

Todd F. Silbergeld
Director
Federal Regulatory

SBC Communications Inc.
1401 I Street, N.W.
Suite 1100
Washington, D.C. 20005
Phone 202 326-8888
Fax 202 408-4806



EX PARTE OR LATE FILED

October 1, 1998

ORIGINAL

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 for your information and reference is SBC Communications' *September 1998 Report* that outlines the 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. The report 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 in all of SBC's seven states. For example, 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,

Enclosure

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

No. of Copies rec'd
List A B C D E

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

SEPTEMBER 1998 REPORT -- OVERVIEW 1

SBC'S CAPITAL AND EXPENSE INVESTMENTS TO OPEN ITS MARKETS 2

INTERCONNECTION AGREEMENTS 2

- *Signed Agreements:* 2
- *PUC Approved Agreements:* 3
- *Current Negotiations:* 3

CLECS COMPETING AGAINST SBC 3

SBC ACCESS LINES LOST TO CLECS BASED ON E-911 LISTINGS AND RESALE 3

SUMMARY TABLE OF LINES LOST—CONSERVATIVE ESTIMATE 3

REALISTIC ESTIMATE OF TOTAL COMPETITIVE LINES SERVED BY CLECS 4

SBC HAS MADE RESALE AVAILABLE 4

FACILITIES-BASED COMPETITION STATUS: 5

CLEC E-911 NUMBERS—BEST CONSERVATIVE INDICATOR OF FACILITIES-BASED COMPETITION 5

NUMBERS PORTED—ANOTHER INDICATOR OF FACILITIES-BASED COMPETITION 6

MINUTES EXCHANGED – ANOTHER INDICATOR THAT SBC'S NETWORKS ARE OPEN..... 6

UNES, INTERCONNECTION AND OTHER FACILITIES-BASED PRODUCTS PROVIDED BY SBC TO CLECS 6

- *Interconnection Trunks:* 6
- *Unbundled Loops:* 6
- *CLEC Collocation Arrangements:* 7
- *E-911 Trunks:* 7
- *DA/OS Trunks:* 7

TELEPHONE NUMBERS REQUESTED BY AND ASSIGNED TO CLECS 7

ACCESS TO SBC WHITE PAGE DIRECTORIES 7

ACCESS TO SBC POLES AND CONDUITS 7

CLEC ORDERS HANDLED BY SBC'S OSS AND LOCAL SERVICE CENTERS 7

PERFORMANCE MEASUREMENTS 8

CONCLUSION 8

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

September 1998 Report -- Overview

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 and that all 14 checklist items are legally and practically available to CLECs that want them. CLECs have obtained a **minimum of 1.1 million to 1.8 million resold and facilities-based lines in SBC's states**. As described below, the 1.1 million lost lines figure is a minimum and clearly understated number and the 1.8 million figure is a realistic estimate based on very conservative assumptions. Of the approximately **1.8 million** lines obtained by CLECs, approximately **686,000** were resale lines and an estimated **1.1 million** 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 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 August, 1998:

- SBC has also signed 378 interconnection agreements with local wholesale customers and 278 of these agreements have been approved by state PUCs
- 249 CLECs are operational and have passed local orders to SBC
- More than 120 CLECs are using SBC's Directory Assistance and Call Completion Services
- More than 2.7 million CLEC service orders have been processed without a backlog
- 534,000 CLEC customers are listed in SBC's White Pages
- More than 417,000 trunks have been provisioned to CLECs (with a call carrying capacity of 4.1 million lines and it is estimated that each of these trunks supports at least 2.75 CLEC lines)
- 101,000 lines have been converted to CLECs via interim number portability
- 54,000 unbundled loops have been provisioned
- 777 operational physical collocation cages have been provided to CLECs
- 26 million telephone numbers have been provided to CLECs for facilities-based use

- More than 17.2 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, it is actively participating in collaborative processes in Texas and California, and it is working with 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 378 interconnection and resale agreements within SBC's seven-state service area. In addition, 535 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 378 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 278 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: 121; California: 31; Kansas: 34; Arkansas: 30; Oklahoma: 20; Missouri: 29 and Nevada: 13 approved agreements.

- **Current Negotiations:**

SBC currently is in the process of negotiating more than 539 additional interconnection, resale and combination interconnection agreements.

CLECs Competing Against SBC

- As of the end of August 1998, 249 CLECs were operational in SBC's territory and passing resale, interconnection or UNE orders to SBC. 108 CLECs were passing orders in Texas alone.

SBC Access Lines Lost to CLECs Based on E-911 Listings and Resale

- Through the end of August 1998, more than 1.1 million access lines have been captured by CLECs through resale or through the establishment of new facilities-based service (based on E-911 by CLECs in SBC's seven-state service area). Approximately 686,000 SBC lines have been resold by CLECs and approximately 463,000 additional customers are being served on a facilities-basis (as indicated by CLEC E-911 listings) by CLECs in SBC's territory. As described below this is a conservative and minimum number of lines served by CLECs.

SUMMARY TABLE OF LINES LOST—CONSERVATIVE ESTIMATE

A conservative and understated estimate of the approximate number of lines lost to CLECs in SBC's 7 states on a resale and facilities-basis (using E-911 listings as the indicator) is:

	<u>Resale Total</u>	<u>Resale Residential</u>	<u>Resale Business</u>	<u>Resale Priv. Coin</u>	<u>Facilities Based Lines</u>	<u>Total Lines Lost</u>
a) California:	249,879	122,318	118,265	9,296	336,716	586,595
b) Texas:	302,340	192,856	95,738	13,746	72,101	374,441
c) Kansas:	57,783	25,743	32,030	10	2,509	60,292
d) Oklahoma:	31,408	24,088	7,139	181	19,628	51,036
e) Missouri:	27,068	15,136	11,881	51	5,521	32,589
f) Arkansas:	16,021	14,178	1,843	0	12,016	28,037
g) Nevada:	1,993	346	1,647	0	14,408	16,401
RESOLD LINES:	686,492	394,665	268,543	23,284		
FACIL.-BASED LINES LOST:					462,899	
SBC TOTAL LINES LOST:						1,149,391

REALISTIC ESTIMATE OF TOTAL COMPETITIVE LINES SERVED BY CLECS

It is also possible to estimate how many lines are being served by facilities-based carriers by calculating the "estimated bypass" associated with the interconnection trunks that have been provided to CLECs. Facilities-based CLECs do not order trunks unless they have local lines and traffic to support and utilize such trunks. Based on past engineering experience, most LECs would estimate that every trunk could support approximately ten facilities-based lines. Since CLEC networks may not be engineered for maximum efficiency and since CLECs are disproportionately serving heavy use Internet lines, we have made the very conservative assumption that CLEC trunks are serving only 2.75 facilities-based lines per end-office interconnection trunk. Using, this conservative methodology demonstrates that **CLECs are serving approximately 1.8 million lines in SBC's states (i.e., 686,492 resold lines and an estimated 1,092,972 facilities-based lines).** The following chart illustrates the number of resold and bypass facilities-based lines that are being served by CLECs in SBC's seven states:

	<u>Resold Lines</u>	<u>Unbundled Loops</u>	<u>Total Lines Provided By SBC</u>	<u>Interconnection Trunks</u>	<u>Estimated Bypass Lines¹</u>	<u>Total Competitive Lines served by CLECs</u>
California	249,879	43,827	293,706	257,633	664,663	914,542
Texas	302,340	425	302,765	118,424	325,241	627,581
Missouri	27,068	1,798	28,866	16,873	44,602	71,670
Kansas	57,783	400	58,183	3,964	10,501	68,284
Oklahoma	31,408	1,740	33,148	11,314	29,373	60,781
Arkansas	16,021	1,908	17,929	6,098	14,861	30,882
Nevada	1,993	3,931	5,924	2,808	3,791	5,784
TOTAL	686,492	54,029	740,521	417,114	1,092,972	1,779,524

SBC has made Resale available

- Given that CLECs now resell more than **686,000** 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.

¹ Bypass estimate assumes 2.75 lines per interconnection trunk minus the number of Unbundled Loops. This number represents the estimated number of bypass lines served by facilities-based carriers in SBC's seven states.

- Resale activity slowed from February through August, 1998 as AT&T and MCI continued their efforts to redline the residential resale market in California. For example, between March and August 1998, cumulative residential resale lines in California declined by more than 25,000 lines as a result of publicly acknowledged decisions by AT&T and MCI to stop signing up new residential resale customers in California and by encouraging their existing resale customers to switch to other carriers. Nevertheless, even if the major IXCs chose for their own strategic, internal business and regulatory reasons not to take advantage of the residential 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 its local wholesale customers. 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 a minimum of **462,000 to 1.1 million 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 lines served by Interconnection Trunks) demonstrate that there is significant and growing facilities-based competition in SBC's states and that a minimum of **462,000 lines** are being served by facilities-based carriers and that a more realistic estimate is that an estimated **1.1 million lines** are being served on a facilities-basis by CLECs in SBC's states.

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

- CLEC listings in the E-911 database is the best conservative available indicator of the minimum number of access lines being served on a facilities basis by facilities-based carriers. These numbers, however, underestimate the actual number of facilities-based lines being provided by CLECs because many businesses only use a single number or a few numbers to serve a large group of access lines. Nevertheless, the E-911 listings show that CLECs serve a minimum of **462,899 lines** in SBC's 7 states on a facilities-basis. Specifically, CLECs have requested E-911 service for 462,899 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 337,000 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: 72,000; Oklahoma: 19,600; Nevada: 14,000; Arkansas: 12,000; Missouri: 5,500; and Kansas: 2,500 facilities-based lines.
- See above for a description of the 1.8 million facilities-based lost lines estimate based on interconnection trunks being used by CLECs.

Numbers Ported—Another Indicator of Facilities-Based Competition

- More than **101,000** 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-traffic.

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

- The fact that more than **17.2 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 **5.3 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 **11.9 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 **17.2 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 **417,100** 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 4.1 million lines. Moreover, as described above, facilities-based carriers do not order trunks from SBC unless they have local lines and traffic to utilize such trunks. It can be conservatively estimated that each trunk being used by a CLEC is supporting at least 2.75 facilities-based lines being provided by that CLEC. 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: 257,000 trunks; Texas: 118,000; Oklahoma: 11,300; Missouri: 16,800; Arkansas: 6,100; Kansas: 3,900; and Nevada: 2,800 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 **54,000** 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. 777 physical collocation arrangements are operational in SBC's seven-state service area -- 243 of these are in SWBT's region, with 531 in California.

- 369 physical collocation arrangements (104 in SWBT and 264 in California/Nevada) are currently being worked on and pending completion.

- 119 virtual collocation arrangements are operational in SWBT's five-state territory.

- **E-911 Trunks:**

CLECs have requested and SBC has provisioned **839** operational E-911 trunks to facilities-based CLECs in SBC's seven-state service area. Of this number, 568 are located in California and 265 are in SWBT states.

- **DA/OS Trunks:**

More than 1,100 Directory/Operator Assistance trunks have been provisioned by SWBT to CLECs in the five SWBT states. More than 120 CLECs are using SWBT's Directory Assistance and "O" Call Completion services.

Telephone Numbers Requested By and Assigned to CLECs

- More than 2,646 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 289 assignments pending. In other words, CLECs have requested and SBC has assigned **26.4 million** telephone numbers to CLECs in its seven states; more than 14.8 million numbers have been requested by CLECs in California and an additional 11.6 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 **534,000** white page listings for its local wholesale customers. Of these listings, 354,000 have been in SWBT states and 178,000 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 **2.7 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 1.8 million orders from CLECs have been processed in the SWBT five-state region and approximately 900,000 orders have been processed in California/Nevada. The fact that SWBT processed more than 1.2 million orders in 1997, and an additional 1.3 million orders in the first eight 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 1.4 million CLEC service orders in Texas have been processed, with over 756,000 orders processed in January through August 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 confirms that CLECs have captured an estimated 1.8 million resold and facilities-based 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.
- IXCs and CLECs who have made a strategic decision not to invest or compete in SBC's local markets on a broad-scale or facilities 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

Date Produced: 9/21/98

Data through: 8/98 (unless otherwise noted)

Shaded data through 7/98 (unless otherwise noted)

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

#	CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	AR					SWBT's			CA	NV	SBC TOTAL
			KS	MO	OK	TX	5 States						
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 (see item #7 for more trunk information). SWBT a/o 9/16/98; WR a/o 8/31. · One Way Trunks (SBC to CLEC) · One Way Trunks (CLEC to SBC) · Two Way Trunks Physical Collocation * · Operational Cages · Pending Cages Virtual Collocation * · Operational Arrangements · Pending Arrangements Number of Collocated Wire Centers	6,098	3,964	16,873	11,314	118,424	156,673	257,633	2,808	417,114		
			4,382	2,016	6,847	8,505	58,416	80,166	14,186	0	94,352		
			738	640	2,451	1,609	21,551	26,989	1,690	0	28,679		
			978	1,308	7,575	1,200	38,457	49,518	241,757	2,808	194,083		
			10	16	39	33	145	243	531	3	777		
			0	4	12	3	85	104	264	1	369		
			7	7	11	9	85	119	0	0	119		
			0	1	1	0	102	104	1	0	105		
			4	13	12	17	73	119	151	3	273		
2	Nondiscriminatory access to network elements (In addition, See Items 3-6 below)	Number of CLECs passing orders in 1998 Total orders processed (2/6/96 - 8/98) ** · Manual · Electronic Total orders processed in 1997 ** · Manual · Electronic Total orders processed in 1998 ** · Manual · Electronic Total orders processed in August 1998 ** · Manual · Electronic	19	19	23	18	116	197	47	5	245		
			92,180	128,587	78,928	108,279	1,439,635	1,847,609	894,404	6,761	2,748,774		
			85,977	82,061	39,585	94,590	1,106,821	1,409,034	100% in 1996	6,761			
			6,203	46,526	39,343	13,689	332,814	438,575	269,268	0	707,844		
			19,035	41,476	6,396	22,832	641,098	730,837	516,162	3,511	1,250,510		
			19,035	28,972	6,309	20,408	495,077	569,801	~80%	3,511			
			0	12,504	87	2,424	146,021	161,036	~20%	0			
			73,145	87,111	72,528	85,443	756,933	1,075,160	308,045	3,250	1,386,405		
			66,942	53,089	33,272	74,178	570,140	797,621	142,009	3,250	942,880		
			6,203	34,022	39,256	11,265	186,793	277,539	166,036	0	443,579		
			18,587	13,461	13,792	16,721	144,104	206,665	23,185	338	230,189		
			17,043	7,952	5,104	13,707	115,075	158,881	14,143	338			
			1,544	5,509	8,688	3,014	29,029	47,784	9,042	0			
3	Nondiscriminatory access to poles, ducts, conduits and rights of way	Total Number of Poles Attached (Note 1) Total Feet of Duct Occupied (Note 1)	251	56	388	186	2,542	3,423	370,060	508	373,991		
			241,801	13,214	61,530	98,355	706,180	1,121,080	7,236,650	16,225	8,373,959		
4	Local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.	Unbundled Loops	1,908	400	1,798	1,740	425	6,271	43,827	3,931	51,029		
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? · Shared Transport Available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		
			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	0	0	160	160	178	0	338		
7	Nondiscriminatory access to 911 and E911, directory assistance, and operator call completion services.	E911 Trunks (not included in Item 1 Total) DA/OA Trunks (not included in Item 1 Total) *** CLECs using Directory Assistance Service (Note 2) CLECs using "0" Call Completion Service (Note 2) Are CLECs offered E-911 service directly to government bodies or interconnecting with SBC's existing service arrangements? Number of Facilities Based CLEC End User E-911 Listings (MOKA a/o 8/2/98 & TX a/o 8/9/98) · Residence · Business · Total	18	24	16	20	187	265	568	6	839		
			88	0	88	85	841	1,102	32	18	1,152		
			11	13	18	11	107	124	Data Not Available	Data Not Available			
			11	12	17	10	106	123	Data Not Available	Data Not Available			
			Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		
			508	2	42	95	6,253	6,900	Res/Bus Split		6,900		
			11,508	2,507	5,479	19,533	65,848	104,875	Not Available		104,875		
			12,016	2,509	5,521	19,628	72,101	111,775	336,716	14,408	462,899		
8	White pages directory listing for customers of other carrier's telephone exchange service.	Number of CLEC End User White Pages Listings · Resale · Facilities Based · Total	14,396	49,335	22,224	28,122	233,526	347,603	156,702	719	505,024		
			801	314	1,042	1,158	3,644	6,959	21,097	924	28,980		
			15,197	49,649	23,266	29,280	237,170	354,562	177,799	1,643	534,004		

SBC's Section 251 / Checklist Provisioning Status

Date Produced 9/21/98

Data through: 8/98 (unless otherwise noted)
 Shaded data through 7/98 (unless otherwise noted)

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

#	CHECKLIST DESCRIPTION	PRODUCTS PROVIDED	AR	KS	MO	OK	TX	SWBT's 5 States	CA	NV	SBC TOTAL
9	Nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers	Telephone Numbers Provided to CLECs (Note 3) a/o 9/10/98 - Numbers Assigned - Numbers Pending Assignment	140,000 0	210,000 0	1,130,000 380,000	560,000 0	9,560,000 100,000	11,600,000 480,000	14,830,000 2,410,000	30,000 0	26,460,000 2,890,000
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 3,765 3,770	0 1,349 1,349	2 2,347 2,349	0 14,841 14,841	40 26,806 26,846	47 49,108 49,155	0 44,066 44,066	0 7,903 7,903	47 101,077 101,124
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 July 1998 (in Millions) - From SBC to CLEC - From CLEC to SBC - Total Local and EAS Minutes of Use Exchanged Over Interconnection Trunks in August 1998 (in Millions) - From SBC to CLEC - From CLEC to SBC - Total	36.3 14.8 50.9	5.7 0.0 5.7	52.6 0.5 53.1	176.7 14.0 190.7	350.3 337.5 687.8	621.6 366.6 988.2	3,512.6 743.8 4,256.4	35.8 0.0 35.8	4,170.0 1,110.4 5,280.4
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	1,843 0 14,178 16,021	32,030 10 25,743 57,783	11,881 51 15,136 27,068	7,139 181 24,088 31,408	95,738 13,746 192,856 302,340	148,631 13,988 272,001 434,620	118,265 9,296 122,318 249,879	1,647 0 346 1,993	268,543 23,284 394,665 686,492

Note 1 CA and NV data updated bi-annually. 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 11.88B 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 MOU recording days decreased between July and August, reflecting some decreases in MOU. Also, the green, bolded, italicized data is updated MOU data not originally reflected in the July report.

* Count now reflects number of cages for all SBC States. Prior to 7-98 report, only the single instance of collocation by CLEC by wire center was counted for SWBT States.
 ** CA Order Volumes reflect a true-up to include resale and previously unrecorded facilities-based activity (Facilities-based data taken from the Carter Report).
 *** 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	AR	KS	MO	OK	TX	SWBT's 5 States	CA	NV	SBC TOTAL
Number Approved	28	59	46	46	164	343	132	60	535
Number Pending	24	6	23	18	10	81	19	2	102
CLEC Interconnection Agreements a/o 9/16/98									
Number Signed (Resale, FB, & Combo)	39	44	45	45	150	323	39	16	378
Number Approved (Resale, FB, & Combo)	30	34	29	20	121	234	31	13	278
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)	69	68	82	72	149	440	61	38	539