

June 20, 2006, Ex Parte Meeting

CORE COMMUNICATIONS PETITION

WC Docket No 06-100

Updated 6/13/2006

Petition

Core Communications, Inc. filed a petition pursuant to section 10(c) of the Communications Act, 47 U.S.C. § 160(c), asking the Commission to forbear from “rate regulation preserved by section 251(g)” of the Telecommunications Act of 1996, as well as the rate averaging and integration requirements specified in section 254(g) of the Act. Core requested that forbearance apply to all telecommunications carriers.

Comments

NTCA joined ITTA, OPASTCO and NECA in comments. The Associations argued the petition should be denied on jurisdictional grounds, or in the alternative, on its merits.

The Associations argued that Core failed to demonstrate that it has the necessary jurisdictional standing to request regulatory forbearance, either on its own behalf or on behalf of other carriers it does not represent. To obtain judicial or administrative relief from a court or agency, a party must demonstrate it has a particular interest in a matter under consideration. In this case, Core seeks forbearance from rate regulation and related implementing rules. Core argues that the rate averaging and integration policies expressed in section 254(g) and related rules improperly create “implicit subsidies” for rural carriers. As a CLEC, Core is not required to comply with the obligations placed on carriers by section 251(g) or related access charge rules, nor is it required to provide interexchange services in rural areas at averaged or integrated rates pursuant to section 254(g) of the Act. It has no basis to seek forbearance on its own behalf or on behalf of other carriers.

In the event that the FCC chooses to consider the merits of Core’s petition, the Associations argued that the petition fails to meet the standards set forth in 10(a) of the Act. Core provided no factual evidence in support of its petition, and made no attempt to show how circumstances might have changed in a way that would justify forbearance from existing access charge regulation. The Associations pointed out that there is widespread agreement with the goal of achieving rational and, where appropriate, unified intercarrier compensation rate structures. But forbearance from section 251(g) of the Act and related rules is not a rational method for achieving the goal. It is appropriate that the Commission is examining the issues in the intercarrier compensation proceeding.

Similarly, the Associations argued that Core’s request for forbearance from the geographic rate averaging and integration requirements of section 254(G) should be denied. Rather than an “implicit subsidy” for rural carriers, the rate averaging and integration requirements were intended to benefit consumers living in rural and insular areas, not rural ILECs.