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

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JAN 24 2008

In the Matter of	)	
	)	
Local Exchange Carriers' Rates, Terms and	)	CC Docket No. <u>94-97</u> , Phases I and II
Conditions for Expanded Interconnection Through	)	
Virtual Collocation for Special Access and	)	
Switched Access Transport	)	
	)	
Investigation of Puerto Rico Telephone	)	CC Docket No. 96-160
Company's New Expanded Interconnection Tariff	)	
	)	
Investigation of Bell Atlantic's New Expanded	)	CC Docket No. 96-165
Interconnection Offerings	)	
	)	
Investigation of Sprint Local Telephone Companies	)	CC Docket No. 96-234
New Expanded Interconnection Offerings	)	
	)	
Investigation of Citizens Telecommunications	)	CC Docket No. 97-240
Companies Expanded Interconnection Services	)	
	)	
Investigation of NYNEX Telephone Companies	)	CC Docket No. 98-240
New Virtual Expanded	)	
Interconnection Offerings	)	

**ORDER TERMINATING INVESTIGATIONS**

**Adopted: January 23, 2008**

**Released: January 23, 2008**

By the Commission:

**I. INTRODUCTION**

1. In 1994, the Commission commenced the first in a series of investigations into incumbent local exchange carrier (LEC) tariffs for virtual collocation services.<sup>1</sup> For the reasons explained below, we now terminate these investigations. Based on the significant changes in the applicable regulatory regime since the investigation was initiated, we find that resolution of the issues designated for investigation would not serve the public interest. To the contrary, we find that the public interest would be served by leaving the existing tariffs in place.

**II. BACKGROUND**

**A. Expanded Interconnection Rulemaking**

2. In 1992, the Commission took steps to promote competition in the interstate access market by

<sup>1</sup> *Ameritech Operating Companies, et al.*, CC Docket No. 94-97, Order, 10 FCC Rcd 1960 (Com. Car. Bur. 1994) (*Virtual Collocation Suspension Order*).

requiring incumbent LECs to allow competitors to collocate network equipment dedicated to their use at incumbent LECs' central offices. Specifically, in the *Special Access Expanded Interconnection Order*, the Commission directed all Tier 1 incumbent LECs to file tariffs offering interstate special access expanded interconnection service to interested parties, including competitive access providers (CAPs), interexchange carriers (IXCs), and end users.<sup>2</sup> Expanded interconnection enables a party to compete with an incumbent LEC by offering access services through the interconnection of its circuits with the incumbent LEC's network at a central office. The Commission required the incumbent LECs to make physical collocation, a service in which the interconnector locates its own transmission equipment in a portion of the incumbent LEC's central office, available to all interconnectors.<sup>3</sup>

3. On September 2, 1993, in the *Switched Transport Expanded Interconnection Order*, the Commission extended this regime to switched access services.<sup>4</sup> The Commission directed the Tier 1 incumbent LECs to offer interstate switched transport expanded interconnection service to CAPs, IXCs, and end users, and to allow them to terminate their switched access transmission facilities at LEC central offices, wire centers, tandem switches, and remote nodes.<sup>5</sup> As it did in connection with special access expanded interconnection, the Commission required the incumbent LECs to make physical collocation available to all interconnectors.<sup>6</sup> The incumbent LECs were required to file tariffs for switched access expanded interconnection and to use the same rate structures that were established for special access expanded interconnection unless the incumbent LEC could justify additional rate elements for switched transport expanded interconnection.<sup>7</sup>

4. On June 10, 1994, the United States Court of Appeals for the District of Columbia Circuit vacated in part the expanded interconnection orders on the ground that the Commission did not have authority to direct the incumbent LECs to provide expanded interconnection through physical collocation.<sup>8</sup> In response to the court's decision, the Commission adopted the *Virtual Collocation Order*, directing incumbent LECs to offer virtual collocation for expanded interconnection.<sup>9</sup> Virtual collocation is a service in which the interconnector designates, monitors, and controls dedicated transmission equipment located in the incumbent LEC's central office, but the incumbent LEC owns the equipment and the interconnector pays for its installation, use, and maintenance. Pursuant to the *Virtual Collocation Order*, incumbent LECs that voluntarily chose to offer physical collocation were exempted from the

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<sup>2</sup> *Expanded Interconnection with Local Telephone Company Facilities*, CC Docket No. 91-141, Report and Order and Notice of Proposed Rulemaking, 7 FCC Rcd 7369 (1992) (*Special Access Expanded Interconnection Order*). The Tier 1 LECs required to file tariffs were companies having annual revenues from regulated telecommunications operations of \$100 million or more for a sustained period of time. *Id.* at 7372 n.1.

<sup>3</sup> *Id.* at 7389-90, para. 39.

<sup>4</sup> *Expanded Interconnection with Local Telephone Company Facilities*, CC Docket No. 91-141, Transport Phase I, Second Report and Order and Third Notice of Proposed Rulemaking, 8 FCC Rcd 7374 (1993) (*Switched Transport Expanded Interconnection Order*).

<sup>5</sup> *Id.* at 7377, para. 4.

<sup>6</sup> *Id.* at 7391-92, para. 29.

<sup>7</sup> *Id.* at 7377, para. 4.

<sup>8</sup> *Bell Atlantic v. FCC*, 24 F.3d 1441 (D.C. Cir. 1994).

<sup>9</sup> *Expanded Interconnection with Local Telephone Company Facilities*, CC Docket No. 91-141, Memorandum Opinion and Order, 9 FCC Rcd 5154 (1994) (*Virtual Collocation Order*).

mandatory virtual collocation requirement.<sup>10</sup>

5. Several incumbent LECs sought review of the *Virtual Collocation Order*, arguing that the Commission did not have authority to require incumbent LECs to provide virtual collocation. In an unpublished opinion, the federal Court of Appeals for the District of Columbia Circuit held that the Telecommunications Act of 1996 (1996 Act) provides explicit statutory authority for the Commission to require incumbent LECs to provide physical and virtual collocation, and that the incumbent LECs' petitions for review were, therefore, moot with respect to the period following the adoption of the 1996 Act.<sup>11</sup> On August 8, 1996, in the *Local Competition Order*, the Commission concluded that expanded interconnection services provided pursuant to the rules established in the *Virtual Collocation Order* should remain available concurrently with the collocation services that incumbent LECs are required to offer pursuant to section 251 of the Communications Act and the *Local Competition Order*.<sup>12</sup>

## B. Virtual Collocation Tariffs

6. On September 1, 1994, in accordance with the *Virtual Collocation Order*, certain incumbent LECs filed interim and permanent virtual collocation expanded interconnection tariffs and accompanying cost support data.<sup>13</sup> The permanent tariffs were to become effective on December 15, 1994. Pursuant to an agreement with the Commission to facilitate an orderly transition from physical collocation to the Commission's mandatory virtual collocation regime, the incumbent LECs' "interim" virtual collocation tariffs were identical in substance to the permanent virtual collocation tariffs filed on the same date.<sup>14</sup>

7. On December 9, 1994, the Common Carrier Bureau (Bureau)<sup>15</sup> released the *Virtual Collocation Suspension Order*, which partially suspended the permanent virtual collocation tariffs, initiated an investigation into the lawfulness of the tariffs, and imposed an accounting order.<sup>16</sup> The Bureau found that the overhead loading factors these incumbent LECs assigned to virtual collocation service appeared to violate the overhead loading standard adopted by the Commission in the *Virtual*

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<sup>10</sup> *Id.* at 5156, paras. 31-34.

<sup>11</sup> *Pacific Bell v. FCC*, Docket Nos. 94-1547, 94-1548, and 94-1612, slip op. (D.C. Cir., March 22, 1996). See also *Pacific Bell v. FCC*, 81 F.3d 1147 (D.C. Cir. 1996); 47 U.S.C. § 251(c)(6).

<sup>12</sup> *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, CC Docket No. 96-98, First Report and Order, 11 FCC Rcd 15499, 15808-09, paras. 610-12 (1996) (*Local Competition Order*) (subsequent history omitted); 47 U.S.C. § 251(c)(6).

<sup>13</sup> See Appendix. We note that there have been a number of mergers and acquisitions among the incumbent LECs that filed virtual collocation tariffs, as well as among the parties that challenged those tariffs. In this order, we refer to these carriers by their names at the time the tariffs were filed.

<sup>14</sup> See Letter from Mark L. Evans, Esq. on behalf of the Tier 1 LECs to William E. Kennard, Esq. General Counsel, Federal Communications Commission (filed Aug. 9, 1994) (Letter Agreement). The interim tariffs were designed to serve the public interest by allowing interconnectors to receive, without interruption, tariffed expanded interconnection service during the period between the effective date of the interim tariffs and the effective date of the permanent virtual collocation tariffs.

<sup>15</sup> The Common Carrier Bureau is now the Wireline Competition Bureau.

<sup>16</sup> *Virtual Collocation Suspension Order*, 10 FCC Rcd 1960.

*Collocation Order*.<sup>17</sup> The Bureau also concluded that Bell Atlantic's maintenance-related expenses were possibly unjust and unreasonable and reduced Bell Atlantic's recovery of total maintenance expense.<sup>18</sup> The Bureau designated these two "key" issues for investigation in the *Phase I Designation Order*.<sup>19</sup>

8. In the *Virtual Collocation Phase I Order*, the Commission affirmed the Bureau's analysis and concluded that most incumbent LECs had failed to demonstrate that their overhead loading levels, and, consequently, their virtual collocation rates, were just and reasonable.<sup>20</sup> The Commission prescribed maximum permissible overhead loading factors consistent with the partial overhead loading disallowances made in the *Virtual Collocation Suspension Order*.<sup>21</sup> For Ameritech, CBT, and SWBT, the Commission prescribed overhead loading factors on an interim basis only and established a two-way adjustment mechanism in the event the loading factors were increased or decreased.<sup>22</sup> In this order, we make permanent the interim overhead loading prescriptions for those carriers and find that no adjustment is necessary in either direction.

9. The *Virtual Collocation Suspension Order* identified a number of additional concerns with the incumbent LECs' virtual collocation tariffs.<sup>23</sup> On September 19, 1995, the Bureau released the *Phase*

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<sup>17</sup> *Id.* at 1974, para. 24. The *Virtual Collocation Order* required that, absent justification, an incumbent LEC using non-uniform overhead loadings may not recover a greater share of overheads in charges for expanded interconnection services than it recovers in charges for its comparable services. *Virtual Collocation Order*, 9 FCC Rcd at 5189, para. 128. In the *Virtual Collocation Suspension Order*, the Bureau concluded that none of the incumbent LECs used uniform overhead loadings among comparable DS1 and DS3 services and that most of the incumbent LECs proposed to recover a greater share of overhead costs in charges for expanded interconnection services than they recover in charges for comparable services. *Virtual Collocation Suspension Order*, 10 FCC Rcd at 1972, paras. 19-20.

<sup>18</sup> *Virtual Collocation Suspension Order*, 10 FCC Rcd at 1979, para. 36.

<sup>19</sup> *Local Exchange Carriers' Rates, Terms and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport*, CC Docket No. 94-97, Phase I, Order Designating Issues for Investigation, 10 FCC Rcd 3927 (Com. Car. Bur. 1995) (*Phase I Designation Order*).

<sup>20</sup> *Local Exchange Carrier's Rates, Terms, and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport*, CC Docket No. 94-97, Phase I, Report and Order, 10 FCC Rcd 6375 (1995) (*Virtual Collocation Phase I Order*).

<sup>21</sup> *Id.* at 6411-12, para. 97. On January 9, 1995, SWBT filed an application for review of the *Virtual Collocation Suspension Order*, and this application for review was withdrawn by AT&T, SWBT's successor, on March 8, 2007. Letter from Jarvis L. Bennett, Executive Director, Federal Regulatory, AT&T, to Marlene H. Dortch, Secretary, Federal Communications Commission, CC Docket No. 94-97 (filed Mar. 8, 2007). Bell Atlantic filed a petition for partial reconsideration of the *Virtual Collocation Phase I Order* on July 5, 1995, and this petition was withdrawn by Verizon, Bell Atlantic's successor, on March 9, 2007. Letter from Edward Shakin, Vice President & Associate General Counsel, Verizon, to Marlene Dortch, Secretary, Federal Communications Commission, CC Docket No. 94-97 (filed Mar. 9, 2007). Bell Atlantic also filed a motion to vacate prescription on September 18, 1995. In this order terminating the investigations of Bell Atlantic's virtual collocation tariffs, we do not order any changes to the virtual collocation rates or revoke the previous grant of interim waiver of the overhead loading prescriptions. We therefore deny Bell Atlantic's motion to vacate prescription as moot.

<sup>22</sup> *Virtual Collocation Phase I Order*, 10 FCC Rcd at 6411-12, para. 97.

<sup>23</sup> *Virtual Collocation Suspension Order*, 10 FCC Rcd at 1980-94, paras. 39-74.

*II Designation Order*, which designated many of these issues for investigation.<sup>24</sup> In particular, the Bureau identified three sets of issues: (1) whether the direct cost components of the incumbent LECs' virtual collocation rates are justified; (2) whether the rate structures established in the virtual collocation tariffs are justified; and (3) whether the terms and conditions in the virtual collocation tariffs are reasonable.<sup>25</sup> The Bureau directed the incumbent LECs to file additional cost support information in their direct cases to resolve the rate level, rate structure, and terms and conditions issues raised by the virtual collocation tariffs.<sup>26</sup> For the reasons explained below, we find that it is not in the public interest for the Commission to resolve the issues designated in the *Phase II Designation Order*. We therefore terminate the investigation and leave in place the existing tariffs.

10. We also terminate in this order the following pending virtual collocation tariff investigations:

- PRTC Virtual Collocation Investigation, CC Docket No. 96-160. In its 1996 annual access filing, PRTC notified the Commission that it was withdrawing from the National Exchange Carrier Association (NECA) pool, effective July 1, 1996. Upon its withdrawal, PRTC became subject to the requirement that it offer virtual collocation services, and it subsequently filed a virtual collocation tariff. The Bureau suspended PRTC's virtual collocation tariff filing for one day and initiated an investigation.<sup>27</sup> On March 11, 1997, the Bureau released an order designating for investigation issues regarding the rate levels, rate structures, and terms and conditions of PRTC's virtual collocation tariff.<sup>28</sup>
- Bell Atlantic Virtual Collocation Investigation, CC Docket No. 96-165. In 1996 Bell Atlantic filed a substantially revised virtual collocation tariff and a motion to vacate the overhead loading factors the Commission prescribed in the *Virtual Collocation Phase I Order*. Bell Atlantic claimed that eliminating those prescriptions was necessary to enable it to establish the term discount plans in its new virtual collocation tariff. The Bureau suspended the tariff filing for one day and initiated an investigation, but it granted Bell Atlantic an interim waiver of the overhead loading prescriptions while this investigation was pending.<sup>29</sup> On March 11, 1997, the Bureau

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<sup>24</sup> *Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport*, CC Docket No. 94-97, Phase II, Order Designating Issues for Investigation, 10 FCC Rcd 11116 (Com. Car. Bur. 1995) (*Virtual Collocation Phase II Designation Order*).

<sup>25</sup> *Id.* at 11118, 11125, 11129, paras. 12, 57, 78.

<sup>26</sup> *Id.* at 11125, para. 56. On December 14, 1995, SWBT filed Transmittal No. 2524 making additional changes to its tariff. The Bureau suspended Transmittal 2524 for one day, *SWBT Telephone Company, Tariff F.C.C. No. 73, Transmittal No. 2524*, Order, 11 FCC Rcd 11500 (Com. Car. Bur. 1996), and later designated a number of issues for investigation. *Rates, Terms, and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport*, CC Docket No. 94-97 Phase II, Supplemental Designation Order, DA 96-158 (Com. Car. Bur., rel. Jan. 24, 1997). We now terminate the investigation of these issues as well.

<sup>27</sup> *Investigation of Puerto Rico Telephone Company's New Expanded Interconnection Offerings*, CC Docket No. 96-160, Order, 11 FCC Rcd 9407 (Com. Car. Bur. 1996) (*PRTC Suspension Order*).

<sup>28</sup> *Ameritech Operating Companies' New Expanded Interconnection Tariff, Bell Atlantic Telephone Companies' New Expanded Interconnection Tariff, Puerto Rico Telephone Company's New Expanded Interconnection Tariff*, CC Docket Nos. 96-185, 96-165, 96-160, Order Designating Issues for Investigation, DA 97-523 (Com. Car. Bur., rel. Mar. 11, 1997) (*1997 Collocation Designation Order*).

<sup>29</sup> *Investigation of Bell Atlantic's New Expanded Interconnection Offerings*, CC Docket No. 96-165, Order, 11 FCC Rcd 19790, 19794, paras. 12, 14 (Com. Car. Bur. 1996) (*Bell Atlantic Suspension Order*). As discussed more fully (continued....)

released an order designating for investigation issues regarding the rate levels, rate structures, and terms and conditions of Bell Atlantic's virtual collocation tariff.<sup>30</sup>

- Sprint Virtual Collocation Investigation, CC Docket No. 96-234. On October 11, 1996, Sprint filed a tariff revision that modified several provisions of Sprint's virtual collocation tariff.<sup>31</sup> In response to a petition to suspend filed by MFS Communications Company, Inc., Sprint's tariff filing was suspended for one day and an investigation into the lawfulness of the rate levels, rate structures, and terms and conditions of its expanded interconnection offerings commenced.<sup>32</sup> The proposed rates were allowed to take effect subject to an accounting order.<sup>33</sup>
- Citizens Virtual Collocation Investigation, CC Docket No. 97-240. On November 21, 1997, Citizens filed a tariff revision that established rates and modified terms and conditions for Citizens' virtual collocation expanded interconnection services.<sup>34</sup> This tariff filing was suspended for one day and set for investigation.<sup>35</sup> The proposed rates were allowed to take effect subject to an accounting order.<sup>36</sup>
- NYNEX Virtual Collocation Investigation, CC Docket No. 98-240. On December 11, 1998, NYNEX filed a tariff revision that expanded its virtual collocation offering to include the states of Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.<sup>37</sup> This tariff filing was suspended for one day and set for investigation.<sup>38</sup> The proposed rates were allowed to take effect subject to an accounting order.<sup>39</sup>

11. As discussed below, we terminate these virtual collocation tariff investigations for the same reasons that we are terminating the virtual collocation Phase II investigation.

(Continued from previous page)

below, we find that terminating the investigation into Bell Atlantic's virtual collocation tariff filing in this docket is warranted. We do not, therefore, require Bell Atlantic to make changes to its virtual collocation rates, nor do we revoke the previous grant of interim waiver of the overhead loading prescriptions. We therefore deny Bell Atlantic's motion to vacate prescription as moot.

<sup>30</sup> *1997 Collocation Designation Order*.

<sup>31</sup> *Investigation of GTE Telephone Operating Companies, GTE System Telephone Companies, and Sprint Local Telephone Companies New Expanded Interconnection Offerings*, CC Docket No. 96-234, Order, 11 FCC Rcd 16398, 16399, para. 2 (Comp. Pric. Div. 1996) (*Sprint Suspension Order*).

<sup>32</sup> *Id.*

<sup>33</sup> *Id.* at 16402, para. 10.

<sup>34</sup> *Citizens Telecommunications Companies Revisions to Tariff F.C.C. No. 1*, CC Docket No. 97-240, Order, 12 FCC Rcd 20315 (Comp. Pric. Div. 1997) (*Citizens Suspension Order*).

<sup>35</sup> *Id.* at 20315, para. 2.

<sup>36</sup> *Id.*

<sup>37</sup> *Investigation of NYNEX Telephone Companies New Virtual Expanded Interconnection Offerings*, CC Docket 98-240, Order, 14 FCC Rcd 1982, 1982, para. 1 (Comp. Pric. Div. 1998) (*NYNEX Suspension Order*).

<sup>38</sup> *Id.* at 1982, para. 2.

<sup>39</sup> *Id.*

### III. DISCUSSION

12. It is well-established that the Commission may change course when events warrant.<sup>40</sup> In particular, in respect to tariff investigations, courts have recognized that an agency need not resolve every issue before it as long as it provides an adequate explanation for its decision not to resolve particular issues.<sup>41</sup> We find these tariff investigations present a situation where intervening events warrant a change from the Commission's original course. Specifically, we find that it no longer serves the public interest for the Commission to devote its scarce resources to completing these investigations. Rather, the public interest is served best by terminating these investigations.

13. When the Commission commenced these investigations in the 1990s, the Commission's physical collocation requirements had been struck down in court, and virtual collocation represented the principal mechanism by which carriers competing with the incumbent LECs could interconnect with LEC networks.<sup>42</sup> In that environment, the broad scope of the tariff investigations was necessary and appropriate to promote the development of competition in a market where none had existed previously. That environment, however, has changed.

14. First, following release of the tariff suspension and designation orders in CC Docket No. 94-97, the Court of Appeals for the D.C. Circuit held that the 1996 Act granted the Commission authority to impose physical collocation requirements.<sup>43</sup> Consequently, in the *Local Competition Order*, the Commission adopted rules implementing section 251(c)(6) of the Act.<sup>44</sup> These rules provide guidance to the states regarding the minimum requirements for incumbent LECs to provide nondiscriminatory collocation arrangements.<sup>45</sup> The states have the ability to apply additional collocation requirements consistent with the 1996 Act and the Commission's implementing regulations.<sup>46</sup> The 1996 Act obligates incumbent LECs to provide physical or virtual collocation "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory."<sup>47</sup> Furthermore, in 1999 the Commission strengthened its collocation

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<sup>40</sup> See *Greater Boston Television Corp. v. FCC*, 444 F.2d 841, 852 (D.C. Cir. 1970) ("An agency's view of what is in the public interest may change, either with or without a change in circumstances."). See also *Southwestern Bell Telephone Co. v. FCC*, 153 F.3d 523, 544 (8<sup>th</sup> Cir. 1998) ("While it is true that this decision marks a change in course by the FCC, such a change, if satisfactorily explained, is permissible.").

<sup>41</sup> *MCI v. FCC*, 917 F.2d 30, 41 (D.C. Cir. 1990) ("An agency does not automatically have to reach every issue whose importance it had noted and on which it had conducted a hearing."). See also *Wisconsin v. FPC*, 303 F.2d 380, 386 (D.C. Cir. 1961), *aff'd* 373 U.S. 294 (1963).

<sup>42</sup> *Bell Atlantic v. FCC*, 24 F.3d 1441 (D.C. Cir. 1994).

<sup>43</sup> *Pacific Bell v. FCC*, Docket Nos. 94-1547, 94-1548, and 94-1612, slip op. (D.C. Cir., March 22, 1996). See also *Pacific Bell v. FCC*, 81 F.3d 1147 (D.C. Cir. 1996).

<sup>44</sup> *Local Competition Order*, 11 FCC Rcd at 15787-15813, paras. 558-617; 47 C.F.R. §§ 51.321, 51.323.

<sup>45</sup> *Local Competition Order*, 11 FCC Rcd at 15787, para. 558-617

<sup>46</sup> *Id.*

<sup>47</sup> 47 U.S.C. § 251(c)(6). The Commission has held that collocation pursuant to section 251(c)(6) must be made available at rates based on total element long run incremental cost (TELRIC). *Local Competition Order*, 11 FCC Rcd at 15818, 15844-57, paras. 629, 672-703.

rules, requiring incumbent LECs to offer cageless collocation and shared collocation arrangements.<sup>48</sup>

15. As the Commission has recognized repeatedly, the telecommunications marketplace has changed dramatically since these investigations began.<sup>49</sup> The 1996 Act established a legal regime designed to promote competition, including mandatory requirements that carriers interconnect their networks and exchange traffic with each other.<sup>50</sup> As a result of this regime and significant advancements in technology, competition has flourished. Wireless networks served approximately 213 million customers, representing 71 percent of the U.S. population, at the end of 2005.<sup>51</sup> With the development of Voice over Internet Protocol (VoIP), cable operators are providing, or are poised to provide, a facilities-based alternative to the incumbent LEC to tens of millions of residential customers.<sup>52</sup>

16. Due to the length of time that has passed since the record was compiled in these investigations, we find that the costs of concluding the investigations are likely to outweigh any potential benefits. Moreover, carriers who believe that they are damaged by practices related to service under expanded interconnection tariffs may seek relief from the Commission pursuant to section 208 of the Communications Act.<sup>53</sup> Terminating these investigations will facilitate more efficient use of Commission resources to engage in forward-looking activities, rather than investigating events that arose from prior regulatory conditions. For all of these reasons, we terminate the virtual collocation investigations in these proceedings.

#### IV. ORDERING CLAUSES

17. Accordingly, IT IS ORDERED that, pursuant to sections 4(i)-4(j), 201-205, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 201-205, and 403, the investigations initiated in CC Docket Nos. 94-97, 96-160, and 98-240, and the investigations of Bell Atlantic, Sprint, and Citizens' virtual collocation services in CC Docket Nos. 96-165, 96-234, and 97-240 ARE TERMINATED.

18. IT IS FURTHER ORDERED that the accounting orders applicable to the virtual collocation services of the incumbent LECs identified in the Appendix in these dockets ARE TERMINATED.

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<sup>48</sup> *Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket No. 98-147, First Report and Order and Further Notice of Proposed Rulemaking, 14 FCC Rcd 4761, 4764-66, paras. 6-8 (1999) (subsequent history omitted).

<sup>49</sup> See, e.g., *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, Further Notice of Proposed Rulemaking, 20 FCC Rcd 4685, 4694-95, para. 18 (2004) (*Intercarrier Compensation FNPRM*); *SBC Communications Inc. and AT&T Corp. Applications for Approval and Transfer of Control*, WC Docket No. 05-65, Memorandum Opinion and Order, 20 FCC Rcd 18290, 18292, para. 2 (2005) (*SBC/AT&T Merger Order*).

<sup>50</sup> 47 U.S.C. §§ 251(a), (b)(5).

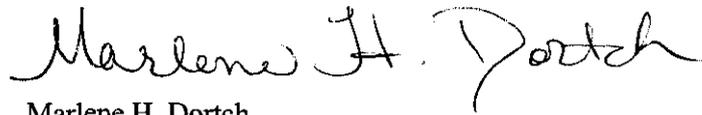
<sup>51</sup> *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993 Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Services*, WT Docket No. 06-17; Eleventh Report, 21 FCC Rcd 10947, 10951, para. 5 (2006).

<sup>52</sup> See, e.g., *SBC/AT&T Merger Order*, 20 FCC Rcd at 18293, para. 3; *IP-Enabled Services*, WC Docket No. 04-36, Notice of Proposed Rulemaking, 19 FCC Rcd 4863, 4871-74, paras. 10-11 (2004).

<sup>53</sup> 47 U.S.C. § 208.

19. IT IS FURTHER ORDERED that the Motion to Vacate Prescription filed by Bell Atlantic in CC Docket No. 94-97 IS DENIED for the reasons set forth herein.

FEDERAL COMMUNICATIONS COMMISSION

A handwritten signature in cursive script that reads "Marlene H. Dortch".

Marlene H. Dortch  
Secretary

## APPENDIX

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 94-97**

Ameritech Operating Companies (Ameritech)  
Bell Atlantic Telephone Companies (Bell Atlantic)  
BellSouth Telecommunications, Inc. (BellSouth)  
Cincinnati Bell Telephone Companies (CBT)  
GTE System Telephone Companies (GSTC)\*\*  
GTE Telephone Operating Companies (GTOC)\*\*  
Southwestern Bell Telephone Company (SWBT)  
United and Central Telephone Companies (United)  
US West Communications, Inc. (US West)

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 96-160**

Puerto Rico Telephone Company (PRTC)

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 96-165**

Bell Atlantic

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 96-234**

Sprint Local Telephone Companies (Sprint)

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 97-240**

Citizens Telecommunications Companies (Citizens)

**Incumbent LECs Filing Virtual Collocation Tariffs in CC Docket No. 98-240**

NYNEX Telephone Companies (NYNEX)

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\*\* In most instances, GTOC and GSTC are referred to collectively as GTE.