

ORIGINAL

WILKINSON, BARKER, KNAUER & QUINN, LLP

Washington, DC
Frankfurt, Germany

2300 N Street, NW
Washington, DC 20037-1128

telephone: 202.783.4141
facsimile: 202.783.5851

April 29, 1999

EX PARTE OR LATE FILED

By Hand Delivery

Magalie R. Salas, Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

RECEIVED
APR 29 1999
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

*Re: International Settlement Rates, IB Docket No. 96-261 —
Petition for Enforcement by AT&T, et al., Netherlands Antilles
Disclosure of Presentations to Commission Staff*

Dear Ms. Salas:

Pursuant to Section 1.1206 of the Commission's Rules,* this letter discloses oral and written presentations made by representatives of the Bureau of Telecommunications, Ministry of Traffic and Transportation, Netherlands Antilles; representatives of Antelecom N.V., the sole long distance telephony service provider for the Netherlands Antilles; and the latter's counsel to Ari Fitzgerald (Legal Advisor to Chairman Kennard), Rebecca Arbogast (Division Chief, Telecommunication Division, International Bureau), and members of Ms. Arbogast's staff on Tuesday, April 27, 1999. Attached are two copies of the written presentation made at the

* The Ministry stated in its written request for these meetings its belief that the meetings should fall under the foreign relations exemption to the FCC's *ex parte* rules. Telecom Division staff indicated that they concluded the meetings did not fall under this exemption, but involved a presentation in a open proceeding, and were subject to the permit-but-disclose notification requirements. Although the Ministry continues to believe that the meetings should be treated as foreign relations activities exempt from the *ex parte* restrictions, it has no objection to filing the instant disclosure and such is being submitted in deference to the Division's view of the meetings.

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Magalie R. Salas, Esq.
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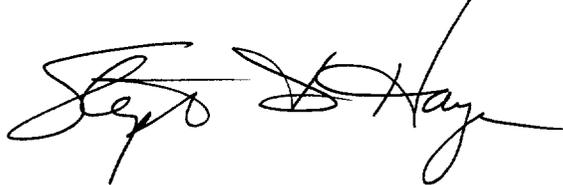
referenced meetings. The oral presentation followed the content of the attached written presentation.

This letter is being submitted in an original and two copies.

Should you have any questions regarding this matter, please contact the undersigned.

Sincerely,

WILKINSON, BARKER, KNAUER & QUINN

A handwritten signature in black ink, appearing to read "Stephen D. Hayes". The signature is fluid and cursive, with the first name "Stephen" and last name "Hayes" clearly legible.

By Stephen D. Hayes

Attachments

cc: Ari Fitzgerald (by hand delivery)
Rebecca Arbogast (by hand delivery)

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MEMORANDUM

To: FCC Staff
From: Government of the Netherlands Antilles and Antelecom
Date: April 27, 1999
Re: *Settlement Rate Renegotiation*

Prime Objective: To obtain informal agreement from the FCC to hold the issuance of an order in the settlement rate benchmarks policy enforcement action in abeyance for up to 90 days in order to permit Antelecom and the U.S. carriers to negotiate a private revised arrangement to the international traffic accounting arrangement between the United States and the Netherlands Antilles.

There is good reason to believe that:

- The avenues for private resolution of the settlement rate revision effort for the Netherlands Antilles have not been fully explored.
- Antelecom wishes to explore a proposed comprehensive solution that will address the rate reform issues of concern the FCC, as well as those of concern to Antelecom and the Antillean Government.
- A compelling case exists for a case-specific flexible application of the FCC's benchmarks policy to the Netherlands Antilles.
- Reaching a private solution could be compromised by additional governmental action.

The Antillean Government is:

- Keenly interested in reaching a mutually-satisfactory solution that addresses the interests of all parties, without substantial government involvement.

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The Antillean Government is:

- Keenly interested in reaching a mutually-satisfactory solution that addresses the interests of all parties, without substantial government involvement.

- Is prepared, through unilateral action if necessary, to protect the interests of its operator from any unfair treatment at the hands of the FCC.
- Concerned beyond the interests of Antelecom to the broader governmental interest in the impact of the resolution of this matter to telecom traffic rebalancing, liberalization and privatization in the Netherlands Antilles.

Antelecom:

- Proposes a solution that reaches the cost-based rating objectives of the FCC in a more equitable way than the blanket application of the benchmarks policy.
- Seeks an asymmetrical rate structure that falls within the top-tier benchmark, but which reflects the lower termination costs for U.S. carriers (under the benchmarks methodology).
- Proposed that call back and transit calls must be treated separately, under a higher-rate structure, reflecting both the lack of FCC jurisdiction over rating these services and the favorable impact such higher rate treatment would have on the limitation of these services.
- Prefers a private solution which avoids a public challenge to the FCC's enforcement actions, but is prepared to litigate this matter within the FCC and before the U.S. courts is forced to do so.