SELECTED FCC DOCKET SUMMARIES AND KEY COMMUNICATIONS EVENTS OF 1998

The following is a listing of significant Federal Communications ("FCC" or "Commission") actions that were initiated from late November 1998 through April 1999. The docket summaries are organized according to the FCC bureau responsible for the matter. The docket summaries provide brief synopses and citation to the full text of the FCC action, but are not intended to serve for the original text contained in the original sources.

CABLE SERVICES


The Commission adopted an order amending its rules regarding how the strength of television signals for the purposes of the SHVA is predicted and measured. The new method for measuring signal strength ordered by the Commission is a more accurate way of identifying those consumers who cannot receive network broadcast signals over the air and are considered under the SHVA to be "unserved."

The Commission also recommended an adjusted signal propagation model to predict signal strength for individual households. The model used is similar to the point to point predictive model used for digital television allocations. The Commission hopes the model will prove to be "accurate, practical and readily available" to predict signal intensity.


The Commission determined that there is effective cable competition if a LEC's service offering substantially overlaps the incumbent cable operator's service. The Commission also concluded that it lacks the discretion to maintain an operator's small operator status once it no longer meets the eligibility requirements in the statute. Other topics discussed in the order include uniform rate requirement, technical standards and subscriber notice.

The Report and Order also includes information on the Commission's role in the sunset of government regulation of cable rates.

COMMON CARRIER


The Commission has granted a request for forbearance filed by the Cellular Telecommunications Industry Association (CTIA) from local number portability (LNP), extending the deadline for broadband commercial radio service (CMRS) carriers to implement service provider LNP until November 24, 2002. The Commission noted that the wireless industry requires additional time to implement LNP due to the unique technical issues that are not as burdensome on wireline carriers. The deadline extension will allow CMRS providers to build complete networks, allow for technical upgrades and provide other improvements that are likely to enhance service to the public and promote competition in the telecommunications marketplace.

The Commission concluded local telephone companies are subject to the reciprocal compensation obligations to the extent provided by their existing interconnection agreements. This decision preserves the rule exempting Internet and other information services from interstate access charges. The Commission noted with this decision that the calls at issue do not terminate at ISPs' local servers but continue to their ultimate destinations—websites which are often located in other states and countries. As such, a substantial portion of Internet traffic is interstate and subject to federal jurisdiction. In a related notice of proposed rulemaking, the Commission asked for comment on future carrier-to-carrier compensation for handling this traffic.


The Commission adopted rules ensuring competitive information service providers (ISPs) have access to the underlying basic services Bell Operating Companies use for their own information service offerings. The Commission streamlined its review process for BOC CEI plans, eliminating the pre-approval requirement and permitted the internet posting of CEI plans for new or altered intraLATA information service offerings. The Commission dismissed all pending CEI matters, concluding the formal adjudication process a more appropriate forum for CEI plans. Further, the Commission eliminated the disclosure rules of the *Computer III* proceedings and modified the *Computer II* rules to mirror the requirements of the Telecommunications Act of 1996 ("1996 Act"). Finally, the Commission eliminated the requirement that interexchange carriers ("IXCs") and competitive LECs disclose network information.


The Commission promulgated rules to enable advanced service providers to deploy new technologies to consumers faster and more inexpensive. The Order was intended to create marketplace conditions conducive to the nationwide deployment of advanced telecommunications services.

The rules strengthen collocation requirements to reduce the costs and delays associated with collocation. Specifically, incumbents LECs must make new collocation arrangements available to competitors. The Commission also promulgated spectrum compatibility rules to promote the deployment of advanced services.

The Further Notice of Proposed Rulemaking seeks comment on issues related to developing long term standards and practices for spectrum compatibility and management. The Further Notice also seeks comment on the operational, pricing, legal and policy ramifications of mandating line sharing at the federal level.


The Commission ordered that once long distance services are detariffed, the long distance carriers must publicly disclose their rates to the public in an easy-to-understand, clear format. This order of the Commission is one of a series of actions that the Commission is taking to better enable consumers to be fully informed before choosing a long distance carrier and to help the consumers protect their rights. Specifically, this order requires long distance carriers to make available the rates, terms, and conditions of their interstate, domestic, and long distance services accessible to the public in at least one location during regular business hours. Also, carriers that have an Internet website are required to post the same information on-line in a manner that is timely and easily available. The public disclosure requirement adopted today, will not be effective until the Court of Appeals for the District of Co-
FCC Docket Summaries

INTERNATIONAL


The Commission’s Order provided sweeping reform of international settlements policy by deregulating inter-carrier settlement arrangements between U.S. carriers and foreign non-dominant carriers on competitive routes. The original policy was intended to prevent harmful discrimination against U.S. carriers by foreign monopoly carriers, the Commission recognized in this order that continued application of the international settlements policy, in light of today’s more competitive foreign markets, could impede the further development of competition.

The Commission specifically eliminated the international settlements policy and contract filing requirements for arrangements with foreign carriers that lack market power and arrangements with all carriers on routes where termination rates are at least 25 percent lower than previously established benchmarks. The Commission also simplified account rate filing requirements.

MASS MEDIA


The Commission proposed to license new 1000 watt and 100 watt low power FM (LPFM) radio stations. In the Notice of Proposed Rulemaking Adopted, the Commission said its goals include providing new opportunities for community-oriented radio broadcasting, fostering opportunities for new radio broadcast ownership, and promoting additional diversity in radio voices and program services. New LPFM stations could provide a low-cost means of serving urban communities and neighborhoods, as well as small towns.

Interference protection criteria, such as minimum distance separations between LPFM stations and full power FM stations, is also proposed to ensure that any new low power FM radio service would protect existing radio services. Specifically, the Commission requests comments on any potential adverse effects from LPFM stations on future digital radio developments, particularly In Band on Channel systems. The Commission proposed to apply strict ownership restrictions. In addition, the Commission proposed to disallow any LPFM station to operate as a translator station retransmitting the programming of a full-power station. The Commission requests comment on whether educational institutions are the best potential LPFM licensees. Finally, the Commission proposed an electronic filing system but asked for comment on whether longer windows or a first come, first serve procedure would be preferable.

WIRELESS


The Commission adopted a Notice of Proposed Rulemaking regarding current spectrum aggregation limits for Commercial Mobile Radio Services (CMRS). Cellular Telecommunications Industry Association (CTIA) requested that the Commission forbear from enforcing the CMRS spectrum cap which restricts the amount of spectrum that an entity can have in a geographic area. It is a concern that the spectrum cap may not make economic and regulatory sense given the changes occurring in wireless telecommunications markets including personal communications service (PCS), cellular and other mobile services. The Commission requested comments on maintaining the cap, modifying the cap by expanding the geographic overlap, forbearing from enforcing the cap or eliminating the cap altogether and instead relying on a case-by-case analysis pursuant to sec-
tion 310(d) of the Communications Act in assessing competitive effects.

**FCC 99-22; Report No. WT 99-4:** In re Application of Puerto Rico Telephone Authority and GTE Holdings (Puerto Rico) LLC GTE Holdings (Puerto Rico) LLC, Memorandum Opinion and Order, Feb. 12, 1999.

The Commission granted the transfer of control of licenses and an international resale authorization held by Puerto Rico Telephone Company (PRTC) to GTE Holdings. GTE Holdings will purchase a major ownership interest and control over PRTC.

The Commission ruled that this transfer of control was within the public interest by weighing the potential public harms against the potential public interest benefits, including the competitive effect of the transfer. The Commission held that the existing Commission rules are adequate to prevent anticompetitive activity. Also that GTE Holdings is a well-financed and experienced company which will allow consumers to benefit from private ownership of the island's principal local exchange service provider by, among other benefits, maintaining rates and providing Internet access at discounted rates.


The Commission issued a Notice of Proposed Rule Making that begins a proceeding to implement Sections 309(j) and 337 of the Communications Act of 1934, as amended by the Balanced Budget Act of 1997. The Notice seeks to evaluate the impact of the revised law on the Commission's auction authority for wireless telecommunications services. The Commission was also required to find that the use of competitive bidding would promote the public interest objectives described in Section 309(j)(3) of the Communications Act.

The statute exempts from the competitive bidding process licenses and construction permits for: (1) "public safety radio services"; (2) licenses or permits for digital television services given to existing terrestrial broadcast licensees to replace their analog television service licenses; and (3) noncommercial educational broadcast stations and public broadcast stations. The Notice also seeks comment proposing the establishment of a new radio service pool for use by electric, gas, and water utilities, petroleum and natural gas pipeline companies, and railroads.