

services.¹³² According to news sources, Time Warner also provides local services to two high-rise apartment buildings¹³³ and several large businesses in the New York metro area.¹³⁴ The company began reselling telephone service to the Rochester market in 1994¹³⁵ and has evidently expanded its activities to Albany, Syracuse, Binghamton, and Buffalo through a partnership with Adelphia (Hyperion).¹³⁶

56. Time Warner and BA-NY reached an agreement to connect their networks dated August 28, 1997.¹³⁷ Time Warner has 77 route miles of fiber¹³⁸ and one switch in Manhattan.¹³⁹

57. In upstate New York, Hyperion operates fiber networks in Buffalo, Binghamton, and Syracuse.¹⁴⁰ According to the company, its networks in Binghamton and Syracuse pass not only the downtown business areas, but stretch well into the suburbs. Hyperion fiber passes over 80 percent of the businesses in the Syracuse area. It runs from the small businesses in Salina, north of the city, past Lockheed Martin, throughout the downtown area, south to Syracuse University, then east to the suburbs of Manlius, De Witt, and Cicero. In Binghamton, the

¹³²AT&T Press Release, *AT&T, Five Companies Sign Alternative Access Agreements*, Apr. 11, 1996.

¹³³P. Joshi, *A Telephone Tug-Of-War: It's Upstarts vs. Baby Bells*, *Newsday*, Sept. 7, 1997, at F10.

¹³⁴Peter Grant, *Phone Wars Heating Up; Time Warner A New Rival On the Line*, *Daily News*, Apr. 24, 1996, at 42.

¹³⁵*Connecticut Research* at 523. Time Warner serves 1,000 residential customers in Rochester.

¹³⁶Time Warner reportedly owns 50 percent of its Albany network, 80 percent of its Binghamton network, 60 percent of its Buffalo network, and 50 percent of its Syracuse network. *Connecticut Research* at 325-327.

¹³⁷NYPSC approval is still pending.

¹³⁸*Connecticut Research* at 528.

¹³⁹*LERG*.

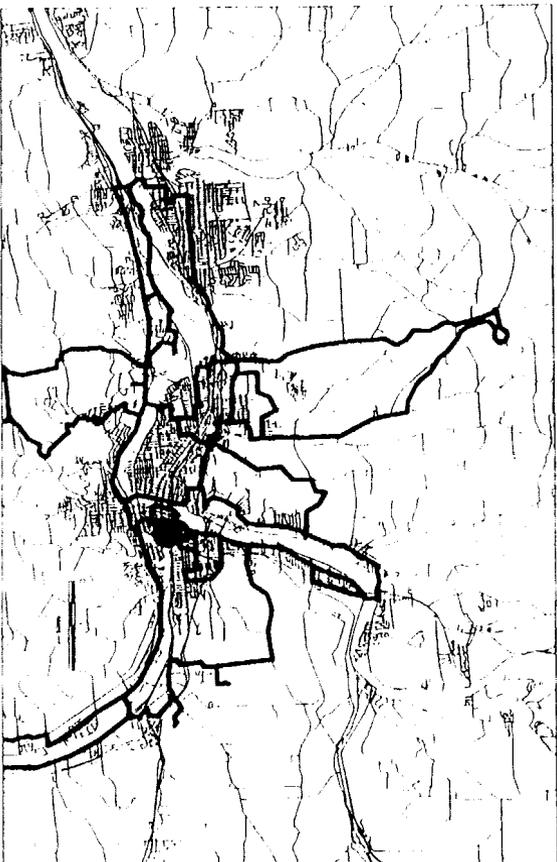
¹⁴⁰NewChannels Hyperion Telecommunications promotional material, Network Map of the Greater Syracuse Area, Network Map of the Greater Binghamton Area, and Network Map of the Downtown Buffalo Area.

network passes 92 percent of the businesses in the area. The Hyperion network in Buffalo is confined to the downtown area where its two fiber loops pass over 16 percent of area businesses, including Marine Midland Bank, Blue Cross/Blue Shield, and the Buffalo Tech Center.

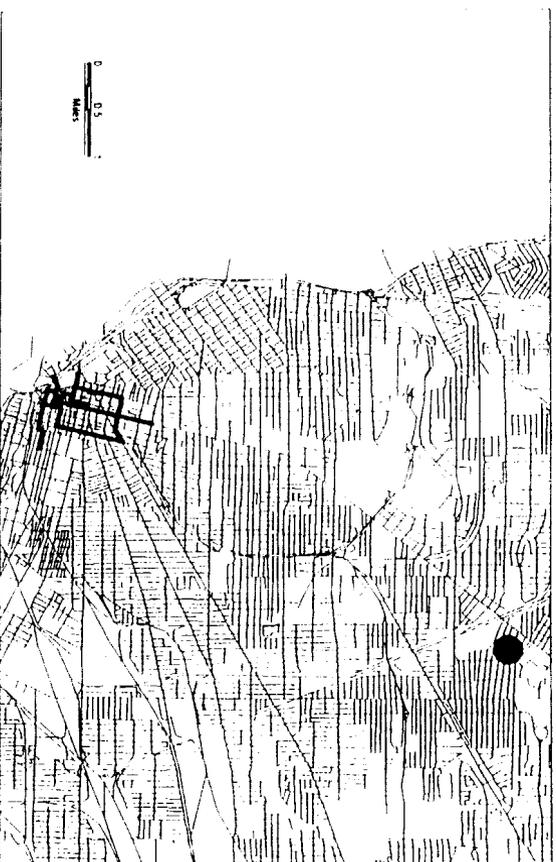
Goldberg Map 11.

Goldberg Map 11 Hyperion Facilities in New York

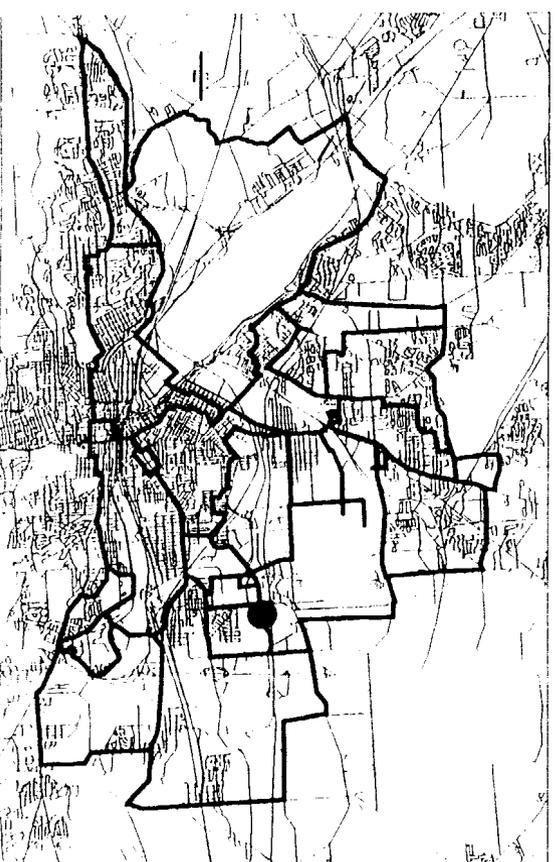
Binghamton



Buffalo



Syracuse



● SWITCH
— FIBER

AT&T

58. AT&T has stated that it has the customer base, brand name recognition, and facilities to become BA-NY's top local service competitor in New York, and that it expects to take a third of the local market within a few years of entry.¹⁴¹ The company's announced entry strategy for the local market in New York includes resale and the purchase of unbundled network elements, the use of facilities formerly used exclusively for routing long distance traffic, construction of new local facilities, partnerships with other CLECs, and implementation of its new fixed wireless strategy.¹⁴²

59. According to AT&T, "[t]he quickest way to jump start local competition is by allowing new entrants to resell local service from the local telephone company."¹⁴³ AT&T has

¹⁴¹Robert E. Allen, Chairman and CEO AT&T, remarks delivered at a news conference, Feb. 8, 1996 ("Are we enthused about [entering the \$90 billion local service market]?... Frankly, we can almost taste it! And we think we can win at least a third of that market over the next 5 to 10 years. We're ready to play. We're ready to win. And we don't intend to lose any time doing it.").

¹⁴²AT&T apparently intends initially to resell local service or unbundled network elements, but has acknowledged that its "primary and ultimate objective is to become a full facilities-based competitor to the [LECs]." Indeed, AT&T has stated in the past that its plans to be only a reseller are "short term" and that in some markets it will "probably use some of [its] own switches" to provide local services as well as "use CAPs where possible." Application of AT&T to Amend its Certificate of Public Convenience to Supply Competitive Local Exchange Services, Case 28940 (NYPSC Feb. 29, 1996). In November 1996, the NYPSC set the permanent discount rates for resellers at 21.7 percent for business and residential lines if the reseller uses its own operator services and 19.1 percent if BA-NY provides operator services. AT&T's Vice President for Regulatory Affairs, Michael Morrissey, commented that while AT&T had hoped for higher discounts, the rates "...will not slow down our plans to get into New York." Judith Messina, *PSC's Decision Sets Fight for Local Business*, Crain's New York Business, Dec. 2, 1996, at 1; *AT&T Official Attacks LECs, Pitches Unbundling*, Washington Telecom News, July 22, 1996, at 7 (quoting Gerard Salemme, AT&T Vice President); J. Dix and D. Rohde, *AT&T Plots Invasion of Baby Bell Turf*, Network World, July 8, 1996, at 1 (quoting Harry Bennett, Vice President and General Manager of AT&T's Local Services Division). AT&T's resale efforts will be aided by its name recognition. Consumer surveys repeatedly show that AT&T's brand is the most powerful in the industry, and that nearly a third of consumers would switch their local exchange service to AT&T at prices equal to current RBOC rates. G. Christian Hall, *It's War: The Battle for the Telecommunications Dollar is Turning into a Free-For-All*, Wall St. J., Sept. 16, 1996, at R4 (chart called "AT&T's Edge").

¹⁴³AT&T Press Release, *AT&T Issues Statement About Pennsylvania PUC Vote*, M2 Presswire, Nov. 1, 1996.

announced its intention to offer resold local service in New York sometime this year.¹⁴⁴ More recently, AT&T announced that New York is a top priority and that it has committed the money for additional facilities and people to launch a local service blitz in New York next spring.¹⁴⁵

60. AT&T already has networks in place in New York and, through an agreement reached in May and approved by the NYPSC in June of this year, these facilities are fully interconnected with BA-NY's local network.

61. Even before its entry into the New York local market, AT&T had deployed switches which it used to route interexchange traffic. According to public sources, the company has 14 POPs in the New York metro area alone, far more than any other interexchange carrier.¹⁴⁶ These switches can be converted and used to provide local services, and AT&T has announced that it has already begun to do so. In January 1997, it announced the introduction of its "Digital Link Service," which uses its installed base of 4ESS switches to offer a bundle of local and long distance services.¹⁴⁷ AT&T refers to this new service as its "4E local solution" because it provides AT&T with "the ability to take the existing network configurations of [its] large customers [who have dedicated access lines into AT&T's 4ESS switches], add local traffic and route it accordingly."¹⁴⁸ The New York metro area was the first area in which AT&T offered

¹⁴⁴AT&T Press Release, *AT&T Issues Statement About Pennsylvania PUC Vote*, M2 Presswire, Nov. 1, 1996.

¹⁴⁵Judith Messina, *AT&T Going Local in NY*, Crain's New York Business, Oct. 20, 1997, at 1. According to AT&T: "Staying out of the local market [in New York] is not even an option."

¹⁴⁶CCMI. I do not know how many Class 4 switches are presently operated by long-distance carriers in New York; only POP counts are available and a single point of presence can contain multiple switches.

¹⁴⁷AT&T, *AT&T Digital Link Service: A New Way to Make the Most of Your AT&T Relationship*, http://www.att.com/att_digital_link (downloaded on Oct. 14, 1997).

¹⁴⁸J. Dix and D. Rohde, *AT&T Plots Invasion of Baby Bell Turf*, Network World, July 8, 1996, at 1 (quoting Harry Bennett, vice president and general manager of AT&T's local services division).

inbound calling as part of the service.¹⁴⁹ But AT&T has not relied solely on its long distance infrastructure. In the New York metro area, it apparently has installed 8 local switches.¹⁵⁰

62. In the New York metro area and other major markets, AT&T has reportedly begun to deploy local transmission facilities,¹⁵¹ although the extent of those facilities is, at present, not publicly known. What is clear is that while AT&T is building out its network, it is increasing its reliance on other CLECs for carriage of its local traffic. It recently announced nationwide agreements with TCG and several other major CLECs for the transport of its local traffic.¹⁵²

63. In addition, AT&T has PCS licenses covering the entire state of New York.¹⁵³ Considered by at least one observer as one of the “strongest and most aggressive competitors” in the New York market, AT&T Wireless has heavily marketed its services and posted double-digit

¹⁴⁹AT&T trials of the service in 45 states have attracted 2,500 businesses. See L. Turmelle, *AT&T Takes First Step to Local Service*, Bridgewater (NJ) Courier-News, Jan. 28, 1997, at A2. The service was first offered for outgoing calls only. In June 1997, AT&T announced that New York City Digital Link customers would be able to receive inbound calls as well.

¹⁵⁰LERG.

¹⁵¹See Catherine Arnst, *Ready, Set, Devour — AT&T Wants to Grab a Third of the Regional-Calling Market in a Few Years*, July 8, 1996, *Business Week*, at 118.

¹⁵²For its foray into the local exchange market, AT&T is pursuing “agreements with companies like cable operators, alternative access providers, and electric utilities that have facilities AT&T can use to carry its new local service offerings to customers.” AT&T has already signed agreements with 20 alternative access providers to supply connections to customers in 95 cities nationwide. AT&T, Local Service Overview, <http://www.att.com>; AT&T Press Release, *AT&T's Allen Outlines Plans to Enter Local Telephone Market*, Feb. 8, 1996. These agreements include alliances with 5 major competitive access providers: ACSI, Brooks Fiber, Hyperion, IntelCom, and Time Warner Communications, which will provide access to businesses in 70 cities. AT&T Press Release, *AT&T, Five Companies Sign Alternative Access Agreements*, Apr. 11, 1996. On February 20, 1997, AT&T announced that it had greatly expanded its agreement with Brooks Fiber to cover 6 additional cities, including White Plains, New York. AT&T Press Release, *Brooks Fiber Expanded Agreement with AT&T Covers Additional Cities*, Feb. 20, 1997.

¹⁵³FCC Report to Congress on Spectrum Auctions. Appendix C, WT Dkt. No. 97-150 (Oct. 9, 1997)

revenue gains.¹⁵⁴ The company recently announced that it plans to use portions of its PCS spectrum to offer local residential services.¹⁵⁵ The cornerstone of AT&T's strategy was the development of a "revolutionary fixed wireless technology."¹⁵⁶ The system is expected to provide each household with two phone lines and Internet access at ISDN speeds.¹⁵⁷ As AT&T Wireless' Chief Technology Officer Nick Kauser explains, AT&T is "combining the high speeds, large capacities and top voice quality that people have come to expect from fiber optics, but we're doing it over radio waves."¹⁵⁸ AT&T feels that "[t]his technology breakthrough will

¹⁵⁴Judith Messina, *Sprint PCS Faces Robust Competitors, Low Penetration In N.Y.*, Radio Comm. Report, June 2, 1997, at 21.

¹⁵⁵AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997.

¹⁵⁶AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997.

¹⁵⁷AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997. The only new equipment required is a transceiver about the size of a pizza box that can be mounted on the side or back of a house.

¹⁵⁸AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997.

give AT&T an important new option for competing to provide local service over its own facilities”¹⁵⁹ and has announced plans to deploy the system in 1998,¹⁶⁰ although its schedule has apparently slipped since that time.¹⁶¹

Frontier

64. Frontier, an experienced provider of both local and long distance services to residential and business customers,¹⁶² serves nearly one million access lines in 34 markets through its local telephone companies, Rochester Telephone being the largest.¹⁶³ In addition, the company sells local telephone service in 34 cities as an alternative local exchange carrier.¹⁶⁴ Frontier claims to be serving some 79,000 competitive access lines and to be adding 2,000 lines per month.¹⁶⁵

¹⁵⁹AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997. Wayne Perry, vice chairman of AT&T Wireless Services, stated that “[w]hile everyone thought we were going to use these licenses for mobilephone services, we were getting them for the fixed wireless local phone system as well as mobile services.” J. Keller, *AT&T Unveils New Wireless System Linking Home Phone To Network*, Wall St. J., Feb. 26, 1997, at B2. AT&T has predicted a bright future for its fixed wireless technologies which “can provide consumers high-quality, secure wireless communications to and from their homes at speeds many times faster than existing telephone lines.” AT&T Press Release, *AT&T's Breakthrough Wireless Technology New Alternative for Local Service*, Feb. 25, 1997.

¹⁶⁰M. Woollacott, *AT&T Uses Radio for Wireless Local Loop Access*, InfoWorld, Mar. 3, 1997, at 19.

¹⁶¹AT&T has postponed an employee test of the service until January 1998, and has not yet released a commercial deployment schedule. See David Rohde, *AT&T Strikes Out in Chicago*, Network World, Jul. 7, 1997, at 32.

¹⁶²Frontier is currently the nation’s fifth largest long distance provider and the twelfth largest local exchange carrier. Frontier Corp., 1995 Annual Report 14 (1996).

¹⁶³Mike Dickinson, *Court's Move Seen Boosting ACC, Frontier*, Rochester Business Journal, Aug. 8, 1997, at 1.

¹⁶⁴Mike Dickinson, *Court's Move Seen Boosting ACC, Frontier*, Rochester Business Journal, Aug. 8, 1997, at 1.

¹⁶⁵Mike Dickinson, *Court's Move Seen Boosting ACC, Frontier*, Rochester Business Journal, Aug. 8, 1997, at 1.

65. Frontier has been offering competitive local service in New York City since November 1996 using a combination of its own switches, unbundled local loops, and resale.¹⁶⁶ Frontier began providing switched local exchange service in New York City reportedly by backhauling traffic from its remote switch in Manhattan to its 5ESS switch in Highland, New York.¹⁶⁷ According to the LERG, the company has since deployed an additional switch in the New York metro area.¹⁶⁸ Frontier announced in October 1996 that it had signed a contract with WinStar Communications to provide operator services and directory assistance for WinStar customers in New York City.¹⁶⁹ Frontier currently provides operator services from its Rochester, New York call center for more than 100 other telecommunications companies.¹⁷⁰

WinStar

66. WinStar is a nationwide local communications company, offering competitive wireless telecommunications services to end-user customers as well as other carriers. WinStar bills its service as “the functional equivalent of fiber in terms of reliability, data transmission quality, and bandwidth provided to the end user.”¹⁷¹ WinStar’s announced strategy is to resell

¹⁶⁶*Frontier Launches Local Telephone Service in New York City as an A-LEC*, PR Newswire, Nov. 26, 1996. Frontier’s interconnection agreement commits it to purchase from BA-NY a minimum of 50,000 lines over a five year period, at discount rates ranging between 11.5 percent and 24 percent. Order Approving Resale Agreement Between NYNEX and Frontier, Case 96-C-0656 (NYPSC Oct. 3, 1996). The company is offering its local services in combination with wireless and long distance.

¹⁶⁷S.P. Conrad, Deutsche Morgan Grenfell/C.J. Lawrence, Co. Rpt. No. 2506729, Frontier Corporation (July 26, 1996).

¹⁶⁸LERG.

¹⁶⁹*Frontier Partners with WinStar Communications For Operator Services*, PR Newswire, Oct. 17, 1996.

¹⁷⁰*Frontier Partners with WinStar Communications For Operator Services*, PR Newswire, Oct. 17, 1996.

¹⁷¹*Local Competition: WinStar and US West Sign Interconnect Agreement for Colorado*, Edge, On and About AT&T, Apr. 7, 1997. The City of New York reportedly is using WinStar’s broadband wireless as a backup disaster recovery system to provide redundancy if its fiber-based terrestrial telecom system fails. *New York City*

service from local telephone companies and then convert customers to wireless for their local transport.¹⁷² It is targeting 300 to 400 office buildings in metropolitan New York that are not wired with fiber optic cable.¹⁷³ The company signed an interconnection agreement with BA-NY on August 14, 1996,¹⁷⁴ and immediately began offering its facilities-based local exchange services in the New York metro area.¹⁷⁵ As part of its service launch, WinStar announced a New York television and print advertising campaign to “introduce the WinStar brand name to small and medium sized businesses looking for an alternative to their existing telephone company.”¹⁷⁶ By December 31, 1996, WinStar had installed 4,800 customer lines nationwide — a number which grew by 40 percent in the month of January.¹⁷⁷ Even before launching its local exchange service in New York, WinStar reportedly signed contracts with at least 200 New York area business customers and received annual revenue commitments of roughly \$5 million.¹⁷⁸

67. WinStar recently announced the completion of its construction of four hub sites that link business customers in midtown and downtown Manhattan to its switch at 60 Hudson

Disaster-Proofs Telecommunications System with WinStar's Wireless Fiber Service, Business Wire, Feb. 26, 1996.

¹⁷²Judith Messina, *Firm's \$1 Billion Wireless Moon Shot - WinStar Must Prove Technology to Small Firms, Sell Itself to Wall Street*, Crain's New York Business, Dec. 9, 1996, at 3.

¹⁷³Judith Messina, *Firm's \$1 Billion Wireless Moon Shot - WinStar Must Prove Technology to Small Firms, Sell Itself to Wall Street*, Crain's New York Business, Dec. 9, 1996, at 3.

¹⁷⁴The NYPSC approved the agreement on Nov. 26, 1996.

¹⁷⁵In October, WinStar announced the acquisition of 14 switches from US ONE. *WinStar to Buy US ONE's Switches*, Fiber Capacity, TR Daily, Oct. 16, 1997.

¹⁷⁶WinStar Press Release, *WinStar Reports Record Quarterly and Annual Revenues*, Feb. 6, 1997. See also *WinStar Gets \$450M in Funding, Plans \$500M in Capital Spending*, Telecommunications Reports, Mar. 24, 1997, at 19.

¹⁷⁷WinStar Press Release, *WinStar Reports Record Quarterly and Annual Revenues*, Feb. 6, 1997.

¹⁷⁸*WinStar Targets Businesses*, CommunicationsWeek, Dec. 6, 1996 at 173.

Street.¹⁷⁹ The company also announced the signing of a 10-year lease for fiber optic capacity on US ONE's New York metro area network.¹⁸⁰ WinStar now claims to serve more than 7,000 access lines in the New York metro area, almost 90 percent of which are served over the company's own facilities.¹⁸¹

Sprint

68. Sprint is the nation's third largest long distance telephone company and second largest non-BOC local carrier.¹⁸² Sprint provides intraLATA as well as interLATA toll service in New York to both business and residential customers.

69. Although it signed an interconnection agreement with BA-NY dated August 26, 1997,¹⁸³ Sprint has thus far apparently relied largely on its PCS systems to enter the local market in New York. Sprint Spectrum, a joint venture of Sprint and TCI, Cox Communications, and Comcast, signed an interconnection agreement with BA-NY dated May 8, 1997, which was approved August 5, 1997. The consortium holds 30-MHz PCS licenses in the New York City and Buffalo-Rochester MTAs. Combined, these two licenses cover the entire state. Sprint PCS initiated service in Albany and Syracuse in late December 1996¹⁸⁴ and began offering service in

¹⁷⁹*WinStar Provides Switched Services in Three More Cities*, Business Wire, Sept. 22, 1997; *LERG*.

¹⁸⁰*WinStar to Buy US ONE's Switches, Fiber Capacity*, TR Daily, Oct. 16, 1997.

¹⁸¹*WinStar Reports Second Quarter Results*, Business Wire, Aug. 5, 1997.

¹⁸²Sprint's Local Communications Services division serves more than 7 million access lines in 19 states, constituting 4 percent of the nation's local phone lines. Sprint, 1996 Annual Report 27 (1997); FCC, 1996 Preliminary Statistics of Common Carriers, at Table 1.1, Table 2.5 (June 1996).

¹⁸³The NYPSC approved the agreement on Sept. 24, 1997.

¹⁸⁴Sprint Press Release, *Sprint PCS(SM) Continues Service Launch, Adding Six Cities to What Will be America's First 100 percent Digital Nationwide PCS*, PR Newswire, Feb. 25, 1997.

Buffalo in June 1997.¹⁸⁵ In May, Sprint began offering PCS service in New York City¹⁸⁶ and is reportedly considering fixed wireless applications for its PCS spectrum.¹⁸⁷

Omnipoint

70. Omnipoint Corporation was founded in 1987.¹⁸⁸ In the FCC's PCS auctions, the company was the winning bidder for 109 licenses,¹⁸⁹ which gave it the right to offer service in areas containing a population of more than 95 million.¹⁹⁰ Omnipoint's license areas are predominantly on the east coast, stretching from Maine to Virginia.¹⁹¹ Omnipoint owns PCS licenses covering the entire state of New York¹⁹² and launched its first system in the New York

¹⁸⁵*Sprint PCS Service Now Available in 56 Cities Across Nation*, PR Newswire, July 9, 1997.

¹⁸⁶P. Joshi, *A Cellular Market War?/Lower Prices, Technology Boon For Consumer*, *Newsday*, June 23, 1997, at C6. Sprint's promotional offerings in New York City have included half-rate plans, monthly fees as low as \$12.50 a month with 30 minutes of airtime, and 60 minutes per month for \$30 with additional minutes at 25 cents. Sprint has maintained a high profile with kiosks throughout the New York area and retail partnerships with Radio Shack, Nobody Beats the Wiz, and The Sharper Image. C. E. Murray, *Sprint Heads Westward With Store In Forest Hills*, *Newsday*, Aug. 18, 1997, at C5.

¹⁸⁷*AT&T Eyes Unlocking Local Loop Via Fixed Wireless Hybrid*, *Wireless Business & Finance*, Mar. 12, 1997. According to Keith Paglus, Vice President of Engineering and Operations for Sprint PCS, "It is our intent to do wireless local loop." J. Meyers, *In the Wake of the News, AT&T's Wireless Plan Rattles Wireless '97*, *Telephony*, Mar. 10, 1997.

¹⁸⁸Omnipoint Press Release, *Omnipoint Announces Commercial Launch of First PCS System in New York*, Nov. 14, 1996.

¹⁸⁹*Omnipoint Wins Licenses to Expand PCS Coverage to Nearly 100 Million Potential Customers*, PR Newswire, Jan. 14, 1997.

¹⁹⁰*Omnipoint Wins Licenses to Expand PCS Coverage to Nearly 100 Million Potential Customers*, PR Newswire, Jan. 14, 1997.

¹⁹¹*Omnipoint Wins Licenses to Expand PCS Coverage to Nearly 100 Million Potential Customers*, PR Newswire, Jan. 14, 1997.

¹⁹²Omnipoint also has purchased the D block New York City BTA license, giving it 10 additional MHz in that area. Omnipoint also owns the 30 MHz C block licenses in the Buffalo and Rochester BTAs, and D and E block licenses giving it 10 MHz of spectrum in the Jamestown BTA, 20 MHz in the Olean BTA, and an additional 10 MHz in the Rochester BTA.

metro area on November 14, 1996,¹⁹³ immediately claiming more base stations in New York City than any other wireless carrier.¹⁹⁴ Omnipoint also has announced plans to use at least some of its spectrum for the provision of fixed wireless services in New York.¹⁹⁵

¹⁹³Omnipoint Press Release, *Omnipoint Announces Commercial Launch of First PCS System in New York*, Nov. 14, 1996.

¹⁹⁴*Omnipoint Launches New York City GSM Network*, PCS Week, Nov. 20, 1996. Omnipoint has announced plans to build a technical operations center in Albany as part of its network construction along the New York State Thruway.

¹⁹⁵J.T. Mulqueen, *Omnipoint's Secondary Offering to Fund Wireless Network in New York*, Communications Week, June 24, 1996.

CONCLUSION

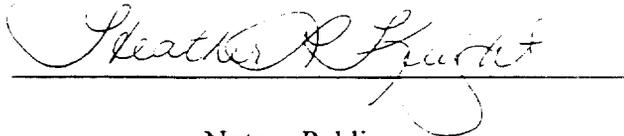
71. This concludes my affidavit.

I hereby swear, under penalty of perjury, that the foregoing is true and correct to the best of my knowledge and belief.



Jacob J. Goldberg

Sworn to before me this 4th day
of November, 1997.



Notary Public

My Commission Expires November 30, 2000

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

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Competition on New York City

Goldberg Exhibit 1. Competition in New York City

FCC

"Indeed, here in Manhattan we are at the ground zero of competition in telecommunications " (Reed Hundt, 1994)

"[C]ompetitive service providers are active to a greater extent in the New York City metropolitan area than is generally the case in other areas of the country, and are offering alternative sources of supply for many switched local telecommunications services within much of the LATA." (1995)

"NYNEX has demonstrated that competitive providers have constructed extensive networks, and are beginning to provide service in New York City and many other portions of [the metro area], including the suburban areas north and east of New York City." (1995)

"[I]nterconnectors have been operating in the NYNEX region for a longer period of time than any other region of the country. Moreover, interconnectors in the NYNEX region appear to have more collocation nodes than in any other region of the country and to have achieved higher market penetration." (1996)

NYPSC

"Bypass exists now and poses a substantial and increasing threat to the stability of rates. . ." (1985)

"Approximately one in three of New York Telephone's largest customers have some sort of bypass system." (1985)

"Of course, [competitive] conditions in New York State. . . contrast markedly with those in other parts of the country." (1989)

"In the New York Metropolitan Area, New York Telephone Company faces growing competition from providers such as Teleport." (1989)

"Now, the potential for local service competition has attracted new entrants to the incumbents' previously sheltered monopolies." (1995)

"Prospective providers of competitive local exchange services are now seeking authority to do so and eventual widespread competition in that market seems certain." (1994)

MARKET ANALYSTS

"The NYNEX region, particularly New York City, has experienced the most significant degree of competition in the local exchange industry." (Dean Witter, 1995)

"We anticipate a minimum of five substantial facilities-based local exchange service competitors in the New York metro area. . . MCI/metro, Time Warner Cable, Cablevision Lightpath, the Sprint/cable industry alliance, and MFS Communications can be expected to compete in New York. . . [w]e also expect AT&T to compete in NYNEX's local markets " (Dean Witter, 1995)

CLECs will capture 44 percent of the New York Local exchange market within 10 years (Lehman Bros., 1996)

Sources: Reed E. Hundt, Chairman, FCC, remarks delivered at the Variety Media Conference (Apr. 12, 1994); NYNEX Telephone Companies Petition for Waiver and Transition Plan to Preserve Universal Service in a Competitive Environment, 10 FCC Rcd 7445 (May 4, 1995); Memorandum Opinion and Order, New York Telephone Company and New England Telephone and Telegraph Company Petition for Extension of Waiver, 11 FCC Rcd 11988, 12000 (1996); Motion of the Commission as to the Provision of Telephone Services that Bypass Local Exchange or Toll Networks, Case No. 28710, 25 NY PSC 3457 (1985); Motion of the Commission to Review Regulatory Policies for Segments of the Telecommunications Industry Subject to Competition, Case No. 29469, 29 NY PSC 421 (1989); Order Instituting Framework for Directory Listings, Carrier Interconnection and Intercarrier Compensation, Proceeding to Examine Issues Related to the Continuing Provision of Universal Service and to Develop a Regulatory Framework for the Transition to Competition in the Local Exchange Market, Case No. 94-C-0095, 1995 N.Y. PUC LEXIS 497; Order Instituting Proceeding on Motion of the Commission to Examine Issues Related to the Continuing Provision of Universal Service and to Develop a Regulatory Framework for the Transition to Competition in the Local Exchange Market, Case No. 94-C-0095, N.Y.P.S.C. 3 (Feb. 10, 1994); G. W. Woodlief et al., Dean Witter Reynolds, Co. Rep. No. 1661898, NYNEX Corporation, at *9, *13 (Nov. 9, 1995); B. Bath et al., Lehman Brothers, Inc., Co. Rpt. No. 1768504, Teleport Communications Group Inc., at *8 (July 24, 1996).

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
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BA Interconnection Agreements/NYPSC Approvals

Goldberg Exhibit 2.
Bell Atlantic Interconnection Agreements/NYPSC Approval
(as of October 24, 1997)

COMPETITOR	DATE OF INTERCONNECTION AGREEMENT	NYPSC APPROVAL
ADVANCED AMERICAN TELECOM	8/26/97	Pending
AT&T	5/20/97	6/13/97
CABLEVISION	8/1/97	10/14/97
CELLULARVISION	5/15/97	8/25/97
C-TEC/RCN	10/15/96	2/5/97
INTERMEDIA COMMUNICATIONS	11/8/96	4/22/97
KMC TELECOM	6/2/97	9/23/97
LOCAL FIBER	6/2/97	9/23/97
MANHATTAN TELECOMMUNICATIONS CORP. (MTC)	12/17/96	3/14/97
MCI	9/2/97	10/1/97
MFS	6/25/96	10/3/96
NEXTLINK	10/20/97	To Be Filed
SPRINT	8/26/97	9/24/97
TCG	8/21/96	11/25/96
TIME WARNER	8/28/97	Pending
INTERPRISE (US WEST)	6/23/97	Pending
WINSTAR	8/14/96	11/25/96
WORLD NETWORK (WNIS)	5/15/97	8/25/97

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

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Selected New York CLECs

**Goldberg Exhibit 3.
Selected New York CLECs¹**

Facilities-Based Carriers

ACC	Cable & Wireless	Local Fiber	RCN
Adelphia	Cablevision	Manhattan Telecom	SBC/SBMS
Allnet	Citizens	Marathon	Sprint
ALLTEL	Digital	MCI/BT	Teleport
Ameritel USA, Inc.	FiberNet	Metro Teleconnect	Telscape USA
Amerinet	Frontier	MFS/WorldCom	Time Warner
AT&T	Hometown	New York Local	TotalTel USA
Atlantic	Cablevision	NewChannels	UrbanNet
Brooks Fiber	Hyperion	NHT	US ONE
Business Discount	Interconnect Services	Northland Networks	WinStar

Mostly Resale

360 Degrees (formerly Sprint)	Consumer Access	Services	RapidTel
A.R.C. Networks	Crystal	MaxTel Corporation	RCI
ACSI	CTN	McGraw	Starlink
AddTel	DeltaTel	Metracom	T-NETIX
AFX Systems	DIGI-NET	MetroLink	TeleMax
Allworld	DualStar	MICOMM	Telsave
Amercall	E.L.D.S.	Microtel	TLX
American Business	Electric Lightwave	National Fiber	Total National
American Eastern	FaxNet	National Teleservice	Trans-World
American Tel Group	G-TEL	NET-tel Corp.	Transcommunications
Ameritech	GCC	Network Enhanced	TransGlobal
ASC	Global TeleMedia	Network Phone One	Tri-Tel
Athena	Group Long Distance	NorLight	TTI National
Atlas	GST Telecom	North American	U S WEST
ATN	GTE	Northwest	Universal Connectivity
Axces, Inc.	GTN Corp.	Olympia	US Network
BFI	Hemisphere	One-Stop	USA Global Link
BHC	HLC - Internet	Paradigm	Vista Group
Business Long Distance	INET	Pioneer	Voicecom
Business Options	Integrated Technologies	PNG	World-Link
Cincinnati Bell	Intelco	PowerNet	WorldPass
Coaxicom	International Gateway	Preferred	Worldtel
Comdata	International Telecom	PrimeTel	WorldWide
Compath	LCI International	Primo-Link	XTel
	Long Distance	PTT Telekom	Xtracom
		Quintel	

¹The NYPSC has granted these companies a "Certificate of Public Convenience and Necessity to Resell All Forms of Telephone Service in New York" (as of Jan. 27, 1997). Companies are designated Facilities-Based Carriers if they have facilities in New York. I do not know if these facilities are being used to provide local services.

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
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PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

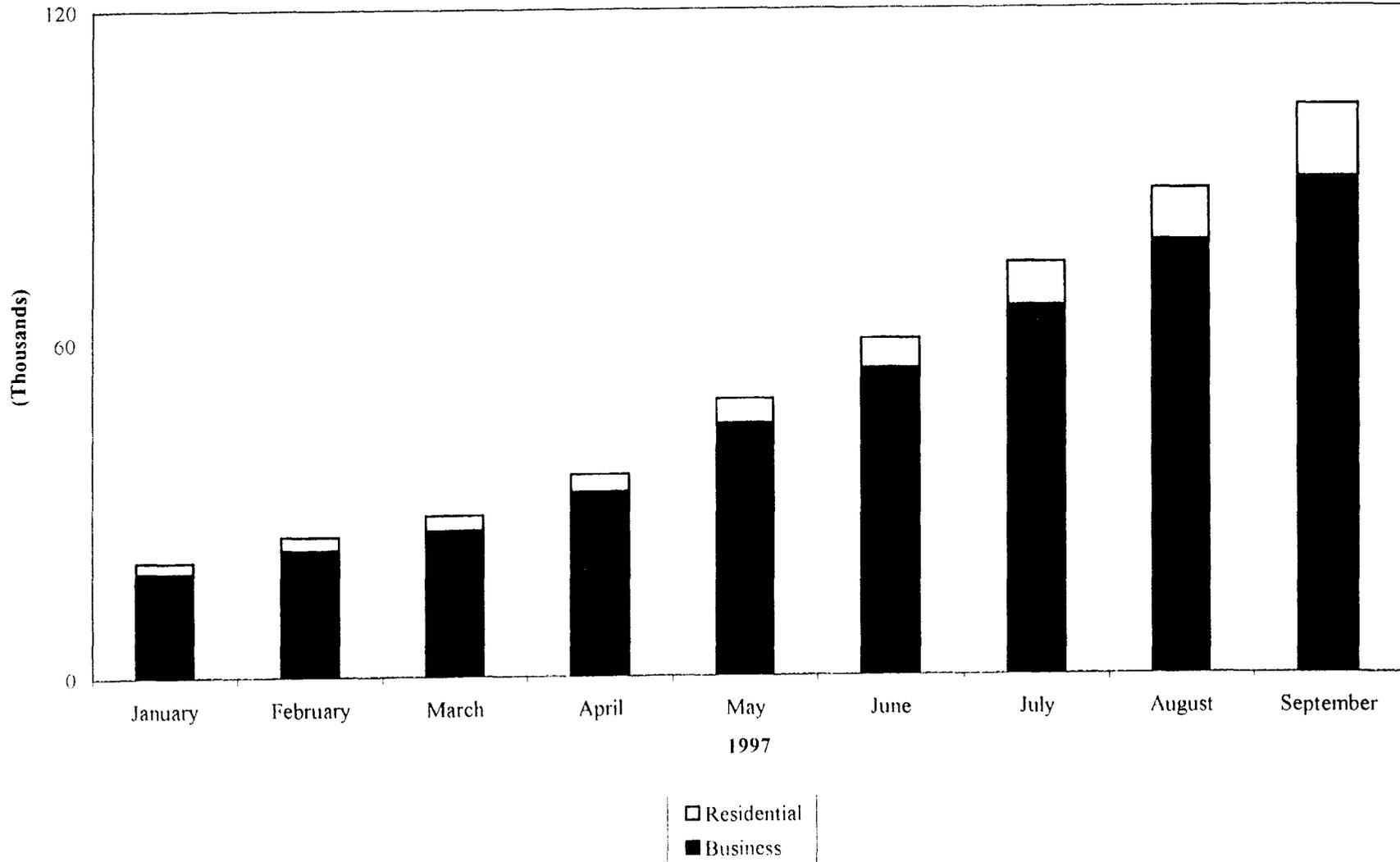
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Resold Lines in Service: New York State

Goldberg Exhibit 4
Resold Lines In Service
New York State



IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

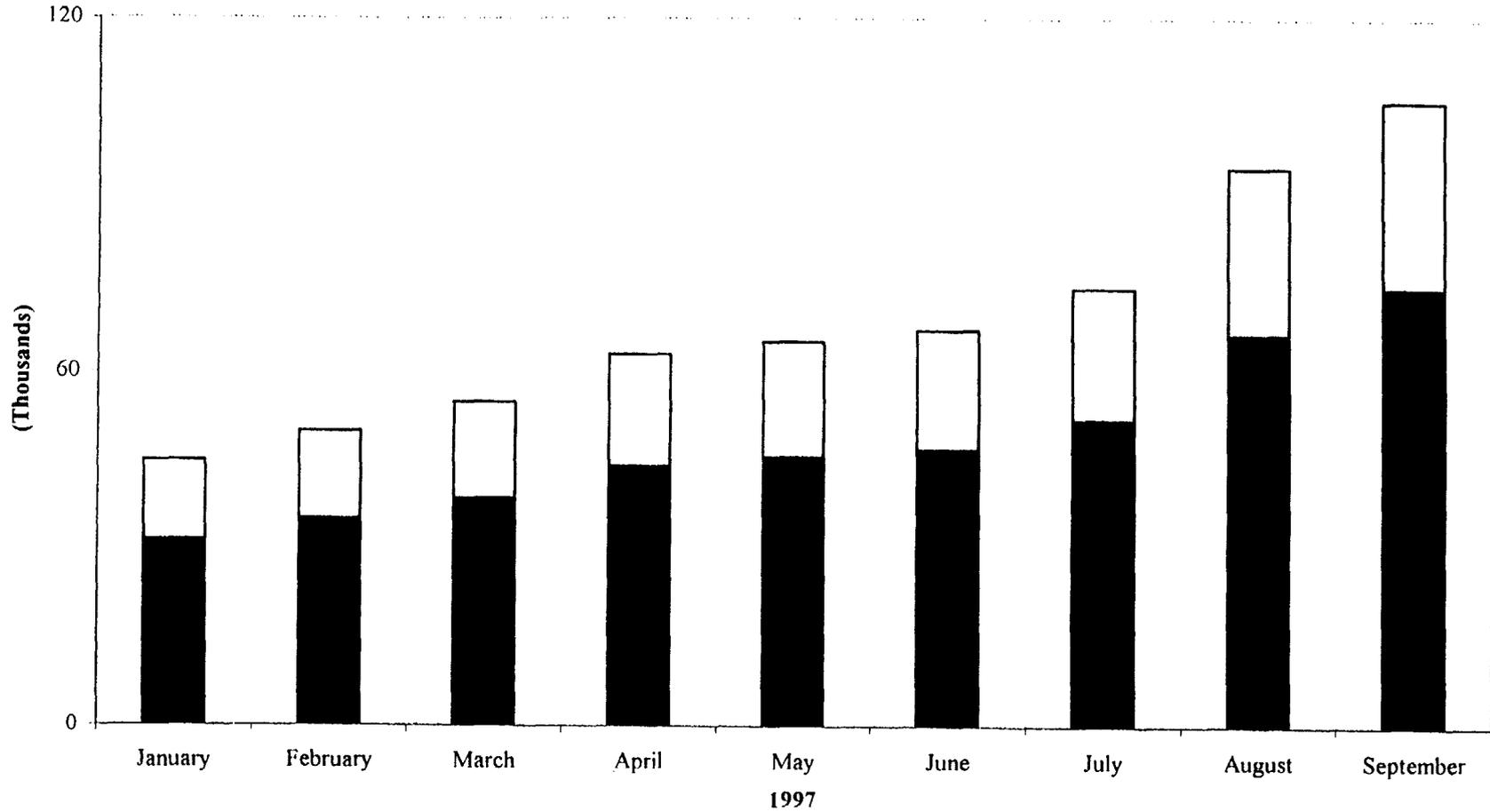
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Interconnection Trunks in Service: New York State

**Goldberg Exhibit 5
Interconnection Trunks In Service
New York State**



□ CLEC to Bell Atlantic Trunks
■ Bell Atlantic to CLEC Trunks

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

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