

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

Petition for Declaratory Ruling                    ) CG 03-84  
Concerning the Bundling of                    )  
Local Telephone Service                        )  
With Long Distance Service                    )

**COMMENTS OF SBC COMMUNICATIONS INC.**

SBC Communications Inc. (SBC) hereby submits these comments in response to the Petition for Declaratory Ruling issued in the foregoing docket.

The Petitioner in this proceeding filed a Petition for Declaratory Ruling (“Petition”) seeking a Commission ruling on several issues involving local and long distance services. Specifically, the Petition requests a decision on the following three issues: (1) whether the state claims set forth by the Petitioner in the complaint are preempted by the Communications Act giving exclusive jurisdiction to the Federal Communications Commission; (2) whether local telephone service providers may provide local service only to their customers, or must, by virtue of their filed tariff rates or otherwise, bundle local service with long distance service, even where a customer has no need for long distance service; and (3) if long distance service is not required to be bundled with local service in all events, if the practice of bundling these services is a violation of the Communications Act. In light of the Petition, the Commission issued a Public Notice seeking comment on the aforementioned issues.

The three issues raised in the Public Notice, while captioned as issues pertaining to the “bundling” of local telephone service and long distance service, really do not raise bundling concerns. Rather, the real issue raised in the underlying petition is whether a local provider can require a local telephone subscriber that has not subscribed to long distance service to pay a

monthly minimum charge for long distance service.<sup>1</sup> In addressing the issues raised in the Public Notice, SBC asks that the Commission make clear that it is not evaluating whether carriers can offer local and long distance services as a bundled service offering. As the Communications Act of 1934, as amended,<sup>2</sup> and the FCC's implementing regulations make clear, such bundled offerings are fully permissible and indeed are prolific in the telecommunications industry today.

Respectfully Submitted,

/s/ Davida Grant

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<sup>1</sup> The monthly minimum charge at issue here does not include charges to recover local loop costs, such as the subscriber line charge, which local carriers are permitted to assess on local subscribers under the FCC's rules, whether or not they subscribe to long distance service. See *Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, and End User Common Line Charges*, First Report and Order, 12 FCC Rcd 15982, *aff'd sub nom.*, *Southwestern Bell Tel. Co. v. FCC*, 153 F.3d 523 (8<sup>th</sup> Cir. 1998).

<sup>2</sup> 47 U.S.C. §271.