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## **ALTS CALLS FOR MORE RURAL COMPETITION**

### ***Pac-West Vice President Testifies that H.R. 3850 Would Limit Competition In Small and Rural Markets***

**WASHINGTON, D.C., July 20, 2000** – In testimony before the House Telecommunications Subcommittee today, John Sumpter, Vice President – Regulatory of Pac-West Telecomm, Inc., told Congress that H.R. 3850, the “Independent Telecommunications Consumer Enhancement Act of 2000,” could reduce competition in rural, small and mid-sized markets. Sumpter testified on behalf of the Association for Local Telecommunications Services (ALTS), the leading national organization representing facilities-based competitive local exchange carriers (CLEC).

According to Sumpter, H.R. 3850 could diminish FCC and state power to enforce the pro-competitive provisions of the 1996 Telecommunications Act. The bill would direct the FCC to reduce the interconnection and unbundling obligations for small and mid-size incumbent local exchange carriers (ILEC).

“Whether or not the ILEC is large or small, and whether or not it serves a large or small geographic area, every ILEC that possesses a monopoly over local telephone service should be required to open its network to competition,” Sumpter said. “There is no reason for Congress or federal or state regulators to deny consumers served by mid-size or small telephone companies the benefits of competitive choice. Rural consumers deserve to receive these benefits as much if not more than urban consumers.”

ALTS’ primary mission is to open the local telephone market to competition, Sumpter said. Many CLECs are not able to obtain authority to offer service in these small and rural markets, they do not have access to the universal service subsidies, and often encounter difficulties obtaining unbundled loops and collocation, hampering their ability to serve customers.

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“Competition results in lower prices, higher quality services, faster Internet access services, and greater customer responsiveness,” said John D. Windhausen, Jr., President of ALTS. “Why delay these benefits to rural customers?”

H.R. 3850 would also grant the small and mid-sized ILECs pricing flexibility and pricing deregulation. According to Sumpter, as soon as a competitor serves a single customer, the ILEC would then be permitted to lower prices below cost in a move to drive competitors out of the market. Other captive customers served by the ILEC would see their prices rise to keep the ILEC profitable.

Pac-West provides local telephone service to business and residential customers and services to Internet service providers (ISPs). Pac-West is headquartered in Stockton, California and serves customers in Northern California with plans to operate in at least 10 states in the Western U.S. by the end of the year.

ALTS is the leading national industry association whose mission is to promote facilities-based local telecommunications competition. Created in 1987, ALTS has offices in Washington, D. C. and Irvine, California and now represents more than 200 companies that build, own, and operate competitive local networks. For more information on ALTS, contact Crawford Public Relations at 703-318-5460 or visit the ALTS web site at [www.alts.org](http://www.alts.org).

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