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Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Petition for Expedited Waiver
of 47 CFR §§ 64.1100 – 64.1190
Policies and Rules Concerning Unauthorized Changes of Consumers'
Long Distance Carriers

Dear Ms. Salas:

U.S.Republic Communications, Inc. (USRC), by its attorney, submits an original and four copies of a Petition for Expedited Waiver jointly filed on behalf of USRC and Alliance Group Services, Inc.. The parties seek a expedited limited waiver of 47 CFR §§ 64.1100 – 64.1190 to permit the transfer of presubscribed residential and small business customers of USRC to Alliance without first obtaining subscriber authorization and verification.

If you have any questions concerning this filing, or if you require further information, kindly contact the undersigned.

Sincerely,



James U. Troup
Brian D. Robinson

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

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In the Matter of)
)
Implementation of the)
Subscriber Changes Provisions)
of the Telecommunications Act of 1996)
)
Policies and Rules Concerning)
Unauthorized Changes of Consumers')
Long Distance Carriers)
)
U.S. Republic Communications, Inc.)
Alliance Group Services, Inc.)
Joint Request for Waiver)

CC Docket No. 94-129

PETITION FOR EXPEDITED WAIVER

Alliance Group Services, Inc. ("Alliance") and U.S. Republic Communications, Inc. ("USRC") (collectively, the "Petitioners"), by their attorney and pursuant to Section 1.3 of the Commission's Rules, respectfully petition the Federal Communications Commission ("FCC" or "Commission") to grant a limited waiver of 47 C.F.R. §§64.1100-64.1190 as required to transfer the presubscribed residential and small business customers of USRC to Alliance without first obtaining each subscriber's authorization and verification.¹ In addition, Petitioners respectfully request expedited treatment of this petition, to the extent necessary, to allow Petitioners to effectuate the proposed transfer on or before February 15, 2000.

¹ Pursuant to 47 C.F.R. §64.1150, prior to submitting a preferred carrier change, carriers must either: (1) obtain the subscriber's written and signed authorization; (2) obtain confirmation from the subscriber via a toll-free number provided for the exclusive purpose of confirming orders electronically; or (3) utilize an independent third party to verify the subscriber's order.

Each Petitioner resells the interexchange services of AT&T, and USRC also utilizes the interexchange services of VarTec Telecom, Inc. ("VarTec") on a limited basis. Alliance and USRC executed a purchase agreement for certain assets of USRC, including but not limited to the Company's long distance customer base, on December 24, 1999. It is the Petitioners' intent that the proposed acquisition will be transparent to current USRC customers as well as existing and future Alliance customers. Customers formerly associated with USRC will continue to receive quality and competitive long distance telecommunications services from Alliance through the continued use of the AT&T network. The Petitioners seek authority to transfer the small number of residential and small business USRC customers presubscribed to VarTec to Alliance.² Additionally, the Petitioners seek authority to transfer the USRC customers currently subscribed to USRC with AT&T as the presubscribed interexchange carrier to Alliance. As demonstrated herein, it is in the public interest for the Commission to allow Petitioners to transfer these USRC customers without first obtaining each subscriber's express prior authorization and verification.

USRC has provided resold interexchange services in and throughout the United States since 1996. It has always been USRC's intent to provide its customers with quality long distance telecommunications services at discounted rates. USRC obtained the prior authorization of its customers before processing orders to presubscribe them, in accordance with the FCC's rules.

Alliance has been providing resold interexchange services in and throughout the United States since 1998. Alliance resells the interexchange services of AT&T and desires to provide continued superior customer service and products to its existing customers as well as the long distance customer base of USRC. Alliance intends to utilize the trade name U.S. Republic Communications to provide service to the customer base being transferred in this proposed

² A small portion of the USRC customer base (approximately 300 customers), currently presubscribed to VarTec, will become presubscribed to AT&T (SDN accounts on carrier identification code 0732), and the remaining number of USRC customers (approximately 1,400 customers), currently presubscribed to VarTec, will become presubscribed to Alliance as an AT&T reseller (on carrier identification code 5237).

transaction to ensure that the transaction is completely transparent to said customers. Upon completion of the transaction, Alliance will provide resold long distance services to the former residential and small business customers of USRC for which VarTec and AT&T are currently underlying carriers.

As part of the asset purchase of USRC by Alliance, the USRC customers currently presubscribed within AT&T's reseller database will be transferred to Alliance's service, with no change to the underlying carrier. Also, the underlying carrier for the small portion of USRC customers which are currently presubscribed to VarTec's service should become AT&T, thereby allowing the transaction to remain transparent to the USRC customer base. The Petitioners certify that there will be no charge to the customers for the changes made to the underlying carrier as these will be absorbed by the Applicant. Additionally, there will be no real change to the way these customers dial, or to the level of customer service available to them. The long distance charges incurred by these customers will continue to be billed at equal or lower long distance rates, and every customer will always have the option to change their calling plan or primary long distance service provider at will. Additionally, subsequent to the transaction, Alliance will attempt to resolve any complaints filed against USRC by the affected residential and small business customers. This request for a waiver is intended to allow the current USRC customers to utilize the services to which they are accustomed without interruption as the only change occurring is with the customers' underlying carrier.

The Petitioners respectfully submit that the purposes of the Commission's Letter of Authorization ("LOA") and verification rules would not be served by obtaining prior authorization and verification in order to change the underlying carrier of the affected customers from VarTec to AT&T and from USRC to Alliance within AT&T's reseller database, and the public interest is served by granting a waiver of those rules in these limited circumstances. Further, the Petitioners fear that a "re-presubscription" effort would prove to be confusing and frustrating to customers who will be provided with the same services and rates prior and subsequent to the switch. Worse yet, customers who do not understand the need to execute new forms, and fail to respond, could lose their long distance service altogether or pay potentially higher long distance rates. Accordingly, the Petitioners believe strongly that any potential benefits of obtaining new authorizations are outweighed by the potential detriments of such a program, and the Petitioners submit that all efforts will be taken to

ensure that customers are not inconvenienced or harmed in any way. Indeed, the Petitioners' goal is to be able to provide superior service and rates to the affected customers as a result of the change in underlying carrier.

It is well-established that a waiver of the Commission's Rules is appropriate if special circumstances warrant a deviation from the general rule and that such a deviation will serve the public interest.³ The parties requesting a waiver must show that the underlying purpose of the rule would not be served or would be frustrated, or that unusual or unique circumstances cause application of the rule to be unfair, unduly burdensome or contrary to the public interest.

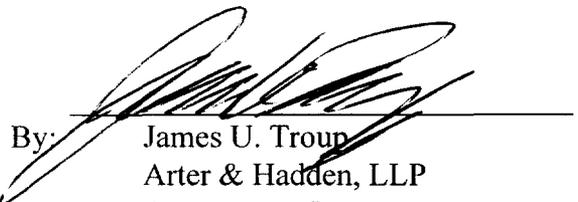
³ *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969).

In the instant case, the special circumstances requiring a deviation from the Commission's Rules include the need to ensure a seamless transition of underlying carriers for the affected customers. If the Commission grants the waiver, it will protect against the possibility of customers losing long distance service altogether or being charged potentially higher long distance rates. Moreover, the small number of affected customers will see no change in their service. By transferring customers as described in this request, the policy goals of the Commission's authorization and verification requirements will be met more efficiently and consistent with the public interest. Indeed, the circumstances that justify grant of a waiver to the Petitioners are analogous to those that the Commission recently found to justify a waiver for other carriers.⁴

Accordingly, the Petitioners respectfully request that the Commission waive its authorization and verification rules as set forth above. Expedited action on this waiver is requested to the extent necessary to allow the Petitioners to effectuate the customer transfer on or before February 15, 2000. A limited waiver of the Commission's LOA and verification rules will allow a seamless transfer that will be transparent and advantageous to customers.

Respectfully submitted,

U.S. REPUBLIC COMMUNICATIONS, INC.
ALLIANCE GROUP SERVICES, INC.

By: 
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Dated: January 14, 2000

⁴ *Citizens Telecommunications Company/Alliance Group Services, Inc. Joint Request for Waiver*, DA 99-1521, release July 30, 1999; *AT&T Corporation Request for Waiver*, DA 99-1718, released August 27, 1999.