

THE **LOKT** NEWSLETTER

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JULY 2005

THIS MONTH'S TOP STORIES:

THE FEDERAL PAGES.....2

FCC NEWS

- XO and Friends Petition FCC for Exemptions from UNE Rules
- FCC Releases Intercarrier Compensation Guide to Explain new rules to Small Telcos
- Complying with the FCC's new VoIP 911 Requirements

CONGRESSIONAL NEWS

- New Telecom Act Inches Closer to Reality
- Congress Looks to Excise Tax

OTHER NATIONAL NEWS

- Beyond the Obvious: Implications of Brand X
- U.S. Government Wants to Remain "In Control" of Internet

THE STATE PAGES..... 7

STATE LEGISLATIVE NEWS

- Summary of State Legislative News
- Towns Battle Big Companies to Expand Broadband

STATE UTILITY COMMISSION NEWS

- Summary of State Utility Commission News

INDUSTRY NEWS..... 10

- DSL Leads High-Speed Surge
- WorldCom CEO Sentenced to 25 Years for Fraud

THE CALENDAR: UPCOMING FILING AND OTHER DEADLINES..... 13

THE JULY CALENDAR



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The Federal Pages

News and Updates in Federal Telecommunications Law

FCC News:

XO AND FRIENDS PETITION FCC FOR EXEMPTIONS FROM UNE RULES

The FCC has asked for comments on the March 28, 2005 petition for forbearance led by XO Communications. XO and the other parties who filed the petition (the "XO coalition") have asked the FCC to exempt them from three rules regarding access to unbundled network elements ("UNEs"). First, the XO Coalition is seeking forbearance from the part the FCC's impairment test for DS1 loops that are used to serve "predominantly residential" and "small office" buildings. Second, they do not want the FCC to apply the limitation on DS1-capacity transport circuits in instances when DS1 transport circuits are used as components of DS1-capacity enhanced extended loops ("EELs") Finally, the coalition is seeking forbearance from the UNE eligibility criteria as applied to EELs. Comments in this docket (WC Docket No. 05-170, DA 05-2003) are due September 12, 2005.



FCC Headquarters

Washington, D.C.

of

COMPLYING WITH THE FCC'S NEW VOIP 911 REQUIREMENTS

As reported in last month's LoKT newsletter ("FCC Addresses 911 and VoIP"), the FCC adopted new and sweeping 911 requirements requiring VoIP providers to provide E911 capabilities to their customers as a standard feature of the service, rather than as an optional enhancement. The FCC (in WC Docket No. 05-196, DA 05-1905) is seeking public comment on what additional steps it should take to ensure that VoIP providers that connect with the public switched telephone network provide reliable E911 service. Comments in this docket are due August

15, 2005. Also, the FCC's Office of Management and Budget ("OMB") has now approved the information collection requirements portion of the new rules and has established a July 29, 2005 effective date for the regulations. Therefore, compliance with the customer notification requirements (found in 47 C.F.R. § 9.5(e)) is required by July 29, 2005, while compliance with all other requirements of the new rules is not required until November 28, 2005. The FCC's Enforcement Bureau has just also released a Public Notice to help VoIP providers comply with the July 29th notification requirements. The Bureau announced in this Notice that it will not seek enforcement, for a 30-day period, of the requirement

that providers obtain affirmative acknowledgements, by July 29, 2005, from 100% of their subscribers that they have read and understood an advisory concerning the limitations of their E911 service. To be eligible for this extension, providers will have to meet the reporting requirements outlined in the Notice. All interconnected VoIP providers must file a compliance letter as required by 47 C.F.R. § 9.5(f), no later than November 28, 2005. These compliance letters must reference "WC Docket No. 05-196" and should be labeled clearly on the first page as "Compliance Letter."

FCC UNE PROCEEDINGS

In (FCC) WC Docket Nos. 04-313, 01-338, 96-98 and 98-147, reply comments were filed in response to the Petition for Reconsideration filed by McLeod USA . McLeod petitioned the Commission to reconsider portions of its Fiber-to-the-curb Order. McLeod wants the FCC to subject loops to the same unbundling framework that was established for fiber-to-the-home in the Triennial Review Order. Reply comments are also available in CC Docket Nos. 01-338, 96-98 and 98-147. The Petition for Reconsideration and/or Clarification filed by Covad Communications asked the FCC to reconsider or clarify that ILECs must provide unbundled access to enterprise loops irrespective of the underlying loop technology used by ILECs to provide service. Covad wants the Commission to clarify portions of its fiber-to-the-curb Order to make sure that unbundling relief only applies to mass market consumers, and that they and other carriers still be able to access enterprise loops.



FCC RELEASES INTERCARRIER COMPENSATION GUIDE FOR SMALL TELCOS

In order to help small telcos to comply with the its rules regarding reciprocal compensation, the FCC has released a Small Entity Compliance Guide. The FCC recently adopted new rules applicable to non-access telecommunications traffic exchanged between wireless carriers

and local exchange carriers, with the aim to ensure that intercarrier charges for the termination of non-access traffic may only be imposed pursuant to agreement between the carriers. The rules are also intended to help ILECs obtain such agreements if they desire them. One of the new rules, imple-

mented on April 29, prohibits CLECs from imposing charges pursuant to tariff on other carriers for the termination of non-access traffic (unless the charges accrued prior to April 29).

FCC HANDS DOWN STIFF FORFEITURE NOTICES

The FCC has released three notices, stating that three phone companies failed to submit reports and/or failed to contribute to the Universal Service Fund ("USF"). Carrera Communications, InPhonic and Teltronics' combined liability is in the neighborhood of \$2.1 million. Details regarding these notices are listed below, with links to the notices:

- Carrera Communications, LP ("Carrera"): The company is apparently liable for a total forfeiture of \$606,500. The Commission found that Carrera failed to submit certain Telecommunications Reporting Worksheets or predecessor forms from 1999 through the current date. The Commission also found that Carrera willfully and repeatedly failed to contribute to the Universal Service Fund ("USF") and Telecommunications Relay Service ("TRS") Fund. The Commission found that Carrera failed to pay regulatory fees to the Commission and repeatedly failed to respond to Commission directives to provide certain information. Docket No. EB-04-IH-0724, FCC 05-147 [Notice of Apparent Liability for Forfeiture and Order](#).
- InPhonic, Inc. ("InPhonic"): The company is apparently liable for a total forfeiture of \$819,905. The Commission specifically found that InPhonic willfully and repeatedly failed to register with the Commission until January 2005. The Commission found that InPhonic failed to submit certain Telecommunications Reporting Worksheets from 2002 to 2004. The Commission also found that InPhonic willfully and repeatedly failed to contribute to the Universal Service Fund ("USF") and Telecommunications Relay Service ("TRS") Fund. Docket No. EB-05-IH-0158, FCC 05-145 [Notice of Apparent Liability for Forfeiture and Order](#).
- Teletronics: The company is apparently liable for a total forfeiture of \$692,000. Specifically the Commission found Teletronics willfully and repeatedly failed to register with the Commission from April 2, 2001 to the current date. The Commission concluded that Teletronics failed to submit certain Telecommunications Reporting Worksheets from 1999 to the current date. The Commission also found that Teletronics willfully and repeatedly failed to contribute to the Universal Service Fund ("USF"), Telecommunications Relay Service ("TRS") Fund, and cost recovery mechanisms for North American Numbering Plan Administration ("NANPA"). Finally, the Commission found that Teletronics willfully and repeatedly failed to pay regulatory fees to the Commission. Docket No. EB-04-IH-0522, FCC 05-146 [Notice of Apparent Liability for Forfeiture and Order](#).

Congressional News:

CONGRESS CONSIDERS BILLS ON IPTV

When one hears about regulatory movement in Congress relating to IP technology, most think of VoIP. This, however, is not the only IP technology causing lawmakers to reconsider the framework for the regulation and legislation of communications services. The next “big thing”, both technologically and in terms of regulatory change, may indeed be TVoIP (otherwise known as IPTV). Two bills pending before Congress would create an exemption for cable TV competitors from local franchise requirements, but would allow local governments to continue receiving franchise fees. If passed, the

measures would require companies like SBC and Verizon to negotiate one national franchise, with the fees filtering back to local governments. The proposed legislation also requires new video providers to offer educational and public access TV channels, just as cable providers are required to do. This regulatory battle may be even bigger than those involving VoIP, especially because the issues involved pit multi-billion dollar industries against each other. Telecom companies, some of which are already beginning to roll out IPTV services, want Congress to streamline the rules that forced cable TV carriers to negotiate franchise agreements



U.S. Capitol Building
Washington, D.C.

with every local government where they provided service. On the other hand, Cable TV providers are fighting efforts to exempt the Bells from local franchises. They essentially want telecom providers to have to jump through the same hoops as they had to.

NEW TELECOM ACT INCHES CLOSER TO REALITY

As state and federal regulators scramble to make or drop regulation of high-speed Internet and other emerging services, there are real signs that a telecom bill will be forthcoming from Capitol Hill. The biggest names in the Senate and House committees on dealing with telecom reportedly have been working on language for the new Act on a daily basis. Included in this group is Rep. Charles “Chip” Pickering (R-MS), who helped draft the 1996 Telecommunications Act while working as an aide, and republican Senator John Ensign from Nevada. No reports shed light on the actual

specific language of the bill-in-progress, but it seems clear that the Act will address ever-developing public policy problems resulting from new technologies as well as judicial rulings. One such ruling is the recent Brand X case, in which the U.S. Supreme Court held that cable companies could not be forced to sell access to their lines for the purpose of high-speed Internet provision. Also at issue are current obstacles to telecom companies seeking to offer video services, and consumer concerns that they may not have multiple choices for Internet service providers. Some sources say that the legislation’s main purpose would be to define broadband as an “interstate ser-

vice” and create one set of federal rules for Internet protocol-based networks and services. Under this schema, the rules would be blind to the technology used to deliver those services; meaning cable, wireless, telecom, and satellite companies would all adhere to the same set of rules, these sources noted. The Act would not only aim to deregulate. The emerging draft also would require companies that own the existing broadband infrastructure to make their networks available for interconnection by competitors. Reports indicate that the draft legislation may be finished before the beginning of the August recess, but most analysts do not expect a new bill to be passed this year.

USF MAY NOT BE OVERHAULED...YET

Despite an anticipated major overhaul, it appears as if the universal service fund may finish 2005 without a legislative change. It seems that the change of course is due to Congress' focusing on what they see as higher telecom priorities, such as the DTV transition (which could free huge chunks of spectrum). Until the DTV legislation is wrapped up, don't expect to hear any news from the Hill about USF reform. Legislation is currently being drafted that, if passed would expand the Universal Service Fund to include high-speed Internet access. Senators Gordon Smith (R-OR) and Byron Dorgan (D-ND) will be sponsoring the forthcoming bill. Aides to Senator Smith say the bill would make money in the Universal Service Fund available so telecommunications providers could build out broadband facilities. "It would be built into the same structure, and might end up as a stand-alone fund, within the current system next to the high-cost fund," an aide said.

CONGRESS LOOKS TO EXCISE TAX

In 1898 Congress imposed as "excise tax" on telephone service to help pay for the Spanish-American War. While the war ended in six months, the tax has managed to stay alive, perhaps until now. Seven federal courts have held that the tax is illegal, ruling



Theodore Roosevelt:

He was a hero of the Spanish-American War before becoming America's 25th President

in response to lawsuits filed by taxpayers who refused to pay the tax. Rep. Gary Miller (R-CA), supported by 98 co-sponsors, also recently introduced legislation in the House to repeal the tax. Since its inception over 100 years ago, the general excise tax has cost consumers about \$300 billion. The entire Spanish-American War cost only about \$6 billion (adjusted

for inflation). Companies like AT&T claim the tax is grossly unfair to consumers, and others agree. "This is the poster child for how messed up our telephone pricing system is today," said Gene Kimmelman, director of Consumers Union. "It makes no sense to have to pay a tax to fight a war that was over more than 100 years ago." Miller's bill appears to have a strong chance of gaining the support it needs, as it has been joined by a similar bill introduced in the Senate.

CONGRESS MAY BAN MUNICIPALITIES FROM PROVIDING BROADBAND; NEW NEBRASKA LAW PROHIBITS IT ALREADY

United States Representative Pete Sessions (R-Texas) says that he wants to take state and local governments out of the broadband business. "It's for their own good", the former Southwestern Bell executive stated in the Preserving Innovation in Telecom Act (H.R. 2726), which he introduced. If passed the bill would prohibit state and local governments from offering telecommunications, telecommunications services, information services or cable service in any geographic area in which a private entity is already offering a substantially similar service. In related news, Nebraska Governor Dave Heineman (R) has already signed legislation that will prevent local municipalities and other political entities (including public power utilities) from offering wireless broadband and Internet services. The bill, which was introduced by Senator Kermit Brashear (R), was originally intended to prevent power utilities from offering broadband-over-power lines ("BPL") services in the state. However, the bill (LB 645) was later amended to include a ban on all political subdivisions from offering broadband services.

Other Federal News:

BEYOND THE OBVIOUS: IMPLICATIONS OF BRAND X



FCC Chairman
Kevin Martin

In the landmark Brand X decision late last month, the Supreme Court (agreeing with the FCC) ruled six to three that high-speed, *cable*-based Internet service is offering an "information" service on privately built lines, and thus not subject to government-mandated wholesale. Many have discussed the broader long-term effects that this will have on the telecommunications industry, but one little talked about implication is that cable broadband providers may avoid paying into the Universal Service Fund ("USF") based on the high-court's classification. Until the ruling, cable broadband lacked a definitive regulatory definition. Because of this, cable providers have managed to circumvent the \$6.5 billion Fund that subsidizes phone service in low-income and rural areas. The ruling still allows the FCC or Congress to establish whether cable-modem service providers must pay into the fund, but it certainly will not have these providers reaching in their pockets any time soon. In related news, the Wall Street Journal has reported that FCC Chairman Martin plans to change the Commission's rules so that broadband services provided by phone companies are treated the same as broadband services provided by cable companies. Said Martin, "We'll need to move quickly to establish regulatory parity between telephone companies and cable companies that are providing broadband service." Finally, in a letter to House Energy and Commerce Committee Chairman Joe Barton, a bipartisan group of rural lawmakers urged the House to address problems with the USF in telecom rewrite legislation. The letter outlines several principles that were favorably received by a wide array of industry associations from CTIA to USTA.

U.S. GOVERNMENT WANTS TO REMAIN "IN CONTROL" OF INTERNET

The U.S. Department of Commerce recently announced a policy change, to indefinitely retain oversight of the Internet's main traffic-directing computers. The decision comes in the shadows of recent terrorist attacks in London, and is directly intended to help U.S. government agencies track possible terrorist activities. Because the Internet is a global technology, many have voiced concerns that concerns that this policy will lead the global telecommunications network to splinter, making the Internet, in essence, less global. Many countries favor gradually releasing oversight of the Internet's "root servers" to some international body. This will surely be a central topic of discussion at November's U.N. information society summit in Tunisia. A U.N. report this month on Internet governance is expected to address the issue.



The State Pages

News and Updates in State Telecommunications Law

STATE BRIEFS:

Listed below are briefs of this month's important news from state utility commissions, legislatures, courts, and other noteworthy state news:

- Arizona: The AZ Corporation Commission ("ACC") opened a docket to examine data security by telecom and energy companies in an effort to protect AZ customers from identify theft (Case ACC-00000A-05- 0453).
- California: Would-be telecom bills closing a loophole in the PUC ethics code and codifying the Telecom Consumer Bill of Rights were killed in the California Assembly. Also, Gov. Schwarzenegger signed a bill to (SB-911) requiring wireless 911 calls to be routed directly dispatch center covering the location of the caller (as landline 911 calls are currently routed). Finally, the 9th U.S. Court of Appeals denied the CA PUC's claim that interim rates for UNEs are not subject to judicial review (Case No. 04-15155).
- Colorado: The CO PUC more than doubled the benchmark payphone rate to end-users from 26 cents to 55 cents.
- Connecticut: A federal court ruled (case 3:00CV1919) that the Dept. of Public Utility Control ("DPUC") violated the Telecom Act when it set interim interconnection and UNE rates in an SBC-MCI interconnection agreement. The court ordered the DPUC to redo the ratemaking, to comply with the Act.
- Florida: The Fla. Supreme Court upheld PSC action which gave the state's 3 largest ILECs (BellSouth, Verizon and Sprint) rate increases worth more than 350 million. BellSouth, Sprint and Cingular Wireless also say their Fla. networks held up well the during Hurricane Dennis, with no severe service problems.
- Iowa: The Utilities Board dismissed w/o prejudice a Qwest complaint against 3 LECs that tried to bill it access charges on local exchange traffic moving on Qwest's network, but originating and terminating with other local carriers. The Board dismissed the case in light of a federal court case which they deemed would address the matter. Because the complaint was dismissed w/o prejudice, it could be re-filed, depending on the federal court outcome
- Louisiana: Lafayette's proposed city-owned broadband network hangs in the balance as vocal supporters and opponents of the plan await a referendum on a 125 million municipal bond issue to finance the project. See the following page for more in-depth coverage of this interesting issue.
- Maine: Gov. John Baldacci (D) signed a bill (SB-36) allowing the PUC to use funds collected from penalties on errant utilities to credit bills of customers affected by the misconduct.
- Michigan: Gov. Jennifer Granholm (D) signed regulatory bill SB-551, eliminating what was to be a July sunset on the PSC's authority to make rules under the Michigan Telecom Act. This law is still set to expire at the end of the year, however, the legislature is considering measures to extend or replace the Act. Also, the PSC approved deployment of the CapTel captioned telephone service to enhance the state's telecom relay system.
- Nebraska: The PSC recently revised guidelines for designating eligible carriers to receive universal service subsidies. The commission opened a docket to address and conform its rules to those proposed in March by the FCC.
- *Continued on next page*

STATE BRIEFS (CONTINUED)

- New Jersey: Acting Gov. Richard Codey (D) signed a bill (AB- 669) imposing a minimum fine of \$500 or actual damages on anyone who sends unsolicited faxed ads, although trade groups may send “junk” faxes to persons or entities in the trade, and businesses may send such faxes to consumers with whom they already have business relationships. Codey also signed AB-3473, a tax bill that bars state and local governments from taxing telecom service sales at a rate different from that on other services (the measure requires sales taxes be levied at a uniform rate, now 6%, on all taxable goods and services, defined as everything sold at retail except food and medicines).
- New Mexico: The PRC ordered Qwest to shell out 3.5 million in fines and restitution to CLECs harmed by secret Qwest deals with rivals. These case originated in 2002, when AT&T alleged that Qwest made secret sweetheart interconnection deals with competitors who stopped opposing long distance entry and other regulatory initiatives by Qwest. Just last month, Qwest paid a 1.05 million penalty in Oregon to settle similar unfiled- agreement complaints.
- New York: New York City’s relatively new 311 non-emergency public safety telephone system has been shown to answer only 60% of incoming calls within the required 30 seconds in the first half of 2005, according to an audit. This is well below its 2004 level, when 90% of calls were answered on time.
- Ohio: Cincinnati Bell Wireless (“CBW”) has offered to settle a class-action billing lawsuit by its Ohio wireless customers. Class members allege that CBW refused to correct a billing glitch that applying roaming charges on home service area wireless calls. Under the offer, CBW would set up a \$6 million restitution fund, qualifying subscribers would receive a voucher for \$50 in services and customers who proved they were billed roaming charges over \$100 would receive a voucher equal to 50% of those charges.
- Oklahoma: Attorney Gen. Drew Edmondson urged the Corp. Commission to approve SBC's proposal for retail rate deregulation of business and bundled services.
- Oregon: A plan by the city of Portland to expand its telecom tax to cover wireless services is set to be considered at a mid-August city council meeting.
- Texas: Gov. Rick Perry (R) recently opened a special legislative session on school finance to consider telecom deregulation and competition bills, plus statewide video franchising. Also, a federal appeals court upheld a lower court dismissal of antitrust claims filed by a TX paging company against CenturyTel of over application of toll charges on paging calls (case 04-50838; 5th Cir., New Orleans).
- Virginia: Cox filed complaint against Verizon with the Va. Corp. Commission claiming that Verizon has caused over \$250K in damage in the past year laying cables to upgrade its telephone network in some of the northern VA suburbs right outside of the nation’s capital.
- Wisconsin: The Wisc. Telecom Assn. wants the Wisc. Legislature to update its law so that required biennial PSC reports to the legislature on telecom infrastructure investments include infrastructure data about intermodal competitors like wireless, cable and VoIP providers. No word yet on any proposed amendment.
- West Virginia: Verizon has offered a \$5K reward for information leading to the apprehension of individuals who have been stealing its aerial copper telephone cable, hurting phone service in Logan, Boone and Wyoming Counties. Believe it or not, it seems that the thieves are selling the copper for scrap.

CALIFORNIA PUC RENEWS ATTEMPT TO PASS TELECOM BILL OF RIGHTS

The California Public Utilities Commission (“CPUC”) will conduct the first in a series of meetings next month to re-consider its Telecom Bill of Rights. The CPUC has made various attempts at drafting and implementing such rules, but no Bill of Rights is currently in place. The main intent of the Bill of Rights is to require wireless and land line phone companies, ISPs and others to more clearly express contract terms and to stop the practice of requiring customers to buy one services in order to get another from a given company. The latter aspect of the Bill basically refers to “naked DSL”; up to this point, many broadband providers require potential customers to buy local phone service from them in order to get broadband. Commissioner Susan Kennedy, who proposed the Bill, believes that a customer who wishes to subscribe to DSL should not be required to also buy local phone service even though both services use the same phone company-owned copper wire network. The meeting will take place on August 5th at the CPUC’s San Francisco headquarters.



CPUC Commissioner

Susan Kennedy

TOWNS BATTLE BIG COMPANIES TO EXPAND BROADBAND

Lafayette, Louisiana wants to be a leader in getting broadband to the home of its residents. The only thing standing in the way seems to be BellSouth, with a little help from cable provider Cox, at least according to

Joey Durel, president of the city-parish. "We want to bring fiber to every home and business in Lafayette that wants it," says Durel. BellSouth claims that they are just trying to make sure the city follows the law, but they also

still have an offer on the table to construct an advanced broadband network in Lafayette within four years. BellSouth has successfully argued that the city was using the wrong state statute for authority to finance its bonds. The

legal battle has cost Lafayette about \$500,000, and it's not over yet. Lafayette residents will be voting to decide whether the city can sell bonds to finance its broadband project.

Industry News

Telecommunications Industry News and Notes

DSL LEADS HIGH-SPEED SURGE

High-speed Internet use is skyrocketing in the U.S., with DSL leading the way. So says an FCC report released earlier this month that sums up high-speed stats from 2004. According to the report, high-speed

lines in general increased by 36% during 2004, to 35.3 million lines. During the same period, DSLs increased by 45%, to 13.8 million lines. It is believed that the price wars between ISPs has spurred this rapid growth, making fast con-

nections increasingly affordable to Americans.

WORLDCom CEO SENTENCED TO 25 YEARS FOR FRAUD

Former WorldCom CEO Bernard J. Ebbers was sentenced this month to a 25 year prison sentence after being convicted for his role in the nation's largest ever accounting fraud. This is the longest sentence handed down in the series of corporate scandals that rocked investors and the corporate world a few years ago. Earlier this year, the 80-year-old founder of Adelphia Communications Corp., John J. Rigas, received a 15-year prison sentence. Perhaps more well known, former Tyco chief L. Dennis Kozlowski is scheduled

to be sentenced next month after being convicted of larceny, and Enron heads Kenneth L. Lay and Jeffrey K. Skilling will have to go to trial in Houston in January (with the Enron Broadband debacle as part of the case). Ebbers will be serving at least 85 percent of his prison term; making him eligible for release at approximately the age of 83. Ebbers still maintains his innocence of the charge. It is esti-



Former WorldCom CEO Bernard Ebbers leaving the Manhattan Federal court where he was sentenced to 25-years in prison

ated that the WorldCom fraud ultimately was in the amount of \$11 billion. Nearly 17,000 employees lost their jobs as a result of the scheme to bury expenses and inflate revenue, according to a probation report. Next up, Verizon will acquire WorldCom through the MCI merger, yes the same Verizon that famously called WorldCom a "criminal enterprise."

MERGER UPDATE: SBC/AT&T — VERIZON/MCI

State public utility commissions across the country are in the process of reviewing the proposed merger between SBC and AT&T, as well as Verizon and MCI. Each state regulatory body has taken a different approach to the proposed mergers, some appearing to be examining the situation with a much closer eye than others. Fifteen (15) states have yet to rule on SBC/AT&T, including the ever-important California and New York. Hearings are scheduled from August through the fall in Arizona, California, New Jersey, New York, Pennsylvania, Vermont and Virginia. The remaining states have either completed hearings or decided on a comment & reply process. Analysts see these state proceedings as the only real source of concern for the companies. Federal review by the FCC and Department of Justice are highly unlikely to create any real barriers to the mergers. Some state commissions, on the other hand, have suggested that they will not approve the merger(s) if it would harm consumers. Even if the mergers are approved, many states will likely impose significant conditions on how the soon to be mega-telcos must treat both private and wholesale customers.

NEW REPORT HOLDS GOOD NEWS FOR CLECS AND WIRELESS INDUSTRY

According to a recently issued FCC study, CLECs' share of the local phone service market rose from 17.8% in June to 18.5% in December this past year. Although ILEC still dominate the landscape (ILECs account for 145.1 million lines compared to 32.9 million for CLECs), this represents a small stride towards increased competition in the market. Out of these 32,9 million lines, about 8.5 million were provided by facilities-based CLECs that use their own local loops, while 44% are over coaxial cable. The FCC's "Local Telephone Competition" report held particularly promising news for the wireless industry: For the first time ever, wireless subscribers outnumber wireline users. Wireless subscribers rose from 178 million lines

in June 2004 to 181.1 million by the end of the year. Other findings from the period between June and December of 2004 include:

- 1) Wireless subscribership grew 8% to 181.1 million.
- 2) At year-end (2004), a CLEC was available to serve customers in 78% of U.S. zip codes representing 97% of the nation's households.
- 3) CLECs served 15% of the residential-small business market and 29% of the medium and large business/institutional market.
- 4) ILECs reported a 3% drop in UNE-P orders from CLECs.



THIS MONTH'S FILING DEADLINES AND OTHER DATES TO REMEMBER:

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				RI Annual Fee (due before July 1)	1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29 FCC E911-VoIP customer notification	30
31	FCC E911-VoIP Comments	FCC XO Petition Comments (Sep. 12)				

- (Due before July 1): Rhode Island Annual Fee
- July 29: Compliance with customer notification requirements of FCC VoIP 911 regulations (47 C.F.R. § 9.5(e))
- August 15: FCC comments due re: E911/VoIP (WC Docket No. 05-196, DA 05-1905)
- Sept. 12: FCC XO Petition Comments due
- August 16: Kris speaks at WISP-Nog in Park City, Utah on "Regulatory Issues Affecting Your ISP." The presentation will run from 10:30 to 12:00. For more info, go to www.wispnog.com
- October 19: Kris will be lading a panel at ISPCON in Santa Clara, CA on the "10 Biggest Policy Issues Facing Your Business and What to do About Them." The presentation will have an early start at 8:45 and end at 9:45.

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