

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Rules and Regulations Implementing)
Minimum Customer Account Record) **CG Docket No. 02-386**
Exchange Obligations on All Local and)
Interexchange Carriers)

To the Commission:

Reply Comments of:

THE OKLAHOMA RURAL TELEPHONE COMPANIES

**Atlas Telephone Company
Beggs Telephone Company
Canadian Valley Telephone Company
Carnegie Telephone Company
Central Oklahoma Telephone Company
Cherokee Telephone Company
Chickasaw Telephone Company
Cimarron Telephone Company
Cross Telephone Company
Dobson Telephone Company
Hinton Telephone Company
KanOkla Telephone Association, Inc.
McLoud Telephone Company
Medicine Park Telephone Company
Oklahoma Telephone & Telegraph, Inc.
Oklahoma Western Telephone Company
Panhandle Telephone Cooperative, Inc.
Pioneer Telephone Cooperative, Inc.
Pottawatomie Telephone Company
Salina-Spavinaw Telephone Company
Santa Rosa Telephone Cooperative, Inc.
Shidler Telephone Company
South Central Telephone Association, Inc.
Southwest Oklahoma Telephone Company
Valliant Telephone Company**

June 18, 2004

The above-referenced Incumbent Oklahoma Rural Telephone Companies (collectively "Oklahoma RTCs"), by and through their attorneys, submit these Reply Comments in response to the Federal Communications Commission's ("Commission") Notice of Proposed Rulemaking requesting comments on whether the Commission should adopt mandatory minimum Customer Account Record Exchange ("CARE") obligations on all local and interexchange carriers, and the initial comments filed by other parties.¹ The Oklahoma RTC's continue to strongly oppose the adoption of mandatory minimum CARE rules as proposed by the IXCs in their Joint Petition for Rulemaking.²

I. THE PROBLEMS WITH THE CURRENT CARE PROCESS DO NOT RESIDE WITH THE OKLAHOMA RURAL LECs

The IXC's state in their initial comments that the problems they are experiencing are due to the entrance of competitive local exchange carriers ("CLECs") into the market.³ As the IXCs' admit, "The CARE System functioned reasonably well prior to the Telecommunications Act of 1996 (the "1996 Act").⁴ SBC Communications also stated that many of the CLECs do not participate in the CARE process and rely upon the ILEC to provide information to the IXCs.⁵ As the Oklahoma RTC's argued in their Comments, the record is void of any evidence that the rural LECs are not exchanging CARE information. Therefore, it would be inequitable to impose additional costly burdensome rules on the entire industry due to the CLECs' lack of knowledge of industry standard practices and/or their refusal to follow such established practices.

¹ *In the Matter of Rules and Regulations Implementing Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers*; Issued in CG Docket No. 02-386 (Rel. March 25, 2004) (CARE NOPR).

² Joint Petition for Rulemaking to Implement Mandatory Minimum Customer Account Record Exchange Obligations on All Local and Interexchange Carriers Filed by AT&T Corp., Sprint Corporation, and WorldCom, Inc. on November 22, 2002 (Joint Petition).

³ See Comments of AT&T Corp., MCI, Inc. and Sprint Corporation to Notice of Proposed Rulemaking filed June 3, 2004 at pages 3 and 8.

⁴ *Id.* at 2.

⁵ See Comments of SBC Communications filed June 3, 2004 at page 2.

II. THE ORDER BILLING FORUM'S CARE PROCEDURES ARE ADEQUATE AND ANY ADDITIONAL CARE INFORMATION SHOULD BE PROVIDED THROUGH CONTRACTUAL ARRANGEMENTS

The Oklahoma RTC's agree with the comments of the United States Telecom Association ("USTA") that the Ordering Billing Forum ("OBF") is the appropriate forum to address issues regarding the CARE system.⁶ The OBF was created after divestiture to address the CARE process; and these processes have been working for almost twenty years and continue to provide adequate exchange of information between LECs and IXCs, with the sole exception of information held by CLECs. The Commission must understand that the problem does not reside in the current CARE process; it resides with the CLECs that refuse to follow existing practices developed by industry participants. The Commission should not interpret the problems experienced with CLECs to be an industry-wide problem in need of mandatory standards. To the contrary, the Commission should refer those areas where problems exist to the industry for resolution through the OBF. The Commission's adoption of duplicative rules results in excessive regulation that would be very burdensome and expensive for the Oklahoma RTCs whose exchange of information with IXCs is not being challenged and is not in need of a remedy. The Oklahoma RTC's agree with USTA that the CLECs merely need to participate in the OBF and share CARE information.⁷

The Oklahoma RTCs reiterate their position that the additional information the IXCs are requesting should continue to be provided through individual maintenance agreements. The Oklahoma RTCs agree with SBC's and USTA's comments that when carriers desire additional customer data not currently being provided, that privately negotiated CARE agreements should

⁶ See Comments of the United States Telecom Association filed on June 3, 2004 at page 2.

⁷ *Id.* at page 6.

continue to be utilized.⁸ The continued use of CARE agreements is a win-win situation for all the industry because the IXCs obtain the additional information they want while the LECs are properly compensated for providing it.

a. It is unnecessary for the states to promulgate duplicative CARE rules.

The National Association of Regulatory Utility Commissioners ("NARUC") have proposed model CARE rules and are encouraging states to use them as a template to build their own customized individual standards.⁹ The Oklahoma RTCs recognize that particular states may have unique circumstances that might warrant state specific rules and/or standards, but suggest that each State should carefully consider the impacts on the carriers that would be subject to its state specific rules and evaluate the costs versus the benefits of each proposed rule and/or standard prior to its implementation. The Oklahoma RTCs believe that the existing OBF CARE processes are working, and there is no need to "fix" the current process.

III. ADOPTION OF MINIMUM MANDATORY CARE GUIDELINES IS ANTI-COMPETITIVE AND DISCRIMANATORY

As the Oklahoma RTCs have argued, the adoption of the IXC's proposed mandatory CARE guidelines is damaging in a competitive environment because confidential customer information would be released that gives IXCs and their CLEC affiliates a competitive advantage over ILECs.¹⁰ Additional rules and regulations placed upon the rural LECs also put them at a competitive disadvantage in the evolving marketplace where all of the market participants are not subject to the same rules. The rural LECs' competitors are increasing and consist of carriers not subject to the Commission's rules and regulations. The rural LECs must now compete with

⁸ See SBC Comments at page 5 and USTA Comments at page 8.

⁹ See Comments of the National Regulatory Utility Commissioners filed June 3, 2004 at page 5.

¹⁰ See Comments of the Oklahoma Rural Telephone Companies filed on February 4, 2003 and June 3, 2004 and *In the Matter of the implementation of the Telecommunications Act of 1996; and Telecommunications Carriers' Use of*

wireless carriers, VoIP providers, and other service providers that are not required to provide equal access to long distance carriers and are not required to participate in the existing CARE process. The Commission's goal of promoting competition can only be accomplished if all providers of voice services are on a level playing field. The adoption of additional rules is contrary to the Commission's policy of promoting competition.

CONCLUSION

The Oklahoma RTCs' urge the Commission to not adopt mandatory minimum CARE standards. It is apparent that the problem the IXCs are experiencing is with the new CLEC entrants rather than the rural LECs. The Oklahoma RTCs state that the current process is working and exchange of customer CARE information is being provided between the LECs and IXCs, either voluntarily, or through contractual arrangements. Rather than impose undue burdensome and unfunded regulations, the CLECs merely need to adhere to the current industry practices, and the IXCs need to focus their attention on customer education. The Oklahoma RTCs reaffirm their position as more fully set forth in the Oklahoma RTCs' Comments filed on January 21, 2003, and June 3, 2004.

The Oklahoma RTCs appreciate the opportunity to provide comments, and participate to the fullest extent in this proceeding, including the presentation of *Ex Parte* comments to further elaborate on the issues discussed herein.

Respectfully submitted,

OKLAHOMA RURAL TELEPHONE COMPANIES

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