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July 31, 1997

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William F. Caton, Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: CC Docket No. 97-137

Dear Mr. Caton:

On behalf of the Competitive Telecommunications Association ("CompTel"), please take notice that yesterday, July 30, 1997, we met with Paul Gallant, Legal Advisor to Commissioner Quello, to discuss CompTel's position in this docket. Representing CompTel were myself and Danny Adams from Kelley Drye & Warren LLP and Genevieve Morelli of CompTel. The attached documents were distributed and discussed at the meeting.

In accordance with Section 1.1206 of the Commission's rules, an original and one copy of this notice are provided for inclusion in the public record.

Sincerely,

Steven A. Augustino

Attachments

cc: Mr. Gallant

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20054

In the Matter of

Application of Ameritech Michigan	:	
Pursuant to Section 271 of the	:	
Telecommunications Act of 1996 to	:	CC Docket No. 97-137
Provide In-region, InterLATA Services	:	
in Michigan	:	

Ex Parte Presentation
Of The Competitive Telecommunications Association

July 30, 1997

THE RECORD OVERWHELMINGLY DEMONSTRATES THAT THE APPLICATION MUST BE DENIED

- BOTH OF THE ENTITIES WITH WHOM THE FCC IS REQUIRED BY STATUTE TO CONSULT CONCLUDE THAT AMERITECH HAS NOT SATISFIED SECTION 271's REQUIREMENTS

  The MPSC found that Ameritech has not satisfied three of the checklist items (unbundled switching, unbundled transport and access to 911 databases)

  DOJ concludes that Ameritech is not providing four checklist items (interconnection, unbundled switching, unbundled transport and access to OSS as an unbundled network element) and that grant of the application is not in the public interest

- EXCEPT FOR AMERITECH'S SISTER BOCs, THE COMMENTS UNIFORMLY OPPOSE GRANT OF THE APPLICATION.

  Commenters recommending that the application be denied include the Michigan Attorney General, Michigan Consumer Federation, Ohio Consumers' Counsel and the Competition Policy Institute

- AFTER THE FACT PROMISES BY AMERITECH CANNOT BE RELIED UPON TO GRANT THE APPLICATION.

  The statute requires that Ameritech already have taken the necessary steps, not that it promise to do so. Moreover, reliance upon Ameritech promises violates the FCC's own procedures and denies parties a fair opportunity to participate.

AMERITECH'S APPLICATION FAILS SECTION 271 IN A NUMBER OF RESPECTS

The principal defects in Ameritech's application include:

- AMERITECH DOES NOT SATISFY THE COMPETITIVE CHECKLIST

  Ameritech unlawfully prohibits purchasers of unbundled switching from acting as the exclusive provider of exchange access services

  Ameritech refuses to provide access to its common interoffice transport facilities

  Ameritech does not offer fully functional OSS and refuses to commit to reasonable performance criteria for OSS

- AMERITECH HAS NOT DEMONSTRATED THAT ITS AFFILIATES AIIS AND ALDIS COMPLY WITH THE STRUCTURAL SEPARATION REQUIREMENTS

- AMERITECH HAS NOT SATISFIED SECTION 271(c)(1)(A)'S ACTUAL COMPETITION TEST

- WITH LOCAL COMPETITION STILL ITS FORMATIVE STAGES, GRANT OF THE APPLICATION IS NOT IN THE PUBLIC INTEREST

AMERITECH HAS NOT SATISFIED THE COMPETITIVE CHECKLIST

- AMERITECH IS NOT ACTUALLY FURNISHING ALL OF THE CHECKLIST ITEMS
- AMERITECH IS NOT PROVIDING UNBUNDLED SWITCHING AND COMMON TRANSPORT IN ACCORDANCE WITH THE ACT AND THE FCC's RULES

  Ameritech unlawfully interferes with a purchaser's right to provide originating and terminating access services

  Ameritech is not providing access to all features and functionalities of the switch (including customized routing)

  Ameritech refuses to provide common transport over the same facilities it uses for its own local exchange traffic

  Ameritech's preliminary tests of the ULS/Common Transport Combination cannot be relied upon

- AMERITECH'S OSS SYSTEMS ARE NOT FULLY DEPLOYED AND LACK BASIC PERFORMANCE CRITERIA NECESSARY TO EVALUATE THEM

AMERITECH DOES NOT SATISFY SECTION 271(c)(1)(A)

- MFS AND TCG DO NOT SERVE RESIDENTIAL SUBSCRIBERS

- BROOKS' LIMITED SERVICE IN MICHIGAN IS NOT SUFFICIENT TO SATISFY THE ACTUAL COMPETITION TEST.

  Service in only a limited geographic area does not support state--wide interLATA authority.

  Although no rigid numerical standard applies, the Commission must make a qualitative evaluation of local competition in Michigan. Ameritech must face a non-trivial level of competition from a facilities-based carrier.

AMERITECH HAS NOT MET ITS BURDEN TO SHOW COMPLIANCE WITH SECTION 272

- AMERITECH HAS NOT FULLY EXPLAINED THE RELATIONSHIP BETWEEN AIIS, ALDIS AND ACI
- AMERITECH'S ACTIONS WITH ITS FRAME RELAY SUBSIDIARY RAISE DOUBTS ABOUT AMERITECH'S COMPLIANCE WITH SECTION 272
- BECAUSE AMERITECH HAS THE BURDEN OF DEMONSTRATING COMPLIANCE, THE APPLICATION MUST BE DENIED.

GRANT OF AMERITECH'S APPLICATION IS NOT IN THE PUBLIC INTEREST

- THE PUBLIC INTEREST STANDARD GRANTS THE FCC DISCRETION TO CONSIDER THE BROAD RANGE OF FACTORS IT ORDINARILY EXAMINES TO DETERMINE THE PUBLIC INTEREST, CONVENIENCE AND NECESSITY

- THE PUBLIC INTEREST STANDARD MUST BE AT LEAST BROAD ENOUGH TO ALLOW THE FCC TO GIVE SUBSTANTIAL WEIGHT TO THE DEPARTMENT OF JUSTICE'S EVALUATION

  DOJ concludes that approval of the application is not in the public interest at this time

- GRANT OF INTERLATA AUTHORITY AT THIS TIME IS NOT IN THE PUBLIC INTEREST BECAUSE THE RISK OF HARM TO THE DEVELOPMENT OF LOCAL COMPETITION OUTWEIGHS THE MEAGER BENEFITS OF ADDITIONAL ENTRY IN THE ALREADY COMPETITIVE INTERLATA MARKET