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January 28, 2000

VIA COURIER

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Attention: Deputy Chief, Common Carrier Bureau

Re: Petition for Waiver of Commission's Rules, 47 C.F.R. §§ 64.100 Through 64.1190, and Relevant Orders

Dear Ms. Salas:

IDT Corporation and IDT America, Corp. (together the "Petitioners"), by their undersigned counsel, respectfully submit the attached Petition for a limited waiver of the Commission's authorization and verification requirements as found in 47 C.F.R. §§ 64.1000 through 64.1190 and the relevant Commission Orders to the extent necessary to permit the Petitioners to transfer selected customers of MCI WorldCom, Inc. ("MCIW") to the Petitioners' customer base without first obtaining the customers' authorization and verification.

As explained in the Petition, the Petitioners have entered into an agreement with MCIW to transfer specific assets of MCIW, including selected customer accounts and accounts receivables, to Petitioners. As demonstrated herein, Petitioners fully satisfy the special circumstances required for a waiver of the Commission's rules, as indicated in previous Commission Orders, and grant of the instant Petition will serve the public interest.

An original and four (4) copies of this letter and Petition are enclosed for filing with the Commission. Please date-stamp and return the enclosed extra copy of this filing in the envelope provided herein.

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Magalie Roman Salas, Esq.
Page 2
January 28, 2000

Should you have any questions regarding this matter, please do not hesitate to contact Kevin Minsky at (202) 945-6920.

Respectfully submitted,



William B. Wilhelm, Jr.
Kevin D. Minsky

Counsel for IDT Corporation and
IDT America, Corp.

Enclosures

cc: Diane Clark

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

In the Matter of)	
)	
Implementation of the Subscriber Carrier)	
Selection Changes Provisions)	CC Docket No. 94-129
of the Telecommunications Act of 1996)	
)	
IDT Corporation and IDT America, Corp.)	
Request for Waiver)	

PETITION FOR WAIVER OF COMMISSION'S RULES

I. Introduction

1. IDT Corporation and IDT America, Corp. (together the "Petitioners") respectfully request a limited waiver of the authorization and verification requirements of the Commission's rules, 47 C.F.R. §§ 64.1100 through 64.1190 (1999), and relevant Orders to the extent necessary to permit the Petitioners to transfer selected customers of MCI WorldCom, Inc. ("MCIW") to the Petitioners' customer base without first obtaining the customers' authorization and verification.¹ As demonstrated herein, Petitioners fully satisfy the special circumstances required for a waiver of the Commission's rules as stated in *WAIT Radio v. FCC* and grant of the instant Petition will serve the

¹ The FCC's verification rules prohibit a telecommunications carrier from submitting a preferred carrier change order unless the carrier has obtained either: (1) the subscriber's written letter of agency; (2) the subscriber's electronic verification via a toll-free telephone number used exclusively to verify subscriber carrier changes; or (3) the subscriber's oral authorization to submit the preferred carrier change order from an appropriately qualified independent third party that confirms and includes appropriate verification data -- e.g., the subscriber's date of birth or social security number. 47 C.F.R. § 64.1150 (1999).

public interest.² Moreover, Petitioners' request for a waiver is substantially identical to waivers of these rules previously granted by the Commission to other carriers.³

II. Background

2. Petitioners currently provide resold interexchange and international telecommunications services to customers throughout the United States. IDT America, Corp. ("IDT America") is a direct, wholly-owned subsidiary of IDT Corporation ("IDT"), a Delaware corporation that is publicly traded on the NASDAQ National Market System. IDT America is authorized to provide intrastate resold interexchange service in 46 states.⁴ IDT is authorized to provide intrastate interexchange services in five states and international telecommunications service pursuant to its Section 214 authority.⁵

3 Pursuant to an agreement executed with MCIW, the parties intend to transfer specific assets of MCIW including customer accounts and accounts receivables to the Petitioners. IDT previously

² *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164 (D.C. Cir. 1990).

³ *See infra* note 8.

⁴ As part of a corporate reorganization (the "Reorganization"), IDT is in the process of transferring all of its certificates of public convenience and necessity to IDT America or seeking certification on behalf of IDT America. Such transactions are completed in all but the following states: Alabama, New Hampshire, Ohio, and South Dakota.

⁵ IDT holds Section 214 authority to provide international resold switched and non-interconnected private line services between the U.S. and international points. *International Discount Telecommunications Corp., Application for Authority to Resell Services of Other Carriers to Provide Switched and Private Line Services Between the U.S. and Various International Points*, File No. I-T-C 96-194, DA 96-754 (rel. May 16, 1996). IDT also holds Section 214 "global" resale and facilities-based authority pursuant to Section 214 of the Communications Act of 1934, as amended. *Application of IDT Corporation for Authority Pursuant to Section 214 of the Communications Act of 1934 as Amended, for Global Authority to Operate as a Facilities-based Carrier and as an International Resale Carrier*, File No. I-T-C-97-136 (eff. April 16, 1997).

served an agent for MCIW and acquired these customers for MCIW. MCIW has decided to terminate service to these customers and agreed to transfer these customer accounts to Petitioners pursuant to an agreement. Petitioners may migrate up to 52,973 customers from MCIW to Petitioners. IDT America will provide interstate and intrastate interexchange service and IDT will provide international service to these customers.⁶ Unless the FCC grants this Petition, these customers will no longer be served by MCIW because it has decided to discontinue to provide interexchange services to these customers and they may be subject to higher rates and lack of availability of desired services.

4. In accordance with the Commission's prior Orders in this docket, Petitioners will notify all of the affected MCIW customers prior to their transfer to Petitioners, via a letter, that states: (a) they will receive the same or better services and rates as with MCIW; (b) they have the right to switch to the interexchange carrier of their choice; (c) Petitioners will reimburse customers for any primary interexchange carrier ("PIC") change charges if imposed by local exchange carriers ("LECs") in connection with this transaction; and (d) customers may contact Petitioners via a toll-free number with any questions regarding the transfer.⁷ IDT America will also amend its FCC tariffs to include the applicable MCIW services and rates for these customers. After consummation of the transaction, Petitioners will send another notification letter welcoming customers to Petitioners and reiterating statements (a) through (d) above.

⁶ IDT may provide interexchange services to the former MCIW customers in Alabama, New Hampshire, and Ohio until the Reorganization is completed. After completion of the Reorganization, IDT America may provide interexchange service to the former MCIW customers in Alabama, New Hampshire, Ohio, and South Dakota.

⁷ See *infra* note 8.

III. Special Circumstances Exist to Grant the Waiver Request

5. The FCC has authority to waive a rule if special circumstances warrant a deviation from the general rule and such deviation will serve the public interest. *WAIT Radio* at 1159; *Northeast Cellular Telephone Co.* at 1166. Petitioners assert that special circumstances exist for waiver of 47 C.F.R. §§ 64.1100 through 64.1190 (1999). First, MCIW plans to terminate its services to these customers, and a waiver of these rules will enable customers to continue to receive the same services and rates from Petitioners without a possible disruption in service. In addition, requiring Petitioners to obtain verifications from each of these 52,973 customers before it can begin to provide them service may delay the transfer to Petitioners, interrupt customers' services, and preclude their ability to make interexchange and international calls.

6. Waiver of these rules will serve the public interest because all MCIW customers switched to Petitioners will receive prior notification of the change in carriers, be informed of their ability to select the interexchange carrier of their choice, be reimbursed for any PIC change charges imposed by LECs, and be given a toll-free number to contact Petitioners with any questions regarding the transition. Moreover, after customers are switched to Petitioners, they will receive a second letter again informing them of this information. These letters will ensure that customers are informed of the process and that their rights are adequately protected. By granting the transfer of these customers via notification as described in this Petition, the Commission will ensure that policy goals of the carrier change rules are served but in a more efficient fashion that will permit Petitioners to seamlessly transfer MCIW customers to Petitioners without any disruption in service.

7. Furthermore, the circumstances involved in the instant Petition are similar to those in which the Commission has previously found sufficient to justify a waiver of these rules for other carriers.⁸ Petitioners, as in the Commission's below cited Orders, are seeking to transfer a customer base transferred through a purchase agreement.

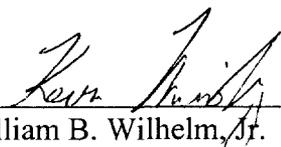
⁸ See *In re Implementation of Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, International Exchange Communications, Inc. Request for Waiver*, Order, CC Docket No. 94-129 (rel. September 10, 1999) (waiver granted to allow transfer of customer base pursuant to asset purchase agreement with another carrier); *In re Implementation of Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, MCI WorldCom, Inc. Request for Waiver*, Docket No. CC 94-129 (rel. August 6, 1999) (waiver granted to allow transfer of customer accounts pursuant to purchase agreement with another carrier); *In re Implementation of Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, Sprint Communications Company, L.P. Request for Waiver*, CC Docket No. 94-129 (rel. June 17, 1999) (waiver granted to allow transfer of customer base to Sprint after dissolution of a joint venture with another carrier); *In re Implementation of Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, CoreComm Limited Request for a Waiver*, CC Docket No. 94-129, (rel. May 13, 1999) (waiver granted to allow transfer of customer base after sale of corporate assets as part of bankruptcy proceeding).

IV. Conclusion

Whereas, the Petitioners respectfully request the Commission grant a limited waiver of the authorization and verification requirements of the Commission's rules, 47 C.F.R. §§ 64.1100 through 64.1190 (1999), and relevant Orders to the extent necessary to permit the Petitioners to transfer selected customers of MCIW to the Petitioners' customer base without first obtaining customers' authorization and verification.

Respectfully Submitted,

IDT Corporation
IDT America, Corp.

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