DOCKET FILE COPY ORIGINAL

EX PARTE OR LATE FILED

AT&T

Betsy J. Brady
Federal Government Affairs
Director and Attorney

Suite 1000
1120 20th Street, N.W.
Washington, DC 20036
202 457-3824
FAX 202 457-2545

July 3, 1997

RECEIVED

JUL - 3 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554

RE: Ex Parte
AT&T Comments, ELI Petition Re US West's ICAM Proposal, Docket 97-90, Requests of US West Communications, Inc. for Interconnections Cost Adjustment Mechanisms

Dear Mr. Caton:

The attached document was delivered today to Mr. Richard Metzger, Deputy Chief of the Common Carrier Bureau. The document, submitted at Mr. Metzger's request, provides AT&T's views on actions the Commission could take to promote more effective and rapid competitive local entry.

Two copies of this letter and the attachments are being submitted to the Secretary of the Federal Communications Commission in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Sincerely,

Betsy J. Brady

Attachments

cc: Richard Metzger

No. of Copies rec'd 0+2
List A B C D E

Mark C. Rosenblum
Vice President - Law
& Public Policy

Room 3244J1
295 North Maple Avenue
Basking Ridge, NJ 07920
908 221-3539
FAX 908 953-8360

July 3, 1997

RECEIVED
JUL - 3 1997
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

A. Richard Metzger, Jr.
Deputy Chief, Common Carrier Bureau
Federal Communications Commission
Washington, DC 20554

Dear Mr. Metzger:

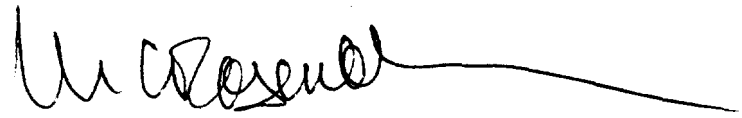
As indicated in our June 25 preliminary response to your June 23 request for AT&T's views on actions the Commission could take to promote more effective and rapid competitive local entry, AT&T welcomes the opportunity to participate in any effort to ensure that consumers receive the full benefits of the 1996 Telecommunications Act as quickly as possible. By this letter, AT&T transmits its description of those issues that, in our view, are currently among the most formidable barriers to AT&T's local entry planning and execution, and that are thus appropriate matters for the Commission to address promptly through its rulemaking, adjudicatory and advisory processes.

The need for Commission action in this regard is made especially pressing in the wake of yesterday's irresponsible assault by SBC on the very core of the Congress's and the Commission's pro-competition policies. As even SBC apparently acknowledges, consumers and industry participants "need to know what the rules are" (SBC Challenges Telecom Law, *The Wall Street Journal*, July 3, 1997, p.A12). While SBC's view of the "rules" is an arrogant affront to the law, the Commission has a unique opportunity here to establish or reaffirm in clear and meaningful terms exactly what ILECs must do to satisfy the law and serve the public interest -- because it is now even more evident that ILECs like SBC will seek to take illicit advantage of every imaginable ambiguity or lawyer's loophole they can conjure up.

Our response is divided into two parts. Part I identifies those matters that have already been fully briefed before the Commission, are pending decision, and -- because they have already been shown to be preventing or impeding competitive entry -- can and should be resolved without further ado. Part II describes other matters that, in AT&T's experience, have arisen more recently as very real barriers to entry into local markets, and that are now also in need of prompt Commission action under the Act. Our response describes these pressing problems, as well as appropriate solutions, with adequate specificity to convey the essence of the issues, while retaining the summary nature of the document, and avoiding a full briefing on any single issue. We would be especially eager to meet with you and others at the Commission, after you have had the chance to review this response, to discuss more fully the items we raise and the manner in which each can be addressed by the Commission. In the meantime, I look forward to hearing from you if you have any questions about the response, or would like additional information.

As your June 23 letter requested, a copy of this response is being filed in the record of CC Docket No. 96-98. It also is being filed in the other pending dockets to which the response refers.

Very truly yours,



Enclosure

AT&T RESPONSE TO COMMISSION JUNE 23 LETTER
CC Docket No. 96-98
July 3, 1997

I. Local Competition Matters Fully Briefed And Awaiting FCC Decision

Shared Transport--Reaffirm that CLECs may purchase, as a network element, at rates established under Sections 251(c) and 252(d), the features, functions, and capabilities of ILEC interoffice equipment to carry, on a shared, minutes-of-use basis, the traffic of the ILEC and requesting carriers, using the same interoffice facilities and network routing as the ILEC, and without unnecessary and cumbersome ordering, provisioning, or other requirements. *WorldCom Petition for Clarification, CC Docket 96-98, September 30, 1996*; *Ameritech 271 Application.*

Additional Background: Ameritech and U S West are currently refusing to provide shared transport, contrary to the Commission's Local Competition Order and state commission orders (*e.g.*, Michigan).

Unbundled Switch--Reaffirm that a CLEC purchasing unbundled switching pursuant to Section 251(c)(3) may use the switch to provide any telecommunications service, including exchange access for inbound and outbound service, and toll service; that the CLEC is the access provider in this circumstance; that the ILEC may not collect access charges from either the CLEC or IXCs terminating calls to the CLEC's customer; and that ILECs must provide CLECs with sufficient information to enable them to bill IXCs for access. *Docket 96-98 Reconsideration;* AT&T Comments on *SBC 271 Application;* AT&T Comments on *Ameritech 271 Application.*

Customized Routing--Reaffirm holding that ILECs are required to provide customized routing to allow CLECs to use their own operator and directory assistance platforms where technically feasible; reaffirm that customized routing is technically feasible for most switches, and that ILEC has burden to prove on a switch-by-switch basis that customized routing is not technically feasible. *SBC 271 Application*; *Ameritech 271 Application.*

UNE Pricing--Clarify pricing guidelines to prohibit ILECs from imposing exhorbitant, discriminatory, and non-cost-based "non-recurring charges." AT&T Petition for Reconsideration or Clarification, *CC Docket 96-98, September 30, 1996; AT&T Comments, ELI Petition Re U S West's ICAM Proposal,* CC Docket 97-90, filed April 3, 1997.

Additional Background: Although the forward-looking cost of the software change necessary to switch a customer from an ILEC's local service to a CLEC's service is less than $1, actual or proposed nonrecurring charges range from $98 (Bell Atlantic, MD) to $293 (U S West, OR) for UNE-based platform service, and $17 (SBC, TX) to $54 (U S West, UT) for customers served through resale. Additional examples of excessive and unlawful charges, together with the rulings necessary to foreclose such charges, are set forth in the AT&T pleadings cited above.

Intellectual Property--Grant MCI petition and confirm that if existing license agreements between ILECs and equipment vendors do not authorize use by CLECs of third party equipment vendors' intellectual property embedded in the ILEC network elements, then the ILECs are required by Section 251(c)(3) to obtain amendments to such licenses. *AT&T Comments, MCI Petition for Declaratory Ruling, CCBPol 97-4, filed April 15, 1997.*

Additional Background—SBC and U S West have inserted into interconnection agreements and SGATs language that conditions use of UNEs on the acquisition by CLECs of licenses from owners of intellectual property embedded in their networks. Other RBOCs and GTE have indicated their intent to impose similar requirements, perhaps depending on the outcome of the MCI petition.

Preemption (Texas)--Grant petitions filed by AT&T and other parties seeking preemption of provisions of Texas PURA that are inconsistent with the Telecommunications Act of 1996. CCBPol 96-14, *Texas PUC Petition, filed May 10, 1996; Competition Policy Institute Petition, filed May 20, 1996; Intelcom Group (U.S.A.) and ICG Access Services Petition, filed May 20, 1996; AT&T Petition, filed May 21, 1996; MCI Petition, filed May 22, 1996; MFS Petition, filed May 28, 1996.*

Preemption (Troy)—Reaffirm that Section 253(c) does not preserve state and local regulation relating to use of public rights of way, unless such regulation is limited to management of the time, place and manner of use, is "nondiscriminatory" and "competitively neutral," and is designed to recover "fair and reasonable" compensation. Clarify that "fair and reasonable" compensation as used in Section 253(c) means compensation that is designed to reimburse municipalities for costs incurred as a result of installation and occupancy of public ROW by facilities and equipment, and precludes fees or methods for calculating fees (*e.g.*, percentage of revenues) that are not tied to such costs. *Petition of TCI*

Cablevision of Oakland County, CSR-4790, AT&T *Ex Parte, filed April 24, 1997.*

Preemption (CMRS)--Grant petitions filed by: (i) the CTIA seeking preemption of facilities siting moratoria regulation by State and local governments under Sections 253(d) and 332(c)(3) of the Communications Act (Petition for Declaratory Ruling of the Cellular Telecommunications Industry Association -- DA 96-2140, December 16, 1996; AT&T Comments filed Jan. 17, 1997; AT&T Reply Comments filed Feb. 3, 1997); (ii) US WEST requesting that the FCC preempt the City of Roseville, Minnesota's franchise requirements as violations of Sections 332 and 253 (Determination that Roseville Ordinances Inhibiting Entry of Commercial Mobile Radio Service Providers Contravene Section 332(c) of the Communications Act, File No. CWD 96-16 (filed May 23, 1995); US WEST Letter Supplement (filed Mar. 5, 1996); AT&T Comments, filed Nov. 8, 1995; AT&T Reply Comments, filed Dec. 8, 1995; AT&T Comments on US WEST Supplement, filed Oct. 11, 1996); and (iii) Western PCS requesting that the FCC preempt, in accordance with Sections 253 and 332, the Oregon Department of Revenues proposed property tax assessment to the extent that it is based upon the amount paid for a broadband PCS license *(Western PCS I Corp. Petition for Preemption of the Oregon Department of Revenue Notice of Proposed Assessment; and Request for Declaratory Ruling, File No. WTB/POL 96-3 (filed July 8, 1996); Western PCS I Corp. Files Supplement to Petition, File no. WTB 96-3, 11 FCC Rcd 14554 (rel. Nov. 8, 1996). AT&T Comments, filed Aug. 30, 1996; AT&T Reply Comments, filed Sep. 30, 1996; AT&T Comments on Western PCS I Supplement, filed Nov. 22, 1996).*

CMRS Flexible Use Rulemaking--Confirm that section 332 grants the FCC authority to regulate fixed services offered over CMRS spectrum. *Amendment of the Commission Rules to Permit Flexible Service Offerings in the Commercial Mobile Radio Services, WT Docket No. 96-6, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 8965 (rel. Aug. 1, 1996). AT&T Comments, filed Nov. 25, 1996; AT&T Reply Comments, filed Dec. 24, 1996.*

Additional Background: The FCC determined to allow CMRS providers to offer fixed services, excluding broadcast services, in CMRS spectrum and has opened for further comment the proper regulatory status of such offerings. The Commission should affirm its authority to regulate such services, and ensure a regulatory environment that enhances prospects for fixed wireless technology to develop into a viable alternative to ILEC facilities.

Number Portability--Confirm that ILECs are required to provide the route indexing - portability hub ("RI-PH") and directory number route indexing ("DNRI") interim methods of local number portability. AT&T Comments on *Ameritech 271 Application;* FCC *Amicus* Brief, *AT&T v. SBC and Texas PUC*

(N.D. Tex.)(supporting AT&T's motion to refer to FCC route indexing issue raised in section 252(e)(6) complaint).

Additional Background--Although ILECs in 28 states have either agreed or been ordered to provide RI-PH and DNRI, Ameritech and SBC have refused to do so. Bell Atlantic refuses to provide RI-PH. The absence of route indexing has hampered AT&T's efforts to efficiently provide its Digital Link local offering .

Number Administration--Clarify that ILECs acting as code administrators have an obligation to meet demand reasonably anticipated by CLECs, to avoid situations in which an ILEC permits "jeopardy" situation to occur while itself relying on "warehoused" resources; prohibit overlays in an NPA unless, in addition to mandatory ten-digit dialing, permanent number portability has been implemented, and there are sufficient NXXs in the old NPA to meet demand reasonably anticipated by CLECs. *AT&T Petition for Reconsideration (Second Report and Order), CC Docket No. 96-98, filed October 6, 1996.*

Additional Background: ILECs serve as code administrators and, together with state commissions, are responsible for administering numbering resources, including planning for new NPAs so as to avoid jeopardy situations in which NXX codes must be rationed. Some state PUCs, however, have failed to adequately plan for NPA relief or to monitor ILEC code administrators to ensure that jeopardy situations are avoided. For example, the 412 NPA, which encompasses metropolitan Pittsburgh, is in a jeopardy situation. As a result, only 2 NXX codes are awarded per month, and the two recipients of those codes are chosen through a lottery process among CLECs and wireless carriers. In addition, because there are 182 rate centers in the 412 area code, even a CLEC that obtains an NXX can serve only a fraction of that NPA. The Pennsylvania PUC has yet to approve an NPA relief plan, despite this situation. In California, although CLECs are subject to rationing in all but two NPAs, PacBell has made NXX resources available to its customers outside the lottery process.

Section 272—Confirm that a BOC will not be permitted to provide in-region interLATA services through an affiliate that has engaged in any transactions with the BOC that would be inconsistent with the requirements of Section 272, regardless of when those transactions may have occurred, unless those transactions are "trued-up" or otherwise remedied to ensure that the affiliate will not enter or participate in the interLATA market with the benefit of illicit subsidies or other discrimination; further confirm that a BOC and its designated in-region, interLATA affiliate must currently disclose all transactions between them, and otherwise comply with the requirements of Section 272. *AT&T Comments on SBC 271 Application;* AT&T Comments on *Ameritech 271 Application.*

II. Other Actions That Would Promote Local Competition

UNE Combinations (including UNE "Platform")--In rulings on shared transport, unbundled switching, nonrecurring charges, pending RBOC 271 applications, and otherwise as appropriate, make clear that CLECs have the right, without qualification, conditions or restrictions (other than technical infeasibility), to combine any and all unbundled network elements to provide telecommunications service, and state intention to act swiftly and forcefully to reject any ILEC position, and prohibit any ILEC effort, to prevent, discourage or otherwise undermine CLECs' use of individual UNEs, UNE combinations (including UNE Platform).

Additional Background: Notwithstanding the Commission's unequivocal and pro-competitive ruling in its Local Competition Order, the ILECs continue to refuse to permit AT&T to purchase and combine network elements, including the network element "platform." As a result, nearly one year after the Commission issued its order, the UNE platform is not available for purchase in any state.

ILECs have employed a dizzying array of arguments and tactics to avoid complying with the Commission's order. BellSouth, Bell Atlantic, Ameritech, SBC, U S West and GTE are engaged in collateral attacks on the Commission's rules before state commissions and federal courts. Based on arguments explicitly rejected by the Commission, some of these ILECs have persuaded some state PUCs -- erroneously -- that they may condition the availability of UNEs on the use by the requesting carrier of its own facilities, on the theory that the availability of UNE combinations is a "pricing" matter, and that states should exercise their "authority" over prices to ignore applicable unstayed FCC rules as well as the pricing provisions of Section 251(c)(3).[1] BellSouth has simply defied FCC and state PUC orders requiring it to provide the UNE platform at cost-based rates in Florida. Other ILECs (*e.g.*, Ameritech, SBC) have attempted to excuse their failure to provide the platform by seeking to redefine individual network elements and their obligations with respect thereto so as to preclude the practical availability of the platform. Other ILECs have adopted particular practices or restrictions -- such as requiring CLECs to obtain separate licenses from vendors of embedded intellectual property (*e.g.*, SBC, U S West), or disconnecting the loop from the switch when ordered in combination (SBC) -- that make use of network elements, individually or in combination, extremely burdensome. None of the ILECs today provide or are making serious efforts to provide access to OSS necessary to support the UNE platform.

[1] *E.g.*, BellSouth (AL, GA, LA, MS, NC, SC, TN); Bell Atlantic (WV).

Pursuant to Section 252(e)(6) of the Act, AT&T has filed challenges in federal district court to approved interconnection agreements containing provisions regarding UNE combinations that are inconsistent with the Act and the Commission's rules, and will file additional challenges to any similar provisions that are incorporated in agreements that are subsequently approved. AT&T encourages the Commission to either participate actively in such cases to ensure outcomes that are consistent with the Act and the rules, or use its authority under the Act to preempt any decision of a state commission that approves such provisions.

Access to OSS--Reaffirm the obligation of the ILECs to work cooperatively with CLECs to provide nondiscriminatory and reasonable access to ILEC OSS for services resale and UNEs;

Adopt measurements required to determine whether access is being provided on a nondiscriminatory and commercially reasonable basis, considering the accuracy, reliability, and timeliness of access, and without limits as to volumes of transactions (at a minimum, capability to handle volumes of transactions no less than PIC changes capable of being processed);

Require and prescribe a format for periodic reports by ILECs to demonstrate provision of access to OSS at parity;

Adopt interim performance "benchmarks" that may be referenced as "safe harbors" pending receipt of reports demonstrating actual parity;

Establish an audit process to verify adequacy and accuracy of ILEC reports;

Confirm that compliance with obligation to provide nondiscriminatory and commercially reasonable access to OSS requires accessibility and interoperability throughout all ILEC systems, and not merely at the company-to-company interface;

Prohibit ILECs from changing technical specifications for OSS without adequate notice to and consultation with CLECs;

Establish a schedule and method for transition to national standards for interfaces.

Additional Background: Section 251 requires ILECs to provide new entrants with nondiscriminatory access to operations support systems. Such access is a prerequisite to meaningful and widespread local competition. Yet, notwithstanding the requirements of the Act, the Commission's Local Competition Order, and the orders of state PUCs, no ILEC yet provides nondiscriminatory and commercially reasonable access to OSS for either services resale or UNEs. As set forth in the recent Petition for Expedited Rulemaking of

LCI and CompTel (CC Docket No. 96-98, dated 5/30/97), the ILECs have also failed to provide information that is essential to determine whether they are providing the required access, and whether they will continue to do so in the future. The Commission should grant the petition for an expedited rulemaking proceeding to, at a minimum, establish OSS performance measurements and benchmarks that must be met to satisfy Section 251(c) and the corresponding provisions of Section 271(c)(2)(B) ; impose deadlines and reporting requirements on ILECs; address enforcement and remedies; and foster the adoption of uniform technical standards for OSS interfaces.

Unbundled Switch--Reaffirm that carriers purchasing the unbundled switch at cost-based rates receive all features and functions of the switch, and that a LEC may not withhold such features on condition that the requesting carrier pays additional non cost-based charges.

Additional Background--BellSouth and U S West are pursuing collateral attacks in state commissions on the Commission's rule that requesting carriers may purchase the unbundled switch, including any vertical features, at cost-based rates pursuant to Section 251(c)(3) and 252(d)(1). The Mississippi PSC has adopted BellSouth's argument and purported to authorize BellSouth to withhold vertical features unless the CLEC agrees to pay BellSouth's retail rate less an avoided cost discount. In addition, Bell Atlantic calculates the price for local switch usage by assessing separate non-cost based charges for vertical features, in addition to basic switch usage charges; the West Virginia Commission has ordered that the unbundled switch be priced at the rate derived by the Hatfield model, plus additional charges for vertical features; and the California Commission has concluded that unbundled switching does not include vertical features, which must be obtained, at least for an interim period, at additional, non-cost-based charges.

Entry Regulation By State and Local Governments--adopt rules pursuant to Section 253 to ensure that franchising and other requirements (including compensation for use of rights-of-way) imposed by state or local governments do not prohibit or have the effect of prohibiting the provision of local or other telecommunications services.

Additional Background: A large and increasing number of municipalities have adopted a patchwork quilt of onerous local ordinances that require carriers to obtain a "franchise" prior to providing local service. These franchises often require the payment of fees which are not tied to the costs incurred by the municipality in managing its rights-of-way, and sometimes apply even where the carrier is not deploying its own facilities and hence not using public rights-of-

way.[2] In addition, many ordinances prohibit the provision of service until negotiations on the details of the franchise are resolved to the municipality's satisfaction, and impose other burdens and restrictions.[3] Such franchises are also often written or applied in a manner that discriminate against CLECs in favor of incumbents.[4] As AT&T has discovered in preparing to offer business customers its Digital Link service as an alternative to local service offered by the incumbent, individually and in combination, municipal franchise requirements operate to delay and prohibit local entry.

Resale of Contract Services/Resale Restrictions--Reaffirm holdings in Local Competition Order that the ILEC obligation to provide a wholesale discount applies to all telecommunications services offered to end users, whether by contract or tariff, and that terms and conditions that purport to require a CLEC's end users to meet separate eligibility requirements are presumptively unlawful.

Additional Background--A number of ILECs, including BellSouth, GTE and Bell Atlantic, continue to argue that they are not required to offer a wholesale discount on service provided pursuant to contract rather than tariff, without showing the absence of avoided costs, and that they may prohibit CLECs from aggregating end-user traffic for the purpose of establishing eligibility for volume discounts (or otherwise prohibit CLECs from reselling such services to customers who are not "similarly situated" to the ILEC's customer), without rebutting the presumption of unreasonableness. Several state commissions (e.g., CA, GA, MS, NC, NE, WV) have accepted the ILECs' position.

Pursuant to Section 252(e)(6) of the Act, AT&T has filed challenges in federal district court to approved interconnection agreements containing restrictions and limitations on resale that are inconsistent with the Act and the Commission's rules, and will file additional challenges to any similar provisions that are incorporated in agreements that are subsequently approved. AT&T encourages

---

[2] For example, Shreveport, Louisiana requires that CLECs pay an annual fee equivalent to 5% of the gross revenues earned by the CLEC and its affiliates in connection with any telecommunications service which originates or terminates in, or transits, that city. Bellaire, Texas requires an annual fee equivalent to 4% and 5% of the carrier's gross revenues derived in that city from retail and wholesale service, respectively. Both Shreveport and Bellaire require as a condition to granting a franchise that the carrier agree not to challenge the lawfulness of any provision of their ordinances or franchise agreements.

[3] Shreveport requires, *inter alia*, that the carrier establish a local business office in the city. Troy, Michigan requires that carriers agree to municipal regulation of their rates for service, and to provide to the city the lowest rate charged by the carrier to any other subscriber, whether public or private.

[4] For example, Shreveport requires that CLECs pay a fee equivalent to 5% of their gross revenues, but caps the fee paid by the incumbent, BellSouth, at 2%. Troy, Michigan's "Telecommunications Ordinance," which is the subject of a pending petition in *Petition of TCI Cablevision of Oakland County*, CSR-4790, requires all carriers to pay an annual fee based on gross revenues, but Ameritech apparently is not subject to the ordinance.

the Commission to either participate actively in such cases to ensure outcomes that are consistent with the Act and the rules, or use its authority under the Act to preempt any decision of a state commission that approves such provisions.

Number Portability--Require reports by ILECs on status of efforts to implement permanent number portability, and that BOCs address such efforts in any Section 271 application; reiterate importance of adhering to current implementation schedule for permanent local number portability, and that requests for extensions and waivers will not be granted except under the most compelling circumstances including but not limited to a showing that the ILEC could not have avoided the delay; clarify that implementation schedule for number portability did not contemplate a "flash cut" for an entire MSA on the last permissible day (as proposed by Bell Atlantic and SBC), but rather phased implementation beginning as early in the period as practicable; confirm that the Commission's LNP implementation schedule requires not only the availability of permanent portability, but also the conversion of all ported numbers from interim to permanent portability by the dates specified; confirm that ILECs not only must make number portability available, but must provide CLECs the OSS access to order it.

Additional Background: Although the Commission has "strongly advise[d]" carriers to begin implementation [of permanent number portability] early in each phase," a number of ILECs have announced plans to "flash cut" entire MSAs late in the implementation period, or to delay implementation for key switches.[5] For example, SBC has advised AT&T that it intends to delay implementation of LNP in the Houston MSA until March 31, 1998 -- the very last day permitted by the Commission's schedule. Bell Atlantic has indicated that it intends to wait to phase in LNP for the MSAs covered by phases 1 and 2 until the last 4-6 weeks of those phases, and will flash cut the MSAs covered by phases 3, 4 and 5. PacBell has advised the California LNP task force that it intends to convert its "big business, high volume switches last." In addition to delaying the benefits to consumers of LNP, these plans heighten the risk of missing LNP deadlines if the initial attempts at conversion are unsuccessful, and force CLECs to incur unnecessary expenses. Further, some ILECs have indicated that they construe the Commission's number portability orders and schedule to require only that they make permanent portability available by the specified date, and need not actually convert ported numbers from interim to permanent portability by that date.

Evasion of ILEC Obligations Through Corporate Restructure--Review existing rules under Sections 251 and 272, and if necessary adopt additional rules, to ensure that ILECs cannot nullify their statutory obligations through corporate

[5] *Telephone Number Portability*, First Memorandum Opinion and Order on Reconsideration, CC Docket 95-116, released March 11, 1997, ¶ 82.

reorganizationse (*e.g.*, SNET's attempt to nullify its obligation to provide a wholesale discount by claiming that its wholly-owned wholesale affiliate is the ILEC but has no retail offerings, and that its wholly-owned retail affiliate is not an ILEC and need not provide a discount).

Enforce InterLATA Prohibition--Take prompt action to enforce interLATA restrictions until conditions for interLATA authorization established by Section 271 are satisfied; deny or strictly scrutinize requests for LATA modifications or other actions that would undermine incentives created by Section 271; promptly decide complaints filed under Section 208 alleging violations of Section 271.

Enforcement Authority--Confirm that the Commission and state jurisdictions are authorized by the Act to resolve disputes and issues that arise or are identified subsequent to negotiations, arbitration and approval of interconnection agreements.

Additional Background--SBC has argued in Oklahoma and Texas that state commissions have no authority to resolve disputes subsequent to the approval of an interconnection agreement. The effect of SBC's position is to render it the ultimate arbiter of its obligations under the Act and its interconnection agreements.

Expedited Dispute Resolution--Establish a Commission "strike force" and associated procedures that allow a party to seek expedited resolution (*e.g.*, within 60 days of a request to the Commission) of local competition issues under the 1996 Act, for which the complaint process may not be efficient (*i.e.*, issues and disputes that are not limited to disputes between particular parties, but are of broader concern); adopt procedures for parties to request and obtain prompt, informal advisory rulings from the Commission