

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

In the Matter of)
)
Petition of WorldCom, Inc. Pursuant to Section)
252(e)(5) of the Communications Act for)
Preemption of the Jurisdiction of the Virginia)
State Corporation Commission Regarding)
Interconnection Disputes with Verizon Virginia)
Inc., and for Expedited Arbitration)
)

CC Docket No. 00-218

ORDER

Adopted: March 17, 2004

Released: March 17, 2004

By the Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. On August 28, 2003, the Wireline Competition Bureau (Bureau), acting through authority expressly delegated by the Commission and standing in the stead of the Virginia State Corporation Commission (Virginia Commission),¹ issued a decision resolving all pricing issues arising under the petitions for arbitration of interconnection agreements between Verizon Virginia, Inc. (Verizon) and AT&T Communications of Virginia, Inc. (AT&T) and Verizon and WorldCom, Inc. (WorldCom)² and required the parties to submit compliance filings.³ On January 29, 2004, the Bureau issued a decision resolving all outstanding issues pertaining to the parties' compliance filings and establishing the rates that Verizon may charge WorldCom and AT&T for unbundled network elements (UNEs), interconnection,

¹ 47 U.S.C. § 155(c)(1); *Procedures for Arbitrations Conducted Pursuant to Section 252(e)(5) of the Communications Act, as amended*, Order, 16 FCC Rcd 6231, 6233, paras. 8-10 (2001) (*Arbitration Procedures Order*) (delegating authority to the Bureau to conduct and decide these arbitration proceedings).

² Although WorldCom, Inc. has emerged from bankruptcy and is now operating as MCI, Inc., to maintain consistency with all of the prior orders in this proceeding, except where we quote a party's submission, we generally refer to the company as WorldCom.

³ See *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Memorandum Opinion and Order, 18 FCC Rcd 17722 (WCB 2003) (*Cost Order*). In two previous orders, the Bureau addressed the terms and conditions of interconnection agreements between the petitioners and Verizon. See *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Memorandum Opinion and Order, 17 FCC Rcd 27039 (WCB 2002) (*Non-Cost Arbitration Order*); *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Memorandum Opinion and Order, 17 FCC Rcd 19654 (WCB 2002) (*Non-Cost Arbitration Approval Order*).

and resale.⁴ These rates became effective upon the release of the *Compliance Order* on January 29, 2004.⁵ In the *Compliance Order*, the Bureau instructed the parties to incorporate the rates set forth therein and any other mutually agreed upon rates – and only those rates – into an amendment to their respective interconnection agreements.⁶ The Bureau required the parties to submit these amendments for approval by February 9, 2004,⁷ pursuant to section 252(e)(1) of the Communications Act of 1934, as amended (the Act).⁸

2. Subsequently, the parties submitted two successive motions for extensions of time to file these amendments. In the first motion for an extension of time (submitted by Verizon), Verizon claimed that a thirty-day extension of time was necessary for the parties to “determine, and agree on, how to apply the ordered rates in the context of the rate structures and other terms in their agreements and whether those related terms themselves require[d] some changes.”⁹ In reliance on this representation, the motion was granted, extending the date for the parties to file their interconnection agreement amendments until March 10, 2004.¹⁰ In the second motion for an extension of time (submitted jointly by Verizon, AT&T, and WorldCom), the parties claimed that they needed an additional two-week extension of time because they were “in the midst of negotiations to resolve various outstanding issues concerning how to apply the ordered rates in the context of the rate structures and other terms in their agreements.”¹¹ In reliance on this representation, the motion was granted, extending the date for the parties to file their amendments until March 24, 2005.¹²

3. On March 24, 2004, instead of filing pricing amendments to their interconnection agreements, the parties submitted fourteen additional issues for the Bureau to resolve.¹³ The additional

⁴ *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Memorandum Opinion and Order, 19 FCC Rcd 1259 (WCB 2004) (*Compliance Order*), as corrected by Erratum, 19 FCC Rcd 1074 (WCB/PPD 2004).

⁵ *Compliance Order*, 19 FCC Rcd at 1274, para. 42. Switching rates became effective as of August 1, 2002. *Id.*

⁶ *Id.* at 1274, para. 41.

⁷ *Id.* at 1275, paras. 45-46 (requiring pricing amendments to be filed within ten days of that order).

⁸ See 47 U.S.C. § 252(e)(1).

⁹ *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Verizon Virginia Inc.’s Unopposed Motion for Extension of Time to File Amendments to Interconnection Agreements at 2 (filed Feb. 5, 2004).

¹⁰ *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Order, 19 FCC Rcd 2220, 2221, at para. 3 (WCB/PPD 2004).

¹¹ *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Joint Motion of Verizon Virginia Inc., AT&T Communications of Virginia Inc., and WorldCom, Inc. for Extension of Time to File Amendments to Interconnection Agreements at 1-2 (filed March 8, 2004).

¹² *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Order, 19 FCC Rcd 4567, 4568, at para. 3 (WCB/PPD rel. March 10, 2004) (*Second Extension Order*).

¹³ See Letter from Samir Jain, Wilmer Cutler Pickering LLP, to Marlene H. Dortch, Sec’y, FCC, CC Docket Nos. 00-218, 00-251 (filed March 24, 2004) (March Amendment Filing). On May 7, 2004, the parties jointly filed

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disputes generally reflected new issues not previously raised by the parties or issues resolved by the Bureau in prior orders.¹⁴ On March 11, 2005, the Bureau released an order addressing these fourteen issues.¹⁵ In that order, we required the parties to amend their respective interconnection agreements and attached (again) rate schedules for the parties to use in their amendment.¹⁶ To avoid any possibility of confusion or further delay, the Bureau adopted rate schedules identical in format to those submitted by the parties in their March 24 and May 7, 2004, filings, and incorporated the revised rate schedules into the *Amendment Order* and attached them thereto.¹⁷ The Bureau required the parties to submit the pricing amendments by March 18, 2005.¹⁸

4. On March 16, 2005, WorldCom submitted a motion for an extension of time to file, seeking an additional fourteen days to submit the ordered pricing amendment to the interconnection agreement between Verizon and WorldCom.¹⁹ WorldCom claims that

it needs additional time to obtain the necessary internal approvals. Consistent with [its] internal processes for corporate governance, any amendment to existing interconnection agreements that involves a commitment of additional monies, must be fully vetted through all affected business channels. High-level executives must be made aware of and consent to the additional expenditures.²⁰

WorldCom also states that Verizon does not oppose WorldCom's motion.²¹

II. DISCUSSION

5. We deny the motion for an extension of time for WorldCom and Verizon to submit an amendment to their interconnection agreement incorporating the rates ordered in the *Virginia Arbitration Amendment Order*. It is the policy of the Commission that extensions of time are not routinely granted.²² WorldCom has not demonstrated good cause to justify the granting of an extension of time.

6. First, we are not persuaded by WorldCom's claim that it needs additional time to obtain approval for the amendment. Although extended executive level review might be necessary in the case of

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revised amendments and pricing schedules. See Letter from Samir Jain, Wilmer Cutler Pickering LLP, to Marlene H. Dortch, Sec'y, FCC, CC Docket Nos. 00-218, 00-251 (filed May 7, 2004) (Revised Amendment Filing).

¹⁴ See *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Memorandum Opinion and Order, DA 05-658, at paras. 7, 13-43 (WCB rel. March 11, 2005) (*Amendment Order*).

¹⁵ *Id.* at paras. 1-43, 51-53.

¹⁶ *Id.* at paras. 4, 52-53, Apps. A-B.

¹⁷ See *id.* at paras. 4, Apps. A-B.

¹⁸ *Id.* at paras. 4, 52-53.

¹⁹ *Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration*, CC Docket Nos. 00-218, 00-251, Motion of MCI, Inc. for Extension of Time to File Amendments to Interconnection Agreement (filed March 16, 2005) (MCI Motion).

²⁰ *Id.* at 1.

²¹ *Id.*

²² 47 C.F.R. § 1.46(a).

substantial changes to an interconnection agreement, that is not the situation here. Rather, the amendments the parties are required to file are in almost all respects identical to the amendments they filed in March 2004, and, moreover, the rates ordered are nearly identical to those adopted in the Compliance Order.²³ All that remains for WorldCom to do is to submit, along with Verizon, an executed pricing amendment consistent with (if not identical to) the rate schedules attached to the *Amendment Order*. WorldCom's statement that "[h]igh-level executives must be made aware of and consent to the" interconnection agreement amendment does not persuade us that it requires additional time.²⁴ The underlying interconnection agreement dispute has been on-going for several years.²⁵ Numerous orders have been adopted by the Bureau.²⁶ The underlying interconnection agreement has been approved by the Commission.²⁷ WorldCom and Verizon also jointly submitted the March 24, 2004, filing, including both the rates to which they agreed (either ordered by the Bureau or negotiated between them) and disagreed.²⁸ WorldCom's corporate management could not have been ignorant of this process to date.

7. Second, we decline to grant an additional extension of time, given that the prior extensions we granted resulted in further disputes rather than agreement among the parties. Notably, despite the Bureau's prior orders that (1) resolved all of the pricing issues previously raised by the parties,²⁹ (2) set the rates that Verizon may charge WorldCom and AT&T for UNEs, interconnection, and resale,³⁰ (3) provided clear direction to the parties about how to implement these rates,³¹ and (4) granted two extensions of time for the parties to submit the implementing amendments to their respective interconnection agreements,³² Verizon, AT&T, and WorldCom failed to execute and submit pricing interconnection agreement amendments as required by the *Compliance Order*.³³ Instead, they asked the Bureau to resolve fourteen additional disputes,³⁴ most of which had either been addressed previously by the Bureau or concerned issues not previously raised by the parties.³⁵ In light of this procedural history, we do not find good cause to grant an additional extension of time.

²³ See generally *Amendment Order* (declining to resolve new issues or re-visit prior determinations); *Compliance Order*, 19 FCC Rcd at 1276-84, App. A.

²⁴ *MCI Motion* at 1.

²⁵ See, e.g., *Petition of WorldCom, Inc. for Preemption of Jurisdiction of the Virginia State Corporation Commission Pursuant to Section 252(e)(5) of the Telecommunications Act and for Arbitration of Interconnection Disputes with Verizon-Virginia, Inc.*, CC Docket No. 00-218, Memorandum Opinion and Order, 16 FCC Rcd 6224 (2001).

²⁶ See, e.g., *Non-Cost Arbitration Order*, 17 FCC Rcd 27039; *Cost Order*, 18 FCC Rcd 17722.

²⁷ See *Non-Cost Arbitration Approval Order*, 17 FCC Rcd 19654.

²⁸ See March Amendment Filing.

²⁹ See *Cost Order*, 18 FCC Rcd 17722.

³⁰ See *Compliance Order*, 19 FCC Rcd 1259.

³¹ See *Cost Order*, 18 FCC Rcd at 17991-93, paras. 694-702; *Compliance Order*, 19 FCC Rcd at 1274-75, paras. 41, 45-46.

³² See *First Extension Order*, 19 FCC Rcd at 2221, para. 3; *Second Extension Order*, 19 FCC Rcd at 4568, para. 3.

³³ See *Compliance Order*, 19 FCC Rcd at 1274, para. 41.

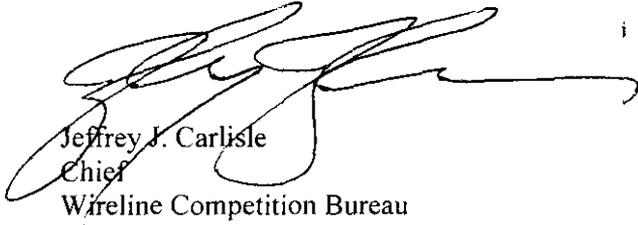
³⁴ See March Amendment Filing.

³⁵ See *Amendment Order* at paras. 7, 13-43.

8. ACCORDINGLY, IT IS ORDERED that, pursuant to sections 4(i), 4(j), and 5(c) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j) 155(c), and sections 0.91, 0.291, and 1.46 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 1.46, the Motion of MCI, Inc. for Extension of Time to File Amendments to Interconnection Agreement IS DENIED.

9. IT IS FURTHER ORDERED that, pursuant to section 252(e)(1) of the Communications Act of 1934, as amended, 47 U.S.C. § 252(e)(1), and the authority delegated pursuant to sections 0.91, 0.291, and 51.807 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, 51.807, WorldCom, Inc. and Verizon Virginia, Inc. SHALL FILE an amendment to their interconnection agreement by March 18, 2005, as required by the Order of the Wireline Competition Bureau of March 11, 2005 (DA 05-658).

FEDERAL COMMUNICATIONS COMMISSION



Jeffrey J. Carlisle
Chief
Wireline Competition Bureau