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August 3, 1998

EX PARTE OR LATE FILED

**EX PARTE PRESENTATION**

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

Re *In the Matter 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*

Dear Ms. Salas:

Enclosed is SBC's July 1998 report regarding its success in opening its local markets. SBC provides this report on a monthly basis to Commission staff in an effort to keep it informed about the market opening activities of SBC's telephone operating companies, Southwestern Bell Telephone, Pacific Bell and Nevada Bell. The report clearly demonstrates that SBC's operating companies have made available products, services, and systems required by Section 251 and the competitive checklist of the 1996 Act and, furthermore, that competitive local exchange carriers (CLECs) have ordered and are actually using each of the 14 checklist services and products to provide local service. For illustration, SBC has lost over one million lines to CLECs in its region. *SBC is the first incumbent local exchange carrier in the Nation to lose over one million lines to competitors.*

Should you have any questions concerning the report, do not hesitate to contact me. In accordance with the Commission's rules, an original and two copies are submitted herewith.

Respectfully submitted,

A handwritten signature in black ink that reads "Todd F. Silbergeld".

Enclosure

cc:	Mr. T. Power	Mr. K. Dixon	Dr. E. Burton
	Mr. J. Casserly	Mr. K. Martin	Ms. C. Matthey
	Mr. P. Gallant	Ms. K. Brown	Mr. M. Pryor
	Ms. A. Wright		

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## **SBC'S SUCCESS IN OPENING ITS LOCAL MARKETS AND COMPLYING WITH THE 1996 TELECOMMUNICATIONS ACT**

### **July 1998 Report**

SBC 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. SBC is committed from the highest levels of the company to open its local networks to enable others to enter the local exchange telecommunications markets in which SBC operates. As described in detail below and demonstrated in the attached checklist provisioning status report, SBC's local exchange companies (Southwestern Bell Telephone, Pacific Bell and Nevada Bell) have made available products, services and systems required by Section 251 and the competitive checklist of the 1996 Act and competitive local exchange carriers ("CLECs") or local wholesale customers have ordered and are actually using each of the 14 competitive checklist services and products to provide local service in all seven SBC states.

There is 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. SBC has lost more access lines to its local wholesale customers than any other LEC in the country and in May, 1998 became the first RBOC to lose more than one million lines to CLECs. Taken together, these data demonstrate that barriers to entry into the local market in SBC's states have been eliminated, that competitive entry is occurring, that all 14 checklist items are legally and practically available to CLECs that want them and that CLECs through the end of June have obtained more than **one million** lines in SBC's states. Of these **1,017,800** lines obtained by CLECs, approximately **650,000** were resale lines and **368,000** lines were captured by facilities-based carriers. These lost lines, moreover, represent a disproportionate revenue loss since the major long distance carriers and CLECs have publicly acknowledged that they have targeted the more profitable "high value" heavy users. 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.

In the face of undeniable market facts, it is clear that SBC has opened its markets to local competition and made available the statutorily required 14 point checklist items. The numbers are clear and irrefutable. For example in the past 2 years, not only has SBC lost more than one million lines to CLECs, but through the end of June, 1998:

- SBC has also signed 374 interconnection agreements with local wholesale customers and 267 of these agreements have been approved by state PUCs
- 222 CLECs are operational and have passed local orders to SBC
- More than 115 CLECs are using SBC's Directory Assistance and Call Completion Services
- More than 2.1 million CLEC service orders have been processed without a backlog
- 501,000 CLEC customers are listed in SBC's White Pages
- More than 353,000 trunks have been provisioned to CLECs
- 84,000 lines have been converted to CLECs via interim number portability
- 60,000 unbundled loops have been provisioned
- 490 operational physical collocation cages have been provided to CLECs
- 22 million telephone numbers have been provided to CLECs for facilities-based use
- More than 14 billion minutes of local and Internet traffic have been exchanged between SBC and CLEC networks

Moreover, SBC has developed and implemented more than 65 performance measurements in each of its seven states covering all aspects of its relationships with CLECs. These measurements mirror precisely the model performance measurements advocated by the U.S. Department of Justice. The results generated from these measurements demonstrate that SBC is providing CLECs with checklist items in substantially the same time and manner that it providing such services to itself. Thus, the IXCs' and CLECs' argument that SBC has not lost the required number of local customers is an intentional mischaracterization of the Act, as conceded by the DOJ and the FCC. Both of these agencies acknowledge that there is no market share loss or metric test required by the Act. The only statutorily required test is embodied in the competitive checklist and irrefutable market facts confirm that SBC has made available the checklist items.

In light of these market facts, it is becoming obvious that many of the isolated, anecdotal, outdated and unrepresentative complaints raised by the major long distance carriers are disingenuous and have less to do with whether SBC has actually made available specific checklist items in an appropriate manner and more to do with protecting their long distance market shares and profits from the increased competition that would result from SBC entering that market. Moreover, isolated and anecdotal complaints raised by other CLECs must also be put in context since it is in their self-interest to delay SBC's entry into the long distance market for as long as possible so that they can continue to use the 271 process as leverage to obtain additional advantages from regulators and to target and offer one-stop shopping to high profit business customers while SBC is denied the ability to offer comparable full-service bundles of services to business and residential customers. Notwithstanding the extraordinary efforts it has made to date to open its markets, SBC is continuing to make improvements in its procedures and systems, and it is working with its regulators and wholesale customers to resolve identified issues.

#### **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 management and employees have made extraordinary efforts to open SBC's networks to competitors. SBC has incurred more than \$1.1 billion in expense and capital expenditures and devoted more than 3,300 employees to implement the Act and open its local markets to competition – including but not limited to operational support systems, number portability, trunking, local service centers, equipment, computer hardware, software and manpower. Of these expenditures, Pacific Bell and Nevada Bell have spent more than \$620 million and SWBT has expended more than \$400 million. 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 374 interconnection and resale agreements within SBC's seven-state service area. In addition, 500 CLECs have received PUC approved certificates to provide local service in SBC states. The good faith associated with SBC's negotiation of interconnection agreements with CLECs is illustrated by the fact that the parties voluntarily consummated 374 agreements and only 26 arbitrations were required. In excess of 90 percent of the agreements approved by PUCs have never been appealed, they are in force, and CLECs have access to all of their terms and conditions.

- **PUC Approved Agreements:** The various state commissions have approved 267 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: 118; California: 32; Kansas: 29; Arkansas: 30; Oklahoma: 18; Missouri: 27 and Nevada: 13 approved agreements.
- **Current Negotiations:** SBC currently is in the process of negotiating more than 530 additional interconnection, resale and combination interconnection agreements.

**CLECs Competing Against SBC**

- As of the end of June 1998, more than **222** CLECs were operational in SBC's territory and passing resale, interconnection or UNE orders to SBC. 102 CLECs were passing orders in Texas alone.

**SBC Access Lines Lost to CLECs**

- Through the end of June 1998, more than **one million** access lines have been captured by CLECs through resale or through the establishment of new facilities-based service by CLECs in SBC's seven-state service area. Approximately 650,000 SBC lines have been resold by CLECs and approximately 368,000 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:

	Resale Total	Resale Residential	Resale Business	Resale Priv. Coin	Facilities Based Lines	Total Lines Lost
a) California:	255,011	130,332	115,778	8,901	261,051	516,062
b) Texas:	284,243	195,089	77,649	11,505	59,082	343,325
c) Kansas:	50,265	22,971	27,287	7	2,053	52,318
d) Oklahoma:	21,428	17,019	4,382	27	17,446	38,874
e) Arkansas:	14,588	13,211	1,377	0	11,147	25,735
f) Missouri:	22,519	13,935	8,532	52	4,094	26,613
g) Nevada:	1,908	338	1,570	0	13,048	14,956
<b>RESOLD LINES:</b>	<b>649,962</b>	<b>392,895</b>	<b>236,575</b>	<b>20,492</b>		
<b>FACIL.-BASED LINES LOST:</b>					<b>367,921</b>	
<b>SBC TOTAL LINES LOST:</b>						<b>1,017,883</b>

**SBC has made Resale available**

- Given that CLECs now resell more than **650,000** lines in SBC's territory, 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 that its OSS can process CLEC resale

orders in an accurate and timely manner without any backlogs. For example, in the last four months of 1997 (before AT&T and MCI unilaterally decided to abandon residential resale competition), SBC processed an average of 60,000 resale orders in each of these four months without a backlog. These numbers confirm that SBC has developed state-of-the art operational OSS that can handle large volumes of CLEC resale orders in an accurate, timely and non-discriminatory manner.

- Resale activity slowed from March through June, 1998 as AT&T and MCI continued their efforts to redline the resale and residential markets in California and Texas. In fact, residential resale lines in California actually declined for those four months primarily as a result of publicly acknowledged decisions by AT&T and MCI to stop signing up new residential resale customers in California and apparently encouraging existing resale customers to switch to other carriers. For example, in June, resold lines in California actually declined by more than 4,200 lines compared to a gain of more than 20,000 resold lines in December 1997 and resold lines in Southwestern Bell's states increased by only 18,000 in June compared to a gain of approximately 40,000 lines in October 1997. Nevertheless, even if the major IXCs chose for their own strategic, 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 discounts required by the 1996 Act and approved 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. In all of SBC's states, competitors can sign-up any or all customers in those states for their local service as easily as they sign-up long distance customers.

#### **FACILITIES-BASED COMPETITION STATUS:**

Facilities-based competition in SBC's states is substantial and has increased dramatically in recent months. CLECs are serving more than **367,000 lines on a facilities-basis** in SBC's territory. The following market facts 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 **367,100** lines are being served on a facilities-basis by CLECs in SBC's states.

#### **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 367,000 lines in SBC's 7 states on a facilities-basis. Specifically, CLECs have requested E-911 service for 367,000 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 261,000 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: 59,000; Oklahoma: 17,400; Arkansas: 11,100; Missouri: 4,000; and Kansas: 2,000 facilities-based lines.

### **Numbers Ported—Second Indicator of Facilities-Based Competition**

- More than **84,400** 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.

### **Minutes Exchanged – Another Indicator That SBC's Networks Are Open**

- The fact that more than **14 billion** minutes of local and internet traffic has been exchanged between SBC and CLEC networks is compelling evidence that SBC has opened its networks and has met the competitive checklist. Reciprocal compensation minutes of use is an 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, approximately **4.34 billion** minutes of local traffic (excluding Internet traffic) has been exchanged between SWBT/Pacific Bell/Nevada Bell and CLECs over interconnection trunks. More than 80% 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 **9.9 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 **14 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.

### **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 the interconnection checklist requirement has been met and that actual local exchange traffic is being exchanged between CLECs and SBC. SBC has provisioned approximately **353,000** one-and two-way interconnection trunks to CLECs in SBC's seven-state service area. This represents the call carrying capacity on the local service provider networks for 3.5 million lines. These trunks allow CLECs to connect their networks and customers to SBC's network. The following number of trunks were provided by SBC to CLECs: California: 224,000 trunks; Texas: 94,000; Oklahoma: 9,900; Missouri: 12,600; Arkansas: 5,600; Kansas: 3,300; and Nevada: 2,500 trunks.
- **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 **60,500** unbundled loops have been provisioned by SBC to CLECs in SBC's seven states.

- **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. **490** physical collocation arrangements are operational in SBC's seven-state service area -- 94 of these are in SWBT's region, with 393 in California.
- 400 physical collocation arrangements (166 in SWBT and 239 in California/Nevada) are currently being worked on and pending completion.
- 58 virtual collocation arrangements are operational in SWBT's five-state territory.
- **E-911 Trunks:** CLECs have requested and SBC has provisioned 750 operational E-911 trunks to facilities-based CLECs in SBC's seven-state service area. Of this number, 508 are located in California and 236 are in SWBT states.
- **DA/OS Trunks:** More than 980 Directory/Operator Assistance trunks have been provisioned by SWBT to CLECs in the five SWBT states. More than 115 CLECs are using SWBT's Directory Assistance and "O" Call Completion services.

#### **Telephone Numbers Requested By and Assigned to CLECs**

- More than 2,269 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 217 assignments pending. In other words, CLECs have requested and SBC has assigned **22.7 million** telephone numbers to CLECs in its seven states; more than 13.4 million numbers have been requested by CLECs in California and an additional 9.3 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 **501,000** white page listings for its local wholesale customers. Of these listings, 314,000 have been in SWBT states and 165,000 in California.

#### **Access to SBC Poles and Conduits**

- SBC has provided competitors with access to more than 373,000 of its poles and approximately 8.3 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 **2.2 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 1.4 million orders from CLECs have been processed in the SWBT five-state region and approximately 800,000 orders have been processed in California/Nevada. The fact that SWBT processed more than 730,000 orders in 1997, and an additional 685,000 orders in the first six 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 **1.2 million** CLEC service orders in Texas have been processed, with over 641,000 orders processed in January through June of 1998. SBC's OSS and Local Service Centers have handled the increased volume of service orders without experiencing a backlog.

### **Performance Measurements**

- SBC has also developed and implemented more than 65 performance measurements that cover all aspects of its relationships with CLECs in all seven SBC states. These measurements mirror and fully comply with the model set of measurements advocated by the U.S. Department of Justice. SBC's performance measurements cover each of the five recognized OSS functions (i.e., preordering, ordering, provisioning, maintenance and repair, and billing).
- The results generated by these performance measurements compare SBC and CLEC performance for each of the measurements and these results confirm that SBC is providing each of the 14 competitive checklist items in substantially the same time and manner that is it providing such services to itself.

### **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 and facilities-based competition and that SBC provides its local wholesale customers with the systems and services they need to compete and capture SBC's local customers.
- The record unequivocally confirms that CLECs have captured more than one million lines in SBC's states, that CLECs have obtained hundreds of thousands of checklist products from SBC, that SBC has provided CLECs with access to all 14 competitive checklist items and that SBC has opened its local markets to competition.
- IXC's and CLECs who have made a strategic decision not to invest or compete in SBC's local markets on a broad-scale basis, particularly the residential market, are doing so for their own economic, regulatory and business reasons, not because they are unable to obtain competitive checklist products and services from SBC. CLECs who do want to compete on either a resale or facilities-basis in SBC's territory for business or residential customers can provide and are, in fact, already providing such local services in direct competition with SBC.

SBC's Section 251 / Checklist Provisioning Status

Data through: 6/98 (unless otherwise noted)  
 Shaded data through 5/98 (unless otherwise noted)

Date Produced: 7/20/98

Green, italicized, bolded data is corrected from previous edition.

#	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 Interconnection Trunks Provided to CLECs	5,662	3,364	12,643	9,898	94,407	125,974	224,664	2,496	353,134	
		· One Way Trunks (SBC to CLEC)	4,184	1,728	5,524	7,401	52,424	71,261	14,474	0	85,735	
		· One Way Trunks (CLEC to SBC)	620	400	1,824	1,513	19,374	23,731	1,688	0	25,419	
		· Two Way Trunks	858	1,236	5,295	984	22,609	30,982	208,502	2,496	241,980	
		Physical Collocation										
		· Operational Cages	6	3	9	15	61	94	393	5	122	
		· Pending Cages	5	7	30	7	117	168	239	1	406	
Virtual Collocation *												
· Operational Arrangements	2	6	8	5	37	58	0	0	0	58		
· Pending Arrangements	0	0	0	0	1	1	1	1	0	2		
Number of Collocated Wire Centers	3	4	9	13	41	70	100	3	173			
2	Nondiscriminatory access to network elements. (In addition, See Items 3-6 below)	Number of CLECs passing orders in 1998	15	17	22	16	102	172	46	4	222	
		Total orders processed (2/8/96 - 6/98) **	62,672	98,876	47,164	75,597	1,173,346	1,457,655	795,159	6,034	2,258,848	
		· Manual	59,264	63,368	26,378	68,677	900,765	1,118,452	100% in 1998	6,034		
		· Electronic	3,408	35,508	20,786	6,920	272,581	339,203	0% in 1998	0		
		Total orders processed in 1997 **	19,035	41,476	6,396	22,832	641,098	730,837	491,327	3,511	1,225,675	
		· Manual	19,035	28,972	6,309	20,408	495,077	569,801	-80%	3,511		
		· Electronic	0	12,504	87	2,424	146,021	161,036	-20%	0		
		Total orders processed in 1996 **	43,637	57,400	40,764	52,761	490,644	665,206	234,635	2,523	922,364	
		· Manual	40,229	34,396	20,065	48,265	364,084	507,038	91,506	2,523		
		· Electronic	3,408	23,004	20,699	4,496	126,560	178,167	143,129	0		
Total orders processed in June 1998 **	6,739	10,609	9,718	8,243	76,191	111,500	61,665	465	173,630			
· Manual	5,637	5,360	2,417	6,845	52,043	72,302	36,999	465				
· Electronic	1,102	5,249	7,301	1,398	24,148	39,198	24,666	0				
3	Nondiscriminatory access to poles, ducts, conduits and rights of way.	Total Number of Poles Attached (Note 1)	166	56	388	186	2,359	3,155	370,060	506	373,723	
		Total Feet of Duct Occupied (Note 1)	217,792	13,214	61,530	107,329	626,931	1,026,796	7,236,650	16,225	8,279,671	
4	Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.	Unbundled Loops	1,195	361	1,620	1,345	331	4,852	52,092	3,591	60,535	
5	Local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services.	Unbundled Transport										
		· Dedicated Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
		· Shared Transport Available?	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	0	0	182	182				
7	Nondiscriminatory access to 911 and E911, directory assistance, and operator call completion services.	E911 Trunks (not included in Item 1 Total)	18	24	16	20	158	236	506	6	750	
		DA/OA Trunks (not included in Item 1 Total) ***	64	0	84	85	725	958	4	18	980	
		CLECs using Directory Assistance Service (Note 2)	9	12	16	10	100	117	Data Not Available	Data Not Available		
		CLECs using "0" Call Completion Service (Note 2)	9	12	16	10	99	116	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 (MOKA a/o 7/8/98)										
· Residence	427	2	50	99	4,312	4,890	Res/Bus Split		4,890			
· Business	10,720	2,051	4,044	17,347	54,770	88,932	Not Available		88,932			
· Total	11,147	2,053	4,094	17,446	59,082	93,822	261,051	13,048	367,921			
8	White pages directory listing for customers of other carrier's telephone exchange service.	Number of CLEC End User White Pages Listings										
		· Resale	13,195	43,230	19,168	19,106	219,786	314,465	164,960	617	480,062	
		· Facilities Based	589	297	1,008	927	3,531	6,352	14,577	891	21,820	
		· Total	13,784	43,527	20,176	20,033	223,317	320,837	179,537	1,508	501,882	

**SBC's Section 251 / Checklist Provisioning Status**

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#	CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	SWBT's							SBC TOTAL	
			AR	KS	MO	OK	TX	5 States	CA		NV
9	Nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers.	Telephone Numbers Provided to CLECs (Note 3) · Numbers Assigned · Numbers Pending Assignment	140,000 0	100,000 0	970,000 0	390,000 30,000	7,700,000 670,000	9,300,000 700,000	13,360,000 1,470,000	30,000 0	22,690,000 2,170,000
10	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.	Numbers Ported to CLECs via INP · Residential Lines · Business Lines · Total	5 2,441 2,446	0 1,045 1,045	2 2,045 2,047	0 11,520 11,520	50 23,953 24,003	57 41,004 41,061	0 35,768 35,768	0 7,643 7,643	57 84,415 84,472
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) · Total Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in May 1998 (in Millions) · From SBC to CLEC · From CLEC to SBC · Total Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in June 1998 (in Millions) · From SBC to CLEC · From CLEC to SBC · Total	29.1 6.7 35.8	0.4 0.0 0.4	43.4 0.3 43.7	148.2 12.5 160.7	271.0 256.8 527.8	492.1 276.3 768.4	2,964.5 582.0 3,546.5	26.3 0.0 26.3	3,482.9 858.3 4,341.2
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	1,377 0 13,211 14,588	27,287 7 22,971 50,265	8,532 52 13,935 22,519	4,382 27 17,019 21,428	77,649 11,505 195,089 284,243	119,227 11,591 262,225 393,043	115,778 8,901 130,332 255,011	1,570 0 338 1,908	236,575 20,492 392,895 649,962

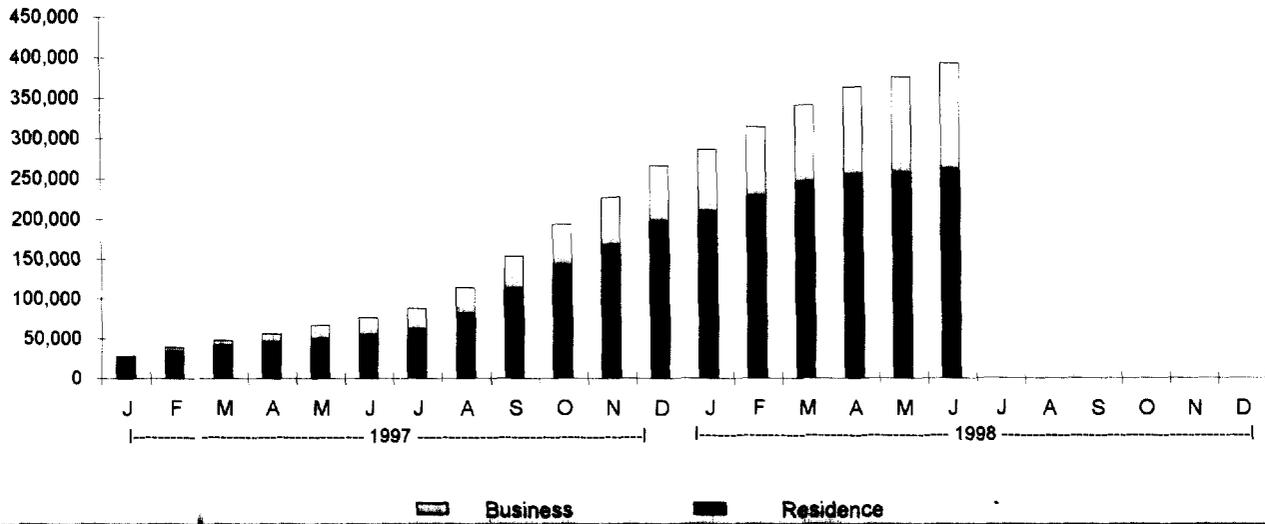
Note 1: CA and NV data updated quarterly. CA Total Feet of Duct Occupied reflects both IXC and CLEC facilities.  
 Note 2: SWBT total counts each CLEC once, although it may appear in multiple states and as both a facilities based and resale provider.  
 Note 3: Each NXX Code equals 10,000 telephone numbers.  
 Note 4: Totals do not include disputed Internet minutes of use. However, the fact that over 9.93B 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 reflects actual number of cages. By SWBT methodology, operational physical collocation would be 233 (counting CLECs in a given wire center only once).  
 \*\* CA Order Volumes include resale activity only (not facilities based orders).  
 \*\*\* KS does have OA/DA trunks, but they appear in MO as they serve both MO and KS.  
 \*\*\*\* Represents only that traffic for which originating records have been exchanged.

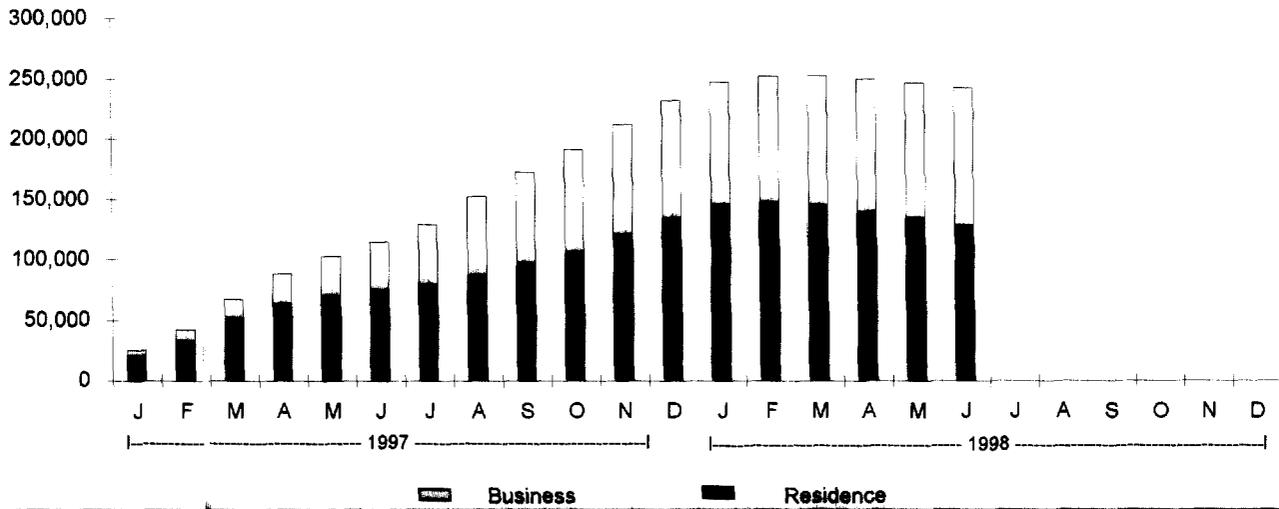
CLECs with Certifications (a/o 7/20/98)	SWBT's							SBC TOTAL	
	AR	KS	MO	OK	TX	5 States	CA		NV
Number Approved	23	55	41	40	164	323	117	60	500
Number Pending	22	6	17	18	9	72	29	2	103
<b>CLEC Interconnection Agreements (a/o 7/20/98)</b>									
Number Signed (Resale, FB, & Combo)	39	44	45	44	146	318	40	16	374
Number Approved (Resale, FB, & Combo)	30	29	27	18	118	222	32	13	267
Number of Arbitrations Completed	1	3	3	1	11	19	4	0	23
Number of Arbitrations In Progress	1	0	0	0	1	2	0	1	3
Number Under Negotiation (Resale, FB, & Combo)	68	68	82	72	149	440	61	38	539

# SBC Resold Lines - Cumulative Resale Lines Lost to CLECs

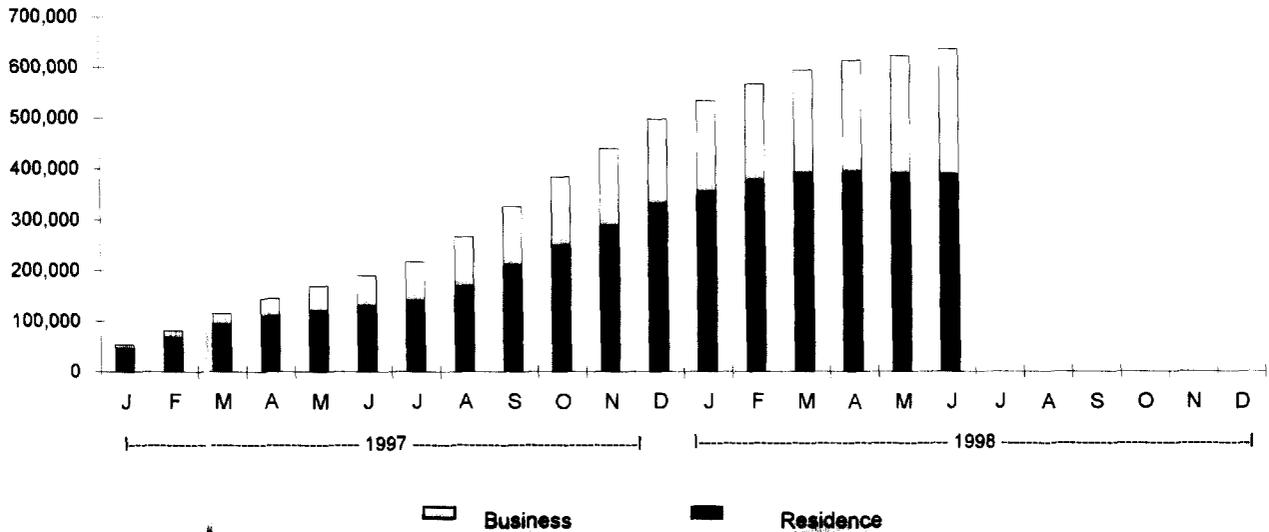
Southwestern Bell Telephone



Pacific Bell

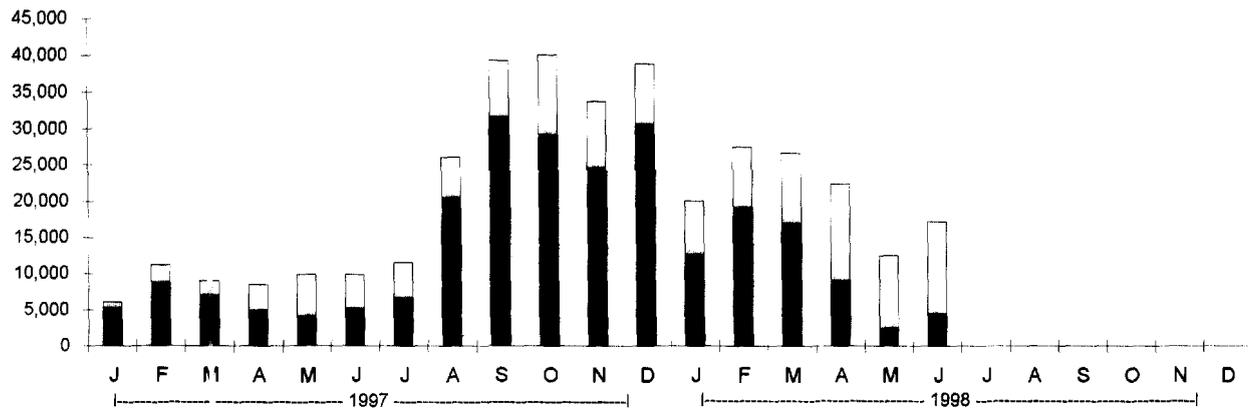


SBC Consolidated



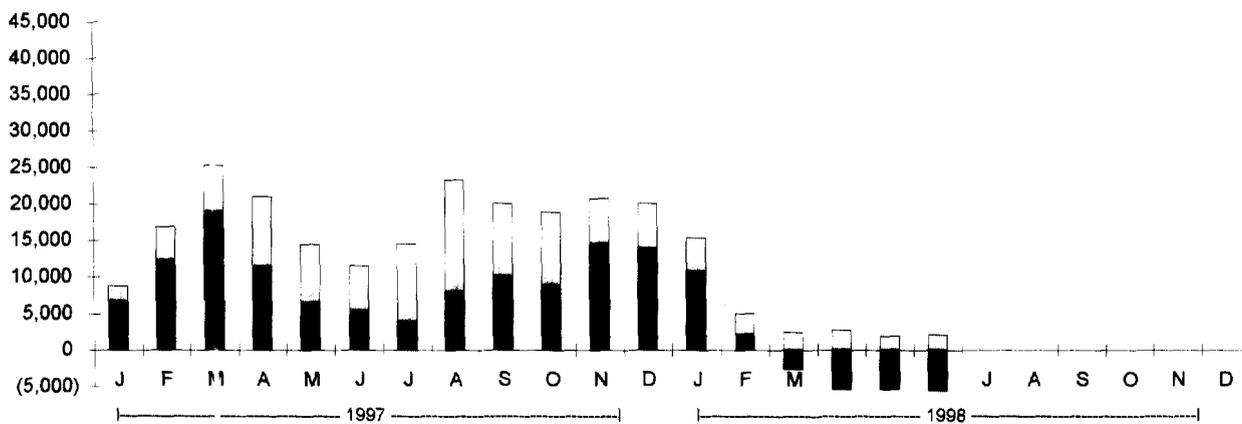
# SBC Resold Lines - Monthly Resale Lines Lost to CLECs

## Southwestern Bell Telephone



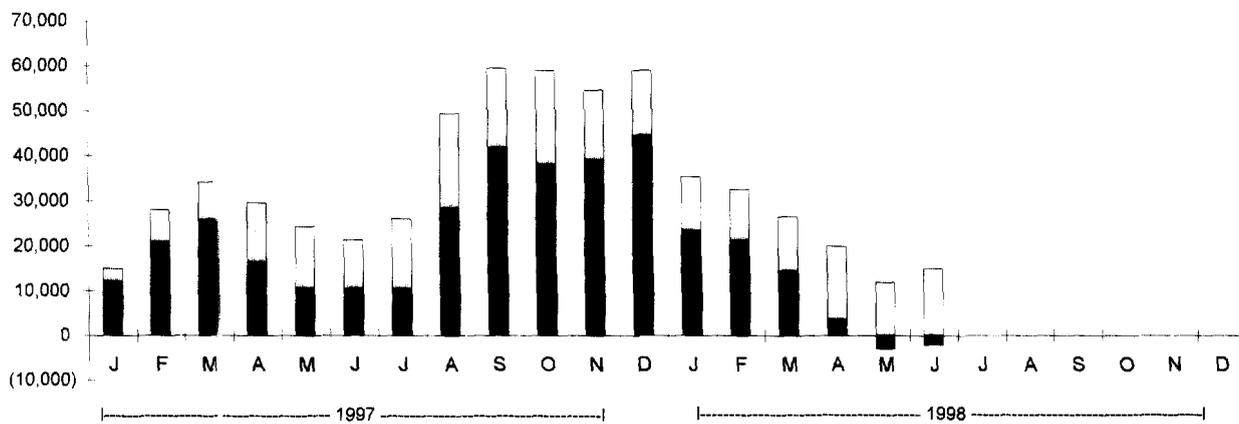
Business Residence

## Pacific Bell



Business Residence

## SBC Consolidated



Business Residence

## SBC Resold Lines - Cumulative Resale Lines Lost to CLECs

### Southwestern Bell Telephone

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>1998</b>												
Business	76,177	84,587	94,367	107,852	117,972	130,824	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	210,457	229,564	246,513	255,456	257,876	262,225	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>286,634</b>	<b>314,151</b>	<b>340,880</b>	<b>363,308</b>	<b>375,848</b>	<b>393,049</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	2,808	5,342	7,445	11,147	16,950	21,831	26,880	32,539	40,279	51,191	60,425	68,703
Residence	25,366	34,034	40,937	45,783	49,850	54,884	61,404	81,863	113,492	142,650	167,231	197,875
<b>Total</b>	<b>28,174</b>	<b>39,376</b>	<b>48,382</b>	<b>56,930</b>	<b>66,800</b>	<b>76,715</b>	<b>88,284</b>	<b>114,402</b>	<b>153,771</b>	<b>193,841</b>	<b>227,656</b>	<b>266,578</b>
<b>1996</b>												
Business	-	-	-	-	15	65	167	187	212	728	1,328	1,930
Residence	3	74	255	479	1,166	2,250	4,017	6,419	8,161	11,549	15,978	20,096
<b>Total</b>	<b>3</b>	<b>74</b>	<b>255</b>	<b>479</b>	<b>1,181</b>	<b>2,315</b>	<b>4,184</b>	<b>6,606</b>	<b>8,373</b>	<b>12,277</b>	<b>17,306</b>	<b>22,026</b>

### Pacific Bell

<b>1998</b>												
Business	102,092	104,989	107,500	110,354	112,299	114,476	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	145,254	147,420	144,848	139,535	134,203	127,796	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>247,346</b>	<b>252,409</b>	<b>252,348</b>	<b>249,889</b>	<b>246,502</b>	<b>242,272</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	4,510	9,110	15,355	25,013	33,001	39,134	49,796	65,154	75,075	85,114	91,351	97,532
Residence	20,715	32,912	51,904	63,300	69,793	75,178	79,056	87,014	97,151	106,014	120,558	134,436
<b>Total</b>	<b>25,225</b>	<b>42,022</b>	<b>67,259</b>	<b>88,313</b>	<b>102,794</b>	<b>114,312</b>	<b>128,852</b>	<b>152,168</b>	<b>172,226</b>	<b>191,128</b>	<b>211,909</b>	<b>231,968</b>
<b>1996</b>												
Business	-	-	-	83	69	113	188	276	377	577	1,146	2,435
Residence	-	-	-	2	2	27	55	99	833	1,994	7,222	14,012
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>71</b>	<b>140</b>	<b>243</b>	<b>375</b>	<b>1,210</b>	<b>2,571</b>	<b>8,368</b>	<b>16,447</b>

### SBC Consolidated

<b>1998</b>												
Business	178,269	189,576	201,867	218,206	230,271	245,300	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	355,711	376,984	391,361	394,991	392,079	390,021	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>533,980</b>	<b>566,560</b>	<b>593,228</b>	<b>613,197</b>	<b>622,350</b>	<b>635,321</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	7,318	14,452	22,800	36,160	49,951	60,965	76,676	97,693	115,354	136,305	151,776	166,235
Residence	46,081	66,946	92,841	109,083	119,643	130,062	140,460	168,877	210,643	248,664	287,789	332,311
<b>Total</b>	<b>53,399</b>	<b>81,398</b>	<b>115,641</b>	<b>145,243</b>	<b>169,594</b>	<b>191,027</b>	<b>217,136</b>	<b>266,570</b>	<b>325,997</b>	<b>384,969</b>	<b>439,565</b>	<b>498,546</b>
<b>1996</b>												
Business	-	-	-	83	84	178	355	463	589	1,305	2,474	4,365
Residence	3	74	255	481	1,168	2,277	4,072	6,518	8,994	13,543	23,200	34,108
<b>Total</b>	<b>3</b>	<b>74</b>	<b>255</b>	<b>564</b>	<b>1,252</b>	<b>2,455</b>	<b>4,427</b>	<b>6,981</b>	<b>9,583</b>	<b>14,848</b>	<b>25,674</b>	<b>38,473</b>

## SBC Resold Lines - Monthly Resale Lines Lost to CLECs

### Southwestern Bell Telephone

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>1998</b>												
Business	7,474	8,410	9,780	13,485	10,120	12,052	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	12,582	19,107	16,949	8,943	2,420	4,349	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>20,056</b>	<b>27,517</b>	<b>26,729</b>	<b>22,428</b>	<b>12,540</b>	<b>17,201</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	878	2,534	2,103	3,702	5,803	4,881	5,049	5,659	7,740	10,912	9,234	8,278
Residence	5,270	8,668	6,903	4,846	4,067	5,034	6,520	20,459	31,629	29,158	24,581	30,644
<b>Total</b>	<b>6,148</b>	<b>11,202</b>	<b>9,006</b>	<b>8,548</b>	<b>9,870</b>	<b>9,915</b>	<b>11,569</b>	<b>26,118</b>	<b>39,369</b>	<b>40,070</b>	<b>33,815</b>	<b>38,922</b>
<b>1996</b>												
Business	-	-	-	-	15	50	102	20	25	516	600	602
Residence	3	71	181	224	687	1,084	1,767	2,402	1,742	3,388	4,429	4,118
<b>Total</b>	<b>3</b>	<b>71</b>	<b>181</b>	<b>224</b>	<b>702</b>	<b>1,134</b>	<b>1,869</b>	<b>2,422</b>	<b>1,767</b>	<b>3,904</b>	<b>5,029</b>	<b>4,720</b>

### Pacific Bell

<b>1998</b>												
Business	4,560	2,897	2,511	2,854	1,945	2,177	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	10,818	2,166	(2,572)	(5,313)	(5,332)	(6,407)	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>15,378</b>	<b>5,063</b>	<b>(61)</b>	<b>(2,459)</b>	<b>(3,387)</b>	<b>(4,230)</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	2,075	4,600	6,245	9,658	7,988	6,133	10,662	15,358	9,921	10,039	6,237	6,181
Residence	6,703	12,197	18,992	11,396	6,493	5,385	3,878	7,958	10,137	8,863	14,544	13,878
<b>Total</b>	<b>8,778</b>	<b>16,797</b>	<b>25,237</b>	<b>21,054</b>	<b>14,481</b>	<b>11,518</b>	<b>14,540</b>	<b>23,316</b>	<b>20,058</b>	<b>18,902</b>	<b>20,781</b>	<b>20,059</b>
<b>1996</b>												
Business	-	-	-	83	(14)	44	75	88	101	200	569	1,289
Residence	-	-	-	2	-	25	28	44	734	1,161	5,228	6,790
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>(14)</b>	<b>69</b>	<b>103</b>	<b>132</b>	<b>835</b>	<b>1,361</b>	<b>5,797</b>	<b>8,079</b>

### SBC Consolidated

<b>1998</b>												
Business	12,034	11,307	12,291	16,339	12,065	15,029	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Residence	23,400	21,273	14,377	3,630	(2,912)	(2,058)	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
<b>Total</b>	<b>35,434</b>	<b>32,580</b>	<b>26,668</b>	<b>19,969</b>	<b>9,153</b>	<b>12,971</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>	<b>#N/A</b>
<b>1997</b>												
Business	2,953	7,134	8,348	13,360	13,791	11,014	15,711	21,017	17,661	20,951	15,471	14,459
Residence	11,973	20,865	25,895	16,242	10,560	10,419	10,398	28,417	41,766	38,021	39,125	44,522
<b>Total</b>	<b>14,926</b>	<b>27,999</b>	<b>34,243</b>	<b>29,602</b>	<b>24,351</b>	<b>21,433</b>	<b>26,109</b>	<b>49,434</b>	<b>59,427</b>	<b>58,972</b>	<b>54,596</b>	<b>58,981</b>
<b>1996</b>												
Business	-	-	-	83	1	94	177	108	126	716	1,169	1,891
Residence	3	71	181	226	687	1,109	1,795	2,446	2,476	4,549	9,657	10,908
<b>Total</b>	<b>3</b>	<b>71</b>	<b>181</b>	<b>309</b>	<b>688</b>	<b>1,203</b>	<b>1,972</b>	<b>2,554</b>	<b>2,602</b>	<b>5,265</b>	<b>10,826</b>	<b>12,799</b>