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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE PRESENTATION

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

Re: *In the Matter of Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Southern New England Telecommunications Corp. to SBC Communications Inc., CC Docket No. 98-25*

Dear Ms. Salas:

Please be advised that, on Wednesday, September 9, 1998, Anne MacClintock, Vice President-Regulatory Affairs and Public Policy and Wendy Bluemling, Director-Regulatory Affairs, of Southern New England Telecommunications Corporation ("SNET"); and Todd F. Silbergeld, Director-Federal Regulatory and Wayne Watts, General Attorney and Assistant General Counsel, of SBC Communications Inc. ("SBC"), met with Kathryn C. Brown, Donald K. Stockdale, Jr., Melissa E. Newman, Radhika Karmarkar, Katherine Schroder, and Jeffrey Lanning, of the Commission Staff, to discuss the above-referenced proceeding.

At this meeting, the representatives of SBC and SNET agreed to provide the following information, as requested by Commission Staff:

SNET's Wholesale/Retail "Split"

Staff asked whether SBC will continue to implement the division of SNET into separate wholesale and retail units following the merger, and the answer is yes. That separation was ordered by the Connecticut Department of Public Utility Control ("DPUC") in a June 25, 1997 Decision in Docket No. 94-10-05, DPUC Investigation of the Southern New England Telephone Company for Affiliate Matters Associated with the Implementation of Public Act 94-83 (and was referred to by the DPUC in its September 2, 1998 Decision approving the merger of SBC and SNET). SBC intends to comply fully with the DPUC Decision and, in any event, it cannot alter the ordered separation without the DPUC's prior approval.

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Section 274 -- Electronic Publishing

The Commission Staff asked whether SNET would be subject to and comply with Section 274 of the Communications Act, as amended, following the merger with SBC. That section provides that, except through a separated affiliate or joint venture, neither a Bell Operating Company ("BOC") nor any affiliate thereof may engage in the provision of electronic publishing that is disseminated by means of such BOC's or any of its affiliates' "basic telephone service."

SBC and SNET do not believe that Section 274 – which is designed to prohibit the in-region provision of electronic publishing directly by a BOC or its affiliate over the BOC's network – applies to electronic publishing activities by SNET in Connecticut. SNET is not, and would not as a result of the merger become, a BOC, and Connecticut is not an in-region state. Moreover, any electronic publishing undertaken by SNET over its network in Connecticut would not be disseminated by means of a "basic telephone service," since that term is limited by Section 274(i)(2) to "any wireline telephone exchange service, or wireline telephone exchange service facility, provided by a Bell operating company in a telephone exchange area . . . ." (Emphasis added.)

Section 275 -- Alarm Monitoring

The Commission Staff asked whether SNET would be subject to and comply with Section 275 of the Communications Act, as amended, following the merger with SBC. That section generally prohibits a BOC or any affiliate thereof from engaging in the provision of alarm monitoring services until five years after enactment of the Telecommunications Act of 1996. While SNET is not, and would not as a result of the merger become, a BOC, SNET will be an affiliate of SBC's three BOC subsidiaries as a result of the merger. Therefore, following the merger, SNET will not engage in the "provision of alarm monitoring services", except as an agent pursuant to an FCC-approved CEI plan, until the expiration of the five-year waiting period. It should be noted that SNET is not currently engaged in the provision of alarm monitoring services.

* * *

SBC and SNET would be pleased to answer any additional questions the Staff may have regarding the foregoing matters, or to provide any additional information the Staff may require in connection with its consideration of the pending transfer applications.

In accordance with the Commission's Rules concerning ex parte communications, an original and one copy of this correspondence is provided herewith. Please contact me should you have any questions concerning the foregoing.

Respectfully submitted,

Todd F. Silbergeld
Director-Federal Regulatory

cc: Ms. Kathryn C. Brown
Mr. Donald K. Stockdale, Jr.
Ms. Melissa E. Newman
Ms. Radhika Karmarkar
Ms. Katherine Schroder
Mr. Jeffrey Lanning