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Reply Commenter: Campaign for Telecommunications Access
§ 271 Applicant: SBC Communications, Inc.
State: Texas

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. 00-4

TO: The Commission

**REPLY COMMENTS OF CAMPAIGN FOR TELECOMMUNICATIONS ACCESS
AND 52 PARTICIPATING COMMENTERS**

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I. Introduction and Identification

The Campaign for Telecommunications Access (the Campaign) works to assure that new telecommunications technologies will be available to, usable by, and affordable for all citizens, regardless of where they live and regardless of what disability or other condition they may have that is a barrier to their using some kinds of equipment. For purposes of this filing the Campaign is joined by the original 33 participants listed in the Campaign's filing on January 31, 2000, plus the following individuals and organizations who have asked to be added to the original list of 33 participants (reference to an organization for each participant marked with an asterisk is for identification purposes only):¹

Center for Disability Issues and the
Health Professions
Western University of Health Science
Brenda Premo, Founding Director
Pomona, California

Dr. David B. Gray*
Washington University School of
Medicine
Program in Occupational Therapy
St. Louis, Missouri

Central Iowa Center for Independent
Living
Robert Jeppesen, Executive Director
Des Moines, Iowa

Donna J. Kidd,* Former Director
Jayhawk Area Agency on Agency
Past President, Topeka Chapter of Linx
Incorporated
Topeka, Kansas

Everybody Counts, Inc.
Teresa Torres, Executive Director
Merrillville, Indiana

¹We believe that the vision we state here is held by many people and organizations in the communities of older adults and people with disabilities. But for constraints of time and resources many more would have joined us.

Maralee I. Lindley,* Immediate Past
Director
Illinois Department on Aging
Vice Chairman
United States Committee for the 1999
United Nation Year of the Older Person
Springfield, Illinois

LINK, Inc.
Brian Atwell, Executive Director
Hays, Kansas

Living Independence for Everyone CIL
Gail Kear, Executive Director
Bloomington, Illinois

Donnie Martin*
National Silver Haired Congress
Houston, Texas

Frances Opp Martin*
Co-Chair of Indiana Delegation
National Silver Haired Congress
Indianapolis, Indiana

Jack McSpadden
Consultant in Adaptive Technology
Little Rock, Arkansas

Missouri Alliance of Area Agencies on
Aging
Jean Leonatti, President
Columbia, Missouri

National Council of Silver Haired
Legislatures
Felix Nigh, President
Houston, Texas

Oklahoma ABLE Tech
Milissa Gofourth,
Policy Funding Specialist
Stillwater, Oklahoma

Options for Independent Living, Inc
Thomas J. Diedrick, Executive Director
Green Bay, Wisconsin

Resource Center for Independent Living
Mary Holloway, Executive Director
Osage City, Kansas

Pauline Roehrkasse*
Silver Senator
National Silver Haired Congress
Grand Island, Nebraska

Dr. Alice C. Stubbs*
Professor Emeritus
Texas A&M University
Bryan, Texas

Florence J. Turner*
State Chairman,
National Silver Haired Congress
Tigard, Oregon

II. Submission

The purpose of these comments is to join new participants with the participants previously joining these proceedings and to make a limited statement about the findings that the Campaign suggests the Commission should consider in this proceeding.

A. New Participants

Since the original filing deadline, several participants in these comments have asked to join in them. Therefore, the Campaign adds the names listed in this Introduction and Identification to those listed in the original comments (the Campaign's Original Comments) and restates the reference to the participants in the this filing as the Comments of Campaign for Telecommunications Access and 52 Participating Commenters.

B. The Public Interest Tilts in Favor of Allowing SBC into the Long-Distance Business in Its Service Areas, Including in Texas

1. Allowing SBC into the Long-distance Business Would Create an Incentive for SBC to Maintain and Expand Service to Low, Moderate, and Fixed Income Consumers

The strategic approach that local telephone companies take to serving their markets differs markedly between incumbent providers and competitors.

Incumbent providers have a tradition of offering service to everyone who lives in their service areas, based on established schedules with certain "basic" services and rate packages that make rates affordable for people of low, moderate, and fixed incomes. SBC, and apparently most of the rest of the local-telephone industry, believe that revenues for

those basic services are less than the costs of providing them. See the Campaign's Original Comments at 15-16.

Meanwhile, competitor local telephone companies freely and independently establish the definition of their minimum service offering. They can and do design their offerings into bundles of services including, for example, in addition to local service, vertical services (such as call waiting, conference calling, caller I.D., etc.), long distance service, maybe high speed DSL or cable modem service, and in the case of cable companies, basic and/or premium cable television service. Commonly, the bundles are priced attractively for those who can use the whole bundle, but the bundles include much more than anybody's definition of basic service. See the Campaign's Original Comments at 13-15. Competitors – free, as they are, of the duty to serve everybody – are not likely, however, to offer services for prices below cost, at least in the long run.

In this context, consumers who have disabilities and older adults are often more benefitted by service from the incumbent provider. If it is true that basic service is provided below cost, then, obviously, basic service consumers get a better deal from the incumbent provider.

Beyond that, the incumbent provider bundles service as the consumer chooses, not as is most profitable for the provider. As such a consumer can order DSL service without also getting television programming or a minimum number of long-distance minutes per month. Thus, a low, moderate, or fixed income person who has highly utility for one or two,

but not a bundle of, advanced services does not have much chance of getting that from a competitor provider, but does from an incumbent.

For example, a person may need DSL or other broadband service for videoconferencing to use sign language or to telecommute to work but not want or need various vertical services or a high minimum number of long-distance minutes of service per month. An incumbent that provides DSL service at all provides it in that form. The competitor who provides DSL or cable modem service does not.

Meanwhile, incumbent local telephone companies have the choice of emphasizing traditional incumbent service within their service areas or shifting their emphasis to competing in other incumbents' service areas. SBC has started down that path by promising the FCC to compete for local business in 30 metropolitan areas outside its service areas. If SBC blossoms outside its service area, it will have decreased interest in operating its business at home. It will especially have decreased incentives to roll out advanced services to consumers whom it believes it is required to serve for prices below cost.

Competitors have little or no interest in bringing their services to those consumers. If incumbent providers have little or no interest in bringing that service to low, moderate, and fixed income consumers, no one in the local telephone industry will reliably serve those consumers. The risk is – Competitors will make their profits. Incumbents will make their profits by acting like competitors outside their service areas. And, low, moderate, and

fixed income consumers – including many older adults and people with disabilities – will be more and more ignored in the maintenance and roll out of advanced telecommunications networks by incumbents.

One protection is to make incumbents' paying attention to home service areas more attractive than they otherwise are. One way to do that is to allow incumbent providers into the long-distance business in their home territories.

Universal service funds are far from sufficient to replace the universal service provided by incumbents in the operation of their ordinary businesses. The Campaign wants universal service funding to be protected and grown.

But the Campaign also depends on incumbent providers' fostering the maintenance and advanced development of their universal networks in their own service areas. The Campaign suggests that allowing SBC into the long-distance business in Texas and other incumbents in such business throughout the Nation would enhance the prospects for incumbent providers doing just that. Therefore, Campaign suggests letting SBC into the long-distance business in Texas and other incumbents in such business throughout the Nation is in the public interest.

2. Universal Design Would Be Enhanced by Allowing SBC into the Long-distance Business in Texas

Allowing any Regional Bell Operating Company (RBOC) into the long-distance business will advance universal design with respect to billing. Long, complicated bills with

their accompanying requirements to deal with several vendors to straighten out their complexity is a problem for many older adults and people with disabilities who lack maximum intellectual agility. Allowing any RBOC into the long-distance business in its own service area will reduce this problem – it will allow another form of one-stop shopping. Some consumers clamor for it.

In addition, SBC, as one particular RBOC, is to be noted for its very progressive stance with respect to universally designing its products and services to be usable by all people – regardless of age or disability. For example, SBC has (i) adopted a universal design policy that requires it to review and make products and services accessible regardless of whether they are “telecommunications” services or information services, see the Campaign’s Original Comments at 22-23; (ii) has created procedures to ensure its vendors will do the same; (iii) offers or is about to offer braille billing for blind customers throughout its system; (iv) has some braille instructions and marketing literature and is expanding those materials; (v) offers talking Caller I.D. in all states for those whose seeing or mobility difficulties complicate their getting to the telephone; (vi) ensures that all new products and services that go through human factors analysis are analyzed for usability by people of all ages and disabilities; (vii) offers talking call waiting Caller I.D. where call waiting Caller I.D. is available at all; (viii) has teams working toward making its various websites fully accessible.

This is to be compared to the lack of response by competitors in the industry. For example, the cable television industry has for years refused to provide audio descriptions on the channel that catalogs current and coming shows. Cable companies have dropped second audio channels in their offering of digital service, making blind people and their families choose between retaining their current service and having some shows described through descriptive video or obtaining digital service and having access to more channels. Cable companies bitterly oppose allowing consumers to choose their own Internet service provider while failing to guarantee that the Internet service provider the cable company offers is fully accessible to all people of all disabilities. Meanwhile, when one of the participants in the Campaign asked AT&T to get his long distance bill in braille, he was told that was fine; AT&T would just hand the billing back to Southwestern Bell!

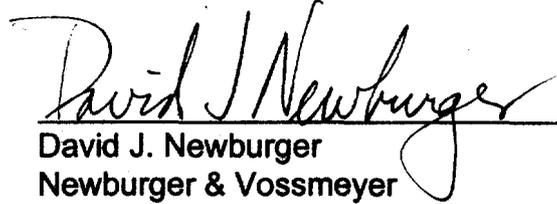
SBC for one has worked to make their services fully accessible while others save money by ignoring the issue and leaving the barriers in the way of people with disabilities. This is, in and of itself, one more very important reason for recognizing that it is in the public interest for the FCC to grant SBC's application.

III. Conclusion

For the reasons stated here and in the Campaign's original comments, the Campaign respectfully urges the Commission to find that it is in the public interest to allow SBC to offer long-distance service to customers in its Texas service area.

Reply Commenter: Campaign for Telecommunications Access
§ 271 Applicant: SBC Communications, Inc.
State: Texas

Respectfully submitted,



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Certificate of Service

I certify that the foregoing has been filed with Magalie Roman Salas, Commission Secretary, Federal Communications Commission, and delivered to SBC Communications Inc., by service on Jonathan Rabkin, Kellogg, Huber, Hansen, Todd & Evans, P.L.L.C., Suite 1000 West, 1301 K Street N.W., Washington, District of Columbia 20005-3317 by U.S. Mails, postage prepaid, this February 21, 2000.

