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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
1998 Biennial Regulatory Review --)	
Part 61 of the Commission's Rules)	CC Docket No. 98-131
and Related Tariffing Requirements)	
)	

REPLY COMMENTS OF SBC COMMUNICATIONS INC.

SBC Communications Inc. (SBC), on behalf of Southwestern Bell Telephone Company (SWBT), Pacific Bell, and Nevada Bell, and pursuant to the Notice of Proposed Rulemaking (NPRM)¹ issued July 24, 1998 by the Federal Communications Commission (Commission), hereby respectfully submits its reply comments to the comments filed upon the issues raised in the NPRM.

As SBC stated in its comments, USTA correctly points out that the changes proposed in the Commission's notice do not satisfy the requirements of Section 11 of the Telecommunications Act to review all of its rules every two years and to repeal or modify those that are no longer in the public interest. Instead, the changes proposed by the NPRM would still result in the micromanagement of incumbent local exchange carrier (ILEC) business operations. SBC maintains that the USTA approach is the one which should be adopted for this review.

The Commission cannot afford to spend the valuable resources debating only the types of changes it has proposed in this proceeding. It should immediately address the types of regulatory change proposed in USTA's prior petition and the comments it filed in this proceeding. If the Commission, however, wishes to examine the rules as it

¹1998 Biennial Regulatory Review -- Part 61 of the Commission's Rules and Related Tariffing Requirements, CC Docket No. 98-131, Notice of Proposed Rulemaking (FCC 98-164), (released July 24, 1998) (NPRM).

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detailed in the NPRM, SBC notes the following concerns with the proposals discussed in the comments:

Section 61.3 – Definitions.

(e) Base period.

The definition of base period should be changed to the 12 month calendar year preceding the tariff year. The proposed definition would lock the effective date of the annual filings to July 1. With this proposal, any future change in the effective date of the annual filing would not require a change in definitions.

(y) Price cap tariff.

The heading should be changed to "Price cap tariff filing" as the proposed definition does not define the term (the definition describes an event while the heading refers to an object.)

Section 61.20 - Method of Filing Publications.

(c) The option to file a "zip disk" should be allowed. These disks contain 100 meg and the "zip" drives are widely available at lower prices than the rewriteable CD-ROM drives.

Section 61.22 - Composition of tariffs.

(a) As with section 61.20 (c) above, the option to file a "zip disk" should be included.

Section 61.43 - Annual Price Cap Filings Required.

In the second line, "upcoming year" should be changed to "upcoming tariff year."

In the third line, "incorporate the costs and rates of the new services" should be changed to delete the word "cost" because costs are provided at the time of introduction of the service, not at the time the new service enters price caps.² An exception to this would be needed if the Commission were to order exogenous cost treatment of specific

² Cf., Frontier, Attachment 1, p. 22.

costs during introduction of a restructured service, such as when 800 database service was introduced. SBC, however, acknowledges that this is the exception to the rule and suggests that these situations should continue to be handled by Commission orders rather than by codification of a specific rule.

In the last sentence, “may propose rate or other tariff changes” should be changed to “may propose rate, PCI or other tariff changes” to provide recognition of the various types of filings a LEC may make during the year.

Notice Requirements

Bell Atlantic correctly points out that the Commission should eliminate minimum notice periods for tariff filings by dominant carriers other than those mandated by Section 204(a)(3) of the Act.³ SBC agrees with this proposal. There is no reason to establish any notice period by rule other than the ones allowed under Section 204(a)(3) of the Act.

Paragraph 12 of the NPRM proposes to move the notice requirements in Section 61.51 to 61.58(a)(2) and eliminate Sections 61.51 and 61.58(d)(2). The Commission tentatively concludes it would simplify Part 61 to codify all notice requirements for dominant carriers in Section 61.58.

SBC supports moving 61.51 to 61.58(a)(2), elimination of 61.51 and 61.58(d)(2) and placing all notice requirements for dominant carriers in Section 61.58. This moves the Commission closer to its goal of simplifying Part 61’s notice requirements within one section of the rules to simplify compliance and review of the specified requirements.

Section 61.59 (and Section 61.24) - Effective Period Required Before Changes

SBC supports USTA’s recommendation to eliminate Section 61.59, which requires that tariffs be in effect for thirty days before any changes can be made. This section is inconsistent with Section 204(a)(3) of the Act as discussed above, which allows carriers to file a new or revised charge, classification, regulation or practice on a

³ Bell Atlantic, p. 13.

streamlined basis, and which does not contain an exception for situations in which a newly revised tariff needs to be revised again. If the Commission does not remove Section 61.59 (and the corresponding provision for non-dominant carriers in section 61.24), SBC proposes, at a minimum, that both sections be made to read the same so as to treat all carriers equally when it comes to the effective period required before changes can be made without special permission.⁴

To allow non-dominant carriers to make changes after material has been in effect for 15 days (through the proposal of section 61.24) while dominant carriers must wait 30 days gives the non-dominant carriers an unfair advantage when it comes to rolling out new services and/or rate changes. Dominant carriers can request special permission to waive this section, but placing the application for special permission on the public record gives competitors an unfair advance notice of what the dominant carrier is proposing.

Electronic Filings

The NPRM proposes to amend Part 61 to apply to carriers submitting filing fees electronically. Ameritech suggests one modification to the rules in addition to those suggested by the Commission. Currently, the rules state that, if the Commission receives a tariff transmission after 5:30 P.M. Eastern Time, the transmission is dated and timed as received the following business day. Ameritech recommends that the electronic filing language be changed to permit carriers to change the issue and effective date on tariff pages and to file the material without an additional filing fee in cases where the original filing is delayed due to errors or failures in the Commission's system.⁵ SBC agrees with this idea. This change would simplify filings when there is a problem with the Commission's Electronic Tariff Filing System (ETFS).

Posting

Consistent with the Commission's reasoning for its proposed changes for tariff

⁴ See, Ameritech, pp. 5-6; Bell Atlantic, p. 5; NTCA, p. 2.

⁵ Ameritech, pp. 3-4.

posting requirements, NECA suggests that the Commission clarify that electronic communications and Internet website postings may also be used as notifications where appropriate.⁶ This suggestion is sensible. All potential parties should be able to access Internet postings at least as well as the traditional newspaper announcement. There is no need to require both. Likewise, there is no reason to require that a copy of the tariff be maintained at the place of business if it is available on the company's or the Commission's website.⁷ Most public libraries allow Internet access for those that do not have a personal account.

GTE supports the revision of Section 61.72 to require that carriers only provide a telephone number for public inquires about information contained in their tariffs.⁸ SBC agrees. This change would allow for outdated inquiry methods to be eliminated.

Coding

NECA notes that the Commission's Part 61 rules also reserve certain alphabet letter "symbols" for use in identifying tariff changes. NECA suggests a reduction in the number of coding options by expanding the symbol "T" to signify any change in tariff text, and possibly eliminating "C" (signifying a changed regulation), "N" (signifying a new rate or regulation), "D" (signifying a discontinued rate or regulation) and "Z" (signifying a correction). SBC agrees that a reduction would help make tariff preparation more efficient without injuring the staff's ability to review the changes. Reducing the number of codes would make the coding process easier and would simplify review for those reading the tariffs. The reader could more readily understand what the codes mean without having to flip to the section that explains the codes in the front of the tariff.

SBC proposes that having only one code to signify text changes would be easier

⁶ NECA, p. 4.

⁷ TRA, p. 4.

⁸ GTE, p. 8.

than one code for non-regulation changes, one for new rates or regulations, one for changes to a regulation, one for deletion of regulations, and one for corrections. Nevertheless, it could be satisfactory at this point to modify the system to identify "C" for a change in text or regulation which could encompass the current "T", "C", "D", and "Z" codes. "N" would stand for new rates or regulations, "I" for an increase in rates and "R" for a reduction in rates. "S" would represent reissued material and "M" would show moved material.

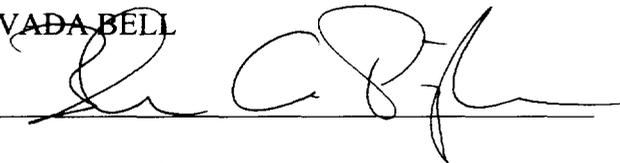
CONCLUSION

For the foregoing reasons, the SBC Companies respectfully request that the USTA proposals be adopted, as well as those changes to the Commission's proposals listed herein.

Respectfully submitted,

SBC COMMUNICATIONS INC.
SOUTHWESTERN BELL TELEPHONE COMPANY
PACIFIC BELL
NEVADA BELL

By



Robert M. Lynch
Durward D. Dupre
Roger Toppins
Michael J. Zpevak
Thomas A. Pajda
One Bell Plaza, Room 3003
Dallas, Texas 75202
214-464-5307

Their Attorneys

November 16, 1998

Certificate of Service

I, Mary Ann Morris, hereby certify that the foregoing "Reply Comments Southwestern Bell Telephone Company," in CC Docket Number 98-131 has been served on November 16, 1998 to the Parties of Record.


Mary Ann Morris
Mary Ann Morris

November 16, 1998

OFFICE OF THE SECRETARY
FEDERAL COMMUNICATIONS COMMISSION
THE PORTALS
445 TWELFTH STREET SW
WASHINGTON DC 20554

INTERNATIONAL TRANSCRIPTION SERVICES
(ITS)
1231 20TH STREET N W
WASHINGTON DC 20036

SPRINT CORPORATION
JAY C KEITHLEY
1850 M STREET NW
11TH FLOOR
WASHINGTON DC 20036-5807

SPRINT CORPORATION
SANDRA K WILLIAMS
P O BOX 11315
KANSAS CITY MO 64112

U S WEST COMMUNICATIONS INC
JAMES T HANNON
SUITE 700
1020 19TH STREET NW
WASHINGTON DC 20036

AMERITECH
MICHAEL S PABIAN
ROOM 4H82
2000 WEST AMERITECH CENTER DRIVE
HOFFMAN ESTATES IL 60196-1025

BELLSOUTH CORPORATION
M ROBERT SUTHERLAND
RICHARD M SBARATTA
SUITE 1700
1155 PEACHTREE STREET NE
ATLANTA GA 30309-3610

ALLTEL COMMUNICATIONS SERVICES
CORPORATION
655 15TH STREET NW
SUITE 220
WASHINGTON DC 20005

FRONTIER CORPORATION
MICHAEL J SHORTLEY III
SENIOR ATTORNEY AND DIRECTOR
180 SOUTH CLINTON AVENUE
ROCHESTER NY 14646

UNITED STATES TELEPHONE ASSOCIATION
LAWRENCE E SARJEANT
LINDA L KENT
KEITH TOWNSEN
JOHN W HUNTER
1401 H STREET NW
SUITE 600
WASHINGTON DC 20005

AT&T CORPORATION
MARK C ROSENBLUM
J MANNING LEE
295 NORTH MAPLE AVENUE
ROOM 3245H1
BASKING RIDGE NJ 07920

ATU-LONG DISTANCE
ELISABETH H ROSS
JAMES H LISTER
BIRCH HORTON BITTNER AND CHEROT
1155 CONNECTICUT AVENUE NW
SUITE 1200
WASHINGTON DC 20036

ALASKA NETWORK SYSTEMS
ELISABETH H ROSS
JAMES H LISTER
BIRCH HORTON BITTNER AND CHEROT
1155 CONNECTICUT AVENUE NW
SUITE 1200
WASHINGTON DC 20036

NATIONAL TELEPHONE COOPERATIVE
ASSOCIATION
L MARIE GUILLORY
JILL CANFIELD
2626 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20037

BELL ATLANTIC
JOSEPH DIBELLA
1320 NORTH COURT HOUSE ROAD
EIGHTH FLOOR
ARLINGTON VA 22201

GTE
JOHN F RAPOSA
600 HIDDEN RIDGE
P O BOX 152092
IRVING TX 75015-2092

GAIL L POLIVY
GTE SERVICE CORPORATION
1850 M STREET NW
WASHINGTON DC 20036

TELECOMMUNICATIONS RESELLERS
ASSOCIATION
CHARLES C HUNTER
CATHERINE M HANNAN
HUNTER COMMUNICATIONS LAW GROUP
1620 I STREET NW SUITE 701
WASHINGTON DC 20006

THE NATIONAL EXCHANGE CARRIER
ASSOCIATION, INC
RICHARD A ASKOFF
PERRY S GOLDSCHHEIN
100 SOUTH JEFFERSON ROAD
WHIPPANY NJ 07982