

SBC Long Distance Application - Cody L. Graves (OKC) Additional Comments

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C.
20554

CC Docket No. 97-121

In the Matter of

Application by SBC Communications, Inc.,
Southwestern Bell Telephone Company,
and Southwestern Bell Communications
Services, Inc., d/b/a Southwestern Bell Long
Distance for Provision of In-Region InterLATA
Services in Oklahoma

ADDITIONAL COMMENTS OF CODY L. GRAVES,
CHAIRMAN, OKLAHOMA CORPORATION COMMISSION ON THE
APPLICATION OF SBC COMMUNICATIONS, INC.,
SOUTHWESTERN BELL TELEPHONE COMPANY AND
SOUTHWESTERN BELL LONG DISTANCE FOR PROVISION OF
IN-REGION INTERLATA SERVICES IN OKLAHOMA

The Federal Communications Commission (FCC) has been presented with a unique opportunity resulting from the filing of Southwestern Bell (SWBT) to provide in-region interlata services for Oklahoma customers and the Oklahoma Corporation Commission's (OCC) decision to support SWBT's application. This opportunity is unique only in the sense that the FCC has never before had the occasion to specifically interpret the application of Section 271 of the Telecommunications Act of 1996. I suspect that within 24 months we will all wonder what the fuss was about. It is never easy breaking new ground. There certainly is no lack of detractors.

The primary issue before the FCC is what is the appropriate standard of review. Does Section 271 require a certain level of competition before it is satisfied? Does Section 271 require a certain quality of competition before it is satisfied? Or does Section 271 require only the ability to compete before it is satisfied?

The OCC would suggest that the appropriate standard should be: Are competitive local exchange companies (CLECs) given the opportunity to compete? Whether CLECs can compete in local markets is an entirely different question than are CLECs competing. In Oklahoma, we have determined that CLECs have the ability to compete and in fact, are moving toward full blown competition at a pace of their own choosing.

Many CLECs have argued that they cannot compete because of the actions of SWBT. Several parties referred specifically to the experiences of Brooks Fiber. It is, however, interesting to note that many of these same parties have not shared similar experiences, primarily because of their business decisions to focus their competitive efforts in other jurisdictions. Brooks Fiber indicated in their comments to the OCC that the "problems" they have had with SWBT were not of a

sufficient nature to bring them to the OCC's attention and seek the OCC's help in resolving them. In fact, Brooks Fiber indicated that the collocations issues, as an example, were working themselves out as both Brooks Fiber and SWBT became more familiar with each other's needs.

AT&T indicated that SWBT had failed to satisfactorily provide them with interim number portability and Operational Service Systems (OSS). The fact is SWBT is providing the interim number portability support that the OCC ordered in the SWBT/AT&T Arbitration Decision. Additionally SWBT is providing OSS at the same level they provide it internally. So the question becomes does the incumbent satisfy Section 271 by providing the checklist items equally to everyone (including itself) or must the incumbent provide specifically what the CLEC requests even if it is materially different from current services? In the OCC's opinion the incumbent must provide to others what it provides to itself. It may not be exactly what the CLEC wants, but it does not prevent competition from occurring should the CLEC choose to aggressively enter markets.

We are fully aware that larger corporate strategies have temporarily focused the spotlight on Oklahoma. There are no doubt advantages to some and disadvantages to others that will occur should the FCC approve SWBT's application. However, there is nothing that the FCC can do with this filing that will add to or detract from Oklahoma's efforts to open local telecommunication markets. Unlike some states that may have dealt away their trump card of rate base/rate of return regulation, the OCC has to date retained full regulatory authority over our incumbent local exchange companies (ILECs). We have in the past and will continue in the future to use all of our authority to open local markets to competition.

CODY L. GRAVES, CHAIRMAN
OKLAHOMA CORPORATION COMMISSION