

Contact: Jim Crawford Crawford Public Relations 703-318-5460 x201 jcrawford@crawfordpr.com

ALTS CITES NEED FOR ENFORCEMENT AGAINST BACK-SLIDING BY SBC

Approval of Petition for Texas Long Distance Shows that 271 Process Works, But SBC's Ability to Meet Key Market Opening Requirements Remains Untested

WASHINGTON, DC, JULY 5, 2000 – The Association for Local Telecommunications Services (ALTS) today cautioned federal and state regulators to carefully monitor SBC in the wake of the FCC's approval of the incumbent's petition to offer long distance service in Texas – and ensure against backsliding on requirements to open the local market to competition. ALTS is the national organization representing facilities-based competitive local exchange carriers (CLECs), the principal companies striving to introduce competitive choices for consumers in Texas and throughout the nation.

"Now that SBC has won long distance approval, the eyes of Texas – and federal – regulators must be acutely focused upon the incumbent to guard against any infractions of market-opening rules," said John D. Windhausen, Jr., ALTS President. "SBC's ability to meet many requirements has not been fully tested, so enforcement must be strict and vigilant."

ALTS cited two key areas of concern for regulators:

- <u>Project Pronto</u>: The FCC and the Texas Public Utility Commission must ensure that SBC's roll-out of Project Pronto abides by the non-discriminatory principles of the Telecommunications Act, and permits the introduction of competitive local voice and data services.
- <u>Advanced Competitive Services</u>: SBC must meet its obligation to provide line-sharing and non-discriminatory access to sub-loop elements, which are critical to the provisioning of advanced competitive services. SBC's ability to meet these requirements has not been fully tested.

"Bell Atlantic and now SBC have demonstrated what it takes to gain in-region long distance authority," said Jonathan Askin, ALTS General Counsel. "But regulators must be mindful of what happened in New York immediately after Bell Atlantic received 271 permission. The incumbent failed to satisfy its continuing obligations to open the local market. The FCC and the NY PSC have been forced to carefully monitor Bell

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Atlantic compliance ever since. This same scenario could happen all over again with SBC in Texas. The FCC must make certain that penalties are swift, certain, and severe enough to deter SBC from backsliding."

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 www.alts.org.

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IRVINE, CALIFORNIA 1200 Main Street • Suite E • Irvine, CA 92614 • Telephone: 949 486 1330 • Fax: 949 486 1010