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

In the Matter of	)	
	)	
Access Charge Reform	)	CC Docket No. 96-262
	)	
Price Cap Performance Review for Local Exchange Carriers	)	CC Docket No. 94-1
	)	
Transport Rate Structure and Pricing	)	CC Docket No. 91-213
	)	
Usage of the Public Switched Network by Information Service and Internet Access Providers	)	CC Docket No. 96-263
	)	

COMMENTS OF COMPUSERVE INCORPORATED AND PRODIGY SERVICES CORPORATION

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SUMMARY

CompuServe Incorporated and Prodigy Services Corporation pioneered the development of the online business and remain among the nation's leading independent providers of information and Internet services. They are committed to providing their subscribers with user-friendly, enjoyable, informative, and reasonably-priced online experiences, and in order to accomplish this they must employ advanced communications technologies, hardware, and software in their own networks and operating systems.

CompuServe and Prodigy once again commend the Commission for its tentative conclusion recognizing that it should not apply usage-sensitive carrier access charges to enhanced service providers ("ESPs"). For the reasons stated by CompuServe and Prodigy in their comments and reply comments submitted in response to the Notice of Proposed Rulemaking, imposition of carrier access charges on ESPs would be extremely unwise public policy, even apart from raising difficult legal and practical issues. Once it adopts its tentative conclusion, the Commission will be poised to move forward in this inquiry to examine issues relating to the development of the Internet and other information services that go beyond the question of the application of access charges.

In the view of CompuServe and Prodigy, stated simply, the overriding goal of the Commission, acting within the confines of its jurisdiction under the Communications Act, should be to take actions which promote the development of an advanced national information infrastructure that is characterized by the widespread deployment of high-speed, high-bandwidth transmission facilities which are available on an operationally reliable basis at reasonable prices. In order to accomplish this goal, the Commission should recognize and adopt the following general principles and policies:

- The Commission should maintain the distinction between regulated basic communications services and unregulated enhanced services.

- The Commission should take actions which encourage the development of local exchange competition by virtue of entry by new service providers and the provision of new services by all competitors.

- Now that the incumbent local exchange carriers are competitors in the information services business, and while they still retain their dominant market power in the local exchange, it is vitally important for the Commission to enforce safeguards to ensure that the incumbent LECs do not discriminate against independent ESPs. For example, Commission enforcement of equivalent and nondiscriminatory collocation opportunities for LEC affiliates and independent ESPs is particularly important as an incentive for the development of new services.

• The Commission should ensure that carriers do not charge ESPs above-cost rates for the present and future local exchange services ESPs need to reach their subscribers.

CompuServe and Prodigy do not believe that it is likely that the Commission will want to prescribe the deployment of particular technologies or services by the ILECs or any other common carriers subject to its jurisdiction. Rather, adherence to the general principles discussed above is likely to go a long way towards realization of the development of an advanced national information infrastructure. Nevertheless, having said that, and recognizing that new technologies may develop and be altered quickly, CompuServe and Prodigy suggest that fast-packet technologies such as ATM and Frame Relay offer the most promise as useful underlying offerings from the traditional wireline local exchange carriers. And, at this time, the various xDSL technologies seem the most likely fairly near-term transmission means for taking advantage of the underlying fast-packet services to get higher speed, higher bandwidth to the end user in his or her home or business. The use of new technologies which may be used to route data traffic around LEC central offices may hold promise, and CompuServe and Prodigy are also interested in increased access to the LECs' operational support systems.

Finally, of course, it goes without saying that the costs of providing any new services and the proposed rates at which the services are offered to ESPs will determine whether they are economically feasible from the ESPs' perspective. CompuServe and Prodigy believe it is premature to say much about the cost/rates of new services, except to state that flat rate pricing is most desirable and should be consistent with cost-causative principles. Absent pure flat rate pricing, it is possible that, under certain circumstances, pricing packet services on a per byte or equivalent basis, taking into account factors such as speed, may also reflect cost-causational principles.

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COMMENTS OF COMPUSERVE INCORPORATED AND PRODIGY SERVICES CORPORATION

CompuServe Incorporated and Prodigy Services Corporation, by their attorneys and pursuant to Section 1.430 of the Commission's Rules, hereby submit these initial comments in response to the Notice of Inquiry on Implications of Information Service and Internet Usage ("NOI"), released December 24, 1996, in the above-captioned proceeding.[1] CompuServe and Prodigy are among the nation's leading independent providers of information services. They are

[1] In the Matter of Access Charge Reform, CC Docket No. 96-262, FCC 96-488, released December 24, 1996.

two of the real pioneers of the information services business, for many years having been at the forefront of the development of the industry.

In their initial comments in response to the Notice of Proposed Rulemaking ("NPRM") in this proceeding, CompuServe and Prodigy described the breadth of the various online and Internet access services they provide to their millions of subscribers and the current pricing of their services, and that description won't be repeated here.[2] It is sufficient to point out again that both CompuServe and Prodigy offer their consumer subscribers user-friendly, affordable access to the World Wide Web and other Internet services through the use of advanced navigation and personalization tools, in addition to access to their own wide variety of proprietary online services. These interactive services include access to news, sports, and weather; financial, business and professional information; banking and shopping capabilities; special interest fora and bulletin boards; and E-mail and chat rooms.

In addition to its services targeted to consumers and professionals, CompuServe provides enhanced services to over 1,100 corporate customers through its Network Services division. CompuServe provides these businesses with a wide range of productivity-enhancing data services, including point-of-sale financial transactions processing capabilities, wide area intranet connectivity, and specialized applications hosting and systems management.

Both CompuServe and Prodigy remain committed to providing their subscribers user-friendly, enjoyable, informative, and reasonably-priced online experiences. In order to accomplish this, they must employ advanced communications technologies, hardware, and

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2. See Comments of CompuServe and Prodigy, January 29, 1997.

software in their own networks and operating systems. And, for this reason, they welcome the forward-looking thrust of the NOI.

I. BACKGROUND

In the NPRM, the Commission tentatively concluded that the LECs should not be allowed to assess per-minute interstate access charges on enhanced service providers.[3] CompuServe and Prodigy showed that this conclusion was absolutely correct in their comments and reply comments filed in response to the NPRM. The Commission correctly determined that there is "no reason to extend this [existing non-cost-based access charge] regime to an additional class of users, especially given the potentially detrimental effects on the growth of the still-evolving information services industry."[4]

Having so concluded, to its credit the Commission recognized that "the development of the Internet and other information services raise many critical questions that go beyond the interstate access charge system that is the subject of this proceeding."[5] Going to the heart of the issue, the Commission stated:

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[3] NPRM, at para. 288. For purposes of these comments, CompuServe and Prodigy use the terms "enhanced services" and "information services" interchangeably. The 1996 Telecommunications Act uses the term "information services" to refer generally to what the Commission denominated "enhanced services" when it established the basic/enhanced services dichotomy in the Computer II proceeding. See First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 96-149, FCC 96-489, released December 24, 1996, at para. 102, where the Commission stated that "the differently-worded definitions of 'information services' and 'enhanced services' are and should be interpreted to extend to the same functions."

[4] NPRM, at para. 288. CompuServe and Prodigy showed in their comments in response to the NPRM that the claims of certain RBOCs that ESPs are not currently covering the costs they cause the LECs to incur are unsupported. See also Economics and Technology, Inc., "The Effect of Internet Use on the Nation's Telephone Network," January 22, 1997.

[5] NOI, at para. 311.

> Our existing rules have been designed for traditional circuit-switched voice networks, and thus may hinder the development of emerging packet-switched data networks. To avoid this result, we must identify what FCC policies would best facilitate the development of the high-bandwidth data networks of the future, while preserving efficient incentives for investment and innovation in the underlying voice network.[6]

More specifically, the questions asked by the Commission relate to, among other things: the use of new technologies which will address the claims of public network congestion by the incumbent LECs ("ILECs"); information concerning the LEC cost recovery for current and anticipated usage of the various types of LEC services; and regulatory barriers that might prevent the deployment of network access arrangements desired by ESPs and regulatory tools that might be used to encourage such deployment.

Finally, the Commission seeks comment as to whether the NOI issues should be addressed in any existing proceeding, or a new proceeding. The Commission does not propose any rules, of course, in the context of the NOI, recognizing that any new rules must be developed in some other proceeding that is subject to appropriate Administrative Procedure Act notice-and-comment procedures.[7]

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[6] Id.

[7] The Commission's own rules explicitly provide that Notice of Inquiry "proceedings do not result in the adoption of rules ...." 47 C.F.R. § 1.430.

II. GENERAL PRINCIPLES TO FACILITATE THE DEVELOPMENT OF A NATIONAL INFORMATION INFRASTRUCTURE THAT SUPPORTS THE WIDESPREAD PROLIFERATION AND USAGE OF ADVANCED INFORMATION SERVICES

As described above, the NOI is deliberately open-ended in soliciting information relevant to the development of the Internet and other information services, with the Commission suggesting that "a full and open debate about the relationship of information services to the public switched network will benefit all parties."[8] While the NOI seeks information concerning the possible deployment of specific technologies (for example, asymmetric digital subscriber line or wireless solutions),[9] it also recognizes that the proceeding necessarily should inquire concerning the more general principles and policies that would be most conducive to facilitating the development and widespread usage of online and Internet services.

CompuServe and Prodigy agree that in the context of this inquiry it is helpful first to focus on the general principles that should guide the Commission in trying to accomplish its goal in this proceeding. Stated in a very simple way, the overriding goal of the Commission, acting within the confines of its jurisdiction under the Communications Act, should be to take actions which promote the development of an advanced national information infrastructure that is characterized by the widespread deployment of high-speed, high-bandwidth transmission facilities which are available on an operationally reliable basis at reasonable prices. Many positive things flow from movement towards this goal. Manufacturers of computers and other data processing equipment then develop hardware designed to take advantage of the enhanced

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8 NOI, at para. 317.

9 Id., at para. 313.

underlying information infrastructure capabilities. Software developers do the same with regard to the operational systems and applications software which is needed to take full advantage of the high-bandwidth capabilities. And, of course, American consumers will be able to access a wide array of multimedia information services with ease and at reasonable prices.

Recognition and adoption of the following general principles and policies by the Commission will help lead to accomplishment of the above-stated goal. While CompuServe and Prodigy will discuss some specific services and features that they believe would be useful for the ILECs to provide in the next section, it is most important in this inquiry for the Commission to establish the correct fundamental principles.

A. The Commission Should Maintain The Distinction Between Regulated Basic Communications Services And Unregulated Enhanced Services

The Commission's determination in the Computer II proceeding to distinguish between "basic" communications services and the "enhanced" information services which are built on top of the underlying communications services was one of the most important -- and most successful -- decisions ever made by the Commission.[10] The Commission predicted then that, if left unregulated, the information services industry would develop in a dynamic and competitive fashion. Of course, history has proved the Commission correct. In the 1996 Act,

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[10] A basic service is the offering of "a pure transmission capability over a communications path that is virtually transparent in terms of its interaction with customer supplied information," while an enhanced service "combines basic service with computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information, or provide the subscriber additional, different, or restructured information, or involve subscriber interaction with stored information." Amendment of Section 64.702 of the Commission's Rules and Regulations (Computer II), 77 FCC 2d 384, 387, 420 (1980), recon., 84 FCC 2d 50 (1981), further recon., 88 FCC 2d 512 (1981), aff'd sub nom. Computer and Communications Industry Ass'n. v. FCC, 693 F.2d 198 (D.C. Cir. 1982).

Congress affirmed the wisdom of the Commission's policy, stating that it is the policy of the United States "to preserve the vibrant and competitive free market that presently exists for Internet and other interactive services, unfettered by Federal or state regulation."[11] Congress followed the Commission's Computer II lead in the 1996 Act by distinguishing between "telecommunications" and "information service" in a way that mirrors the Commission's basic/enhanced service dichotomy.[12] Throughout this inquiry and any follow-on proceedings, it is important for the Commission to keep in mind the importance of maintaining the distinction between telecommunications and information services and preserving the unregulated status of information services.

Based on the above, in response to one of the Commission's questions, CompuServe and Prodigy know of no basis upon which the Commission should distinguish between different "categories" of enhanced services for regulatory purposes, including access charges. This would be very difficult to do from a technical/functional point of view. It would also be difficult from a practical point of view because ESP customers most often engage in several different categories of service in one online session, constantly switching among the various types of services.

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[11] 47 U.S.C. 230(b)(2) (Emphasis supplied). Elsewhere in the Act, Congress expressly disavowed any intention "to treat interactive computer services as common carriers or telecommunications carriers." 47 U.S.C. § 223(e)(6).

[12] See 47 U.S.C. §§153 (20) and (43).

B. The Commission Should Take Actions Which Encourage The Development Of Local Exchange Competition

CompuServe and Prodigy are almost entirely dependent upon the incumbent local exchange companies, including Bell Companies in their regions, for the local loop and switching facilities which they must have to reach their customers.[13] At present, non-telephone company alternatives, such as cable modems or certain new wireless technologies, represent an extremely small portion of the local access service they use.[14] As long as the incumbent local telephone companies retain their dominant market power in the local marketplace, they will lack the incentive to upgrade their existing circuit-switched networks to provide a more data-friendly fast packet network environment more suitable for carrying enhanced services traffic. On the other hand, a more competitive local services marketplace will cause the carriers to be much more sensitive to the needs of enhanced services providers. Thus, one of the most important things the Commission can do that will lead to the provision of the communications capabilities that ESPs desire is to continue along the course of taking actions to develop meaningful competition in the local marketplace.

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[13] In August 1996, the Commission stated that "BOCs currently are the dominant providers of local exchange and exchange access services in their in-region states, accounting for approximately 99.1 percent of the local service revenues in those markets." Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, CC Docket No. 96-149, FCC 96-149, December 24, 1996, at para. 10.

[14] As the Commission is aware, the hype concerning non-telephone-company alternatives almost always exceeds the reality. For example, for many years there have been predictions that cable service would become a viable alternative for transmission of ESP services, but, thus far, these predictions have been exaggerated greatly. See, e.g., "Cable Modem Rollouts Being Limited By Lack Of 2-Way Cable Plant," Communications Daily, March 17, 1997, at 2.

Examples of these types of actions are the interconnection, unbundling, and resale requirements applicable to the ILECs promulgated in the local competition proceeding.[15] These requirements will facilitate entry by new competitors who are likely to be responsive to consumer demands from all types of users, including ESPs. Other positive actions include making available new spectrum for various wireless and satellite services which may provide alternative distribution paths for Internet and Internet access services.[16]

Another important regulatory tool that the Commission may be called upon to employ to foster development of local competition is its preemption authority. New Section 253 requires the Commission to preempt any state or local statute or regulation which "may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service."[17] Obviously, depending upon the particular circumstances, this direct grant of preemption authority could become an important tool for the Commission to use

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[15] Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, CC Docket No. 96-908, FCC 96-325, August 8, 1996.

[16] See, e.g., Amendment of the Commission's Rules to Provide for Operation of Unlicensed NII Devices in the 5 GHz Frequency Range, ET Docket No. 96-102, FCC 97-5, January 9, 1997; Amendment of the Commission's Rules to Establish Part 27, the Wireless Communications Services, GN Docket No. 96-228, FCC 97-50, released February 19, 1997; "Paving The Way With Wireless; Long Distance Giant AT&T Unveils Its Local Market Strategy," Washington Post, February 26, 1997, at page C11; Teledesic Corporation Application For Authority to Construct, Launch, and Operate a Low Earth Orbit Satellite System in the Domestic and International Fixed Satellite Service, DA 97-527, released March 14, 1997, at 3 ("The Teledesic network proposes to offer a wide range of information services, from high-quality voice channels to broadband channels supporting videoconferencing, interactive multimedia, and real-time, two-way digital data. Teledesic proposes 'bandwidth on demand,' allowing users to adjust the channel's bandwidth to match traffic volumes and applications.")

[17] 47 U.S.C. § 253(a) (Emphasis supplied).

in its efforts to promote local service competition that will benefit ESPs and all other users of access services.

C. The Commission Should Adopt And Enforce Safeguards To March 24, 1997 Ensure That The Incumbent LECs, Now That They Are Competitors In The Information Services Business, Do Not Discriminate Against Independent ESPs

Throughout this inquiry and in related proceedings involving information services, it is vitally important that the Commission keep in mind that the local exchange carriers, including the Bell Companies,[18] are now competitors of the independent, non-telco-affiliated providers such as CompuServe and Prodigy. As long as the independent ESPs remain heavily dependent upon the dominant ILECs for the local access services needed to reach their customers, the Commission must not only adopt but actively enforce safeguards to prevent the ILECs from discriminating against independent ESPs and favoring their own information services affiliates in the installation, provision, and repair of services, the sharing of consumer and network information, and from cross-subsidizing their own information services with revenues from their basic telecommunications services.

If the ILECs can disadvantage independent ESPs by engaging in such discrimination and cross-subsidization, they will have no real incentive to provide the services

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[18] Because of their control of the local exchange bottleneck, the MFJ prohibited the BOCs from providing information services. The information services restriction was modified in 1987 to allow BOCs to provide voice messaging services and to transmit information services generated by others. United States v. Western Elec. Co., 673 F. Supp. 525 (D.D.C. 1987); United States v. Western Elec. Co., 714 F. Supp. 1 (D.D.C. 1988). In 1991, the restriction on BOC provision of their own content-based information services was lifted. United States v. Western Elec. Co., 767 F. Supp. 308 (D.D.C. 1991), stay vacated, United States v. Western Elec. Co., 1991-1 Trade Cases (CCH) ¶ 69,610 (D.C. Cir. 1991).

their independent information service competitors may want. On the other hand, if the Commission does adopt and affirmatively enforces policies that prevent discriminatory treatment vis-a-vis independent ESPs, the ILECs will have a more meaningful incentive to offer new data-friendly services because their own information services affiliates will be under pressure to make them available to their own users.

Examples of the types of safeguards that are extremely important are the separate subsidiary, nondiscrimination, and accounting requirements contained in Sections 271 through 276 of the Communications Act.[19] Importantly, enforcement of these requirements should mean that the ILECs would be required to offer independent ESPs physical collocation of ESP equipment in the central office at cost-based rates, or absent the availability of physical collocation, then virtual collocation which is at least equivalent to physical location in an economic and operational sense. In other words, collocation, even if virtual, should put the ESP on the very same economic and operational footing as the ILEC's own information services affiliate, which is likely to be collocated in the LEC central office. The ILECs undoubtedly will want to deploy new technologies and functionalities in their central offices for use by their own information services affiliates. Strict enforcement of the requirements for nondiscriminatory treatment are likely to be as important as anything else not only in ensuring the continued

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[19] See, e.g., Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, First Report and Order and Further Notice of Proposed Rulemaking, Cc Docket No. 96-149, FCC 96-489, December 24, 1996; Implementation of the Telecommunications Act of 1996: Telemessaging, Electronic Publishing, and Alarm Monitoring Services, First Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 96-152, FCC 97-35, February 7, 1997; Accounting Safeguards under the Telecommunications Act of 1996, Report and Order, CC Docket No. 96-150, FCC 96-490, released December 24, 1996.

development of a competitive information services industry, but also in creating incentives for the LECs to introduce new technologies.

D. The Commission Should Ensure That Carriers Do Not Charge ESPs Above-Cost Rates For Local Exchange Services

Along with enforcing measures to ensure that ILECs are not allowed to favor their own information service affiliates vis-a-vis independent ESPs, it is crucial that new underlying communications services utilized by ESPs be offered at cost-based rates. Obviously, if information service providers are charged above-cost rates for the new data-friendly services they need, demand will be dampened for information services,[20] and, resources will be misdirected in ways that do not promote efficiency. This is why the Commission said in the NPRM that it saw no reason to extend the existing non-cost-based access charge regime to ESPs.

The Commission, therefore, should look with disfavor on any proposals that are made in this proceeding which would charge, or have the effect of charging, ESPs for interstate services on other than a cost-basis.[21] Until effective competition develops in the local exchange marketplace, the Commission will need to exercise active regulatory oversight over the LECs to ensure cost-based rates, including a requirement that the ILECs employ a forward-looking economic costing methodology such as Total Element Long-Run Incremental Cost ("TELRIC")

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[20] In their initial comments in response to the NPRM, CompuServe and Prodigy emphasized the current price sensitivity of Internet and online users to any rate changes.

[21] An example of the type of non-cost-based pricing presently found in many state tariffs that should be avoided in the development of federal access rate structures is the rate relationship that prevails between ordinary business lines (1 MBs) and T1 lines (the equivalent of 24 1 MBs). Frequently, 24 1 MBs are priced less expensively than a T1, whereas the actual cost of providing a T1 is generally acknowledged to be less than providing 24 1 MBs. This type of non-cost-based pricing is not efficient and should be avoided in the development of federal access charges.

in establishing prices for new services and capabilities to be used by ESPs. As real competitive alternatives become available, the Commission should be able to relax the regulation of the ILECs. When effective competition demonstrably exists, the Commission should not have to regulate local service rates in an active or prescriptive manner, but should be able to rely for the most part on marketplace forces.[22]

III. PRELIMINARY OBSERVATIONS CONCERNING DESIRED SERVICES

As stated above, the Commission's goal should be take actions which will promote the development of an advanced national information infrastructure characterized by the widespread deployment of high-speed, high-bandwidth transmission facilities which are available on an operationally reliable basis at reasonable prices. CompuServe and Prodigy do not believe it is likely that the Commission necessarily will want to prescribe the deployment of particular technologies or service offerings by the ILECs or any other common carriers subject to its jurisdiction, but adherence to the general principles discussed in the preceding section will go a long way towards realization of the above-stated goal.

Nevertheless, it may be useful for CompuServe and Prodigy to suggest some of the types of services that they hope to see deployed in the nation's information infrastructure, with the caveat, of course, that new technologies may develop and be altered quickly, so anything said along these lines is only a temporary guidepost. Putting aside developments that may occur with regard to offerings by non-wireline telephone companies such as cable

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[22] CompuServe and Prodigy mean to distinguish between the mere appearance of competitive alternatives initially and the actual development of effective competitive alternatives based on the reality of the competitors' offerings in the marketplace.

companies or new wireless companies, CompuServe and Prodigy believe that fast-packet technologies such as ATM, Frame Relay and SMDS offer the most promise as useful underlying offerings from the traditional wireline local carriers. At this time, the various xDSL technologies seem to be the most likely fairly near-term transmission means for taking advantage of the fast-packet services in order to get higher speed, higher bandwidth to the end user in his or her home or business.

The use of new technologies such as the Northern Telecom product which may be used to route data traffic around LEC central offices may hold promise.[23] But, as pointed out earlier, it is key that access to such new switches be subject to nondiscrimination principles, especially including equivalent collocation opportunities, so that telephone company ESP affiliate is not favored over the independent ESP.

Another area where, hopefully, the LECs will make advancements useful to ESPs relates to access to the LEC operational support systems. It should be possible to provide ESPs with the ability to exercise more control over provisioning of services, such as the ability dynamically to alter bandwidth allocations to adapt quickly to individualized or changed circumstances, and over the repair of services.

Obviously, the costs of providing these services and the proposed rates at which the services are offerred will determine whether they are economically feasible from the ESPs' perspective, and perhaps the LEC comments in this inquiry will shed some light on this issue. Absent such information, CompuServe and Prodigy believe it is premature to say much about the

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[23] See "Northern Telecom Bypass System," Communications Daily, August 29, 1996, at 2-3.

costs/rates of new services, except to state that flat rate princing is most desirable and should be consistent with cost-causative principles. Absent pure flat rate pricing, it is possible that, under certain circumstances, pricing packet services on a per byte or equivalent basis, taking into account, for example, factors such as speed, may also reflect cost-causative principles. Based on our current knowledge, pricing these packet services on a per-minute basis does not make economic sense or to reflect cost-causative principles.

IV. FUTURE PROCEEDINGS

As CompuServe and Prodigy pointed out earlier, the Commission is not proposing to adopt any new rules in this inquiry. Indeed, under the APA and its own rules, it cannot do so. Therefore, it may -- or may not -- become necessary or advisable for the Commission to address some of the NOI issues more specifically in other existing proceedings, or some new proceeding, such as a more generic Infrastructure or Innovation proceeding. At this early stage of the inquiry, before it is known how much and what specific types of information will be provided, and at what level of detail, it would seem prudent for the Commission not to make any hard and fast judgments about what should follow. It will be easier to make sound judgments concerning this as the inquiry progresses.

V. CONCLUSION

For the foregoing reasons, the Commission should take actions consistent with the views expressed herein.

Respectfully submitted,

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I, Teresa Ann Pumphrey, hereby certify that a copy of the foregoing NOI Initial Comments of **CompuServe Incorporated and Prodigy Services Corporation,** was served by first-class mail, postage prepaid and by hand where indicated, this 24th day of March, 1997, on the following persons:

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