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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

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International Settlement Rates

IB Docket No. 96-261

APR 13 1999

Petition of AT&T, MCI WorldCom
and Sprint for Enforcement of
International Settlements
Benchmark Rates for Services
with the Netherlands Antilles

DA 99-479

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

To: International Bureau

OPPOSITION OF AT&T, MCI WORLDCOM, AND SPRINT

AT&T Corporation ("AT&T"), MCI WorldCom, Inc. ("MCI WorldCom")
and Sprint Communications Company LP ("Sprint") (collectively, "U.S. carriers" or
"Petitioners") respectfully oppose in part the April 7, 1999 Motion for Extension of Time
to File Comments and Reply Comments ("Motion") by Antelecom N.V. ("Antelecom").
In its Motion, Antelecom requests an additional three-month period to file pleadings in
the above-captioned proceeding. While Petitioners would not object to grant of a one-
week extension to Antelecom,¹ Petitioners respectfully submit that grant of Antelecom's
extraordinary request is not justified and would not be in the public interest.

Antelecom is the monopoly provider of long distance service for the Netherlands

¹ In its Motion, Antelecom misrepresents its discussions with Petitioners prior to the filing of the instant Motion. Petitioners did not tell counsel for Antelecom that any extension of time was unnecessary. See Motion at footnote 5. Rather, the Petitioners stated that while we found no justification for a 90-day extension, we would not oppose a request by Antelecom for an additional week to file comments.

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Antilles. Pursuant to the Commission's *Benchmarks Order*,² U.S. carriers are required to negotiate an IMTS settlement rate with Antelecom no greater than \$0.15 per minute effective January 1, 1999. Because Petitioners have been unable to comply with this requirement, we have requested the FCC to initiate proceedings to enforce the \$0.15 settlement rate benchmark with respect to IMTS traffic between the U.S. and the Netherlands Antilles.³

In response, Antelecom argues that additional time is necessary for it to understand the *Benchmarks Order* and to consult with its Government regarding the effect of that order on Antelecom. Antelecom states that these efforts could take several weeks. Motion at 6. But Antelecom has been on notice since the Commission's original *Benchmarks Order* was adopted in August of 1997 - over a year and a half ago - that U.S. carriers must negotiate settlement rates in compliance with that order.

During this period, the Commission and the U.S. Government have undertaken extensive outreach efforts to inform the international telecommunications community about the *Benchmarks Order*, including through participation in various international telecommunications organizations such as the ITU and CITEL. In addition, Antelecom has, by its own admission, negotiated with AT&T on settlement rates just over four months ago. Motion at 4. During these negotiations, AT&T informed Antelecom of the Commission's settlement rate benchmarks. See Sworn affidavit of Thomas R. Luciano,

² International Settlement Rates, 12 FCC Rcd 19806 (1997), *recon. pending, aff'd sub nom. Cable and Wireless plc et al. v. FCC*, C.A.D.C. No. 97-1612, decided January 12, 1999, *recon. en banc denied* March 11, 1999.

³ Petition of AT&T, MCI WorldCom and Sprint for Enforcement of International Settlements Benchmark Rates for Services with the Netherlands Antilles ("Petition"), February 25, 1999.

attached to the U.S. carriers' Petition. It rather appears, therefore, that Antelecom has received ample notice of the Commission's *Benchmarks Order* from multiple sources but has nonetheless chosen to ignore it.

Antelecom's contention (Motion at 2, 4-5) that a three month extension is required to allow further settlement rate negotiations with U.S. carriers is also unpersuasive.

Antelecom's contention is unpersuasive. As set forth in the Affidavit of Thomas R. Luciano, AT&T's Vice President for Settlement Operations, which was filed with the Petition in this proceeding, AT&T met with Antelecom on no fewer than four separate occasions during 1998. At those meetings, AT&T was unable to obtain Antelecom's agreement to settle traffic at the benchmark rate from January 1, 1999 or, indeed, to provide any reduction at all for its \$0.38 settlement rate -- which was first established in 1988. Luciano Aff. para. 4.

Antelecom disputes none of these facts and merely asserts (Motion at 4) that it "is committed to the negotiation of revised rates," that it "does not believe that the discussions between Antelecom and AT&T have progressed to the point that recourse to an FCC enforcement action is necessary" and that it purportedly has "a number of ideas and proposals" to put forward to Petitioners. However, Antelecom conspicuously fails to indicate that it is willing to negotiate settlement rates that are at or below the benchmark level. Indeed, counsel for Antelecom has specifically indicated in discussions with counsel for MCI WorldCom and Sprint that Antelecom wishes to negotiate rates that would remain above the benchmark level for traffic settled as of January 1, 1998.

Nor does the fact the last meeting between AT&T and Antelecom occurred "over 4 months ago" (Motion at 4) justify any extension here. AT&T states that it has told

Antelecom that it is ready to meet at any time to negotiate settlement rates for 1999 and future years. Since the last meeting between AT&T and Antelecom in November 1998, AT&T has twice made arrangements for further meetings -- in New Orleans in late 1998 and in New Jersey in March 1999. However, neither of these meetings occurred because of last-minute cancellations by Antelecom.

Now that Commission action is imminent, Antelecom belatedly seeks to postpone the inevitable for an additional three months, purportedly to restart negotiations and to familiarize itself with the *Benchmarks Order*. Even assuming that Antelecom's newly discovered motivation to negotiate settlement rates is sincere, that is no reason to grant an extension of time for the requested ninety day period.⁴ Negotiations may continue during the instant proceeding. If they are successful, the proceeding can be dismissed as moot. If they are unsuccessful, U.S. consumers will be that much closer to relief from the above-cost subsidies they have borne for many years.

⁴ As noted above, the Petitioners would not object to grant of a one-week extension of time to Antelecom.

Section 1.46(a) of the Commission's rules provides that extensions of time shall not be routinely granted. The public interest would not be served by such a lengthy extension at this late date and the request should be denied.

Respectfully submitted,



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April 13, 1999

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Opposition of AT&T, MCI Worldcom, and Sprint** was sent by messenger or by United States first-class mail, postage prepaid, on this the 13th day of April, 1999 to the parties on the attached list.


Christine Jackson

April 13, 1999

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