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

In the Matter of)
)
Application by SBC Communications Inc.)
for Authorization under Section 271)
of the Communications Act to)
Provide In-Region, InterLATA Service)
in the State of Texas)

CC Docket No. 00-04

00-4

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Reply Comments of
Communications Workers of America

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The Communications Workers of America (CWA) submits these Reply Comments to reiterate our support for SBC's application for authority under Section 271 of the Communications Act to provide in-region, interLATA service in Texas. The evidence is overwhelming that SBC has met the requirements of Section 271 of the Communications Act to open its local markets to competition. Based on an exhaustive two-year review, the Texas Public Utility Commission concluded that SWBT had met all the requirements of the 14-point checklist. Competition is alive and thriving in SWBT's local service areas for residential and business customers using all three methods of competition: resale, UNE platform, and facilities-based. To cite but one example: competitors are selling four out of every five new business lines in SWBT's local service area in Texas.

SBC's entry into the long distance market in Texas is in the public interest. First, it will increase competition in the long distance market, especially for low-volume residential consumers, which will lead to lower prices and new service offerings. Second, it will promote the important goal of the 1996 Telecommunications Act to create good, high-wage jobs in the telecommunications industry.

Despite the overwhelming evidence that SWBT has met its obligations under both Track A and Track B to open its local markets to competition, the U.S. Department of Justice (DOJ) bases its objection to SWBT's Application on its contention that (1) SWBT fails to provide non-

discriminatory access to competitors offering xDSL service and that SWBT's separate advanced services affiliate does not protect competitors; and (2) SWBT's performance in providing "hot cuts" of unbundled loops does not meet the Commission's "minimally acceptable" level. In each of these areas, DOJ's objections are misplaced.

First, SWBT has already created an operationally separate advanced services affiliate, ASI. In its *SBC/AMT Order*, the Commission concluded that the creation of an advanced services affiliate under the terms in that Order would ensure competitors non-discriminatory access to xDSL and other advanced services. One of the requirements was that the advanced services affiliate have different employees than the ILEC to perform operation, installation, and maintenance functions. CWA can confirm that SWBT has met the terms of that requirement. CWA recently concluded negotiations with SWBT for a separate collective bargaining agreement covering CWA-represented ASI employees.

The Commission granted Bell Atlantic Section 271 approval in New York based on Bell Atlantic's agreement to establish a separate advanced services affiliate with the same requirements as those in the *SBC/AMT Order*. Therefore, The Commission should remain consistent with its own findings in the Bell Atlantic Section 271 proceeding and consider that SWBT's advanced services affiliate provides adequate protection to ensure that SWBT provides xDSL services to competitors at parity with its own retail services.

The DOJ's concerns about "hot cut" procedures and the provision of unbundled loops to competitors is also misplaced. The DOJ faults SWBT because it does not meet the same time frame as Bell Atlantic does in New York when it cuts over loops. But the two companies are following different rules set by their respective state regulators. The Texas PUC requires that SWBT complete orders of up to 24 lines in two hours 90 percent of the time. SWBT completed 95.3 percent of CHC hot cuts within this time frame in December, the most recent month for which data is available.

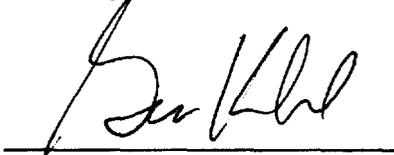
CWA would also like to respond to the DOJ's concerns regarding the number of service outages reported by competitors after completion of "hot cut" orders. CWA has discussed this issue with CWA-represented technicians who work in SWBT's Local Operations Center taking calls from competitors who report service outages. According to these CWA-represented technicians, it is not uncommon for competitors to accept loops with testing them. The competitors then call in a trouble report in order to push the testing responsibility onto SWBT technicians. Often, the SWBT technician reports "no trouble found." This may be one factor in explaining the performance measures on service outages after cut-overs.

In sum, CWA reaffirms that SBC has met the requirements of the 1996 Act to open its local market to competition. The Commission need not fear backsliding by SBC. The Texas PUC has guided the development of a comprehensive performance assurance plan with rigorous

performance standards on more than 1,900 measures that requires SBC to put more than \$289 million in refunds at risk each year, in addition to a parallel federal plan which could exceed \$1 billion over three years, if it fails to meet the standards.

Therefore, CWA recommends that the Commission approve SBC's application to provide inter-LATA services in Texas.

Sincerely,

A handwritten signature in black ink, appearing to read "George Kohl", written over a horizontal line.

George Kohl
Senior Executive Director

Dated: Feb. 14, 2000