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FEDERAL COMMUNICATIONS COMMISSION
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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	
Implementation of the Local Competition Provisions of the Telecommunications Act of 1996	CC Docket No. 96–98
Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers	CC Docket No. 95–185

REPLY COMMENTS
of the
GENERAL SERVICES ADMINISTRATION

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Summary

In these Reply Comments, GSA responds to claims by incumbent LECs that minimal unbundling is sufficient for adequate competition to develop. Comments by dozens of competitive carriers, state regulators and end users demonstrate the importance of more -- not less -- unbundling in expanding the local telecommunications infrastructure.

To foster more competition, GSA urges the Commission to reject claims by incumbent carriers that the burdens of proof and production should be placed on competitors seeking access to unbundled network elements. Also, GSA urges the Commission to limit the ability of incumbent carriers to use "proprietary" claims as an alleged justification for not unbundling their networks.

Comments by competitive LECs demonstrate the importance of unbundling for each of the seven network elements previously identified by the Commission. GSA urges the Commission to require unbundling for each of these elements unless competitors can obtain the necessary capabilities without expenditures or delays that would impair or defer the benefits of competition to end users. Moreover, technological developments during the past three years require that the Commission expand the definition of some network elements, and designate several additional elements as minimum unbundling requirements.

Finally, GSA urges the Commission to reject claims by incumbent carriers that the Supreme Court's recent decision requires the Commission to limit the availability of combinations of network elements. To the contrary, other carriers and state regulators explain that the Court's decision requires incumbent carriers to provide all technically feasible combinations. Moreover, these parties explain that incumbent LECs should be ordered to permit access to network elements outside of collocation sites and that they should also be required to provide requesting carriers with loop, transport and multiplexer combinations known as "EELs".

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REPLY COMMENTS of the GENERAL SERVICES ADMINISTRATION

The General Services Administration ("GSA") submits these Reply Comments on behalf of the customer interests of all Federal Executive Agencies ("FEAs") in response to the Commission's Second Further Notice of Proposed Rulemaking ("Notice") released on April 16, 1999. In the Notice, the Commission seeks comments and replies on issues concerning the requirements for unbundling network elements set forth in Section 251 of the Telecommunications Act of 1996.[1]

I. INTRODUCTION

The Telecommunications Act imposes a duty on incumbent local exchange carriers ("LECs") to provide access to unbundled network elements ("UNEs") at rates, terms and conditions that are just, reasonable, and non–discriminatory.[2] In August 1996, the Commission adopted the *Local Competition First Report and Order*, which

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

2 Telecommunications Act, Section 251(c)(3).

prescribed rules for implementing the unbundling requirements and other provisions of this legislation.[3] Several parties filed challenges to the Commission's rules. The challenges were consolidated in a proceeding before the U.S. Court of Appeals for the Eighth Circuit. In 1997, the Court of Appeals ruled on these claims, rejecting arguments that the Commission had incorrectly applied the standards in the Telecommunications Act for designating UNEs.[4] The court's findings were appealed to the U.S. Supreme Court.

On January 25, 1999, the Supreme Court issued its decision in *AT&T v. Iowa Utilities Board*, which affirmed in part and remanded in part the Eighth Circuit court's decision.[5] The Supreme Court held that the Commission has jurisdiction to implement the provisions of the Telecommunications Act.[6] However, the Court found that the Commission had not adequately considered the "necessary" and "impair" standards for designating UNEs described in the Telecommunications Act. Consequently, the Court ruled that the Commission's list of required UNEs should be vacated, and the matter remanded for further proceedings.[7]

The Notice responds to the Supreme Court's remand. In the Notice, the Commission tentatively concludes that it should prescribe a minimum group of network elements. The Commission requests comments on this tentative conclusion and recommendations concerning implementation of unbundling requirements for all local exchange carriers ("LECs").

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3 *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, CC Docket No. 96–98, First Report and Order, 11 FCC Rcd 15499 (1996) ("*Local Competition First Report and Order*").

4 *Iowa Utils. Bd. v. FCC*, ("*Iowa Utils. Bd.*") 120 F.3d 753, 808–10 (8th Cir. 1997).

5 *AT&T v. Iowa Utils. Bd.* __U.S.__, 119 S. Ct. 721 ("*AT&T v. Iowa Utils. Bd.*").

6 Notice, p. 5, n. 14.

7 *AT&T v. Iowa Utils. Bd.* at 733–36.

In Comments responding to the Notice, GSA emphasized the importance of unbundling to end users of telecommunications services. GSA also explained that uniform requirements for unbundling will facilitate rapid and uniform development of competition, because a plan adopted by the Commission can serve as a baseline for states where regulators have not addressed unbundling needs, or have become involved in disputes that are delaying implementation of pro–competitive unbundling policies.[8] As a pro–competitive step, GSA urged the Commission again to prescribe a minimum group of network elements that would be available to all competitors. If any network element in this group is not available to competitive LECs through self–provisioning or another source, the incumbent should unbundle its network to provide the necessary capability to potential competitors.

A large number of parties submitted comments in response to the Notice. These parties include:

- 9 incumbent LECs and associations of these carriers;
- 41 interexchange carriers ("IXCs") and competitive LECs;
- 16 state regulatory commissions and associations of state regulators;
- an association of end users of telecommunications services; and
- a group of vendors of telecommunications equipment.

In these Reply Comments, GSA responds to the positions advanced by these parties.

8 Comments of GSA, p. 4.

II. THE COMMISSION SHOULD REJECT CLAIMS BY INCUMBENT CARRIERS THAT MINIMAL UNBUNDLING IS SUFFICIENT.

A. Competitive LECs and end users demonstrate the importance of more unbundling in expanding the local telecommunications infrastructure.

Of nearly 70 parties submitting comments, only incumbent LECs and associations of these firms urge the Commission to proceed cautiously by establishing minimal unbundling requirements. For example, the United States Telephone Association ("USTA") asserts that the scope of mandatory unbundling must be limited.[9] Also, Ameritech claims that the Commission should recognize that "unbundling requirements impose costs that directly implicate the goals of the Telecommunications Act."[10] According to Ameritech, to promote the goals of this legislation the Commission should "recognize the difference between promoting competition and maximizing the number of competitors" by limiting requirements for unbundling.[11]

Another incumbent LEC, Bell Atlantic, claims that competition has increased dramatically since the Commission first issued its unbundling order.[12] Bell Atlantic contends that the Commission should take a "balanced approach" in its unbundling rules.[13] According to Bell Atlantic, because of "widespread deployment" by competitors, a "balanced approach" means that it is <u>not</u> necessary in most cases to unbundle local switching, interoffice transport facilities, directory assistance, operator services — or even local loops.[14]

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9 Comments of USTA, p. 18.

10 Comments of Ameritech, p. 21.

11 *Id.*, pp. 17–20.

12 Comments of Bell Atlantic, p. 2.

13 *Id.*, p. 7.

14 *id.*, pp. 19–39.

Comments by users, interconnected carriers and state regulators roundly refute contentions that less unbundling is better than more. More than 50 comments by users, carriers and regulators demonstrate instead that maximum unbundling is a prerequisite for more competition between carriers providing local telecommunications services throughout the nation.

MGC Communications ("MGC") is one of many competitive carriers submitting comments detailing the need for unbundling. MGC's comments reflect valuable experience because the firm has employed more than 80,000 unbundled loops in the Nevada, California, Illinois, Georgia, and Florida markets where it provides services.[15] On the basis of this experience, MGC states that "National, uniform, minimum unbundling standards remain essential to the development of local competition."[16]

The Public Utility Commission of Texas ("Texas PUC") presents the need for maximum unbundling from a different perspective. In its comments, the Texas PUC explains that since most competitive local service providers in Texas have very little network infrastructure of their own, they are dependent on resale and/or lease of network elements from an incumbent carrier or another source.[17] The Texas PUC reports that in rural areas of the state, incumbent LECs are almost always the only source of the network elements.[18] Moreover, even in parts of Texas where there is some competition, "The central question is whether a competitor can obtain reasonably comparable network elements from non–incumbent (and non–regulated) carriers at rates, terms, and conditions that will allow a meaningful opportunity to

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15 Comments of MGC, p. 5.

16 *Id.*

17 Comments of the Texas PUC, p. 13.

18 *Id.*

compete."[19] Thus, access to UNEs is mandatory for competitors to provide their own services to end users in most parts the state.

Comments submitted by the Ad Hoc Telecommunications Users Committee ("Ad HOC") demonstrate that the conditions reported by the Texas PUC are characteristic of many areas. Indeed, this end user group observes:

> Adequate alternative sources of network elements outside the existing incumbent networks are not yet available in <u>any</u> local exchange market.[20]

In these circumstances, Ad Hoc urges the Commission to affirm its existing UNE requirements so that competitive entry into local markets will not be impaired or delayed.

In summary, a minimum list of UNEs is vital for end users such as the FEAs, who require local telecommunications services in communities throughout the nation. In fact, GSA proposed including a penalty factor in the Commission's price cap plan for incumbent LECs as a financial incentive for these firms to respond to unbundling requests.[21] The comments by other users and carriers seeking to compete with incumbent LECs demonstrate the value of strong incentives for unbundling as a means of expanding the local telecommunications infrastructure throughout the nation.

B. Criteria for assessing alternative sources of UNEs should be structured to foster more competition.

In its Comments, GSA urged the Commission to prescribe a minimum group of network elements that should be available for all competitors, and to mandate unbundling for any of these elements that are not available through self–provisioning

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19 *Id.*

20 Comments of Ad Hoc, p. 3 (Emphasis provided).

21 Comments of GSA, pp. 13–15.

or another source.[22] However, GSA explained that specific unbundling requirements for individual network elements must be evaluated in the context of local market conditions, costs, and other factors in order to meet the "necessary" and "impair" criteria emphasized by the Supreme Court.[23] In assessing local needs for UNEs, the Commission should place the burdens of proof and production on incumbent LECs, because these firms control the local telecommunications infrastructure and thus approach negotiations from a position of greater power. Therefore, in cases with uncertainty concerning the necessary scope of unbundling requirements, the alternative leading to more competition should "receive the benefit of the doubt."

Again, incumbent LECs take an anti–competitive position by resisting the application of rules to benefit other carriers — and end users. For example, BellSouth contends that unbundling will always incur costs by reducing investment and imposing administrative costs on society.[24] According to BellSouth, the social costs of unbundling "suggest" that the burden of proof be placed on the parties seeking unbundling.[25]

In addition, U S West contends that the burden of proof should be on the proponents of mandatory unbundling, because this is a departure from the normal operation of a competitive marketplace and because competitive LECs have unique access to market evidence concerning the costs and terms on which they can obtain elements from other sources.[26] To illustrate the lengths to which it would go to shift the burden, U S West states that the Commission should "adopt a presumption" that

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22 *Id.*, pp. 3–11.

23 *Id.*, pp. 9–10.

24 Comments of BellSouth, p. 28.

25 *Id.*

26 Comments of U S West, pp. 32–34.

unbundling of the switching UNE should not be required if the incumbent's switch is within 50 miles of one or more competitive carriers' switches.[27]

Contentions by incumbent LECs that unbundling is economically inefficient are not supportable. In the past few years, investors have put $30 billion into companies providing competitive local telecommunications services, and the pace of investment is not abating.[28] If more services can be provided to end users with reduced additional investments, the result is lower prices for consumers — a positive benefit, instead of a social "cost" as BellSouth contends.

The assertion by U S West that unbundling is a "departure" from a "normal" competitive marketplace is specious. If local service was a truly competitive marketplace, all participants including "incumbents" would be motivated to lease their excess capacity to competitors at prices at least covering their average incremental costs. Furthermore, U S West does not explain how competitive LECs have "unique" access to market information that is not available to incumbent carriers.

On the other hand, MCI WorldCom provides helpful guidance to the Commission on the application of unbundling requirements. This carrier notes that if denial of access impairs the ability of new entrants to compete, that alone is sufficient to indicate that the element should be unbundled.[29] Moreover, because of pro–competitive policies that animate the Telecommunications Act, the converse is not necessarily true: Lack of impairment does not automatically mean that incumbent carriers have the right to deny access.[30] Indeed, MCI WorldCom explains that even if

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27 *Id.*, pp. 42–46.

28 Comments of Bell Atlantic, p. 4, citing *Council of Economic Advisors, Progress Report: Growth and Competition in U.S. Telecommunications 1993–1998*, February 8, 1999, p. 2.

29 Comments of MCI WorldCom, p. 22.

30 *Id.*

an element does not meet a strict "impairment standard" it should still be unbundled in a variety of circumstances. As MCI explains, justifications for unbundling include the fact that the element is on the checklist in Section 271 of the Telecommunications Act and the fact that unbundling is necessary for a competitor to serve a distinct group of consumers, such as small business or residence users.[31]

C. Parties seeking more competition explain that the Commission should limit "proprietary" exclusions.

To provide more opportunities for competitors to develop services for their own subscribers, GSA urged the Commission to limit the ability of incumbent LECs to use proprietary claims as a reason for not unbundling their networks.[32] However, as with issues concerning the burden of proof, incumbent LECs contend that proprietary considerations should be given significant weight in too many circumstances.

For example, GTE Service Corporation ("GTE") asserts that the Commission's definition of "proprietary" should encompass all features, functions, and capabilities that are afforded independent legal protection by the intellectual property, trade secret, tort, and contract laws.[33] Moreover, GTE claims that the potential for undermining investment incentives is equally great whether the features and functionalities are developed internally by the incumbent LEC or by a third–party.[34] Therefore, according to GTE, "protections should extend to all proprietary aspects of network elements regardless of the source."[35]

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31 *Id.*, pp. 22–24.

32 Comments of GSA, p. 8.

33 Comments of GTE, p. 27.

34 *Id.*

35 *Id.*

In contrast, MCI WorldCom expresses the views of many competitive carriers disputing the needs for such wide protections. MCI WorldCom states:

> Few elements are proprietary or have proprietary aspects. . . . A network element is "proprietary" only if the incumbent carrier does not provide the element to any third parties, including carriers and end users.[36]

Moreover, MCI WorldCom observes that there is strong evidence that the incumbent LECs themselves do not consider network elements to be "proprietary" when the lines are clearly drawn. Despite their willingness to assert the needs for protection in this proceeding, the incumbent LECs have not claimed that any of the UNEs identified in the *Local Competition First Report and Order* are "proprietary" in any of the dozens of cases addressing Section 252 of the Telecommunications Act in courts throughout the nation.[37]

The Association for Local Telecommunications Services ("ALTS") also explains the importance of additional limits on "proprietary" claims. ALTS states simply that to give the Telecommunications Act the intended effect, "proprietary" must be construed narrowly.[38] Moreover, ALTS explains that experience in implementing the Telecommunications Act over the past three years has shown that it is vital for the Commission to curb efforts by incumbent carriers to develop "proprietary" interfaces, equipment and protocols <u>solely</u> for the purpose of avoiding unbundling obligations.[39] To prevent incumbent carriers from using this tactic, ALTS states that network elements that are modified to prevent interconnection with a competing carrier's

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36 Comments of MCI WorldCom, pp. 20–21.

37 *Id.*, p. 22.

38 Comments of ALTS, p. 15.

39 *Id.*, p. 18.

equipment should not be recognized as "proprietary."[40] Furthermore, ALTS suggests that if it is technically feasible to unbundle an element in a manner that does not disclose the information that an incumbent LEC claims is protected, the incumbent should not be excused from unbundling obligations.[41]

III. CONTRARY TO ASSERTIONS BY INCUMBENT CARRIERS, THE COMMISSION SHOULD EXPAND THE SCOPE OF UNBUNDLING REQUIREMENTS.

A. All previously designated UNEs should be available, and definitions for some elements should be expanded.

In the *Local Competition First Report and Order*, the Commission prescribed a "minimum" list of network elements that must be unbundled by all incumbent LECs.[42] Moreover, the Commission ruled that state regulatory authorities should be free to prescribe additional elements, and parties should also be free to agree on additional elements in the voluntary negotiation process.[43] The Commission designated seven UNEs as a minimum list for unbundling: (1) local loops; (2) network interface devices; (3) local and tandem switching capability; (4) interoffice transmission facilities; (5) signaling and call-related databases; (6) operations support systems functions; and (7) operator services and directory assistance facilities.[44] In its Comments in response to the Notice, GSA explained that the Commission should maintain unbundling requirements for all of the elements on this "minimum" list.[45]

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40 *Id.*

41 Comments of ALTS, p. 16.

42 Notice, para. 13, citing *Local Competition First Report and Order*, para. 366.

43 *Id.*

44 *Local Competition First Report and Order*, para. 366.

45 Comments of GSA, p.

Incumbent LECs contend that unbundling is no longer necessary for many of these elements in most parts of the nation. For example, Bell Atlantic describes the "extensive deployment" of network elements by competing carriers, particularly in major metropolitan areas, and the competing carriers' use of those elements to provide services, especially to business users.[46] According to Bell Atlantic, this present level of deployment of competitive services eliminates the requirements for unbundling local switching, interoffice transport, directory assistance, operator services, and even (in some cases) local loop facilities that provide the critical gateway to all telecommunications services.[47]

Indeed, according to U S West, requirements to unbundle all of the originally designated elements except local loops should be eliminated.[48] U S West acknowledges that the Commission should require unbundling for basic local loops nationwide.[49] However, U S West urges the Commission to adopt a presumption that unbundling is not required for any high–capacity facility (DS-1 or greater transmission speeds.)[50]

In direct contradiction to the claims by incumbent LECs, competitive carriers provide analyses showing that all of the elements designated by the Commission in 1996 are not available to them through self–provisioning or a source other than the incumbent LEC in most areas. Even large and diversified competitors such as MCI WorldCom need access to all of the basic functionalities at some locations.[51]

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46 Comments of Bell Atlantic, p. 20.

47 *Id.*, pp. 19–39.

48 Comments of U S West, pp. iii–iv and pp. 34–55.

49 *Id.*, pp. 36–39.

50 *Id.*

51 Comments of MCI WorldCom, pp. 37–74.

In fact, MCI WorldCom makes an additional point which is important to consider in fractionating requirements for unbundling. MCI WorldCom notes that technology changes have shifted the places at which various functionalities can and do occur in the local telecommunications network.[52] Therefore, the once–familiar demarcation points between the loop, switch, and interoffice transport no longer correspond to the realities of the current network architecture.[53] Consequently, blanket excusal from unbundling an element such as local switching may have disparate impacts in various areas, and be extremely harmful to the development of competition in circumstances and locations where this effect could not have been anticipated.

ALTS also notes that technology changes reinforce the requirements for the originally designated UNEs. In fact, technological developments require that the definitions of these "old" elements be modified to make clear that:

(1) cross–connects should be included with loops;

(2) all varieties of loops, including "clean copper" and high capacity loops must be unbundled; and

(3) data on loop capabilities must be made available through OSS on a non–discriminatory basis.[54]

GSA concurs with these modifications, as well the requests by ALTS and other parties to expand the list of UNEs to accommodate additional technology shifts in recent years.

B. Technological developments also warrant designation of additional UNEs.

Comments in response to the Notice explain that technological developments also warrant designation of several additional UNEs. For example, carriers are

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52 *Id.*, p. 39.

53 *Id.*, pp. 39–40.

54 Comments of ALTS, pp. 33–47.

implementing significant network changes to facilitate provision of advanced telecommunications services through digital subscriber line ("DSL") technologies.[55] The list of UNEs should accommodate these changes, or competitive LECs will be prevented from participating actively in the most rapidly growing telecommunications markets.

Bell Atlantic contends that the Commission should not impose unbundling requirements for advanced service technology.[56] According to this LEC, the market for advanced services is already developing on a fully competitive basis.[57] Thus, competing carriers do not need access to the incumbent carriers' advanced services equipment on an unbundled basis.[58]

Comments by competitive LECs sharply dispute Bell Atlantic's contentions that these carriers do not need access to advanced services on an unbundled basis. For example, loops conditioned for digital transmission ("xDSL–conditioned local loops") are the first specific unbundling requirement identified by Covad Communications ("Covad") in its comments in this proceeding.[59]

Covad notes that by focusing on unbundled transport, unbundled loops and collocation, competitive LECs are able to deploy advanced, xDSL services in regions with lower population densities than center city areas.[60] Covad explains:

> This plan fully leverages the economies of scale, scope and density that incumbent LECs currently possess in their interoffice network,

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55 Comments of GSA, p. 6.

56 Comments of Bell Atlantic, p. 40.

57 *Id.*, p. 42.

58 *Id.*

59 Comments of Covad, pp. 31–32.

60 *Id.*, p. 32.

> outside plant, and central offices in a way that brings new and innovative services to American consumers.[61]

Covad concludes that access to the unbundled elements is necessary to the continued expansion of these services.[62]

Representing a broad spectrum of competitive carriers, ALTS identifies several additional "new" elements for unbundling. These include entrance facilities, as well as dark fiber loops and transport facilities.[63] GSA concurs with the additions suggested by ALTS. In fact, GSA addressed the need to designate dark fiber as a UNE in its Comments in response to the Notice.[64]

Moreover, GSA concurs with the California Public Utilities Commission ("California PUC") that state regulators should be permitted to add to the list of unbundling requirements within their respective jurisdictions.[65] The California PUC explains in detail that the Supreme Court's reinstatement of Commission Rule 317 is consistent with the Commission's steps in 1996 to adopt a minimum list of network elements.[66] As the California PUC notes, variations among local exchange markets may compel state regulators to require an incumbent LEC to assume additional unbundling obligations to promote competitive entry into certain markets.[67] GSA endorses this flexibility, because it will help ensure that end users enjoy the benefits of competition in more regions of the nation.

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61 *Id.*

62 *Id.*

63 Comments of ALTS, pp. 41–42 and 53–56.

64 Comments of GSA, p. 7.

65 Comments of California PUC, p. 8.

66 *Id.*, p. 8.

67 *Id.*, pp. 8–9.

IV. COMMENTS BY COMPETITORS DEMONSTRATE THAT THE COMMISSION SHOULD AGAIN REQUIRE COMBINATIONS OF UNBUNDLED NETWORK ELEMENTS.

Pursuant to the *Local Competition First Report and Order*, the Commission adopted a rule requiring incumbent LECs to combine network elements in response to requests by competitive carriers.[68] The Eighth Circuit court vacated this rule, stating that Section 251(c)(3) of the Telecommunications Act provides that requesting carriers will combine the UNEs themselves.[69]

In its decision in *AT&T v. Iowa Utils. Bd.*, the Supreme Court opened the door for the Commission to require incumbent LECs to combine UNEs. The Court noted that Section 251(c)(3) of the Telecommunications Act was ambiguous as to whether leased network elements "may" or "must" be separated.[70] However, the Court concluded that a rational basis for the "rebundling requirement" could be found in the prohibition against discrimination in this legislation.[71]

Incumbent LECs advocate a more restrictive interpretation of the Court's decision. For example, GTE asserts that the non–discrimination language in Section 251(c)(3) cannot be interpreted to compel incumbent carriers to provide competitive carriers with access to services or facilities that the incumbent carriers do not provide for themselves.[72]

GSA concurs with arguments advanced by competitive LECs that this interpretation is not justified. For example, Net2000 Communications ("Net2000")

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68 47 CFR §51.315(b).

69 *Iowa Utils Bd.* at 813.

70 *AT&T v. Iowa Utils. Bd.* at 736–38.

71 *Id.*

72 Comments of GTE, p. 85.

explains that the Supreme Court's decision actually removes any doubts that the Commission may:

(1) require incumbent carriers to provide any technically feasible combination of UNEs;

(2) ensure that incumbent carriers do not limit UNE combinations; and

(3) rule that UNEs need not be combined at the collocation space of the requesting carrier.[73]

Indeed, Net2000 notes that the Supreme Court expressly found that "unbundling" does not require physical separation, but only distinct prices for equipment and supporting services.[74] In addition, the Court found that the Commission's "all element" combination rule is "entirely rational, finding its basis in [section] 251(c)(3)'s non–discrimination requirement.[75] Thus, explains Net2000, "to avoid LEC discrimination in favor of their own retail customers, the Commission may — and should — require incumbent carriers to provide UNEs in combination."[76]

ALTS also explains in its comments that the Supreme Court's decision requires flexibility in combining UNEs. ALTS states that the Court's reinstatement of Rule 315(b) confirms the Commission's authority to require cost–based access to UNE combinations.[77]

In their comments, several parties also explain that the requirements for competitive LECs to collocate in multiple central offices tie competitors to the embedded infrastructure, increase competitors' costs, and slow deployment of

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73 Comments of Net2000, p. 2.

74 *Id.*, p. 18 citing *AT&T v. Iowa Utils. Bd.* at 737.

75 *Id.*

76 Comments of Net2000, p. 18

77 Comments of ALTS, p. 79.

competitive services.[78] To alleviate these conditions, both the California PUC and Net2000 urge the Commission to require incumbent carriers to provide requesting competitors with loop, transport and multiplexer combinations known as "extended links" or "EELs."[79] For efficiency, the EELs should be delivered to the competitive LEC at one centralized physical collocation point in an exchange area, bringing facilities–based competition to a larger group of end users than if collocation were necessary in every central office in the same exchange area.[80]

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78 Comments of California PUC, pp. 6-7; and Comments of Net2000, pp. 18–20.

79 *Id.*

80 Comments of Net2000, p. 22.

V. CONCLUSION

As a major user of telecommunications services, GSA urges the Commission to implement the recommendations set forth in these Reply Comments.

Respectfully submitted,

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June 10, 1999

CERTIFICATE OF SERVICE

I, MICHAEL J. ETTNER, do hereby certify that copies of the foregoing "Comments of the General Services Administration" were served this 10th day of June, 1999, by hand delivery or postage paid to the following parties.

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