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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 Carrier)
Selection Changes Provisions of the)
Telecommunications Act of 1996)
United-KUC, Inc.,)
Petition for Waiver of the Subscriber)
Carrier Selection Change Provisions)
Of the Telecommunications Act of 1996)

CC Docket 94-129

PETITION FOR WAIVER
OF UNITED-KUC, INC.

I. REQUEST FOR RELIEF

United-KUC, Inc. ("United-KUC") pursuant to Section 1.3 of the Federal Communication Commission's ("Commission") rules,¹ respectfully request the Commission to grant a limited waiver of the authorization and verification requirements of the Commission's carrier-change rules, 47 CFR

¹ See 47 CFR § 1.3.

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List A B C D E

1 §§ 64.1100 through 64.1190, and relevant Orders,² to the extent necessary to permit United-KUC to be
2 substituted as the local carrier for certain of GTE Alaska's current customers³ across service territories
3 in Alaska over the next year.

4 As demonstrated herein, the rural exchange sales being undertaken between United-KUC,
5 through ATEAC, and GTE Alaska fully satisfy the special circumstances required for a waiver of
6 Commission rules, as state in Wait Radio v. FCC.⁴ Moreover, grant of the instant Petition will further
7 serve the public interest.

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11 **II. BACKGROUND**

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13 On October 20, 1999, United-KUC and ATEAC filed a joint application with the Regulatory
14 Commission of Alaska whereby United-KUC will acquire assets and service areas in Bethel, McGrath
15 and Unalakleet, Alaska, which include approximately 5000 lines. In December 1999, GTE Alaska
16 Incorporated ("GTE"), filed a Section 63.71 Application to transfer to ATEAC all of the access lines
17 then operated by GTE in Alaska to ATEAC. GTE stated that the sale of the access lines would have no
18 known immediate or substantial adverse effect on the service provided to customers in these Alaska
19 exchanges and further that no existing service would be discontinued, reduced or impaired as the result

20
21 ² See In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions
22 of the Telecommunications Act of 1996; Policies and Rules concerning Unauthorized Changes of
23 Consumers Long Distance Carriers, Third Report and Order and Second Order on Reconsideration, FCC
24 00-255, Released August 15, 2000; In the Matter of Implementation of the Subscriber Carrier Selection
Changes Provisions of the Telecommunications Act of 1996; Policies and Rules concerning
Unauthorized Changes of Consumers Long Distance Carriers, Second Report and Order and Further
Notice of Proposed Rulemaking, FCC 98-334, Released December 23, 1998.

25 ³ As explained below, ATEAC was established and has in fact served as a conduit for acquisition
26 of GTE Alaska's local telephone operations and properties on behalf of four other Alaskan corporations:
27 Alaska Telephone Company; Arctic Slope Telephone Association Cooperative, Inc.; Telalaska,
28 Incorporated (Telalaska) D/b/a Mukluk Telephone Company, Inc. (Mukluk) and Interior Telephone
Company (ITC); and United- KUC, Inc. (United). See also NSD File No. W-P-D-449, as reflected in
the Public Notice dated January 7, 2000.

⁴ See WAIT Radio v. FCC, 418 F.2d 1153 (D.C. Cir. 1969), cert. denied, 409 U.S. 1027 (1972).

1 of the sale.⁵ The Regulatory Commission of Alaska (“RCA”) filed comments in connection with this
2 application and requested that approval of the application be contingent upon the approval by the RCA
3 of associated intrastate applications of U-99-107, U-99-119 through U-99-123 and b) full transfer of the
4 service responsibility of ownership to the companies (none of which are ATEAC) ultimately proposing
5 to take over control of each exchange involved in the sales.⁶ The Applicant under this Petition interprets
6 the Network Service’s Division acceptance of the RCA conditions as implicit approval of
7 discontinuation of service by both GTE and ATEAC for purposes of 47 CFR § 63.71.

8 GTE’s application was subsequently amended on February 29, 2000 to make the discontinuance
9 contingent upon approval by the RCA.⁷ Through the Public Notice, the Network Services Division
10 notified GTE that GTE’s initial application would not be granted but that the amended application was
11 accepted and would be automatically granted on the 60th day after the release date of the Public Notice.

12 Through a billing insert, GTE has advised all of the affected customers of the initial transfer of
13 their phone service to ATEAC and then to United-KUC.⁸

14 Once the final transfer of the access lines to United-KUC is complete, United-KUC will be
15 communicating with customers through billing inserts and other community outreach efforts. These
16 efforts will be consistent with the information provided to consumers by GTE.

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19 III. SPECIAL CIRCUMSTANCES WARRANT A WAIVER

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21 The Commission has authority to waive a rule if special circumstances warrant a deviation from
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24 ⁵ See NSD File No. W-P-D-449, as reflected in the Public Notice dated January 7, 2000.

25 ⁶ See Attachment A.

26 ⁷ See DA 00-507; NSD File No. W-P-D-449, as reflected in the Public Notice dated March 6,
27 2000.

28 ⁸ See Attachment B.

1 the general rule and such deviation will serve the public interest.⁹ Such circumstances exist here. To
2 the extent the sales between GTE and ATEAC and ATEAC and United-KUC are ultimately approved
3 as in the public interest, the concomitant action of moving the customers over to United-KUC is
4 obviously a necessary aspect of realizing that public interest.

5 In a variety of Orders, the Commission (or the Common Carrier Bureau, through delegated
6 authority) is finding that granting of similar waivers is in the public interest.¹⁰ As were the cases
7 considered in the Orders already issued granting waiver relief, prior customer notification has occurred
8 so that the carrier-affecting change will not come as a surprise to the affected customers. The follow-up
9 contact with customers by United-KUC will commence at the time of actual transfer and continue for
10 a period of several months thereafter. A refusal to allow the change will simply cause confusion among
11 the customers with a potential for customers attempting to exercise choices they do not have as there is
12 no other local service provider certificated to provide service in the affected exchanges.

13 The Commission should also understand the limited scope of this waiver request. Unlike the
14 cases and associated Orders cited above, this Petition seeks a waiver from the provision of the of the
15 authorization and verification requirements of the Commission's carrier-change rules, 47 CFR §§
16 64.1100 through 64.1190, and relevant Orders, as they apply to changes in local service. Long distance
17 carrier selection is not implicated in the circumstances presented in this Petition.

18 Given that the above-outlined circumstances are similar but even narrower than those in which
19

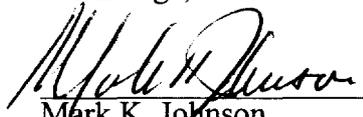
20 ⁹ Wait Radio, 418 F. 2d at 1159; Northeast Cellular Telephone Co. v. FCC 897 F. 2d 1164, 1166
21 (D.C. Cir. 1990).

22 ¹⁰ In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of
23 the Telecommunications Act of 1996; Citizens Utilities Company - U S WEST Communications, Inc.,
24 Joint Petition for Waiver, DA 00-1584, Released July 14, 2000 (waiver granted to permit Citizens
25 Utilities to transfer of customer base of U S West Communications to Citizens pursuant to purchase
26 agreement; In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of
27 the Telecommunications Act of 1996; International Exchange Communications, Inc. Request for
28 Waiver, Order, DA 99-1819, Released September 10, 1999 (waiver granted to permit International
Exchange Communications, Inc. to allow transfer of customer base pursuant to agreement to purchase
assets of International Telecommunications Corp. including ITC's customer accounts, accounts
receivable and letters of agency or other authorizations for service); In the matter of Implementation of
Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996; MCI
WorldCom, Inc., Request for Waiver, Order, DA 99-1549, Released August 6, 1999; (waiver granted
to allow transfer of customer accounts pursuant to purchase agreement with Long Distance International,
Inc. to a subsidiary of MCI WorldCom, Inc.)

1 the Commission has previously granted waivers of its carrier-change rules, United-KUC and ATEAC
2 are confident that the Commission will find the granting of this Petition warranted and in the public
3 interest.

4
5 Respectfully submitted,

6 UNITED-KUC, INC.
7 5450 A Street
8 Anchorage, Alaska 99518

9 By: 
10 Mark K. Johnson
11 Counsel
12 Alaska Bar # 8106028
13 907-273-5290

14 Its Attorney
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STATE OF ALASKA

DEPARTMENT OF COMMUNITY AND
ECONOMIC DEVELOPMENT

REGULATORY COMMISSION OF ALASKA

ORIGINAL
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TONY KNOWLES, GOVERNOR

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ANCHORAGE, ALASKA 99501-1963
PHONE: (907) 276-6222
FAX: (907) 276-0160
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In Reply Refer to: Common Carrier
LO#: L0000103

January 26, 2000

Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TWA325
Washington, DC 20554

RE: NSD File : W-P-D-449
RCA Files: U-99-107, U-99-119,
U-99-120, U-99-121
U-99-122, U-99-123

To Whom It May Concern:

On January 7, 2000, the Federal Communications Commission (FCC) released Public Notice 97262 regarding the Section 214 Application of GTE Alaska, Inc. (GTE-AK) requesting to discontinue interstate services in Alaska, effective the sale of certain local exchange properties to the Alaska Telephone Exchange Acquisition Corp. (ATEAC). The Public Notice stated that in accordance with 47 C.F.R. § 63.71(c), the application will be deemed automatically granted on the 60th day after the release date of the Public Notice, unless the FCC notifies the applicant otherwise.

The Regulatory Commission of Alaska (RCA) has pending before it an application by GTE-AK to sell its intrastate operations to ATEAC (Docket U-99-107). ATEAC in turn proposes to divide and transfer the purchased GTE-AK assets to the Alaska Telephone Co. (Docket U-99-119); the Arctic Slope Telephone Assoc. Coop. (Docket U-99-120); Interior Telephone Company (Docket U-99-121); Mukluk Telephone Co. (Docket U-99-122); and United-KUC, Inc. (Docket U-99-123). The RCA will continue to expeditiously review these matters, but it is unlikely resolution will occur before the 60th day after the FCC's Public Notice.

ATTACHMENT A

The RCA requests that the FCC notify GTE-AK that it will not automatically grant approval of the GTE-AK interstate application after the 60th day. The RCA requests that approval of the interstate application to discontinue service be conditioned upon a) RCA approval of the associated intrastate applications of U-99-107, U-99-119 through U-99-123, and b) full transfer of the service responsibility and ownership to the companies (none of which are ATEAC) ultimately proposing to take over control of each exchange involved in the sales. It could easily disrupt the public interest and utility operations in Alaska for GTE-AK to prematurely discontinue interstate services when GTE-AK has yet to obtain all necessary approvals to allow full sale and transfer of the GTE-AK assets to occur.

Please do not hesitate to contact Lorraine Kenyon, Common Carrier Specialist at (907) 276-6222 at the RCA if you require further information on this matter.

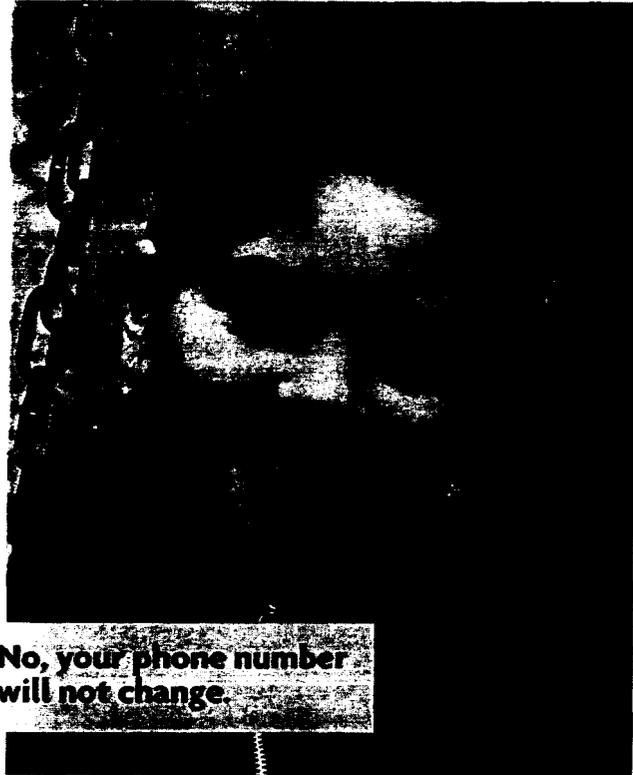
BY THE DIRECTION OF THE COMMISSION,

Sincerely,

REGULATORY COMMISSION OF ALASKA


G/ Nanette Thompson
Chair

cc: Robert Stoller, Esq.
Joseph M. Moran, Esq.
Michael S. McLaughlin, Esq.
Ronald Zobel, Esq.
John A. Reed, Esq.
Todd J. Timmermans, Esq.
Network Services Division



**No, your phone number
will not change.**

Soon, the phone company name on your bill will change. You'll keep your rates, your features, your services, and of course, your phone number. Even business customers can continue to buy Yellow Pages advertising in the phone directory.

So, how does this change affect you? Well, your local phone service will simply transfer to one of the member companies of the Alaska Telephone Acquisition Corporation (ATEAC), Inc. Your inside wire and telephone maintenance plans will transfer, too. And when you pick up the phone, you'll hear the same dial tone you've always heard.

We're sure you will have questions, so take a look on the back.





Q: Who are the member companies of ATEAC, Inc?

These companies include Arctic Slope Telephone Association Cooperative, Inc., Alaska Power and Telephone Company, TelAlaska, Inc. and United Utilities, Inc. Even though your local service will be with one of these companies, your service will not be interrupted.

Q: Do I have to call the new company to continue phone service?

No. If you're a GTE customer now, your phone service automatically continues with the new company.

Q: Will my long distance company and Internet service provider remain the same?

Yes. Your long distance company and Internet service provider will be the same unless you decide to change them.

Q: Will the way I'm billed and the date of my telephone bill change?

ATEAC, Inc. does not anticipate a change at this time; however, you will be notified if your bill payment date changes.



CERTIFICATE OF SERVICE

I, Mark K. Johnson, do hereby certify that on the 15 day of September, 2000, I have caused a copy of the forgoing Petition for Waiver of United-KUC, Inc., to be served, via first class United States Mail, postage prepaid, upon the persons listed below.



Mark K. Johnson

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