

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

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_____)
In the Matter of)
)
Implementation of the)
Local Competition Provisions in the)
Telecommunications Act of 1996)
_____)

CC Docket No. 96-98

**COMMENTS OF THE
AD HOC TELECOMMUNICATIONS USERS COMMITTEE**

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SUMMARY

The members of the Ad Hoc Telecommunications User's Committee ("Ad Hoc" or "Committee") are high-volume users of telecommunications services and facilities who wish to ensure the continued availability of competitively-provided, high-quality, telecommunications services and facilities at reasonable prices. In its initial Comments in this proceeding, Ad Hoc advocated positions that would achieve the pro-competitive goals of the Telecommunications Act of 1996 ("the Act"). Specifically, Ad Hoc promoted the adoption of uniform, nation-wide interconnection standards in order to expedite the introduction of competition in local markets by ensuring uniformity across local jurisdictions.

Upon consideration of the local competition rules adopted by the Commission in its *First Report and Order*, the Supreme Court recently held, *inter alia*, that the Commission did not properly interpret the network element unbundling standard in § 251(d)(2) of the Communications Act. Specifically, the Court rejected the Commission's rule specifying the network elements ILECs are required to unbundle because the Commission failed to consider the availability of network elements outside the incumbent's network before prescribing the set of network elements that ILECs must provide to competitive entrants on an unbundled basis.

The Commission invited comment on this issue in its *Second Further Notice of Proposed Rulemaking*. In response to this request, Ad Hoc proposes a standard for assessing the availability of network elements from non-ILEC providers or through self-provisioning. Under Ad Hoc's proposed standard, an ILEC must provide a network element on an unbundled basis until such times as the ILECs demonstrate that an

equivalent element is available to the competitive entrant at comparable cost and within a comparable timeframe on a competitive, ubiquitous basis throughout the local market.

In response to the Commission's request that commenters apply any standards they propose, Ad Hoc has commented on the lack of ubiquitous competition in local exchange markets. A review of current data regarding the availability of alternative sources of network elements indicates that local markets are far from competitive. As a result, adequate alternative sources of network elements outside the existing incumbent networks are not yet available to competitive entrants in any local exchange market. Thus, the standard proposed by Ad Hoc for determining the availability of network elements from non-incumbent sources is not currently met in any local market.

Therefore, the Commission must continue to require all ILECs to provide on an unbundled basis the elements identified in the *First Report and Order* in this proceeding. The Commission should clarify the process by which an ILEC that believes alternative sources for its network elements exist in a particular market can proffer evidence of such alternatives on a case by case basis for Commission review. Until an ILEC can make such a demonstration, the Commission should affirm its existing UNE requirements so that competitive entry into local markets will not be impeded or delayed. By requiring ILECs to continue to provide the original set of UNEs specified by the Commission in this proceeding, the Commission will ensure that competition is not delayed by regulatory proceedings, and economic efficiency will be achieved by allowing competitors into the market while eliminating requirements for network unbundling in cases where alternatives exist.

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**COMMENTS OF THE
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INTRODUCTION

The members of the Ad Hoc Telecommunications User's Committee ("Ad Hoc" or "Committee") are high-volume users of telecommunications services and facilities who wish to ensure the continued availability of high quality telecommunications services and facilities at reasonable prices. Currently, the members of the Committee are American Express Co., Bank of America, CNF Transportation, EDS Corporation, Fidelity Investments, First Data Corporation, Ford Motor Company, Honeywell, Inc., IBM, J.C. Penney Company, Inc., Monsanto Co., NationsBanc Services, Online Computer Library Center (OCLC), Proctor & Gamble Co., The Sabre Group, United Parcel Service (UPS), USAA, Wal-Mart, and 3M.

The Committee supports the development of competitive markets for telecommunications services, wherever possible, because competitive markets produce cost-based rates and state-of-the-art products and services. Competitive markets also produce both the lowest, most cost-efficient prices and the highest quality services.

Accordingly, the Committee has consistently supported efforts to develop effective competition in telecommunications markets and has opposed rules or policies that inhibit competitive entry by new services providers, whether the rules or policies are promulgated by regulatory bodies or incumbent carriers.

In its initial Comments in this proceeding, Ad Hoc advocated positions that would facilitate the creation of competition in local markets and achieve the pro-competitive goals of the Telecommunications Act of 1996 (“the Act”). In particular, Ad Hoc urged the Commission to adopt national standards for to expedite the introduction of competition in local markets by ensuring uniformity across local jurisdictions. In the *First Report and Order* in this Docket,¹ the Commission adopted many of Ad Hoc’s proposals for the opening of local markets to competition, including the adoption of national standards for ILEC network element unbundling obligations.

On January 25, 1999, the Supreme Court upheld all but one of the Commission’s local competition rules in *AT&T v. Iowa Utilities Board*.² The Court held that the Commission did not properly interpret the network element unbundling standard set forth in § 251(d)(2) of the Communications Act.³ Specifically, the Court held that the Commission did not adequately consider the availability of elements outside the incumbent carrier’s network before prescribing the set of network elements that

¹ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, First Report and Order, FCC NO. 96-325, (rel. Aug. 8, 1996), (“*First Report and Order*”).

² *AT&T Corp. et al. v. Iowa Utils. Bd. et al.*, 119 S. Ct. 721 (1999).

³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, *codified at* 47 U.S.C. §§ 151 *et seq.* (1996 Act).

incumbent LECs are required to provide to competitive entrants on an unbundled basis.⁴

In response to the Court's remand in *Iowa Utilities*, Ad Hoc proposes in these comments a standard for assessing the availability of network elements from providers other than the ILEC or through self-provisioning. Under the proposed standard, an ILEC must provide a network element on an unbundled basis unless the ILEC can demonstrate that an equivalent element is available at comparable cost and within a comparable on a competitive, ubiquitous basis. Given the current state of competition in local exchange markets, the Commission must conclude that no local market currently includes alternative sources for the network elements necessary for competitive entry.

Adequate alternative sources of network elements outside the existing incumbent networks are not as yet available in any local exchange market. Therefore, the Commission must continue to require all ILECs to provide on an unbundled basis the elements identified in the *First Report and Order* in this proceeding. The Commission should clarify the process by which an ILEC, that believes it can demonstrate that alternative sources for its network elements exist in a particular market, can proffer evidence of such alternatives on a case by case basis for Commission review. Pending such a demonstration, the Commission should affirm its existing UNE requirements so that competitive entry into local markets will not be impeded or delayed.

⁴ *Iowa Utils.*, 119 S.Ct. at 735.

I. NETWORK ELEMENTS FROM ALTERNATIVE SOURCES MUST BE COMPARABLE IN PRICE, PROVISIONING TIME, AND GEOGRAPHIC COVERAGE, AND PROVIDED ON A COMPETITIVE BASIS.

As the Commission recognized in the *Second NPRM*,⁵ the Supreme Court held that the Commission cannot require the unbundling of a network element pursuant to § 251(d)(2) without considering “the availability of elements outside the incumbent’s network.”⁶ The Court underscored that the statute requires the Commission, not the competitive entrant, to determine whether access to proprietary elements is necessary and whether the failure to obtain access to nonproprietary elements would impair the entrant’s ability to provide service. The Court required the Commission to develop a standard that (a) takes into account the availability of elements outside the incumbent’s network and (b) rationally limits, consistent with the competitive goals of the Act, a new entrant’s ability to demand unbundled access to a network element.⁷

In the *Second NPRM*, the Commission invited comment on the appropriate criteria for assessing the availability of network elements outside the incumbent’s network.⁸ The Commission’s criteria must not only be consistent with the unbundling standard in § 251(d)(2) but must also serve the pro-competitive objectives of the statute. Accordingly, the Commission should conclude that equivalent network elements are available from sources outside the ILEC’s network only if the equivalent element could be (a) provided by non-incumbent facility-based providers on a competitive basis; or (b)

⁵ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, Second Further Notice of Proposed Rulemaking, FCC No. 99-70, (rel. Apr. 16, 1999), (“*Second NPRM*”).

⁶ *Iowa Utils.*, 119 S.Ct. at 735.

⁷ *Id.* at 734-35.

⁸ *Second NPRM*, *supra* note 5, at ¶ 24.

self-provisioned by the competitive entrant, within a comparable period of time and at a price comparable to obtaining the element on an unbundled basis from the incumbent.

(1) **Comparable period of time**: There should be no material difference in the amount of time required for a competitive entrant to acquire an equivalent network element from another facility-based provider or to self-provision a particular element and the time required for the ILEC to provide the element.⁹

(2) **Comparable price**: There should be no material difference between the cost at which a competitive entrant could acquire an equivalent network element from another facility based provider or self-provision a particular element and the TELRIC price an ILEC would charge to provide the equivalent element.¹⁰

(3) **Competitive basis**: The potential sources for network elements outside the ILEC's network must include more than one non-incumbent facilities-based carrier providing ubiquitous service in the geographic area within which the ILEC would be relieved of any unbundling obligations.

A market with only one or two non-ILEC facility-based providers does not ensure the competitive availability of UNEs to CLECs. In the absence of robust competition, non-ILECs who have no legal obligation to offer network elements to competitors will have no economic incentive to do so either. In contrast, in a market with multiple facility-based providers, competitive forces will drive each provider to use its excess capacity and to offer network elements with non-facilities-based providers rather than

⁹ *Id.* at ¶ 28.

¹⁰ *Id.* at ¶¶ 25-26.

lose the resulting revenues to another facilities-based rival. The Commission itself has recognized that competitive forces are substantially diminished in a market with only two providers. In several of its decisions and reports considering the competitive state of commercial mobile radio services markets, the Commission recognized the deficiencies of a duopoly market structure.¹¹

In determining whether sufficient, non-ILEC sources of network elements exist within a given market, the Commission must assess whether the non-ILECs provide ubiquitous service in a geographic area co-extensive with the geographic area in which the incumbent provider will be relieved of any unbundling obligations. If a CLEC cannot, within a comparable time frame, respond to demand anywhere in the local market within which it is competing with an ILEC that *can* respond to such demand, then the CLEC cannot effectively compete with the incumbent carrier. For example, partial geographic coverage by non-ILEC facilities-based carriers forecloses a CLEC from offering comprehensive services to customers with multiple locations within the market because the CLEC can only serve *some* of the locations. And, even if an CLEC were financially able to self-provision a ubiquitous network within the relevant geographic market, the delay in providing *immediate* alternatives to satisfy customer demand for ubiquitous service renders its offering fundamentally non-competitive with ILECs.

¹¹ See, e.g., *Implementation of Section 6002(B) of the Omnibus Budget Reconciliation Act of 1993 Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services*, First Report, 10 FCC Rcd 8844, 8866-67 (1995).

II. CURRENTLY, LOCAL EXCHANGE MARKETS ARE NOT SUFFICIENTLY COMPETITIVE TO ENSURE THE AVAILABILITY OF NETWORK ELEMENTS FROM SOURCES OTHER THAN ILECS

Although incumbent carriers have argued in a variety of federal and state regulatory proceedings that competition in local markets is ubiquitous and robust, they have yet to present convincing factual evidence that would support these claims. The factual evidence that is available strongly indicates that local markets remain non-competitive.

For example, three BOCs have asked the Commission to declare them non-dominant in the provision of high-capacity dedicated transport services ("hi-cap services").¹² SBC requested forbearance in 14 MSAs;¹³ US West requested forbearance in Phoenix¹⁴ and Seattle;¹⁵ and Bell Atlantic requested forbearance throughout a majority of its service territory.¹⁶

In these forbearance proceedings, the petitioners proffered vague assertions and unsubstantiated claims regarding the level of competition for high-capacity services

¹² *SBC Companies Petition for Forbearance from Regulation as a Dominant Carrier for High Capacity Dedicated Transport Services in Specified MSAs*, CC Docket No. 98-227, (filed Dec. 7, 1998), ("SBC Petition"). As used herein and in the SBC Petition, "high-capacity dedicated transport services" are "those special access services, switched access entrance facilities, and switched access direct trunked transport services that operate at DS1 and higher transmission speeds (e.g., DS1, DS3, OCN)." *Id.* at 1.

¹³ *Id.* at 2. The 14 MSAs are Little Rock, AR; Los Angeles, CA (including Orange County and Riverside); Sacramento, CA; San Diego, CA; San Francisco, CA; San Jose, CA; St. Louis, MO; Reno, NV; Oklahoma City, OK; Austin, TX; Dallas/Ft. Worth, TX; El Paso, TX; Houston, TX; and San Antonio, TX. SBC noted that although a single petition requests forbearance for all 14 MSAs, forbearance for each MSA should be considered separately by the Commission.

¹⁴ *Petition of US West Communications Inc., for Forbearance from Regulation as a Dominant Carrier in the Phoenix, Arizona MSA*, CC Docket No. 98-157 (filed Aug. 24, 1998) ("US West Phoenix Petition").

¹⁵ *Petition of US West Communications, Inc., for Forbearance from Regulations as a Dominant Carrier in the Seattle, Washington MSA*, CC Docket No. 99-1, (filed Dec. 30, 1998) ("US West Seattle Petition").

¹⁶ *Petition of Bell Atlantic Telephone Companies for Forbearance from Regulation as Dominant Carriers in Delaware; Maryland; Massachusetts; New Hampshire; New Jersey; New York; Pennsylvania;*

without properly defining the relevant product and geographic markets. Ad Hoc's analysis of the US West and SBC petitions,¹⁷ coupled with the real-world experience of the individual members of the Committee (who are among the largest corporate telecommunications users in the country), revealed that the BOCs' claims were not sustainable.¹⁸

The three Local Competition Surveys conducted by the Commission also contradict assertions by the BOCs and GTE that they operate in competitive local markets. Tables summarizing large ILEC responses to the Commission's First and Third Local Competition surveys are included as Attachment A to these comments. The data displayed in those tables indicate that very little competition is developing via CLEC purchase of UNEs since only a very small percentage of local service lines are resold or provided as UNEs.

Rhode Island; Washington D.C.; Vermont; and Virginia, CC Docket No. 99-24, (filed Jan. 20, 1999) ("*Bell Atlantic Petition*").

¹⁷ Ad Hoc was not a party to the Bell Atlantic proceeding but has analyzed the Petition and its supporting evidence and has reviewed the comments of participating parties.

¹⁸ The sole evidentiary component of the US West and SBC Forbearance Petitions are studies performed by Quality Strategies. See e.g., *SBC Petition*, *supra* note 12, Attachment A. SBC used the study to claim that it has lost 38.2 percent of the high-capacity market in Little Rock, Arkansas, and should therefore be declared non-dominant. *Id.* at 5. Similarly, US West claims that it has lost 80 percent of the hi-cap market in Seattle. *US West Seattle Petition*, *supra* note 15, at 19. While the BOCs may have indeed lost some of the high capacity market, flaws in the methodology of the Quality Strategy studies grossly overstate the extent of their share losses (*i.e.*, the extent of competition for these services). As a threshold matter, the most egregious methodological flaw in these studies is their non-reproducible and non-verifiable nature. Ad Hoc concurred with Sprint when it stated that "the Quality Strategies Study that SBC relies on for evidence of its companies' loss of market power is so superficial and fundamentally flawed as to render it meaningless." Comments of Sprint on the SBC Petition, at 2. Another obvious methodological flaw is the basic metric of comparison — "equivalent circuits" — employed by Quality Strategies. The use of equivalent circuits, rather than revenues, as the measure of market share overstates the actual market share loss by failing to apply a revenue-weighted measure of output, a generally accepted practice among economists where multi-product companies are involved. This "equivalent circuits" measure explicitly values the loss of a single DS3 as being equivalent to losing 28 DS1s, even though the price of a single DS3 may be only two to three times the price of a DS1. Therefore, the revenue loss of a DS3 is vastly overestimated by the use of the equivalent DS1 measurement, thus rendering equivalent circuits a grossly inadequate basis for estimating market share.

UNE purchases are not a comprehensive measure of competition since they do not reflect competitive entry through facilities bypass, service bypass (e.g., special access), wireless/PCS technology, and cable operators (including cable modems). But the Commission has other data that can provide a basis for refining the competitive assessment and these data confirm the lack of competitive entry indicated by UNE purchase data.

In the first local competition survey, the FCC requested that respondents identify the amount of numbers ported via interim number portability. The figure for ported numbers is the best metric for measuring local competition because it includes those subscribers receiving services from carriers that bypass the incumbent's network. (Only new installations in which the subscriber did not receive service from the ILEC prior to engaging a CLEC for local exchange service will not be captured by an analysis of ported numbers.) Table 3 in Attachment A summarizes the percentage of numbers ported. The data in Table 3 demonstrates that, as recently as 18 months ago, only 0.15 percent of all lines nationwide had numbers ported to other carriers.

Assuming that the percentage of numbers ported has changed commensurate with changes in the rate of UNE provision or increases in TSR, the amount of numbers ported would still be less than one percent of the total lines provisioned by BOCs. Even assuming that the number of access lines held constant since the end of 1997,¹⁹ but that the amount of numbers ported increased ten-fold (or by 1000 per cent), the number of lines ported as a percentage of total access lines would still be less than 2 per cent.

¹⁹ Ad Hoc is unaware of any other publicly available data showing the amount of numbers ported and strongly urges the FCC to include this important statistic in future Local Competition surveys.

A third source of data regarding the competitive state of local markets is the evidence proffered by the BOCs in support of their petitions under § 271 for authority to enter the interLATA market. While § 271 does not contain any specific, quantitative metric for assessing the presence of competition in a BOC's local market, the simple fact is that not a single BOC has satisfied the § 271 "competitive checklist." To date, RBOC claims of robust competition in local markets have not persuaded the Commission that competition actually exists. For the very same reasons, the Commission should not now accept similarly empty representations in determining what UNEs to unbundle.

In addition to proffering evidence to support their claims that competition has emerged in local markets, the BOCs have been the source of countervailing data suggesting that competitive entry into local markets is expensive and time-consuming. The BOCs have argued that local markets are competitive when they seek to withhold access to their networks or obtain permission to offer long distance service. But SBC, the largest BOC, suggested in support of its planned merger with Ameritech that, without the scale and scope created by the merger, SBC and Ameritech will be unable to enter and compete successfully as a CLEC in local markets outside of their respective regions. Even post-merger, SBC's Senior Vice President for Corporate Development, James S. Kahan, stated that SBC anticipated spending approximately \$500 per line, or a total of approximately \$1.4 billion, to achieve an overall penetration

rate of only 4 per cent for residential and small business customers in thirty "out of region" markets.²⁰

If a post-merger SBC, with control over 34 percent of all US access lines, anticipates investing \$1.4 billion to achieve a market penetration of just 4% in its out-of-region CLEC initiatives, and will require at least four years to achieve that penetration rate, the Commission cannot conclude that any consequential, price-constraining competition currently exists in local markets. No CLEC currently demonstrates local service strength and experience remotely comparable to a post-merger SBC.

III. THE COMMISSION SHOULD REQUIRE ILECS TO PROVIDE THE ORIGINAL UNE SET PENDING A PERSUASIVE DEMONSTRATION REGARDING THE AVAILABILITY OF ELEMENTS OUTSIDE THE INCUMBENT'S NETWORK

In paragraph 33 of the *Second NPRM*, the Commission requested that commenters apply the unbundling standard they propose for § 251(d)(2) to the original set of UNE's specified by the Commission in its *Local Competition First Report and Order*. Based on the current data regarding competitive conditions in local exchange markets, discussed in Part II, *supra*, none of the network elements identified in the *First Report and Order* are "available," as that term is amplified in Part I, *supra*, to competitive entrants from any source other than incumbent carrier networks. Therefore, Ad Hoc urges the Commission to reaffirm its findings in the *First Report and Order* that the seven original UNEs, including the local loop, must be provided on an unbundled basis pending a persuasive ILEC showing that alternatives are available in a particular geographic area.

²⁰ Affidavit of James S. Kahan, *Merger of SBC Communications Inc. and Ameritech Corporation*, "Description of the Transaction, Public Interest Showing And Related Demonstrations," filed with the Federal Communications Commission in CC Docket 98-141, Jul. 24, 1998, at 28.

The Commission cannot delay its specification of UNEs while it collects and reviews additional "availability" data for individual geographic areas. Instead, the Commission must act on the basis of the available evidence regarding competitive alternatives in local exchange markets. Based on that data, the Commission must specify a set of UNEs that applies on a uniform, nation-wide basis pending the filing of a geographically-specific showing by an ILEC who wishes to demonstrate that network element availability for a particular area deviates from the national norm.

In theory, the Commission could delay any specification of UNEs while it conducts an infinite number of proceedings on a market-by-market basis to determine the availability of alternatives to ILEC-provided UNEs in particular geographic areas. Competitive entrants would then face the prospect of appearing in innumerable proceedings to determine the availability of elements outside the incumbent's network in a given market. In the most extreme scenario, the Commission would be forced to make city block by city block determinations of whether alternatives to the ILECs' network elements are available for service to particular customers. Until such proceedings are resolved, CLEC entry would be delayed and competition in local exchange markets would be impeded. In the meantime, consumers would be limited to a single incumbent carrier for service, effectively denying consumers the choice among competitive alternatives envisioned by the 1996 Act. In addition, ILECs would have powerful incentives to encourage delay through regulatory proceedings to protect their markets and to impede access to their networks. Such an approach would frustrate the objectives of the 1996 Telecommunications Act and its stated goals of promoting

competition, reducing regulation, and encouraging rapid deployment of new technologies.²¹

To be consistent with the requirements of the Act, the Commission should instead require ILECs to continue providing the original set of seven UNEs specified in the *First Report and Order*. The Commission should clarify in this proceeding the procedure by which an ILEC could proffer an evidentiary showing that alternative sources for a particular UNE have developed in a particular geographic area. The Commission could then apply the "availability" standard described in Part I, *supra*, to assess whether the disputed UNE must still be required under the standard in § 251(d)(2).

Thus, in response to paragraphs 36 and 37 of the *Second NPRM*, in which the Commission requests comment on procedures and criteria for modifying its unbundling requirements, Ad Hoc urges the Commission to take the following approach. Until a Commission proceeding determines otherwise, the Commission must require ILECs to continue providing the original set of network elements on an unbundled basis. In the event that an incumbent believes the market in a particular geographic area is sufficiently competitive for alternative sources of network elements to be available to competitive entrants, the ILEC should file a petition with the Commission requesting relief from the unbundling requirement for a particular UNE or UNEs. The petition should specify the geographic area at issue and include all data and other evidence upon which the ILEC is relying to demonstrate that the standard for availability, as proposed in these comments, has been met in a given market. If, upon consideration of

²¹ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, *codified at* 47 U.S.C. §§ 151 *et. seq.*

the evidence proffered by an ILEC regarding the level of competition in a particular local market, the Commission determines that a UNE is available from sources other than the ILEC's network, pursuant to the availability standard proposed in these comments, the ILEC should no longer be obligated to provide that UNE to competitors in the appropriate market.

This process best upholds the principles underlying the 1996 Act. The ILECs' obligation to provide UNEs pending case-by-case assessments of alternative sources in particular geographic areas will ensure that competition is not delayed by regulatory proceedings, and the Act's objectives will be achieved by allowing competitors into local exchange markets in the meantime.

CONCLUSION

UNEs will play a crucial role in the development of local competition. All currently available data regarding the level of competition in local exchange markets demonstrates that the ILECs continue to be the only viable sources of the network elements new entrants need to bring competitive choices to consumers expeditiously. The Commission should adopt the availability standard described in these comments and establish a proceeding for collecting and reviewing updated data regarding the availability of network elements from sources other than the ILECs. Pending a finding in the course of such a proceeding that network elements are available to new entrants from sources other than the ILECs in particular geographic markets, the Commission should conclude that (1) no such alternative sources are currently available; and (2) the UNE set specified in the *First Report and Order* is required by the unbundling standard in § 251(d)(2).

Respectfully submitted,

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ATTACHMENT A

Table 1. Summary of First Local Competition Survey, by ILEC							
	Ameritech	Bell Atlantic	BellSouth	SBC	US West	GTE	Total
1. Local service lines sold directly to end users and billed by reporting carrier or affiliate	20,148,072	38,350,867	22,928,504	32,952,565	15,927,437	18,263,171	148,570,616
2. Lines that you own that you proved to other communications carriers, categorized by:							
A. Total Service Resale, as defined in 47 U.S.C. § 251	480,769	208,407	216,230	521,431	201,475	48,709	1,677,021
Percent of total lines sold as Total Service Resale	2.33%	0.62%	0.93%	1.56%	1.25%	0.27%	1.16%
B. UNE, as defined in 47 U.S.C. § 251	68,573	34,652	8,448	13,940	340	7,018	132,971
Percent of total lines sold as UNEs	0.33%	0.10%	0.04%	0.04%	0.00%	0.04%	0.09%
3. Total local service lines ¹ (Retail + Resale + UNEs)	20,628,841	33,363,875	23,144,734	33,473,996	16,120,895	18,311,861	145,044,202
Survey responses are available for download from www.fcc.gov/ccb/local_competition/survey/responses .							
¹ This total includes lines leased and then provided under resale and UNE, and lines owned and provided under "other resale," therefore it is higher than just the sum of the categories shown in this table							

Table 2. Summary of Third Local Competition Survey, by ILEC

	Ameritech	Bell Atlantic	Bell South	SBC	US West	GTE	Total
1. Local service lines sold directly to end users and billed by reporting carrier or affiliate	20,466,864	40,396,762	23,276,486	33,281,254	15,992,345	17,600,268	151,013,979
2. Lines that you own that you proved to other communications carriers, categorized by:							
A. Total Service Resale, as defined in 47 U.S.C. § 251	477,612	543,630	461,810	712,902	108,628	112,551	2,417,133
Percent of total lines sold as Total Service Resale	2.25%	1.33%	1.94%	2.09%	0.67%	0.63%	1.57%
B. UNE, as defined in 47 U.S.C. § 251	80,447	61,163	28,730	45,859	5,292	14,088	235,579
Percent of total lines sold as UNEs	0.38%	0.15%	0.12%	0.13%	0.03%	0.08%	0.15%
3. Total local service lines ¹ (Retail + Resale + UNEs)	21,203,564	41,001,555	23,767,026	34,040,015	16,326,467	17,789,595	154,128,222

Survey responses are available for download from www.fcc.gov/ccb/local_competition/survey/responses. GTE provided no data for its service territories in: AR, AL, AZ, IA, ID, MN, MO, NE, NM, NV, OK, and SC.

¹This total includes lines leased and then provided under resale and UNE, and lines owned and provided under "other resale," therefore it is higher than just the sum of the categories shown in this table

Table 3. Numbers Ported as Reported in the First Local Competition Survey, by ILEC

	Ameritech	Bell Atlantic	Bell South	SBC	US West	GTE	Total
Total numbers ported using call forwarding or other interim techniques	70,069	61,311	31,772	40,061	18,728	937	222,878
Total Lines	20,628,841	33,363,875	23,144,734	33,473,996	16,120,895	18,311,861	145,044,202
Percent of total lines that are ported	0.34%	0.18%	0.14%	0.12%	0.12%	0.01%	0.15%

Survey responses are available for download from www.fcc.gov/ccb/local_competition/survey/responses.

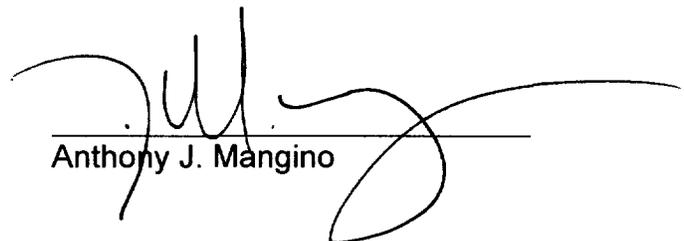
Certificate Of Services

I, Anthony J. Mangino, hereby certify that true and correct copies of the preceding Comments of the Ad Hoc Telecommunications Users Committee in CC Docket No. 96-98 were served this 26th day of May via first class mail upon the following parties.

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Anthony J. Mangino