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May 11, 1998

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NOTICE OF EX PARTE PRESENTATION

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

MAY 11 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: *In the Matters of Application by SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA Services in Oklahoma, CC Docket No. 97-121 and Request by ALTS for Clarification of the Commission's Rules Regarding Reciprocal Compensation for Information Service Provider Traffic, CCB/CPD No. 97-30*

Dear Ms. Salas:

Please be advised that today, Dale (Zeke) Robertson, Senior Vice President, SBC Telecommunications, Inc., and I met with Commissioner Gloria Tristani and her legal adviser, Paul Gallant, in connection with the above-referenced proceedings. The purpose of the meeting was to provide the Commissioner and Mr. Gallant with a status report on SBC's meetings on section 271 competitive checklist compliance with the Common Carrier Bureau staff. In addition, we provided the attached document concerning reciprocal compensation involving Internet service providers and competitive local exchange carriers, and argued the FCC needs to expeditiously reaffirm its jurisdiction over ISP traffic and re-confirm that such traffic is interstate in nature.

Should you have any questions concerning the foregoing, do not hesitate to contact me. In accordance with the Commission's rules, an original and one copy of this notification are submitted herewith.

Very truly yours,

Todd F. Silbergeld

Attachments

cc: Commissioner Tristani
Mr. Gallant

STATUS REPORT

***Dialogue with Common Carrier Bureau Staff
Concerning Competitive Checklist Compliance***



SBC Communications Inc.

PLANNED PRE-FILING MEETING SCHEDULE FOR 271 ISSUES

DATE	MEETING TOPIC	LEAD SBC SME	CCB Policy Division	CCB Pricing Division	CCB Accounting Division	Legal Advisers	GC/FCC	COMMENTS
January 23, 1998	"Non-Controversial" Issues I	Bill Deere/Bill Adair	✓					Number Administration, Dialing Parity, & Access to E-911
January 28, 1998	"Non-Controversial" Issues II	Rhonda Dickherber & Richard Keener	✓					White Pages, Directory Assistance & Operator Services
February 4, 1998	Poles, Ducts & Conduits and Interconnection (Section 271(c)(2)(B)(i))	Jim Hearst & Bill Deere	✓					Interconnection Trunks
February 11, 1998	Loops, Local Transport, and Local Switching	Bill Deere	✓					Sections 271(c)(2)(B)(iv) – (vi)
February 25, 1998	Databases & Signalling Systems and Number Portability	Dave Clippard (DB), Bill Deere (SS), Curt Hopfinger (INP), Gary Fleming (SWBT-LNP) & Sally Swan (PB-LNP)	✓					Section 271(c)(2)(B)(xi)
March 5, 1998	OSS Interfaces/Functions	Liz Ham	✓					10:30 a.m.-12:30 p.m.; Including System Capacity & Scalability, Testing, and Billing Issues
March 18, 1998	OSS Interfaces/Functions and Performance Measurements	Liz Ham & Randy Dysart	✓					
March 23, 1998	STAFF FEEDBACK: Groups 1 & 2 Issues	Marty Grambow & Paul Mancini	✓					
April 9, 1998	Access to UNEs & UNE Combinations	Bill Deere, Mike Auinbauh, Curt Hopfinger	✓					Access to UNEs and Access to combinations of network elements
April 16, 1998	Co-location: Terms & Conditions	Mike Auinbauh, Curt Hopfinger	✓					
April 29, 1998	Reciprocal Compensation & Section 272 Compliance	Mike Auinbauh, Curt Hopfinger, John Lube, Lee Jones, Kathy Rehmer, Kathleen Larkin	✓					Section 271(c)(2)(B)(xiii)
May 28, 1998	California & Nevada OSS Interfaces	Chris Viveros	✓					
	Overview of FCC 271 Application	Zeke Robertson	✓			✓	✓	

SBC'S SUCCESS IN OPENING ITS LOCAL MARKETS: SIGNIFICANT LOCAL COMPETITION EXISTS AND IS GROWING

April 1998 Report

SBC (Southwestern Bell Telephone, Pacific Bell and Nevada Bell) has dedicated significant resources and investment to open its markets to local competition and to comply with all requirements contained in the 1996 Telecommunications Act. As described in detail below, SBC has made available products, services and systems required by Section 251 and the competitive checklist of the 1996 Act, and competitive local exchange carriers ("CLECs") have ordered and are actually using these checklist services and products to provide local service in all seven SBC states.

These indicators provide irrefutable evidence that new entrants are obtaining the network elements that they need from SBC to provide local service, that they are providing such exchange services to end users and that their ability to enter the market is unambiguous. Taken together, these data demonstrate that entry requirements into the local market in SBC's states have been eliminated, that competitive entry is occurring and that SBC has lost approximately 903,000 lines to CLECs in SBC's states. Of these lines lost, approximately 600,000 were resale lines and 304,000 lines were captured by facilities-based carriers. As a result of SBC's compliance efforts, CLECs now have everything they need to compete against SBC and can use resale, interconnection or unbundled network elements to compete for and take SBC customers.

SBC's Capital and Expense Investments To Open Its Markets

- Since the passage of the 1996 Act on February 6, 1996, SBC has devoted significant financial, technical and personnel resources to implement the market- and network-opening requirements of Sections 251 and 252 of the Act. SBC has spent more than \$1 billion and devoted more than 3,300 employees to implement the Act and open its local markets to competition— including but not limited to equipment, computer hardware, software and manpower. By the end of 1998, SBC estimates that it will have spent a total of \$1.5 billion making certain it meets the requirements of the Act.

Interconnection Agreements

- Signed Agreements: SBC and CLECs have signed more than 290 interconnection and resale agreements within SBC's seven-state service area. In addition, 454 CLECs have received PUC approved certificates to provide local service in SBC states.
- PUC Approved Agreements: The various state commissions have approved 220 SBC-CLEC interconnection and resale agreements. These approved agreements give the CLECs everything they say they need to provide local services and compete against SBC. There are a large number of PUC approved agreements in each of SBC's states: Texas: 89; California: 27; Kansas: 25; Arkansas: 24; Oklahoma: 19; Missouri: 23 and Nevada: 13 approved agreements.
- Current Negotiations: SBC currently is in the process of negotiating more than 400 additional interconnection and resale agreements.

CLECs Competing Against SBC

- As of the end of March 1998, more than 175 CLECs were operational in SBC's territory and passing resale, interconnection or UNE orders to SBC. Ninety five CLECs were passing orders in Texas alone.

SBC Access Lines Lost to CLECs

- Through the end of March 1998, approximately **903,000** access lines have been lost to CLECs through resale or through the establishment of new facilities-based service by CLECs in SBC's seven-state service area. Approximately 600,000 SBC lines have been resold by CLECs and approximately 304,000 additional customers are being served on a facilities-basis (as indicated by CLEC E-911 listings) by CLECs in SBC's territory.

The approximate number of lines lost to CLECs in SBC's 7 states on a resale and facilities-basis is:

	<u>Resale Total</u>	<u>Resale Residential</u>	<u>Resale Business</u>	<u>Resale Priv. Coin</u>	<u>Facilities- Based Lines</u>
a) California:	256,000	139,000	109,000	7,500	274,900
b) Texas:	257,000	193,000	53,000	10,100	13,900
c) Kansas:	40,000	19,400	20,600	0	1,100
d) Oklahoma:	16,000	13,400	2,700	13	11,900
e) Arkansas:	13,400	12,100	1,300	0	1,400
f) Missouri	13,500	7,700	5,800	0	1,600
g) Nevada	1,800	360	1,400	0	N/A
RESOLD LINES:	599,000	375,300	182,700	18,300	

**FACIL.-BASED
LINES LOST:**

303,900

SBC TOTAL

LINES LOST: 902,900

- There can be no dispute that resale of local service is available and significant in SBC's territory. SBC has demonstrated that it has made resale available and its OSS can process CLEC resale orders in an accurate and timely manner without any backlogs. Resale activity slowed in March, 1998 (approximately 27,000 lines lost), and this situation was primarily the result of decisions by AT&T and MCI to de-emphasize their resale activities, principally in California. For example, residential resale by CLECs in California in March 1998 was significantly lower than for each of the last six months of 1997. Nevertheless, even if the major IXCs chose for their own internal business and regulatory reasons not to take advantage of the resale option made available to them by SBC because they do not like the resale pricing decisions made by the PUCs, there can be no dispute that SBC has met its obligations under the Act to make resale available to competitors. The figures listed above

demonstrate that SBC has made available to CLECs all the systems and services they need to compete on a resale basis in each of SBC's states.

FACILITIES-BASED COMPETITION STATUS:

The following figures demonstrate that SBC has opened its local markets to competition and that in addition to making resale available to competitors, SBC is also providing CLECs with the facilities and network elements they need from SBC in order to compete on a facilities-basis in the local exchange market. Information is not available to SBC to identify with precision the full extent of facilities-based competition in each of its states. Available indicators underestimate the extent of facilities-based competition and are imperfect measures of competitive entry because each captures only that part of entry that requires action by SBC and does not capture the extent of facilities-based self-supply being undertaken by CLECs. Nevertheless, a review of available indicators (e.g. CLEC E-911 listings and numbers ported) demonstrate that there is significant and growing facilities-based competition in SBC's states and that approximately 304,000 lines are being served on a facilities-basis by CLECs in SBC's states.

- SBC is making available to CLECs through 220 PUC-approved interconnection agreements and its new and modified systems and networks, all products, services and systems that CLECs need to provide facilities-based or UNE-based local service to residential and business customers.

CLEC E-911 Numbers—Best Indicator of Facilities-Based Competition

- CLEC listings in the E-911 database is the best available indicator of access lines being served on a facilities basis by facilities-based carriers. These listings show that CLECs serve approximately 304,000 lines in SBC's 7 states on a facilities basis. CLECs have requested E-911 service for 304,000 lines from their own NXX Codes that were assigned to them to provide facilities-based service.
- In California alone, 14 facilities-based carriers serve approximately 274,000 lines on a facilities basis (based on E-911 listings). CLEC E-911 listings indicate that there is at least the following number of lines being served on a facilities-basis in the other SBC states: Texas: 13,944; Oklahoma: 11,901; Missouri: 1,659; Arkansas: 1,400; and Kansas: 1,111 facilities-based lines.

Numbers Ported—Second Indicator of Facilities-Based Competition

- More than 57,200 existing SBC lines have been ported via interim number portability to facilities-based competitors in each of SBC's seven states. CLECs have chosen to port mostly business lines, but the same basic processes and procedures can be used to port residential lines. This is one indicator of facilities-based competition that has occurred in SBC's seven states, but it underestimates the actual amount of facilities-based competition that has occurred. Each of the numbers ported represents conversion of an existing line from SBC to a facilities-based CLEC provider. It should be noted, however, that lines do not have to be ported when CLECs serve new lines/customers on a facilities-basis and that SBC has no precise method for determining exactly how many additional lines or customers are being served by facilities-based providers in its seven states.

UNEs, Interconnection and Other Facilities-Based Products Provided By SBC to CLECs

- Interconnection Trunks: SBC's provisioning of local interconnection trunks is an indicator that actual local exchange traffic is being exchanged between CLECs and SBC. SBC has provisioned approximately 260,000 one-and two-way interconnection trunks to CLECs in SBC's seven-state service area. These trunks allow CLECs to connect their networks and customers to SWBT's network. 162,000 of these trunks were provisioned in California and 95,000 interconnection trunks were provided to CLECs in the SWBT five-state region.
- Unbundled Loops: Unbundled loops are the direct connection between the local network and customer's premises. CLECs can provision loops themselves, or they can lease unbundled loops from SBC or other suppliers. Because CLECs can self-provision loops, the number of unbundled loops provided by SBC understates the extent of existing facilities-based competition. Nevertheless, approximately 42,000 unbundled loops have been provisioned by SBC to CLECs in SBC's seven states. In addition, more than 300 unbundled switch ports have been requested by and provided to CLECs by SBC.
- CLEC Collocation Arrangements: Collocation is an important measure of competitive facilities-based presence because once a competitor is collocated in an SBC central office it has access to every loop connected to that central office. 392 physical collocation arrangements are operational in SBC's seven-state service area -- 80 of these are in SWBT's region, with 312 in California.
- 312 physical collocation arrangements (125 in SWBT and 186 in California/Nevada) are currently being worked on and pending completion.
- More than 55 virtual collocation arrangements are operational in SWBT's five-state territory.
- E-911 Trunks: CLECs have requested and SBC has provisioned 622 operational E-911 trunks to facilities-based CLECs in SBC's seven-state service area. Of this number, 426 are located in California and 190 are in SWBT states.
- DA/OS Trunks: More than 800 Directory/Operator Assistance trunks have been provisioned by SWBT to CLECs in the five SWBT states.

Reciprocal Compensation – Another Indicator That SBC's Networks Are Open

- Reciprocal compensation minutes of use is another indicator that demonstrates that actual local traffic is being exchanged between CLECs and SBC. A substantial amount of local traffic has been exchanged between SBC and CLECs, with most of that traffic (and the corresponding reciprocal compensation) going from SBC to the CLECs. For example, more than **3.8 billion** minutes of local traffic (excluding Internet traffic) has been exchanged between SWBT/Pacific Bell/Nevada Bell and CLECs over interconnection trunks. More than 90% of this local traffic has been exchanged from SBC to CLEC networks. It should be noted, that these minutes do not capture all local minutes being generated by CLECs because they do not include CLEC-to-CLEC traffic or on-net (i.e., intra-CLEC) traffic.
- In addition, the fact that an additional **6.3 billion** minutes of Internet traffic has been exchanged between SBC and CLEC networks also demonstrates that SBC's networks have been opened to competition. The 10 billion minutes of local and Internet minutes-of-use

exchanged between SBC and CLEC Networks confirm that SBC's networks are open to and connect with CLEC networks.

Telephone Numbers Requested By and Assigned to CLECs

- More than 2,058 NXX codes (each code representing 10,000 numbers) have been assigned to facilities-based CLECs in SBC's seven-state service area, with an additional 120 assignments pending. In other words, CLECs have requested and SBC has assigned 20.5 million telephone numbers to CLECs in its seven states; more than 12.1 million numbers have been requested by CLECs in California and an additional 8.4 million numbers have been requested in SWBT's five states.

Access to SBC White Page Directories

- CLEC information can be included in all SBC White Page directories in SBC's seven state service areas. SBC has provided more than 438,000 white page listings for CLEC customers.

Access to SBC Poles and Conduits

- SBC has provided competitors with access to more than 373,000 of its poles and approximately 8.1 million feet of conduit space for their use to compete against SBC in its seven states.

CLEC Orders Handled by SBC's OSS and Local Service Centers

- Since the 1996 Act passed, SBC's OSS and Local Service Center personnel have handled more than 1.7 million service orders from CLECs to order facilities, network elements and resold or second lines for their customers, change or add vertical services etc. More than 1.1 million orders from CLECs have been processed in the SWBT five-state region and more than 658,000 orders have been processed in California/Nevada. The fact that SWBT processed more than 730,000 orders in 1997, and an additional 334,000 orders in the first three months of 1998, without a backlog, is strong evidence that SBC has developed state-of-the-art OSS and that these systems are being used by CLECs to compete in the local market against SWBT. Orders are also being processed in California in a similar timely and accurate manner without any backlogs.
- SBC also demonstrated in Texas that its OSS (which is the same system used in all five SWBT states) could handle large increases in volumes from CLECs. Over 928,000 CLEC service orders in Texas have been processed, with over 246,000 orders processed in January through March of 1998. SBC's OSS and Local Service Centers have handled the increased volume of service orders without experiencing a backlog.

Conclusion

- The resale, interconnection, facilities-based and OSS-related numbers listed above, provide compelling evidence that SBC has opened each of its seven states to resale, facilities-based and UNE competition and that SBC provides CLECs with all the systems and services they need to capture SBC's local customers.
- A neutral examination of the record unequivocally confirms that SBC has complied with the 1996 Act, it has provided CLECs with access to all 14 competitive checklist items and it has opened its local markets to competition.

SBC's Section 251 / Checklist Provisioning Status

X End of Month report
 Data through 12/98 (unless otherwise noted)
 Shaded data through 2/98 (unless otherwise noted)

Green, italicized, bolded data is corrected from previous edit

Date: Updated 5/1/98

#	CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	SWBT's								SBC TOTAL	
			AR	KS	MO	OK	TX	5 States	CA	NV		
1	Interconnection for the transmission and routing of telephone exchange service and exchange access at any technically feasible point within the carrier's network	Total Trunks Trunks Provided to CLECs	4,749	2,232	7,448	9,234	71,672	95,335	162,559	1,992	259,880	
		One Way Trunks (SBC to CLEC)	3,319	1,080	4,372	7,401	41,093	57,265	13,512	0	70,777	
		One Way Trunks (CLEC to SBC)	572	348	1,431	1,185	17,640	21,176	2,040	0	23,216	
		Two Way Trunks	858	804	1,645	648	12,939	16,894	147,007	1,992	165,891	
		Physical Collocation *										
		Operational Cages	6	3	6	16	49	80	312	0	39	
		Pending Cages	2	3	18	3	99	125	186	1	31	
		Virtual Collocation *										
		Operational Arrangements	2	6	8	5	36	57	0	0	5	
		Pending Arrangements	0	0	0	0	2	2	1	0	0	
Number of Collocated Wire Centers	3	4	7	13	35	62	109	0	17			
2	Nondiscriminatory access to network elements (In addition, See Items 3-6 below)	Number of CLECs passing orders in 1998	12	12	16	12	95	147	26	4	17	
		Total orders processed (2/6/96 - 3/98) **	43,357	66,806	20,489	47,337	928,812	1,106,801	658,716	2,244	1,767,760	
		Manual	42,662	46,686	16,854	42,501	721,048	869,751	100% in 1996	2,244		
		Electronic	695	20,120	3,635	4,836	207,764	237,050	0% in 1996	0		
		Total orders processed in 1997 **	19,035	41,476	6,396	22,832	641,098	730,837	491,327	1,299	1,223,460	
		Manual	19,035	28,972	6,309	20,408	495,077	569,801	~ 80%	1,299		
		Electronic	0	12,504	87	2,424	146,021	161,036	~ 20%	0		
		Total orders processed in 1998 **	24,322	25,330	14,089	24,501	246,110	334,352	98,192	945	433,480	
		Manual	23,627	17,714	10,541	22,089	184,367	258,338	28,476	945		
		Electronic	695	7,616	3,548	2,412	61,743	76,014	69,716	0		
Total orders processed in March 1998 **	6,964	9,971	8,160	11,062	85,250	121,407	28,897	280	150,580			
Manual	6,269	6,399	4,718	10,112	63,481	90,979	8,381	280				
Electronic	695	3,572	3,442	950	21,769	30,428	20,516	0				
3	Nondiscriminatory access to poles, ducts, conduits and rights of way	Total Number of Poles Attached (Note 1)	112	22	415	186	2,445	3,180	370,060	508	373,740	
		Total Feet of Duct Occupied (Note 1)	107,623	6,149	64,897	34,761	633,803	847,233	7,236,650	16,225	8,100,100	
4	Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services	Unbundled Loops	326	240	811	744	255	2,376	33,873	5,729	41,970	
5	Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.	Dedicated Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
		Shared Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
6	Local switching unbundled from transport, local loop transmission or other services.	Unbundled Switch Ports	0	0	1	0	163	164	149	0	31	
7	Nondiscriminatory access to 911 and E911, directory assistance, and operator call completion services	E911 Trunks (not included in Item 1 Total)	16	16	14	18	126	190	426	6	62	
		DA/OA Trunks (not included in Item 1 Total) ***	64	0	78	64	594	800	0	2	80	
		CLECs using Directory Assistance Service (Note 2)	7	11	14	9	90	102	Data Not Available	Data Not Available		
		CLECs using "0" Call Completion Service (Note 2)	7	11	14	9	89	102	Data Not Available	Data Not Available		
		Are CLECs offered E-911 service directly to government bodies or interconnecting with SBC's existing service arrangements?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
		Number of Facilities Based CLEC End User E-911 Listings										
		Residence	0	0	0	99	2,937	3,036	Res/Bus Split	Data Not Available	3,036	
Business ****	1,400	1,111	1,659	11,802	11,007	28,979	Not Available	Available	26,970			
Total	1,400	1,111	1,659	11,901	13,944	30,015	273,886	0	303,901			
8	White pages directory listing for customers of other carrier's telephone exchange service.	Number of CLEC End User White Pages Listings (NV a/o 12/97)										
		Resale	11,995	26,281	9,176	14,599	175,692	237,743	185,668	1,142	424,550	
		Facilities Based	287	136	454	554	2,411	3,822	9,440	547	13,809	
		Total	12,282	26,417	9,630	15,153	178,103	241,565	195,108	1,889	438,362	
9	Nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service	Telephone Numbers Provided to CLECs										
		Numbers Assigned	120,000	70,000	710,000	330,000	7,170,000	8,400,000	12,150,000	30,000	20,580,000	
		Numbers Pending Assignment	0	0	0	0	60,000	60,000	740,000	0	800,000	

SBC's Section 251 / Checklist Provisioning Status

X End of Month report
 Data through: (unless otherwise noted)
 Shaded data through 2/98 (unless otherwise noted)

Green, italicized, bolded data is corrected from previous edit

Date Produced 5/1/98

#	CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	SWBT's							SBC TOTAL	
			AR	KS	MO	OK	TX	5 States	CA		NV
10	customers (Note 3) Nondiscriminatory access to databases and associated signaling necessary for call routing and completion	Access to 800, Line Information Database (LIDB), Calling Name Delivery Database (CNAM), and SS7 Signaling Network Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11	Interim number portability through RCF or DID trunks. Each line ported represents conversion of an existing line from SBC to a facilities-based provider	Lines Converted via INP Residential Lines Business Lines Total	0 1,268 1,268	0 580 580	0 958 958	0 9,292 9,292	37 14,813 14,850	37 26,911 26,948	Res/Bus Split Not Available 25,197	5,061	3 26,911 57,201
12	Nondiscriminatory access to services and information required to allow implementation of dialing parity	Are additional access codes or digits needed to complete local calls to or from CLEC customers? IntraLATA toll dialing parity available concurrent with SBC's provision of interexchange service?	No Yes	No Yes	No Yes	No Yes	No Yes	No Yes	No Yes	No Yes	No Yes
13	Reciprocal compensation arrangements (Note 4)	Local and EAS Minutes of Use Exchanged Over Interconnection Trunks Since 1/1/97 (in Millions) From SBC to CLEC From CLEC to SBC (CA - does not incl Jan-98, NV - Pending) Total Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in February 1998 (in Millions) From SBC to CLEC From CLEC to SBC Total Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in March 1998 (in Millions) From SBC to CLEC From CLEC to SBC Total	22.4 6.6 29.0	0 0 0	29.6 0.0 29.6	114.1 10.8 124.9	212.7 133.9 346.6	378.8 151.3 530.1	2,881.0 401.1 3,282.1	10.4 0.0 10.4	3,270 552 3,822
			3.5 0.0 3.5	0 0 0	4.9 0.0 4.9	11.1 2.7 13.8	24.3 30.8 55.1	44 33 77	84.2 60.3 144.5	2.7 <i>Not Available</i> 2.7	13 9 22
			2.1 0.0 2.1	0 0 0	6.5 0.0 6.5	13.6 2.4 16.0	16.1 0.0 16.1	38.4 2.4 40.8	9.7 56.2 65.9	3.0 <i>Pending</i> 3.0	51 58 109
14	Offering for resale at wholesale prices any telecommunications services offered at retail to subscribers who are not themselves carriers	Resold Access Lines Business Lines (Simple and Complex) Private Coin Lines Residential Lines Total	1,368 0 12,123 13,491	20,681 0 19,408 40,089	5,811 0 7,771 13,582	2,726 13 13,400 16,139	53,650 10,118 193,811 257,579	84,236 10,131 246,513 340,880	109,102 7,546 139,691 256,339	1,452 0 364 1,816	194,79 17,67 386,56 599,03

Note 1: CA and NV data updated quarterly. CA Total Feet of Duct Occupied reflects both IXC and CLEC facilities.

Note 2: SWBT total counts each CLEC once, although it may appear in multiple states and as both a facilities based and resale provider.

Note 3: Each NXX Code equals 10,000 telephone numbers.

Note 4: Totals do not include disputed Internet minutes of use. However, the fact that over 6,298 minutes of Internet traffic have been exchanged between SBC and CLEC networks in 1997 and 1998 also demonstrates that SBC's networks have been opened to competition. SWBT 1997 and 1998 totals include only Local and Optional EAS traffic. PB 1997 totals also include intraLATA toll.

* CA quantity reflects actual number of cages. By SWBT methodology, it would be 109 (counting CLECs in a given wire center only once).

** CA Order Volumes include resale activity only (not facilities based orders)

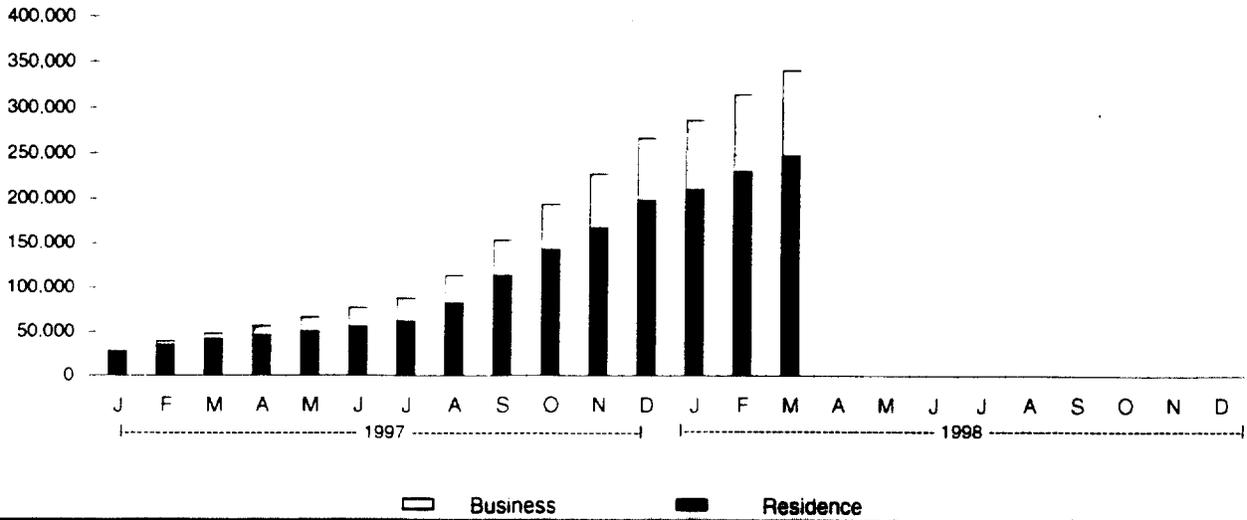
*** KS does have O/DA trunks. In process of splitting those O/DA trunks terminating and counted in KC, MO that serve both KS and MO.

**** E-911 Data from MO reflects 2 residential listings (shown here as business), which do not appear to be residential end users.

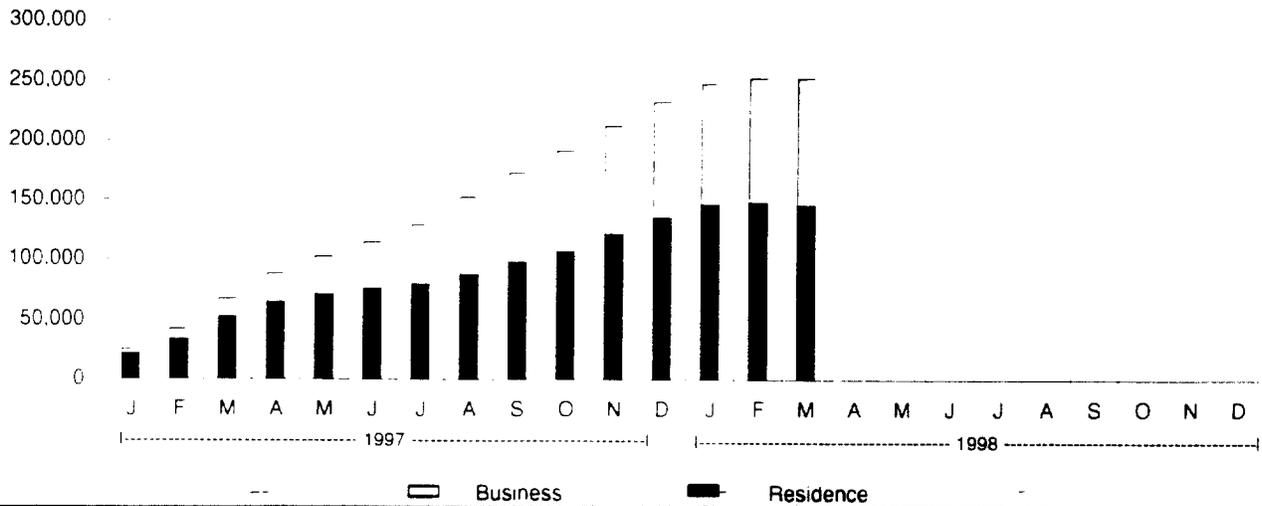
CLECs with Certifications		SWBT's							SBC TOTAL	
		AR	KS	MO	OK	TX	5 States	CA		NV
	Number Approved	17	43	36	34	156	286	116	52	457
	Number Pending	27	12	18	17	22	96	33	8	137
CLEC Interconnection Agreements										
	Number Signed	28	36	36	34	112	246	32	13	297
	Number Approved	24	25	23	19	89	180	27	13	221
	Number of Arbitrations Completed	1	3	3	1	11	19	4	0	21
	Number of Arbitrations In Progress	1	0	0	0	1	2	0	1	3
	Number Under Negotiation	55	52	61	58	131	357	35	23	415

SBC Resold Lines - Cumulative Resale Lines Lost to CLECs

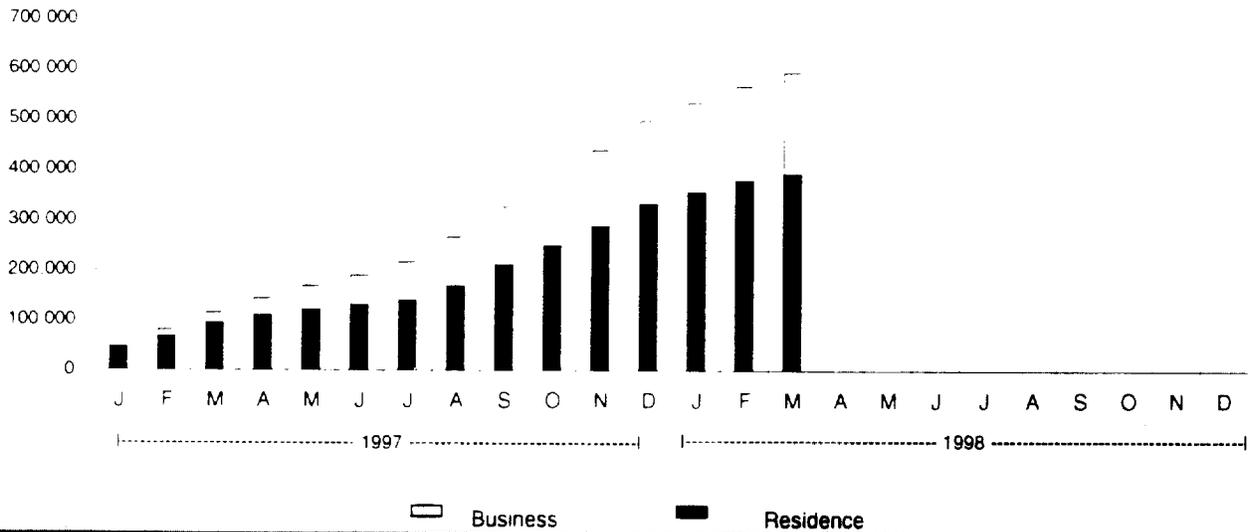
Southwestern Bell Telephone



Pacific Bell

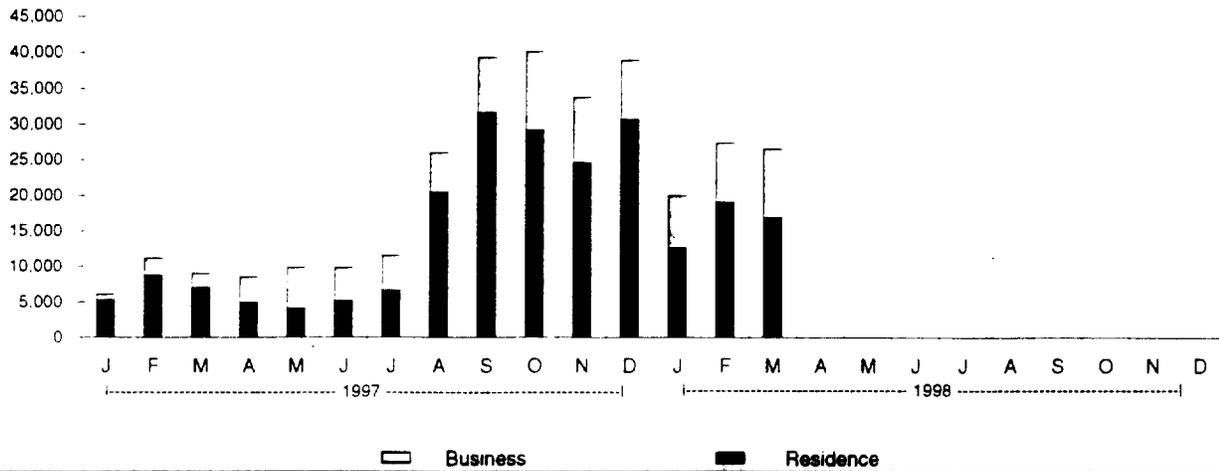


SBC Consolidated

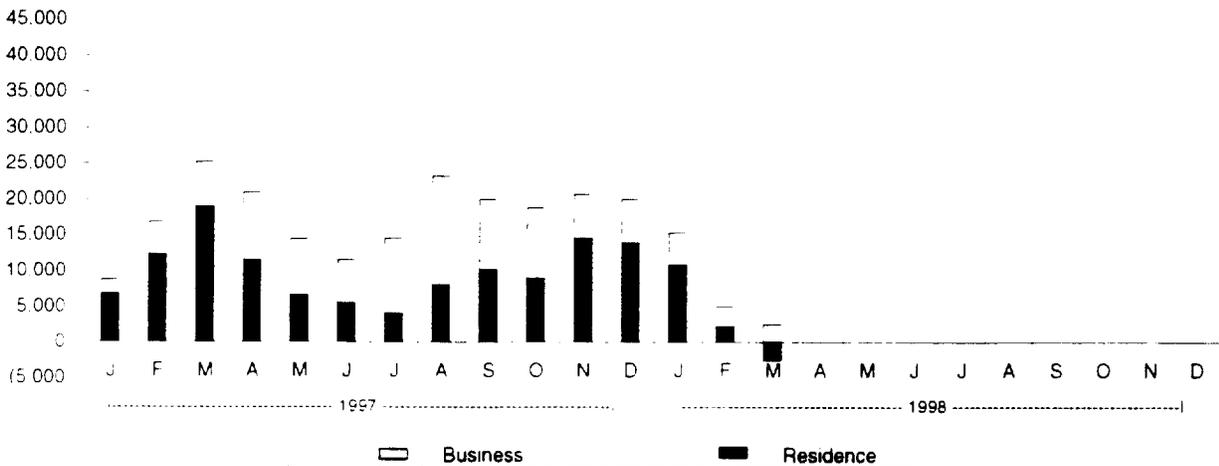


SBC Resold Lines - Monthly Resale Lines Lost to CLECs

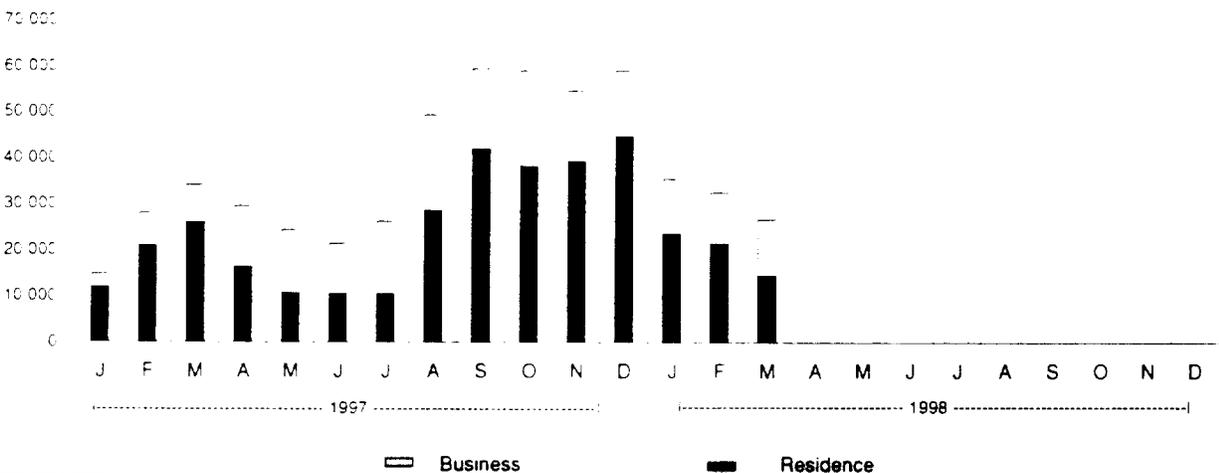
Southwestern Bell Telephone



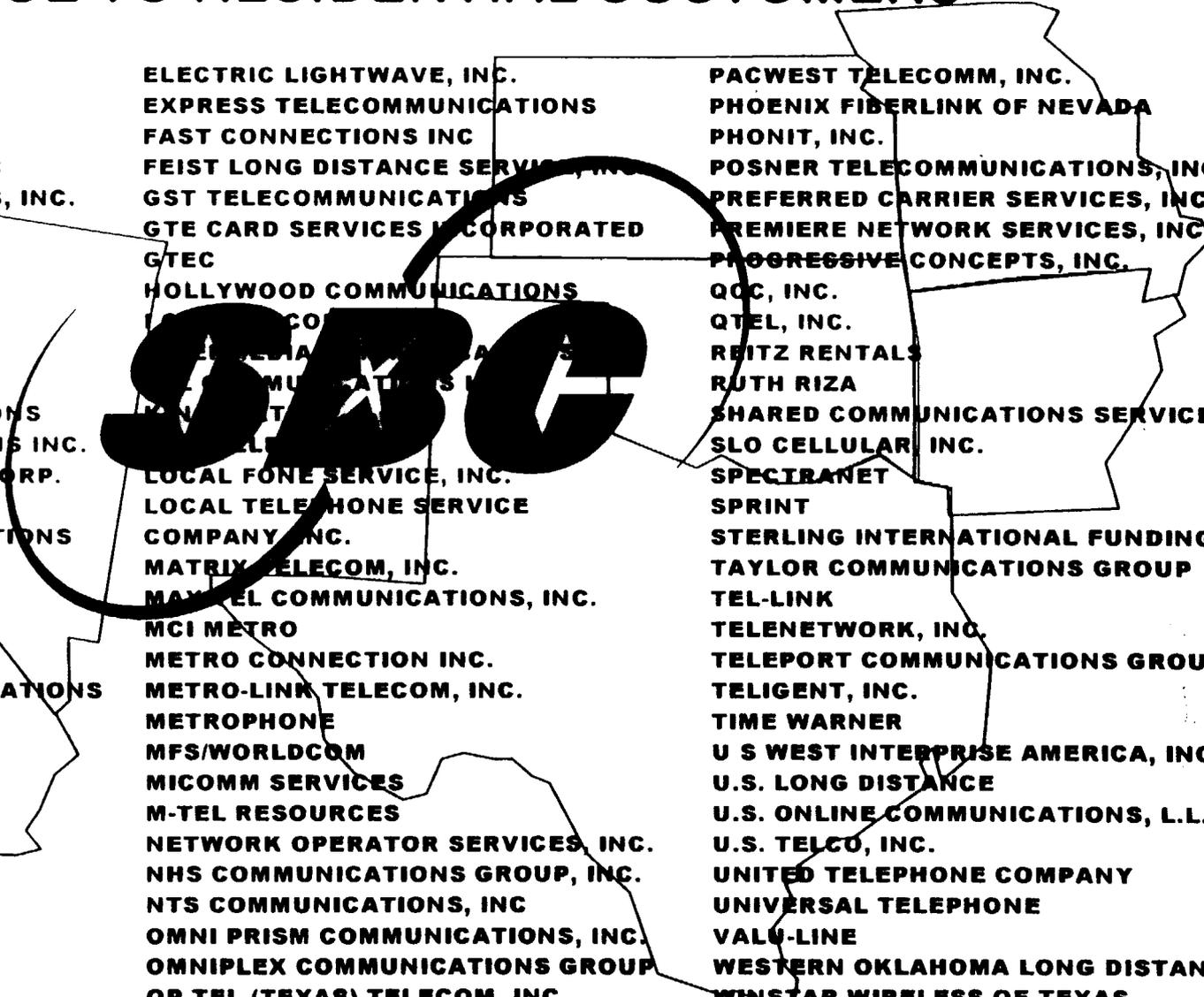
Pacific Bell



SBC Consolidated



89 CLECS HAVE MET THE STATE REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS



A C S I
ACCUTEL OF TEXAS, INC.
ACM, INC.
ALLTEL COMMUNICATIONS, INC
AMERICAN METROCOMM/Texas, INC.
AMERICAN TELCO, INC.
AMERITECH COMMUNICATIONS
INTERNATIONAL, INC.
AT&T
AUSTIN BESTLINE
BASICPHONE, INC.
BROOKS FIBER COMMUNICATIONS
CAPITAL TELECOMMUNICATIONS INC.
CAPROCK COMMUNICATIONS CORP.
CFL TELEPHONE
CHICKASAW TELECOMMUNICATIONS
SERVICES, INC.
CHOCTAW COMMUNICATION
COMM SOUTH
CONNECT COMMUNICATIONS
CONTINENTAL TELECOMMUNICATIONS
OF CALIFORNIA
COSERV, L.L.C.
COX TELCOM, INC.
CSW/ICG CHOICECOM, L.P.
CYTEL
DIAL TONE USA, INC.
DIAL US
DOBSON WIRELESS, INC.
E Z TALK COMMUNICATION
EASY CELLULAR, INC.

ELECTRIC LIGHTWAVE, INC.
EXPRESS TELECOMMUNICATIONS
FAST CONNECTIONS INC
FEIST LONG DISTANCE SERVICE, INC.
GST TELECOMMUNICATIONS
GTE CARD SERVICES INCORPORATED
GTEC
HOLLYWOOD COMMUNICATIONS
IN CO
LOCAL FONE SERVICE, INC.
LOCAL TELEPHONE SERVICE
COMPANY INC.
MATRIX TELECOM, INC.
MAXTEL COMMUNICATIONS, INC.
MCI METRO
METRO CONNECTION INC.
METRO-LINK TELECOM, INC.
METROPHONE
MFS/WORLDCOM
MICOMM SERVICES
M-TEL RESOURCES
NETWORK OPERATOR SERVICES, INC.
NHS COMMUNICATIONS GROUP, INC.
NTS COMMUNICATIONS, INC
OMNI PRISM COMMUNICATIONS, INC.
OMNIPLEX COMMUNICATIONS GROUP
OP TEL (TEXAS) TELECOM, INC.

PACWEST TELECOMM, INC.
PHOENIX FIBERLINK OF NEVADA
PHONIT, INC.
POSNER TELECOMMUNICATIONS, INC.
PREFERRED CARRIER SERVICES, INC
PREMIERE NETWORK SERVICES, INC
PROGRESSIVE CONCEPTS, INC.
QOC, INC.
QTEL, INC.
REITZ RENTALS
RUTH RIZA
SHARED COMMUNICATIONS SERVICES
SLO CELLULAR INC.
SPECTRANET
SPRINT
STERLING INTERNATIONAL FUNDING
TAYLOR COMMUNICATIONS GROUP
TEL-LINK
TELENETWORK, INC.
TELEPORT COMMUNICATIONS GROUP
TELIGENT, INC.
TIME WARNER
U S WEST INTERPRISE AMERICA, INC.
U.S. LONG DISTANCE
U.S. ONLINE COMMUNICATIONS, L.L.C.
U.S. TELCO, INC.
UNITED TELEPHONE COMPANY
UNIVERSAL TELEPHONE
VALU-LINE
WESTERN OKLAHOMA LONG DISTANCE
WINSTAR WIRELESS OF TEXAS

CLECS THAT HAVE MET ARKANSAS REGULATORY REQUIREMENTS AND OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage
- ✓ Tariff or Price List Required

- BROOKS FIBER COMMUNICATIONS
- ARKANSAS COMM SOUTH
- CONNECT COMMUNICATIONS
- FAST CONNECTIONS INC
- MAX-TEL COMMUNICATIONS, INC
- PREFERRED CARRIER SERVICES, INC
- STERLING INTERNATIONAL FUNDING
- U.S. LONG DISTANCE
- U.S. TELCO, INC.

9 CLECS



CLECS THAT HAVE MET CALIFORNIA REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage
- ✓ Tariff or Price List Required

14 CLECS

- 
- AT&T
 - BROOKS FIBER COMMUNICATIONS
 - CONTINENTAL TELECOMMUNICATIONS OF CALIFORNIA
 - FAX CALIFORNIA TELCOM, INC.
 - ELECTRIC LIGHTWAVE, INC.
 - TELECOMMUNICATIONS
 - METRO
 - WORLD COM
 - PacWest TELECOMM, INC.
 - SLO CELLULAR, INC.
 - SPECTRANET
 - SPRINT
 - TELEPORT COMMUNICATIONS GROUP



CLECS THAT HAVE MET KANSAS REGULATORY REQUIREMENTS AND OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

11 CLECS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage
- ✓ Tariff or Price List Required

STATEWIDE

- FAST CONNECTIONS INC
- FEIST LONG DISTANCE SERVICE, INC
- KANSAS COMM SOUTH
- MAX-TEL COMMUNICATIONS, INC
- PREFERRED CARRIER SERVICES, INC
- QCC, INC
- STERLING INTERNATIONAL FUNDING
- U.S. TELCO, INC.
- UNIVERSAL TELEPHONE
- VALU-LINE

KANSAS CITY AREA

- ACSI



CLECS THAT HAVE MET MISSOURI REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage
- ✓ Tariff or Price List Required

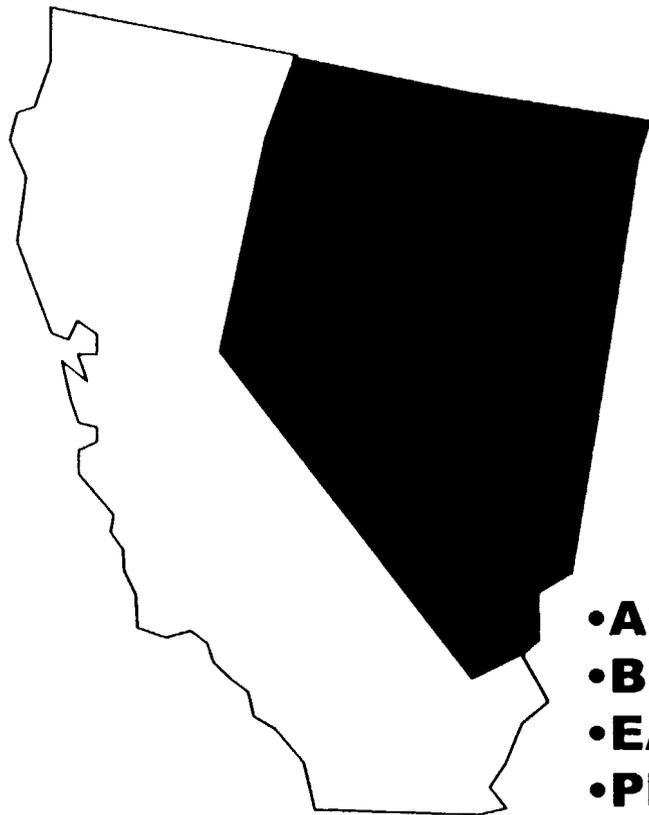
9 CLECS

- ACSI
- BROOKS FIBER COMMUNICATIONS
- DIAL US
- FAST CONNECTIONS INC
- INTERMEDIA COMMUNICATIONS
- MAX-TEL COMMUNICATIONS, INC
- MFS/WORLDCOM
- MISSOURI COMM SOUTH
- STERLING INTERNATIONAL FUNDING



CLECS THAT HAVE MET NEVADA REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage



8 CLECS

- ACM, INC.
- BROOKS FIBER COMMUNICATIONS
- EASY CELLULAR, INC.
- PHOENIX FIBERLINK OF NEVADA
- QTEL, INC.
- SHARED COMMUNICATIONS SERVICES, INC.
- TEL-LINK
- U S WEST INTERPRISE AMERICA, INC.



CLECS THAT HAVE MET OKLAHOMA REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Statewide Coverage
- ✓ Tariff or Price List Required

10 CLECS

- A C S I
- BROOKS FIBER COMMUNICATIONS
- CHICKASAW TELECOMMUNICATIONS SERVICES, INC.
- COX OKLAHOMA TELCOM
- DIAL TONE USA, INC.
- DOBSON WIRELESS, INC.
- FAST CONNECTIONS INC.
- OKLAHOMA COMM SOUTH
- U.S. LONG DISTANCE
- WESTERN OKLAHOMA LONG DISTANCE



CLECS THAT HAVE MET TEXAS REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Statewide Coverage
- ✓ Approved Certificate
- ✓ Tariff or Price List Required

61 CLECS WITH STATEWIDE SERVICES



- ACSI
- ACCUTEL OF TEXAS, INC.
- AMERICAN METROCOMM/TEXAS, INC.
- AMERICAN TELCO, INC.
- AMERITECH COMM. INTL, INC.
- AT&T
- AUSTICO TELECOMMUNICATIONS, INC.
- AUSTIN BESTLINE.
- BROOKS FIBER COMMUNICATIONS, INC.
- CAPITAL TELECOMMUNICATIONS, INC.
- CAPROCK COMMUNICATIONS, INC.
- CFL TELEPHONE
- CHOCTAW COMMUNICATIONS, INC.
- CSW/ICG CHOICECOM, L.P.
- CYTEL
- DIAL TONE USA, INC.
- E Z TALK COMMUNICATIONS, INC.
- EASY CELLULAR, INC.
- EXPRESS TELECOMMUNICATIONS, INC.
- FAST CONNECTIONS INC
- FIRST TEXAS TELECOMMUNICATIONS, INC.
- MFSM
- MICOMMUNICATIONS, INC.
- NETWORK SERVICES, INC.
- NHS COMMUNICATIONS GROUP, INC.
- NTS COMMUNICATIONS, INC.
- OMNI PRISM COMMUNICATIONS, INC.
- OMNIPLEX COMMUNICATIONS GROUP
- OP TEL (TEXAS) TELECOM, INC.
- POSNER TELECOMMUNICATIONS, INC.
- PREFERRED CARRIER SERVICES, INC.
- PREMIERE NETWORK SERVICES, INC.
- PROGRESSIVE CONCEPTS, INC.
- REITZ RENTALS
- RUTH RIZA
- SPRINT
- STERLING INTERNATIONAL FUNDING
- TAYLOR COMMUNICATIONS GROUP
- TEL-LINK
- TELENETWORK, INC.
- TELIGENT, INC.
- TEXAS COMM SOUTH
- TIME WARNER
- U S WEST INTERPRISE AMERICA, INC.
- U.S. LONG DISTANCE
- U.S. ONLINE COMMUNICATIONS, L.L.C.
- U.S. TELCO, INC.
- VALU-LINE

CLECS THAT HAVE MET TEXAS REGULATORY REQUIREMENTS AND COULD OFFER A COMPETITIVE CHOICE TO RESIDENTIAL CUSTOMERS

- ✓ Approved Interconnection Agreement
- ✓ Approved Certificate
- ✓ Tariff or Price List Required

CLECS WITH SPECIFIED SERVICE AREAS

WEST TEXAS

• UNITED TELEPHONE

DALLAS-FORTH WORTH AREA

W, L.L.C.

WOOD COMMUNICATIONS

RESOURCES

COMMUNICATIONS GROUP

WIRELESS OF TEXAS

HOUSTON/BEAUMONT AREA

• TELEPORT COMMUNICATIONS GROUP

PHONICPHONE, INC.

KINGSGATE

• PHONIT, INC.

• TELEPORT COMMUNICATIONS GROUP

• WINSTAR WIRELESS OF TEXAS



SWBT

PROJECT NO. 16251

INVESTIGATION OF §
SOUTHWESTERN BELL TELEPHONE § PUBLIC UTILITY COMMISSION
COMPANY'S ENTRY INTO THE §
INTERLATA TELECOMMUNICATIONS § OF TEXAS
MARKET §

**SOUTHWESTERN BELL TELEPHONE COMPANY'S
NOTICE OF INTENT TO FILE SECTION 271 APPLICATION
FOR INTERLATA AUTHORITY IN TEXAS**

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Voluminous Attachments	
Draft Brief in Support of Application by SWBT for Provision of In-Region, InterLATA Services in Texas	
Draft Affidavits	
Interconnection Agreements	

ATTACHMENT B

Competitive Checklist cross-reference

**Southwestern Bell
Texas 271 Affiant Matrix**

3/2/98 Draft

		Witness
1	INTERCONNECTION (Checklist Item (i))	
1.1	For transmission and routing of exchange and exchange access service (Act, § 251 (c)(2)(A); 47 CFR § 51.305(a)(1))	Deere Affidavit, ¶ 9
1.2	At any technically feasible point (Act, § 251 (c)(2)(B); 47 CFR § 51.305(a)(2)), including:	Deere Affidavit, ¶¶ 9, 58
1.2.1	Line side of local switch (47 CFR § 51.305(a)(2)(i))	Deere Affidavit, ¶ 14
1.2.2	Trunk side of local switch (47 CFR § 51.305(a)(2)(ii))	Auinbauh Affidavit, Schedule 4 Deere Affidavit, ¶¶ 13, 29-39
1.2.3	Trunk interconnection points of a tandem (47 CFR § 51.305(a)(2)(iii))	Deere Affidavit, ¶ 13
1.2.4	Central office cross-connect points (47 CFR § 51.305(a)(2)(iv))	Deere Affidavit, ¶ 13
1.2.5	Out-of-band signaling transfer points necessary to exchange traffic and access call-related databases (47 CFR § 51.305(a)(2)(v))	Deere Affidavit, ¶ 13
1.2.6	Points of access to unbundled network elements (47 CFR § 51.305(a)(2)(vi))	Deere Affidavit, ¶ 13
1.3	Two-way trunking upon request and as technically feasible (47 CFR § 51.305(f))	Deere Affidavit, ¶ 31
1.4	Through any technically feasible interconnection method, including: (47 CFR § 51.321(a), (b))	Deere Affidavit, ¶¶ 9-14
1.4.1	Physical and virtual collocation (Act, § 251(c)(6); 47 CFR § 51.321(b)(1))	Auinbauh Affidavit, ¶¶ 15-35, 41-45; Schedules 4-6 Deere Affidavit, ¶¶ 15, 18, 23
1.4.1.1	For any type of equipment used for interconnection or access to unbundled network elements, including optical terminating equipment and multiplexers and equipment being collocated to terminate basic transmission facilities (47 CFR §§ 51.323(b), 51.323(b)(1))	Deere Affidavit, ¶¶ 11-12, 16
1.4.1.2	Interconnection point or points accessible to both SBC and the competing LEC as close as possible to SBC's premises (47 CFR § 51.323(d)(1))	Deere Affidavit, ¶¶ 10-14, 19

**Southwestern Bell
Texas 271 Affiant Matrix**

3/2/98 Draft

<p>1.4.1.3 At least 2 interconnection points where there are at least 2 entry points at which space is available for new facilities (47 CFR § 51.323(d)(2))</p>	<p>Deere Affidavit, ¶ 19</p>
<p>1.4.1.4 Allow interconnection of copper or coaxial cable if approved by the state (47 CFR 51.323(d)(2))</p>	<p>Deere Affidavit, ¶¶ 9, 15</p>
<p>1.4.1.5 Allow physical collocation of microwave facilities where technically feasible, or virtual collocation if physical collocation is not technically feasible (47 CFR § 51.323(d)(4))</p>	<p>Deere Affidavit, ¶¶ 15, 18, 23</p>
<p>1.4.1.6 For virtual collocation, install, maintain, and repair collocated equipment in same manner as SWBT's own equipment (47 CFR § 51.323(e))</p>	<p>Auinbau Affidavit, ¶¶ 41-45 Deere Affidavit, ¶¶ 18-20, 23, 26 Kramer Affidavit ¶¶ 13-14, 23, 28</p>
<p>1.4.1.7 Allocate space for collocation (47 CFR §§ 51.323(b), 51.323(f))</p>	<p>Auinbau Affidavit, ¶¶ 23-24; Schedule 5 Deere Affidavit, ¶¶ 15-17, 20, 22</p>
<p>1.4.1.8 Allow requesting carrier to connect collocated equipment to SWBT's unbundled network elements (47 CFR § 51.323(g))</p>	<p>Auinbau Affidavit, ¶¶ 23-24; Schedule 5 Deere Affidavit, ¶¶ 15-17, 22</p>
<p>1.4.1.9 Permit two collocating carriers to interconnect equipment at SWBT's premises (47 CFR § 51.323(h))</p>	<p>Auinbau Affidavit, ¶ 24; Schedule 5 Deere Affidavit, ¶¶ 15, 20</p>
<p>1.4.1.10 Permit subcontracting of physical collocation construction with contractors approved by SWBT, using the same criteria as SWBT in approving its own contractors (47 CFR § 51.323(j))</p>	<p>Auinbau Affidavit, Schedule 5 Deere Affidavit, ¶ 21</p>
<p>1.4.2 Meet point arrangements (47 CFR § 51.321(b)(2))</p>	<p>Deere Affidavit, ¶ 31</p>
<p>1.5 Provide technical information regarding SWBT's facilities to allow requesting carrier to achieve interconnection (47 CFR § 51.305(g))</p>	<p>Auinbau Affidavit, ¶¶ 21-22; Schedules 5-6</p>
<p>1.6 Pricing for interconnection is just, reasonable, and nondiscriminatory, is based on cost, and includes a reasonable profit, and is no less favorable than the terms and conditions SWBT applies to itself (Act, §§ 251(c)(2)(D), 252(d)(1); 47 CFR § 51.305(a)(5))</p>	<p>Auinbau Affidavit, ¶¶ 7, 36-40 Loehman Affidavit, ¶¶ 9c, e, f, g, 16-32; Schedule G</p>