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May 30, 1997

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MAY 30 1997

Federal Communications Commission
Office of Secretary

Regina Keeney
Chief, Common Carrier Bureau
Federal Communications Commission
1919 M Street, N.W., Room 500
Washington, D.C. 20554

**Re: CC Docket No. 96-61, Part II
Request for Prompt Resolution of GTE Service Corporation's
Pending Petition for Reconsideration and Clarification or, in
the Alternative, for Extension of Tariff Filing Deadlines**

Dear Ms. Keeney:

GTE Service Corporation ("GTESC"), on behalf of its affiliated companies, hereby requests that the Commission promptly, and no later than June 13, 1997, issue a decision on the merits of GTESC's pending Petition for Reconsideration and Clarification in the above-referenced docket or extend the applicable tariff filing deadlines until such a decision can be made. As explained below, the Petition has been pending for over eight months. Immediate Commission action is now essential in light of the July 15th filing deadline for implementation of tariff requirements that are the very subject of GTESC's reconsideration request.

In a Report and Order released August 7, 1996, the FCC determined that Section 254(g) of the Telecommunications Act, 47 U.S.C. § 254(g), requires GTE Corporation to integrate the rates charged by its affiliates for interexchange services, including services offered to subscribers in the Commonwealth of the Northern Mariana Islands ("CNMI") by Micronesian Telecommunications Corporation (MTC).¹ This decision is inconsistent with the statute insofar as it interprets the reference in Section 254(g) to an interexchange service "provider" to include a parent company and all of its affiliates. It does so notwithstanding their separate legal status, the independent nature of their operations, and the fact that the parent company, here GTE Corporation, provides no telecommunications services itself and

¹ Policy and Rules Concerning the Interstate, Interexchange Marketplace, FCC 96-331 (released Aug. 7, 1996), ¶ 69.

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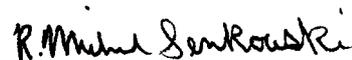
is not a "carrier" for federal or state regulatory purposes. It will also have a severe impact on MTC, requiring this carrier to offer its services at rates below cost.

In a petition timely filed on September 16, 1996, GTEHC asked the Commission to reconsider its determination and treat MTC and other GTE affiliates as separate "provider[s]" of interexchange services for purposes of the rate integration requirement of Section 254(g). That petition has now been pending before the Commission for more than eight months. A decision is long overdue.

The delay in acting on GTEHC's petition is highly unreasonable because the dates established in the Report and Order for implementation of the rate integration requirements are now fast approaching. On June 1, 1997, providers must file with the FCC a final plan to achieve rate integration by August 1, 1997. Moreover, MTC will need to file its rate-integrated tariff for the CNMI by July 15, 1997, to ensure its effectiveness by the August 1 deadline,² notwithstanding the absence of a decision on the merits of the pending petition.

Accordingly, GTEHC urgently requests that the Commission act on its Petition for Reconsideration and Clarification as soon as possible and in no event later than June 13, 1997, or, as a minimum, waive or extend by that date the tariff filing deadlines set out above until such time as the Commission can act on GTEHC's petition. Failure of the Commission to render such a decision by June 13 will cause serious harm to GTE. In contrast, action consistent with GTE's request herein would obviate the need for pursuing judicial remedies to ensure timely resolution of the issues raised by the petition.

Should any questions arise concerning this matter, please contact the undersigned.
Respectfully submitted,



R. Michael Senkowski

cc: William Kennard
Parties of Record

² GTE affiliate GTE Hawaiian Telephone Company Incorporated will likewise be required to file its rate integrated tariff on July 15, 1997. GTE Card Services, d/b/a GTE Long Distance, will be required to file its rate integrated tariff on July 31, 1997.