

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

In the Matter of)
)
2000 Biennial Regulatory Review)
Telecommunications Service Quality)
Reporting Requirements)
)

CC Docket No. 00-229 /

RECEIVED

FEB 16 2001

WORLDCOM REPLY COMMENTS

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

WorldCom, Inc. (WorldCom) hereby submits its reply to comments on the Notice of Proposed Rulemaking (Notice) in the above-captioned proceeding.

State commissions and ILEC customers agree that “meaningful economic competition” does not exist in the local exchange and exchange access market, and agree that the current level of competition is not sufficient to ensure that ILEC service quality is reasonable. For example, the Texas commission explains that “[c]ompetition in the local exchange market is emerging slowly, and despite extensive regulatory efforts, meaningful economic competition is several years from becoming a reality.”¹

Indeed, commenters agree that ILEC service quality is declining. Several state commissions point to the “serious service problems” and “substandard service levels” in the Ameritech region.² And, as the Texas Office of Public Utility Counsel notes, “nationwide ILEC service quality has declined in nine of eleven [ARMIS] categories since 1993.”³

¹Texas PUC comments at 2.

²Michigan comments at 1.

³Comments of Texas Office of Public Utility Counsel at 6.

No. of Copies rec'd 014
List A B C D E

The service quality declines experienced by IXCs and other carrier customers of the ILECs' interstate access services have been particularly severe. For example, the ILECs' provisioning of access services to Focal has been "abysmal," to the extent that it has undermined Focal's ability to compete in the local exchange market.⁴ The data reported in Table I of the ARMIS 43-05 reports shows that the decline in access service quality has been industry-wide.⁵

In light of the decline in access service quality revealed by the ARMIS data, the Commission cannot conclude that there is "meaningful economic competition" sufficient to ensure that ILEC service quality is reasonable or to justify the elimination of the Table I reporting requirement. Indeed, the ARMIS service quality reports are performing the function for which they were designed: revealing that price cap ILECs with market power are engaged in a practice of "seek[ing] to increase their profits not by becoming more productive, but by lowering the quality of service they provide."⁶ Under these circumstances, the Commission should not be considering the elimination of Table I of the ARMIS 43-05 report. Rather, the Commission should initiate a comprehensive investigation of the access service quality declines revealed by the ARMIS data.

While continued service quality reporting is necessary to ensure that ILEC service quality is reasonable, it is clear that such reporting is not necessary to ensure that CLEC

⁴Focal comments at 3.

⁵See, e.g., AT&T Comments at 6.

⁶Policy and Rules Concerning Rates for Dominant Carriers, Second Report and Order, 5 FCC Rcd 6786, 6827 (1990).

service quality is reasonable. As AT&T points out, “the realities of a nascent competitive marketplace naturally provide strong incentives for new entrants to differentiate their features, prices, and service quality and to inform consumers about the differences between providers.”⁷

The administrative costs associated with the proposed CLEC service-quality reporting requirement would greatly outweigh the alleged consumer protection benefits. CLEC commenters agree that “[r]equiring competitive LECs to expend precious resources to engineer their systems to generate and report information about their services will inevitably detract from those resources available for building facilities and providing service to end-users.”

For the reasons stated herein, the Commission should retain the access service quality reporting requirement for ILECs. The Commission should not impose service quality reporting requirements on CLECs.

Respectfully submitted,
WORLD COM, INC.



Alan Buzacott
1133 19th Street., NW
Washington, DC 20036
(202) 887-3204

February 16, 2001

⁷AT&T Comments at 11.

STATEMENT OF VERIFICATION

I have read the foregoing, and to the best of my knowledge, information, and belief there is good ground to support it, and that it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on February 16, 2001.



Alan Buzacott
Senior Manager, Regulatory Affairs
11133 19th Street, NW
Washington, D.C. 20036
(202) 887-3204

CERTIFICATE OF SERVICE

I, Vivian I. Lee, do hereby certify that copies of the foregoing Reply Comments were sent via first class mail, postage paid, to the following on this 16th Day of February, 2001.

International Transcription Services**
1231 20th Street, N.W.,
Washington, DC 20036

Laurie Pappas
Texas Office of Public Utility Counsel
1701 N. Congress Avenue, Suite 9-180
Austin, TX 78701

Susan J. Bahr
P.O. Box 86089
Montgomery Village, MD 20886-6089

L. Marie Guillory
R. Scott Reiter
Daniel Mitchell
NTCA
4121 Wilson Boulevard, 10th Floor
Arlington, VA 22023

R. Russell Miller
Vice President – Network Services
Siemens Medical Solutions
Health Services Corporation
51 Valley Stream Parkway
Malvern, PA 19355

David N. Baker
VP, Law and Public Policy
Earthlink, Inc.
1430 West Peachtree Street, N.W.
Suite 400
Atlanta, GA 30309

Donna N. Lampert
Mark J. O'Connor
Lampert & O'Connor, P.C.
1750 K Street, N.W.
Suite 600
Washington, DC 20006

Kimberly M. Kirby
Jonathan Askin
ALTS
888 17th Street, N.W., Suite 900
Washington, DC 20006

Genevieve Morelli
David C. Kirschner
Kelley Drye & Warren LLP
1200 19th Street, N.W.
Washington, DC 20036

Lawrence E. Harris
Terry B. Natoli
Edward B. Krachmer
Teligent
Suite 400
8065 Leesburg Pike
Vienna, VA 22182

Jason Oxman
Senior Counsel
Covad Communications Company
600 14th Street, N.W.
Washington, DC 20005

Richard Metzger
Pamela Arluk
Focal Communications Corporation
7799 Leesburg Pike
Suite 850 N
Falls Church, VA 22043

Mark C. Rosenblum
Richard H. Rubin
James W. Grudus
AT&T Corp.
295 North Maple Avenue
Basking Ridge, NJ 07920

James L. Casserly
Mintz, Levin, Cohen, Glosky and Popeo,
P.C.
701 Pennsylvania Avenue, N.W.
Washington, DC 20004

Kathleen F. O'Reilly
NASUCA
414 A Street, SE
Washington, DC 20003

James Bradford Ramsay
Sharla Barklind
NARUC
1101 Vermont Avenue, NW, Suite 200
Washington, DC 20005

David Svanda
Robert Nelson
Michigan Public Service Commission
6545 Mercantile Way
Lansing, MI 48911

Pat Wood, III
Judy Walsh
Brett A. Perlman
PUC of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, TX 78711-3326

Lawrence E. Sarjeant
Linda L. Kent
Keith Townsend
John W. Hunter
Julie E. Rones
USTA
1401 H Street, NW, Suite 600
Washington, DC 20005

Sharon J. Devine
Kathryn Marie Krause
James T. Hannon
Qwest
1020 19th Street, N.W.
Washington, DC 20036

Jay C. Keithley
Sprint
401 9th Street, NW, #400
Washington, DC 20004

Rick Zucker
6360 Sprint Parkway, KSOPHE0302
Overland Park, KS 66251

Joseph DiBella
Verizon
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

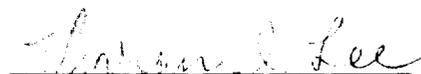
Paul E. Dorin
Roger K. Toppins
Paul Mancini
SBC
1401 I Street, N.W., Room 1100
Washington, DC 20005

Richard M. Sbaratta
Stephen L. Earnest
BellSouth
Suite 4300
657 West Peachtree Street, N.E.
Atlanta, GA 30309

David W. Zesiger
Executive Director
ITTA
1300 Connecticut Avenue, N.W. , Suite
600
Washington, DC 20036

Karen Brinkmann
Richard R. Cameron
Benoit Jacqmotte
Latham & Watkins
1001 Pennsylvania Avenue, NW, Suite
1300
Washington, DC 20004-2505

****HAND DELIVERED**

A handwritten signature in cursive script, appearing to read "Vivian I. Lee", written over a horizontal line.

Vivian I. Lee