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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman-Salas
Secretary
Federal Communications Commission
1919 M Street, N.W., Rm. 222
Washington, D.C. 20554

Ex Parte: Policy and Rules Concerning the Interstate, Interexchange Marketplace and Implementation of Section 254(g) of the Communications Act of 1934, as amended (CC Docket No. 96-61)

Dear Ms. Roman-Salas:

On December 4, 1997, two parties filed a Petition for Further Reconsideration of the Commission's Order on Reconsideration in the above proceeding which was released on August 20, 1997.¹ Petitioners ask the Commission to reconsider its decision to eliminate the public information disclosure requirement for mass market services, a requirement it had adopted only ten months previously as a necessary predicate to its mandatory detariffing of domestic interstate, interexchange services.² For the reasons given below, the Commission should grant the Petition.

The Commission began this proceeding on March 25, 1996 to implement §254(g) of the Communications Act, as amended by the Telecommunications Act of 1996.³ The Act required the Commission to adopt rules requiring that rates charged by providers of interexchange services in rural and high cost areas "shall be no higher than" rates charged by providers in urban areas (this is the "geographic rate averaging" requirement). Rates were also not to vary from state to state (this is the "rate integration" requirement). USTA, in comments filed on April 19, 1996; reply comments filed on May 3, 1996; and in an ex parte meeting on July 18, 1996,

¹ The petitioning parties are the Telecommunications Management Information Systems Coalition and the Utility Reform Network.

² See Second Report and Order in this proceeding, released on October 31, 1996.

³ Notice of Proposed Rulemaking, released on that date.

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recommended a minimally intrusive plan for compliance with rate averaging and integration requirements. USTA's plan included the following components:

- o Interexchange carriers would periodically certify that their rates are in compliance with rate averaging and integration requirement.
- o Interexchange carriers would identify an address and telephone number where interested parties can request price information to confirm compliance.

The Commission implemented the Act's rate averaging and integration requirements by adopting rules in its Report and Order released on August 7, 1996. The Commission did not address how customers would obtain price information until it released its mandatory detariffing order on October 31, 1996.⁴ Even though the Commission declared AT&T to be a nondominant provider and instituted mandatory detariffing for all interexchange carriers, it required them to take the following information disclosure steps:

1. Retain price and service information regarding all of its detariffed interstate, domestic, interexchange service offerings (47 C.F.R. §42.11(a)).
2. File with the Commission and maintain current the name, address, and telephone number of individual(s) to respond to Commission inquiries and requests for service information (47 C.F.R. §42.11(c)).
3. Post in a manner accessible to the public during regular business hours schedules of all effective and proposed rates and regulations for the services offered to and from the communities it serves (47 C.F.R. §61.72(a)).

The Commission then reversed this decision by "eliminating the public disclosure requirement for all interstate, domestic, interexchange services offered by nondominant interexchange carriers."⁵ The Commission justifies eliminating public disclosure requirements by saying that there are sufficient informational vehicles extant for customers to be able to determine rate and service offerings for themselves, and if the offerings of a particular carrier displease them, they can select another carrier. The Commission also states that the annual certification requirements of the Second Report and Order remain in effect, and customers have the §208 complaint process at their disposal if they detect violations to the rate averaging and integration requirements. In order to avail themselves of the complaint process, however, customers must have the information they need to be aware of possible violations.

⁴ Second Report and Order.

⁵ Order on Reconsideration, released August 20, 1997, at par. 69, fn. 213.

Petitioners correctly seek reinstatement of public disclosure requirements. USTA recommends that the Commission should grant their request for reconsideration and reinstate the guidelines proposed by USTA as outlined above and explained in its comments, reply comments, and its July 18, 1996 ex parte meeting.

Respectfully submitted,

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