

Total Annual Cost to Respondents:

Postage and stationery costs are estimated at an average of \$10 per petition. 50 petitions \times \$10 = \$500.

Needs and Uses: The information collection requirements reported under this control number are used by Commission staff to identify situations where it should exercise jurisdiction over basic service and equipment rates in place of a local franchising authority. If the information were not collected, the basic cable rates of some franchise areas not subject to effective competition would remain unregulated in contravention of the goals of the 1992 Cable Act.

OMB Approval Number: 3060-0607.

Title: Section 76.922 Rates for Basic Service Tiers and Cable Programming Tiers.

Type of Review: Revision of a currently approved collection.

Respondents: Business and for profit entries; state, local and tribal governments.

Number of Respondents: 4,475 (2,200 operators filing gap period rate adjustments + 2,200 LFAs reviewing such adjustments + 25 small systems opting for the streamlined rate reduction process + 50 headend upgrade certifications).

Estimated Time Per Response: 1-12 hours.

Total Annual Burden to Respondents: 9,150 hours calculated as follows:

- Section 76.922(f)(4) contains a one-time only information collection requirement. We estimate that the average burden for operators to supply gap period data with their next rate adjustment filing will be 2 hours per filing and that there will be approximately 2,200 such filings made in the next year. The burden to operators to file = 2,200 filings \times 2 hours = 4,400 hours. The burden to LFAs to review this information is also estimated to be an average of 2 hours per filing, therefore 2,200 filings reviewed by LFAs \times 2 hours = 4,400 hours.
- Section 76.922(b)(5) streamlined rate reduction process. We estimate that 25 systems per year use this process. The average burden for undergoing all aspects of each streamlined rate reduction process (all rate calculation, notice and reporting requirements) is estimated to be 12 hours per respondent. 25 systems \times 12 hours = 300 hours.
- Section 76.922(e)(7) headend upgrade certification process. Qualifying cable systems owned by small cable companies may certify their eligibility to use the Commission's headend

upgrade incentive. The average burden to complete the certification process is estimated to be 1 hour. We estimate 50 certifications are currently filed per year. 50 certifications \times 1 hour = 50 hours.

Total Annual Cost to Respondents:

\$500 calculated as follows: There are no unique costs incurred for gap period rate adjustments because they are made as part of regular rate adjustment filings. Costs incurred for regular rate adjustment filings have been appropriately reported under their respective OMB control numbers. Postage and stationery costs are estimated at an average of \$10 per each complete streamlined rate reduction process. 25 \times \$10 = \$250. Postage and stationery costs are estimated at an average of \$5 per each headend upgrade certification. 50 \times \$5 = \$250.

Needs and Uses: Section 76.922(f)(4) has been amended to permit cable operators to adjust their current permissible rates to reflect the rates the operators would currently be charging if they had been permitted to include increases in external costs occurring between September 30, 1992 and their initial date of regulation reduced by inflation increases already received with respect to those costs. The remainder of the information collections requirements reported under this OMB control number are used by Commission staff to ensure that small systems have alternatives under the Commission's system of cable rate regulation and to ensure that small systems are able to recover costs for headend upgrades.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

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BILLING CODE 6712-01-P

FEDERAL COMMUNICATIONS COMMISSION

[CC Docket No. 97-121; FCC 97-228]

Application for Authorization Under Section 271 of the Communications Act to Provide In-Region InterLATA Service in the State of Oklahoma

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: The Memorandum Opinion and Order (Order) in CC Docket No. 97-121 concludes that SBC Communications Inc. (SBC) has not satisfied the requirements of section 271(c)(1) of the Communications Act of 1934, as amended (Act). The

Commission therefore denies, pursuant to section 271(d)(3), SBC's application to provide in-region interLATA services in Oklahoma. The Order declines to grant SBC authority to provide in-region interLATA services in Oklahoma.

EFFECTIVE DATE: June 26, 1997.

FOR FURTHER INFORMATION CONTACT:

Craig Brown, Attorney, Policy and Program Planning Division, Common Carrier Bureau, (202) 418-1580.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Order adopted June 25, 1997, and released June 26, 1997. The full text of this Order is available for inspection and copying during normal business hours in the FCC Reference Center, 1919 M St., N.W., Room 239, Washington, D.C. The complete text also may be obtained through the World Wide Web, at <http://www.fcc.gov/Bureaus/CommonCarrier/Orders/fcc97-228.wp>, or may be purchased from the Commission's copy contractor, International Transcription Service, Inc., (202) 857-3800, 2100 M St., N.W., Suite 140, Washington, D.C. 20037.

Synopsis of Order

1. On April 11, 1997, SBC Communications Inc. and its subsidiaries, Southwestern Bell Telephone Company and Southwestern Bell Communications Services, Inc., d/b/a Southwestern Bell Long Distance, (collectively, SBC) filed an application for authorization under section 271 of the Act, to provide in-region interLATA services in the State of Oklahoma. For the reasons set forth below, the Commission concludes that SBC has not satisfied the requirements of section 271(c)(1). The Commission therefore denies, pursuant to section 271(d)(3), SBC's application to provide in-region interLATA services in Oklahoma.

2. Section 271 requires the Commission to make several findings before approving a BOC's application for in-region interLATA authority. As a preliminary matter, a BOC must show that it satisfies the requirements of either section 271(c)(1)(A) or 271(c)(1)(B). In order to satisfy section 271(c)(1)(A), a Bell Operating Company (BOC) must demonstrate that it "is providing access and interconnection to its network facilities for the network facilities of one or more unaffiliated competing providers of telephone exchange service . . . to residential and business subscribers." The Commission concludes that the use of the term "competing provider[]" in section 271(c)(1)(A) suggests that there must be a viable commercial alternative to the

BOC in order to satisfy section 271(c)(1)(A).

3. According to SBC, its "implemented agreement with Brooks Fiber (Brooks) satisfies all the requirements of [section 271(c)(1)(A)]." The Commission concludes, however, that Brooks' provision of local exchange service on a test basis to the homes of four of its employees does not qualify Brooks as a "competing provider[] of telephone exchange service . . . to residential . . . subscribers," as required by section 271(c)(1)(A). Nor is the Commission persuaded that Brooks is a competing provider of telephone exchange service to residential and business subscribers merely because it has an effective tariff in place for the provision of both business and residential service in Oklahoma, or because it may have engaged in certain types of limited media advertising. Brooks represents, and SBC has not disputed, that Brooks "is not now offering residential service in Oklahoma, nor has it ever offered residential service in Oklahoma," and that it "is not accepting any request in Oklahoma for residential service." As a result, the Commission concludes that SBC has not demonstrated on this record that it is providing access and interconnection to an unaffiliated, facilities-based competing provider of telephone exchange service to residential and business subscribers, as required by section 271(c)(1)(A) of the Act.

4. The Commission further concludes that, under the circumstances presented in this application, SBC may not obtain authorization to provide in-region interLATA services in Oklahoma pursuant to section 271(c)(1)(B) at this time. Section 271(c)(1)(B) of the Act allows a BOC to seek entry without satisfying section 271(c)(1)(A) if "no such provider has requested the access and interconnection described in [section 271(c)(1)(A)]" and the BOC's statement of generally available terms and conditions has been approved or permitted to take effect by the applicable state regulatory commission. All parties appear to agree that, if SBC has received a "request" that is referred to in section 271(c)(1)(B), which is hereinafter referred to as a "qualifying request," the statute bars SBC from proceeding under Track B. The Commission agrees with this analysis and concludes that, in order to decide whether SBC's application may proceed under Track B, the Commission must determine whether SBC has received a "qualifying request". The Commission concludes that a qualifying request under section 271(c)(1)(B) is a request

for negotiation to obtain access and interconnection that, if implemented, would satisfy the requirements of section 271(c)(1)(A). The Commission further concludes that the request for access and interconnection must be from an unaffiliated competing provider that seeks to provide the type of telephone exchange service described in section 271(c)(1)(A). Such a request need not be made by an operational competing provider, as some BOCs suggest. Rather, the qualifying request may be submitted by a potential provider of telephone exchange service to residential and business subscribers.

5. The Commission reaches this conclusion for several reasons. As a matter of statutory interpretation, the Commission finds that this reading, by giving full effect to the meaning of the term "request" in section 271(c)(1)(B), is the one most consistent with the statutory design. In addition, as a matter of policy, the Commission finds that this interpretation will best further Congress' goal of introducing competition in the local exchange market by giving BOCs an incentive to cooperate with potential competitors in providing them the facilities they need to fulfill their requests for access and interconnection. Moreover, the Commission finds this interpretation to be particularly sound in contrast to the extreme positions set forth by SBC and its potential competitors.

6. Under SBC's interpretation of section 271(c)(1)(B), only operational facilities-based competing providers may submit qualifying requests that preclude a BOC from proceeding under Track B. Adoption of this interpretation of a qualifying request would create an incentive for a BOC to delay the provision of facilities in order to prevent any new entrants from becoming operational and, thereby, preserve the BOC's ability to seek in-region interLATA entry under Track B. As the Department of Justice observes, this reading of section 271(c)(1)(B) would effectively "reward the BOC that failed to cooperate in implementing an agreement for access and interconnection and thereby prevented its competitor from becoming operational." Opponents of SBC's application offer a radically different—and, in the Commission's view, equally unreasonable—interpretation of when a qualifying request has been made. These parties claim that any request for access and interconnection submitted by a potential new entrant to a BOC is a qualifying request and precludes the BOC from proceeding under Track B. The Commission concludes, however, that this statutory reading could create

an incentive for potential competitors to "game" the negotiation process by submitting an interconnection request that would foreclose Track B but, if implemented, would not satisfy the requirements of section 271(c)(1)(A). Such a result would effectively give a BOC's potential competitors in local telecommunications markets the power to deny the BOC entry into the in-region interLATA market.

7. On the basis of the record in this proceeding, the Commission finds that SBC has received at least several qualifying requests for access and interconnection that, if implemented, will satisfy the requirements of section 271(c)(1)(A). The Commission therefore concludes that SBC, at this time, may not pursue in-region interLATA entry in Oklahoma under section 271(c)(1)(B).

8. Because SBC has failed to meet the requirements of either section 271(c)(1)(A) or section 271(c)(1)(B), the Commission finds it unnecessary to address SBC's compliance with the competitive checklist requirements set forth in section 271(c)(2)(B). Nonetheless, the Commission recognizes that even if SBC had satisfied the requirements of section 271(c)(1)(A) or 271(c)(1)(B), it would still be required to demonstrate compliance with each and every item of the competitive checklist, including access to physical collocation, cost-based unbundled loops, and reliable OSS functions before it may gain in-region interLATA entry. The Commission leaves it to future applications to define the scope of these and other checklist requirements.

Federal Communications Commission.

William F. Caton,

Acting Secretary.

[FR Doc. 97-17267 Filed 7-3-97; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

[CC Docket No. 92-237; DA 97-1352]

North American Numbering Council; Meeting

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: On July 1, 1997, the Commission released a public notice announcing the next meeting of the North American Numbering Council and the Agenda for that meeting. The intended effect of this action is to make the public aware of the NANC's next meeting and its Agenda.