calls. Based on this finding, we adopt a rule requiring all LECs to implement intraLATA and interLATA toll dialing parity, using the "full 2-PIC" presubscription method. The toll parity requirement we adopt is defined by LATA boundaries given that the Bell Operating Companies' (BOCs') operations are likely to be shaped by LATA boundary restrictions for a period of unforeseeable duration. Given that implementation of the 1996 Act over time may diminish the significance of LATA boundaries, however, we permit states to redefine the toll dialing parity requirement based on state, rather than LATA, boundaries where a state deems such a requirement to be pro-competitive and otherwise in the public interest.<sup>18</sup>

<sup>18</sup>To illustrate, if the presubscription requirement were based on LATA boundaries, a customer would be entitled to choose a primary

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carrier for all intraLATA toll calls and a separate, or the same, primary carrier for all interLATA toll calls. If the presubscription requirement were based on state boundaries, a customer would be entitled to choose a primary carrier for all intrastate toll calls and a separate, or the same, primary carrier for all interstate toll calls.

(Emphasis added.) Thus, the FCC has specifically delegated its power to modify LATA boundaries to the states, who may redefine LATAs to be co-extensive with state boundaries.

13 USWC requests that the Commission exercise its authority to redefine the toll dialing parity requirement by entering an Order expeditiously adjusting the LATA boundaries in Minnesota. Specifically, USWC requests that the Commission consolidate all the LATAs in Minnesota together to make Minnesota a one LATA state, such that intraLATA calling and intrastate toll calling become synonymous.

14. Consolidating the LATAs within the State will be procompetitive because it will permit USWC to expand its toll service area within the State of Minnesota to compete in a broader geographic area. It will also enable USWC to deploy certain services more quickly and cost effectively. For example, some applications such as telemedicine, distance learning and internet access can be provided by USWC, but require installation of equipment in all five LATAs rather than in a central location. Redefining the LATAs will enable USWC to provide such services with common equipment and therefore lower costs. Adding competitors and marketing alternatives for products and services is pro-competitive and matches not only the intent of the 1996 Act, but also this Commission's statement of its policy in the dockets described

above to increase competition and the number of choices available to Minnesota customers.

15. Consolidating the LATAs will also foster the procompetitive policies of the Act and this Commission by reducing anticompetitive pricing practices of certain interexchange carriers that have maintained different rate schedules for intraLATA toll calling than for intrastate interLATA toll calling. Interexchange carriers that maintain separate rate schedules for these types of calls charge different rates to customers for toll calls made at the same time, of the same duration and the same mileage, based solely on whether the call crosses a LATA boundary within the State. For example, AT&T ran a promotion from August 7, 1996 through October 15, 1996 that provided different rates for interLATA and intraLATA calls, including direct dialed calls. A copy of the tariff page for this promotion is attached as Exhibit 2. Similarly, Sprint's tariff for its "Sprint Sense Services" maintains higher per minute rates for interLATA calls than for intraLATA calls. A copy of the Sprint tariff page is attached as Exhibit 3. Under these rate schedules, AT&T and Sprint would charge lower rates to a customer living in Rochester who makes a call to Mankato than they would charge the same customer for a call to Minneapolis, even though the calls are of identical distance, time, and duration. The only difference is that the Rochester-Mankato call is an intraLATA call, while the Rochester-Minneapolis call is an intrastate, interLATA call. USWC believes that the lower intraLATA rates reflect the heightened competition that USWC brings to the intraLATA market, and that consolidating the LATAs within the state will increase competition for AT&T, Sprint and other interexchange carriers throughout the State.

thereby benefiting consumers by providing lower priced alternatives for the provision of intrastate toll services.

16. Consolidating the LATAs will serve the public interest by improving consumers' understanding of the long distance options available to them. Consumers generally do not understand artificial distinctions based upon LATA boundaries and have difficulty understanding the differences between interLATA and intraLATA calls. The Commission will benefit consumers by making their choice of toll carriers much easier to understand. In addition, this heightened awareness by consumers about the long distance options available to them will improve their ability to make informal comparisons among the offerings of competing interexchange carriers, thereby increasing the level of competition in the market.

17. Granting this Petition will provide symmetry and remove the anti-competitive effects of permitting major multi-national, multi-billion dollar corporations from providing both intraLATA and intrastate services, for which they make no meaningful distinction, while precluding USWC from offering other than intraLATA telecommunications. Such competitive symmetry and parity is necessary to provide competitively neutral and non-discriminatory regulation.

18. USWC has established and demonstrated managerial and financial capability, as well as sufficient facilities, to provide intraLATA toll services throughout Minnesota on a single LATA basis. USWC estimates that it could begin providing such intraLATA service within 90 days after a Commission Order consolidating the LATAs.

19. USWC believes that this Petition involves only legal and policy issues, and that it does not involve material issues of disputed fact. USWC requests that the Commission set this Petition on for an expedited proceeding under Minn. Rules part 7829.1200. If the Commission promptly solicits comments from interested parties, it can and should act on this Petition within the next 45 days.

WHEREFORE, USWC requests that the Commission enter an Order granting the Petition and redefining the LATA boundaries in Minnesota so that Minnesota constitutes one LATA that is co-extensive with the borders of the State of Minnesota.

Dated this 22 day of November, 1996.



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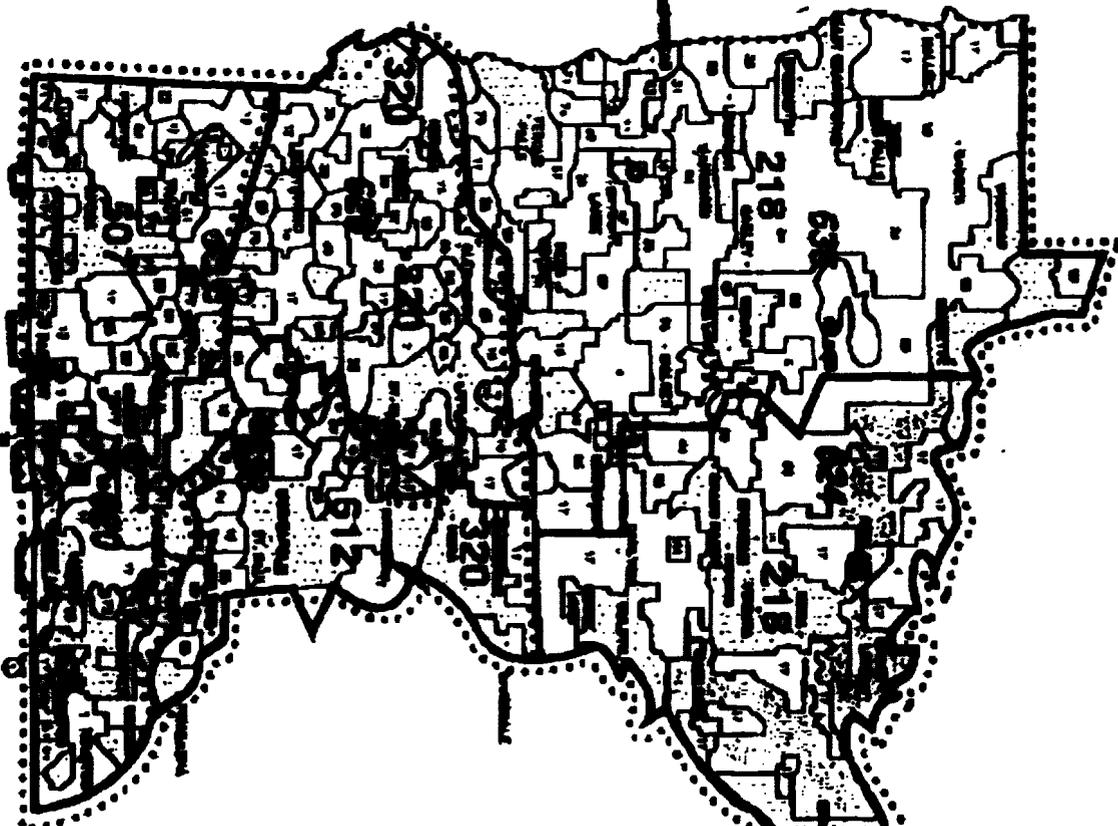
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# MINNESOTA

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2. Ashby Mutual Tel. Exch.
3. Associated Communications Corp.
4. Avoy Tel. Co.
5. Bannockburn Tel. Co.
6. Bismarck Tel. Co.
7. Blue Earth Valley Tel. Co.
8. Brainerd Mutual Tel. Co.
9. Brook Street Tel. Co.
10. Brown Tel. Co.
11. Century Valley Telecom. Inc.
12. Central Tel. Co.
13. City of Brainerd
14. City of Brainerd
15. Commercial Tel. Co.
16. Commercial Tel. Co.
17. Commercial Tel. Co. of Brainerd
18. Coon Lake Tel. Co.
19. Coon Lake Tel. Co.
20. Deer River Tel. Co., Inc.
21. DeLoraine Tel. Co.
22. DeLoraine Tel. Co., Inc.
23. DeLoraine Tel. Co.
24. Eagle Valley Tel. Co.
25. East River Tel. Co.
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Notes: This map is not drawn to scale. U.S. LIGHT Communications  
 does not guarantee the accuracy of this map.  
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U.S. LIGHT COMMUNICATIONS  
 LANDMARKS  
 INDICATOR  
 LATA CODE  
 AREA CODE  
 DDD

**Exhibit 1**

FROM GRAY, PLANT, MOOTV

SENT BY MCI PUBLIC UTIL. CORP.  
of the Midwest, Inc.

MESSAGE TELECOMMUNICATIONS  
SERVICE TARIFF

-----  
RATE LIST  
Original Page 15

State of Minnesota

Issued: August 7, 1996

Effective: August 7, 1996

**AT&T SIMPLIFIED CALLING PLAN PROMOTION NO. 10**

Beginning August 7, 1996 and ending October 15, 1996, AT&T will offer the following promotion to residential Customers who: 1. are potential AT&T Customers who convert to AT&T as their primary interexchange carrier from another carrier, or 2. existing AT&T Customers who are pre-subscribed to AT&T as their primary interexchange carrier and verbally confirm that another interexchange carrier has offered an incentive to the Customer to designate that carrier as their pre-subscribed interexchange carrier.

Customers will receive 50% off the rates listed below for the first six monthly billing periods after enrolling in this promotion. At the end of the six billing periods, the Customer will be automatically enrolled in the AT&T Simplified Calling Plan No. 5.

Eligible calls for this promotion are Dial Station, AT&T CID/991 Calling Card calls, Operator Station, Person-to-Person and Directory Assistance calls. Service Charges and Operator Surcharges are excluded from the discount.

**INTERLATA**

	Peak Rate Per Minute	Off-Peak Rate Per Minute	Service Charge	Dialed Surcharge
Direct Dialed	\$0.29	\$0.18	None	None
Customer Dialed Calling Card	\$0.33	\$0.21	None	None
Operator Dialed Calling Card	\$0.33	\$0.21	\$2.20	None
Operator Station	\$0.33	\$0.21	\$2.20	\$1.00
Person-to-Person	\$0.33	\$0.21	\$4.50	\$1.00
Directory Assistance	None	None	None	None

**INTRALATA**

	Peak Rate Per Minute	Off-Peak Rate Per Minute	Service Charge	Dialed Surcharge
Direct Dialed	\$0.1742	\$0.1000	None	None
Customer Dialed Calling Card	\$0.2000	\$0.1200	None	None
Operator Dialed Calling Card	\$0.2000	\$0.1200	\$2.20	None
Operator Station	\$0.2000	\$0.1200	\$2.20	\$1.00
Person-to-Person	\$0.2000	\$0.1200	\$4.50	\$1.00
Directory Assistance	None	None	\$0.85	None

This promotion is available only where billing capabilities permit, and is an add on to the interlata plan of the same name. All other terms and conditions apply as described in AT&T's Tariff F.C.C No. 27.

11.25.1996 14:33

P. 16

FROM GRAY, PLANT, MOOTY  
SEND BY MN PUBLIC UTIL COMM

Sprint

Missouri PUC Tariff No. 2  
6th Revised Page 80.1  
Cancels 5th Revised Page 80.1

**TELECOMMUNICATIONS SERVICES TARIFF**

**5. RATES (continued)**

**5.1 Message Telecommunications Services (continued)**

**4 Sprint Sense Services** (M)

**1 Sprint Sense** (E)

**1 Sprint Sense Dial 1**

Calls are billed in one-minute increments. Fractional calls are rounded up to the next minute.

**1. InterLATA**

Peak	\$2.500	(M)
Off-Peak	\$1.500	

**2. IntraLATA**

The following rates apply to direct dialed intraLATA calling. (M)

Peak	\$1.500
Off-Peak	\$1.000

(M) Sprint Sense Operator Services moved to 2nd Page 80.1.

**ISSUED:**  
10-22-96

Sprint  
State Tariffs  
8140 Ward Parkway  
Kansas City, Missouri 64114-2806

**EFFECTIVE:**  
10-25-96

**Exhibit 3**

§6-80-62. Customer access to number portability.

(a) When and where number portability is deployed, every customer, upon request, is entitled to number portability.

(b) As between carriers, the carrier receiving a new customer who desires to retain the customer's telephone number shall bear the costs associated with number portability. [Eff ] (Auth: HRS §§269-6, 269-34 to 43) (Imp: HRS §§269-34 to 43, 47 U.S.C. §251)

§6-80-63. Directory assistance and directory publication.

(a) On the effective date of this chapter and until ordered otherwise by the commission, the incumbent telecommunications carrier shall, for the entire State and for all telecommunications providers doing business in the State:

- (1) Administer and maintain a central file of customer list information for purposes of directory listing and directory assistance;
- (2) Provide directory assistance services; and
- (3) Publish and distribute to customers of all telecommunications carriers the local white and yellow page telephone directories at no charge to the customers.

(b) Every non-incumbent telecommunications carrier shall provide the incumbent carrier with customer list information of its customers to be included in the central customer list information file and shall promptly notify the incumbent carrier of any additions, changes, or modifications to its list information. The incumbent carrier shall promptly update the central file upon the receipt of any such additions, changes, or modifications.

(c) For purposes of subsection (a), the incumbent carrier may establish and file with the commission cost-based tariffs to be charged all telecommunications carriers, including the incumbent carrier, for listing in and maintenance of the central customer list information file, providing directory

§6-80-63

assistance service, and publishing and distributing the telephone directories.

(d) The incumbent telecommunications carrier shall make listings in the yellow pages available to customers of non-incumbent telecommunications carriers at the same rates and on the same terms and conditions as those offered to the incumbent carrier's own customers.

(e) This section does not preclude a non-incumbent telecommunications carrier or any other person from providing directory assistance or from publishing and distributing its own telephone directory; provided that any customer agreements with respect to privacy, including personally identifiable customer information, are respected and adhered to by all persons. All telecommunications carriers, including the incumbent carrier, shall provide customer list information gathered in their capacity as providers of telecommunications service on a timely and unbundled basis, under nondiscriminatory and reasonable rates, terms, and conditions, to any telecommunications carrier or person upon request for the purpose of providing directory assistance or publishing telephone directories in any format.

(f) As appropriate, telecommunications carriers providing customer list information shall indicate whether a particular listing is only for directory listing or only for directory assistance.

[Eff \_\_\_\_\_] (Auth: HRS §§269-6, 269-34 to 43) (Imp: HRS §§269-34 to 43, 47 U.S.C. §222)

**§6-80-64 Directories.** (a) A telephone directory must:

- (1) Be designed and directory listings must be arranged so that customer numbers can be obtained readily;
- (2) Not list non-listed or non-published telephone numbers;
- (3) State on the front cover the name of the telecommunications carrier issuing the

**CALIFORNIA PUC**

**1989 DECISION**

**GTE/PAC BELL DATA SHARING**

**See Pages 380 and 382**