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Bell Atlantic Network Services, Inc.  
One Bell Atlantic Plaza  
1310 North Court House Road, 11th Floor  
Arlington, Virginia 22201  
703 974-1200  
FAX 703 974-8261  
E-Mail: edward.d.young@bell-atl.com

**Edward D. Young, III**  
Vice President - External Affairs and  
Associate General Counsel

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FEDERAL COMMUNICATIONS COMMISSION  
COMMUNICATIONS SECTION

The Honorable Susan Ness, Commissioner  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D.C., 20554

Dear Commissioner Ness:

This is a follow-up to our discussion last Friday concerning the use of existing network facilities to provide interLATA service and facilities to an operating company's long distance affiliate.

As we discussed, the grant of right in Section 272(e)(4) of the Act is clear upon its face. The BOC may provide "**any** interLATA . . . facilities or services to its interLATA affiliate" so long as it is made available to other carriers on the same terms and conditions, and costs are appropriately allocated. (emphasis added) There is no exception carved out for existing facilities, such as might be available through any excess capacity in existing official communication services networks. Indeed, the specific inclusion of a cost allocation requirement is a legislative recognition that the facilities provided may include some facilities which are part of the existing network. In contrast, a newly constructed network dedicated solely to commercial interLATA service would have no need for a cost allocation requirement.

Similarly, the statutory grant of right allows the BOC to operate those facilities on behalf of the long distance affiliate and other carriers. Section (e)(4) covers both facilities **and** services. The general requirement in section 272(b)(1) that the 272 affiliate must "operate independently" from the BOC does nothing to override the specific authority provided in section 272 (e)(4). First, as we have previously demonstrated, the meaning for the general admonition section 272(b)(1) is found in the specific requirements for independent operation in sections 272(b)(2) through (5). Moreover, even if section 272(b)(1) did have independent meaning beyond the specific statutory requirements, it cannot override the specific grant of right in (e)(4). It also makes no practical sense. Today Bell Atlantic's affiliate provides long distance service out of region through the purchase of network services and facilities from Sprint. Clearly, our affiliate "operates independently" from Sprint. Similarly, there is no question that should our affiliate buy the equivalent services and facilities from our operating companies, it would operate no less independently.

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Finally, I would like to confirm the fact that today our Internet service uses unaffiliated carriers to provide interLATA transport for its customers.

If you wish further discussion on these or other matters, please do not hesitate to call me.

A handwritten signature in black ink that reads "Ed Young". The signature is written in a cursive, flowing style with a long, sweeping tail on the letter "y".