

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

In the matter of)	
)	
Petition of AT&T Inc. for Forbearance)	
under 47 U.S.C. § 160(c) With Regard To)	WC Docket No. 06-120
Certain Dominant Carrier Regulations for)	
In-Region, Interexchange Services)	
)	

REPLY COMMENTS OF ACS OF ANCHORAGE, INC.

ACS of Anchorage, Inc. (“ACS”) hereby submits this reply in response to certain comments opposing AT&T’s request for forbearance from Commission rules that subject BOCs and independent local exchange carriers (“LECs”) offering in-region, interexchange services to the equal access scripting requirement.¹ As ACS explained in its comments, it is no longer rational to impose the scripting requirement on a single carrier in a highly competitive market served by multiple competitive providers.²

Sprint Nextel Corporation (“Sprint Nextel”), the National Association of State Utility Consumer Advocates (“NASUCA”), and COMPTTEL, each argue that the equal access scripting requirement is necessary to prevent abuse by ILECs and to protect consumers. Sprint Nextel argues that equal access requirements are necessary due to the BOCs’ control over and ability to leverage local services to gain long-distance customers,³ although Sprint Nextel makes no such argument about independent LECs. Both Sprint Nextel and COMPTTEL argue that

¹ *Petition of AT&T Inc. for Forbearance under 47 U.S.C. § 160(c) With Regard To Certain Dominant Carrier Regulations for In-Region, Interexchange Services*, Petition of AT&T for Forbearance, WC Docket No. 06-120 at 37 (filed June 2, 2006) (“*AT&T Petition*”).

² Comments of ACS of Anchorage, Inc., WC Docket No. 06-120, at 2-5 (filed July 24, 2006) (“*ACS Comments*”).

³ Opposition of Sprint Nextel Corporation to Petition for Forbearance, WC Docket No. 06-120, at 16 (filed July 24, 2006) (“*Sprint Nextel Comments*”).

bundled product offerings make it more likely that customers may not know that they can choose to have separate carriers for local and long-distance services.⁴ Similarly, NASUCA argues that without the scripting requirement, customers may not be aware of which long-distance carriers serve their locality.⁵

What these arguments ignore, however, is that competitive local exchange carriers (“CLECs”), wireless providers, VoIP providers, and other providers of local services are also in a position to exclusively market their own long-distance service to their customers. Indeed, in ACS’s market, these providers offered bundled local and long-distance service (and no choice of long-distance provider) for years before ACS was permitted to bundle these services. As AT&T, Verizon and ACS have submitted in this proceeding, all carriers today, including competitive carriers, compete for long-distance customers on the basis of bundled service packages.⁶ ACS understands that its primary competitor in Alaska, General Communication, Inc. (“GCI”), does not list other long-distance carriers when customers order GCI’s local service bundle. Putting aside whether or not the scripting requirement applies to competitive carriers, the fact remains that customers do not learn from these carriers that the customer has other choices in long-distance providers or what those other choices might be. The market for long-distance services is no less competitive as a result.

Independent LECs such as ACS are no bottleneck to long-distance competition in today’s open market environment. Even if competitive providers offer local service over the

⁴ Sprint Nextel Comments at 6-7; Opposition of COMPTTEL, WC Docket No. 06-120, at 11 (filed July 24, 2006).

⁵ Comments of the National Association of State Utility Consumer Advocates, WC Docket No. 06-120, at 6 (filed July 24, 2006).

⁶ AT&T Petition at 37; Comments of Verizon, WC Docket No. 06-120, at 7 (filed July 24, 2006) (“Verizon Comments”); ACS Comments at 3.

ILEC's facilities, the competitor has access to the local customer, and thus, has the opportunity to win the customer's long-distance business. Moreover, facilities-based carriers are assured interconnection with the ILEC pursuant to Section 251 of the Communications Act. Therefore, Sprint Nextel's assertion that it still depends on ILEC facilities for wireless and wireline long-distance calling is irrelevant to the applicability of the scripting requirement.⁷ Competitors have no less access to a customer than the ILEC, yet only the ILEC is required to advertise its competitors' long-distance services.

Further, Sprint Nextel's argument that removing dominant carrier safeguards for integrated long-distance service providers would make it "practically impossible for the Commission to detect or deter such abuses,"⁸ does not hold true generally, and is particularly irrelevant to the scripting requirement. Extending Sprint Nextel's flawed logic, the Commission would never remove any regulatory requirements no matter what the level of competition might be. However, the Commission has forborne from regulation in a wide range of contexts based on the principle that market forces are preferable to regulation.⁹ In a competitive market, a

⁷ Sprint Nextel Comments at 10.

⁸ *Id.* at 16.

⁹ *See, e.g., Petition of U.S. West Communications, Inc. for a Declaratory Ruling Regarding the Provision of National Directory Assistance*, 14 FCC Rcd 21086, at ¶ 31 (1999) ("We find that competition is the most effective means of ensuring that the charges, practices, classifications, and regulations . . . are just and reasonable, and not unjustly or unreasonably discriminatory"); *Review of Regulatory Requirements for ILEC Broadband Telecomm. Servs.*, 17 FCC Rcd 27000, 27022 (2002) (Joint Statement of Commissioner Michael J. Copps and Commissioner Jonathan Adelstein, Concurring) ("In previous orders forbearing from tariff requirements, the Commission has rested its decision on its conclusion that carriers lacking market power could not successfully charge rates that violate the Communications Act").

customer can simply switch to a different service provider if he or she feels that rates are too high or does not receive an acceptable quality of service.¹⁰

As illustrated in the AT&T Petition and in the comments of Verizon and ACS, vigorous competition in the markets for long-distance service and long-distance service bundles warrants a grant of forbearance. Although Sprint Nextel predicts that “BOCs are sure to advantage their own affiliates,”¹¹ competitive providers of local and long-distance services already are giving an advantage to their long-distance service because these providers do not have the obligation to market other competitive long-distance services to customers. Continued enforcement of the scripting requirement only serves to increase the ILECs’ costs and reduce their ability to compete, thereby harming consumers.¹² Therefore, the scripting requirement is no longer consistent with the public interest.

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¹⁰ See *Orloff v. FCC*, 352 F.3d 415, 420-1 (D.C. Cir. 2003) (upholding the Commission’s finding that in a competitive market, just and reasonable discrimination is not prohibited under Section 202 of the Communications Act because dissatisfied customers may simply switch to another provider)

¹¹ *Id.* at 17.

¹² See Verizon Comments at 8.

