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**COMPETITION AND REGULATION ISSUES IN TELECOMMUNICATIONS**

**-- United States --**

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## COMPETITION AND REGULATION ISSUES IN TELECOMMUNICATIONS

### United States

1. ***Developing Local Competition.*** In 1996, the U.S. Congress enacted a fundamental reform of federal telecommunications law, with the objectives of promoting competition and reducing or eliminating regulation in all telecommunications markets. The Telecommunications Act of 1996<sup>1</sup> provided interrelated mechanisms through which interexchange carriers and other competitors could enter markets for local telecommunications services and through which the regional Bell operating companies (known as “RBOCs”) could enter long distance markets after opening their local monopoly markets to competition.<sup>2</sup>
2. To promote local competition, the 1996 Act provides for the preemption of state laws prohibiting such competition. In addition, Section 251 of the Act requires incumbent local exchange companies (known as “incumbent LECs”)<sup>3</sup> to (1) interconnect their networks to those of other carriers at just, reasonable and nondiscriminatory rates,<sup>4</sup> (2) lease elements of their networks, such as loops, switches and transport, at just, reasonable and nondiscriminatory rates (these parts of the network are known as “unbundled network elements” or “UNEs”),<sup>5</sup> and (3) sell retail services at wholesale rates for resale by competitors to end users.<sup>6</sup>
3. Section 252 of the 1996 Act establishes a process to effectuate the obligations of incumbent LECs to share the use of their networks. Local service providers entering the market (called “competitive local exchange carriers” or “CLECs”) must first attempt to negotiate contracts (“interconnection agreements”) with incumbents. If the parties are unable to reach agreement, either party can ask the state public utility commission to arbitrate the dispute. Parties dissatisfied with a state commission’s Section 252 arbitration decision may appeal that decision to a federal district court.<sup>7</sup>
4. ***Implementing the 1996 Act.*** Over the past five years, three telecommunications issues under the 1996 Act have generated significant disputes in which the Department of Justice, through the Antitrust Division, has become involved: the pricing of unbundled elements; the availability of combinations of unbundled elements; and nondiscriminatory access to the operational support systems necessary to order, provision, repair and bill for wholesale products and services purchased from the incumbent LECs.
5. ***Pricing of Unbundled Network Elements.*** The state commissions set retail telecommunications rates. The state commissions have generally set the resale discount rate and wholesale prices for interconnection, network elements, transport and reciprocal compensation (the amount carriers pay each other for the transport and termination of each other’s local traffic),<sup>8</sup> although parties are free to negotiate other rates, terms and conditions. In determining the wholesale rates for interconnection and for unbundled network elements, the 1996 Act requires state commissions to set rates that are “nondiscriminatory” and “based on the cost of providing the interconnection or network element,” which rate “may include a reasonable profit.”<sup>9</sup> In January 2000, after much litigation, the U.S. Supreme Court upheld the Federal Communication Commission’s (“FCC”) authority to prescribe, through regulation, the basic methodologies that should be used to determine the relevant costs for wholesale rates.<sup>10</sup> The most fundamental question regarding pricing, however, whether the relevant “cost” for wholesale rate-setting purposes should be an incumbent LEC’s “historic” costs, or some form of “forward looking” cost, will be decided by the U.S. Supreme Court during the 2001-2002 term.<sup>11</sup>

6. *Combinations of Unbundled Network Elements.* The FCC's local competition rules permit CLECs to lease virtually all of the individual network elements needed to provide service to end users. In January 2000, the U.S. Supreme Court upheld the FCC rule which permits CLECs to purchase combinations of elements that are already combined in the incumbent's network. Whether an incumbent LEC properly can be required to combine previously uncombined elements at the request of a CLEC will be reviewed by the U.S. Supreme Court during the 2001-2002 term.<sup>12</sup>

7. *Operational Support Systems.* As providers of local telecommunications services to millions of customers, incumbent LECs in the United States have developed and implemented sophisticated systems to manage their networks and communicate with customers. These operational support systems ("OSS") permit most routine transactions (e.g., billing inquiries, orders for new services and responses to service outages) to be handled reliably, quickly, at low cost and with minimal human involvement. The FCC's local competition rules require incumbent LECs to take steps to ensure that CLECs seeking to resell incumbent LEC services or use UNEs have suitable access to these OSS, so that CLECs can obtain service from incumbent LECs and provide service to their own retail customers in a reasonably efficient and reliable manner. Testing of the RBOCs' OSS by independent third parties whose work is overseen by the state public utility commission, as well as the institution of comprehensive performance measuring and reporting programs, the goal of which is to provide objective and precise indications of the quality of wholesale performance, have helped in ascertaining whether the RBOCs are adequately supplying these services at the time they request authority to offer long distance service under Section 271 of the Act.

8. *RBOC Entry Into Long Distance Markets.* RBOCs operate in 48 of the 50 states, and serve about 90 percent of the access lines in the United States. Section 271 of the Act prohibits the RBOCs from offering most long distance services to customers in a state in which the RBOC was an incumbent LEC at the time the Act was passed, until the FCC has authorized the RBOC to do so in that state. In order to grant authorization to provide long distance services, the FCC must determine, *inter alia*, that the RBOC has satisfied 14 specified requirements (often called the "competitive checklist")<sup>13</sup> and that allowing the RBOC to offer long distance is in the public interest.<sup>14</sup> As of May 1, 2001, there have been 13 Section 271 applications requesting approval to offer long distance services.<sup>15</sup> Seven of those applications have been either rejected by the FCC or withdrawn before the FCC acted. So far, the FCC has approved five applications: Verizon's applications for New York (the first application approved, in December 1999) and Massachusetts and SBC's applications for Texas, and for Oklahoma and Kansas (a joint application). Of the approved applications, the Department of Justice ultimately supported the Texas application and did not oppose the others, although it identified problems with the applications, some of which were remedied by the RBOC before the FCC approved the applications. In making its determination on these applications, the FCC consults with the state public utility commission that is the subject of the application and must give substantial weight to the Department of Justice's evaluation of whether the local market is fully and irreversibly open to competition.<sup>16</sup>

9. *CLEC Entry into Local Markets.* In June 2000, incumbent LECs still provided services to 93.3 percent of local telephone lines nationwide, while CLECs provided services to 6.7 percent of these lines.<sup>17</sup> Market capitalization of CLECs rose to \$86 billion in 1999, but declined precipitously in 2000. The extent of competitive entry in local markets varies greatly among different services, customer groups, and geographic areas.

10. CLECs provide 64 percent of their end-user lines to large and medium-sized businesses. Overall, 24 percent of U.S. telephone lines serve large and medium-sized businesses, and CLECs serve 17.5 percent of these lines, amounting to 4.2 percent of all U.S. telephone lines.<sup>18</sup> There is considerable entry to serve large businesses, especially in major urban downtown areas. In most larger cities, several CLECs have entered, each deploying one or more switches and fiber transport facilities in geographic areas that have high concentrations of lucrative business customers. CLECs provide about one-third of end-user lines over

their own facilities. There is also significant entry by the same CLECs to serve medium-sized businesses with substantial telecommunications needs. Some of these medium-sized businesses, like large businesses, can be economically served by direct connections to CLEC networks. CLECs also use unbundled loops, resale or a combination of unbundled elements known as the “UNE-platform” to serve them. A few CLECs are offering local services to medium-sized businesses using “fixed wireless” technologies that are less dependent on incumbent LEC policies and practices than are services which require unbundled loops, resale or UNE platform arrangements.

11. Competitive entry to serve the mass market (residential and small business customers) has been slow to develop. Seventy-six percent of all U.S. telephone lines serve residential or small business customers; CLECs serve 3.2 percent of these lines, amounting to 2.49 percent of all U.S. telephone lines.<sup>19</sup>

12. **Long Distance Markets.** Long distance services are used by residential consumers as well as small, medium and large businesses. Long distance providers tailor their services to meet the needs of each type of customer, marketing and pricing these services differently depending on the customer. AT&T, WorldCom (formerly MCI) and Sprint continue to dominate mass market long distance services. Two regional Bell operating companies have entered the long distance market within several states in their own regions, gaining 20 percent market share in New York and Texas over the past year. There are also many small resellers active in the long distance market. Average mass market long distance prices have continued to decline since the passage of the 1996 Act, but there has been a growing disparity between basic rates paid by low-volume users, and the much lower discounted rates paid by higher-volume residential and business users.<sup>20</sup>

13. **Universal Service Reform.** Universal service traditionally has meant providing consumers in rural and insular areas of the United States with voice telephone service that is comparable in quality and price to that available in urban areas. These higher cost services for these areas have been paid for by implicit subsidies on products such as local exchange access for long distance calls, value-added vertical features, local service to large customers and basic local service to some urban customers. Section 254 of the 1996 Act provides for the adoption of specific, sufficient and competitively neutral subsidies to replace the universal service subsidies implicit in traditional monopoly rate making. Work at the FCC to implement these reforms at the federal level is on-going as is work at the state public utility commissions to implement these reforms at the state level.<sup>21</sup>

14. **Wireless Competition.** Spectrum allocation and footprint build out have been the most important issues for wireless mobile services in the United States. In the early 1980s, the FCC allocated 50 MHz of spectrum in the 800 MHz frequency band for two competing cellular systems in each of the 306 U.S. metropolitan service areas and the 428 rural service areas. Beginning in 1995, the FCC allocated an additional 120 MHz of radio spectrum in the frequency band from 1850 to 1990 MHz for the provision of personal communications service (“PCS”), a type of wireless mobile telephone service. The FCC divided the U.S. into PCS markets based on Rand McNally’s 493 basic trading areas, all of which are included in 51 major trading areas. In 1996, one Specialized Mobile Radio spectrum licensee began offering wireless mobile telephone services, comparable to that offered by cellular providers. By 1997, PCS providers began offering digital service. In March 2001, the FCC auctioned off additional spectrum in the 700 MHz band. Since the end of 1999, five of the 25 largest operators have merged with other carriers, and one joint venture has been formed. Currently there are six wireless carriers with footprints that cross the United States. No one carrier covers the entire United States. In 1999, 86 million people in the U.S. subscribed to wireless telephone service, a nationwide penetration rate of approximately 32 percent, generating \$40 billion in revenues. Eighty-eight percent of the total U.S. population, have access to three or more different operators offering mobile telephone service. Sixty-nine percent of the U.S. population live in areas with five or more mobile telephone operators competing to provide service. And four percent of the population can choose from among seven different mobile telephone operators. The average price of

mobile telephony in the United States has fallen substantially over the past several years. At present, these services are used by consumers to provide mobility as a complement to the basic local exchange services offered by incumbent LECs, rather than as a substitute for wireline services in the home or office.<sup>22</sup>

15. **Review of Enforcement Actions** . Over the past five years the United States, under the auspices of the U.S. Department of Justice and the Federal Trade Commission, have investigated a number of telecommunications mergers to determine whether the proposed acquisition will substantially lessen competition in a relevant market in violation of Section 7 of the Clayton Act.<sup>23</sup> The U.S. agencies examine whether the merger will lead to higher prices, lower service quality or less innovation than would be the case if the proposed acquisition were not consummated. Acquisitions examined have included those among regional Bell operating companies, incumbent LECs, major long distance carriers, cable companies, broadcast satellite assets and Internet service providers. (In those matters where telecommunications licenses must be transferred as part of the proposed acquisition, the parties cannot consummate the merger until the FCC grants the license transfer applications.)

16. **Bell Atlantic-NYNEX**. In April 1997, after a year-long investigation, the Department of Justice decided not to challenge the merger of two contiguous regional Bell operating companies, Bell Atlantic Corporation in the mid-Atlantic region and NYNEX in the northeast Atlantic region. The investigation focused on the likelihood and efficacy of competition between the two RBOCs in the metropolitan New York City market for local services to residential and business customers.

17. **British Telecom-MCI**. In July 1997, the Department sought to modify and extend an existing 1994 consent decree in order to resolve the Department of Justice's concerns about British Telecommunications plc's proposed acquisition of MCI Communications Corporation. (The earlier settlement resolved the Department's concerns about British Telecom's acquisition of a 20 percent interest in MCI.) The modifications were needed in order to continue to ensure that British Telecom could not use its market power in the United Kingdom to discriminate in favor of MCI in the market for international calls between the United States and the United Kingdom. The modifications increased the amount of information the new company would provide to the Department to facilitate the detection of discrimination; required the new company to report complaints of U.S. competitors to U.S. and U.K. regulatory agencies; prohibited British Telecom from providing confidential information from other telecommunications providers to MCI or the joint venture; gave the Department access to the new company's documents and personnel by naming it as a party to the decree; and extended the term of the decree. The Department withdrew these proposed modifications after the parties to the proposed merger abandoned the deal.<sup>24</sup>

18. **WorldCom-MCI**. In July 1998, WorldCom, Inc. resolved the Department of Justice's concerns about its proposed acquisition of MCI Communications Corporation, the second largest telecommunications provider in the United States, by agreeing to sell MCI's Internet backbone business, internetMCI, to Cable and Wireless plc. The merger as originally proposed would have given the combined entity control of a large share of the Internet backbone as measured by the proportion of U.S. Internet backbone traffic, giving the company the ability and incentive to cut off or reduce the quality of interconnection that it provided to its rivals in this unregulated market. During this investigation, there was a high degree of cooperation between the Department and the European Union.

19. **AT&T-TCI**. In December 1998, AT&T resolved the Department of Justice's concerns about its proposed merger with Tele-communications Inc. ("TCI"), the second largest U.S. cable operator, by agreeing to place in a trust and eventually divest TCI's 23.5 percent interest in Sprint PCS, a mobile wireless telephone business. AT&T was the largest provider of national mobile wireless telephone services in the United States at that time.<sup>25</sup>

20. **Primestar.** In May 1998, the Department of Justice filed a civil antitrust suit to block Primestar Inc. from acquiring the direct broadcast satellite (“DBS”) assets of News Corporation Limited and MCI. DBS is a service that uses orbiting satellites to transmit video programming directly to a subscriber’s home. Acquisition of the orbital satellite slot owned by News Corp./MCI would have allowed five of the largest cable companies in the United States, which controlled Primestar, to control the only remaining DBS orbital slot of the three licensed by the FCC, and thus protect their monopolies by foreclosing more new video competition by DBS operators. The parties abandoned the deal after the suit was filed.<sup>26</sup>

21. **SBC-Ameritech-Comcast.** In March 1999, SBC Communications, Inc., a regional Bell operating company, resolved the Department of Justice’s concerns about SBC’s proposed acquisition of Ameritech Corporation, another regional Bell operating company, and Comcast Cellular Corporation by agreeing to divest one of the two cellular telephone systems in 17 markets in the Midwest. The Department sought these divestitures because these markets for wireless mobile telephone services were already highly concentrated and the proposed acquisitions would greatly increase concentration, giving SBC the ability to increase prices, reduce the quality and quantity of service and refrain from making network improvements.<sup>27</sup> The Department also required divestiture of Ameritech’s systems in certain markets due to Ameritech’s plans to compete with SBC in SBC’s own region by marketing a bundled package of local and long distance services to Ameritech’s cellular customers located in SBC’s local telephone service area.

22. **AT&T-British Telecom.** In April 1999, after a nine-month investigation, the Department of Justice declined to challenge the creation of a joint venture by AT&T and British Telecom that combined the international assets of both companies.

23. **Bell Atlantic-GTE-Vodafone.** In December 1999, Bell Atlantic Corporation (a regional Bell operating company now known as Verizon) resolved the Department of Justice’s concerns about Bell Atlantic’s proposed acquisition of GTE Corporation, an incumbent LEC and wireless mobile telephone service provider, and Bell Atlantic’s proposed partnership with Vodafone, a U.K. mobile telecommunications company, by agreeing to divest the companies’ interests in one of two overlapping wireless businesses in 96 markets in 15 states.<sup>28</sup>

24. **AT&T-Media One.** In May 2000, AT&T Corporation agreed to resolve the Department of Justice’s concerns about AT&T’s proposed merger with MediaOne Group by divesting Media One’s interest in Road Runner, the second largest provider of broadband Internet access. The Department sought divestiture of Roadrunner because AT&T owned a controlling interest in Excite@ Home, the largest provider of broadband Internet access, and the combination of interests in both Roadrunner and Excite@Home would have substantially lessened competition in the aggregation, promotion and distribution of broadband content.<sup>29</sup>

25. **WorldCom-Sprint.** In June 2000, the Department of Justice filed a civil antitrust suit to block the merger of WorldCom, Inc. and Sprint Corporation, two of the three largest US telecommunications companies. The Department asserted that the proposed merger would reduce competition in many markets: long distance services sold to residential consumers in the United States; Internet backbone services; international long distance services; international private line services; data network services to large business customers in the United States; and custom network services for very large U.S. businesses. The European Union also opposed this merger on the Internet issue. The parties abandoned the transaction in July 2000.<sup>30</sup>

26. **SBC-BellSouth.** In August 2000, SBC Communications, Inc. and BellSouth Corporation resolved the Department of Justice’s concerns about the combination of SBC’s and BellSouth’s domestic wireless assets in a proposed joint venture by agreeing to divest their interests in one of two overlapping wireless businesses in 16 markets in three states.<sup>31</sup>

27. ***AOL-Time Warner.*** In December 2000, the Federal Trade Commission (“FTC”) accepted a proposed consent decree from America On Line, Inc. (“AOL”), the largest U.S. Internet service provider, and Time Warner, Inc., a media conglomerate comprising a cable television system that serves 20 percent of U.S. households, cable programming networks, publishing and recording interests and a film library. The decree resolved the FTC’s concerns that the proposed merger would lessen competition in the residential broadband Internet access market, undermine AOL’s incentives to promote digital subscriber line (“DSL”) broadband Internet services as an alternative to cable broadband service and restrain competition in the nascent market for interactive television. AOL Time Warner is required to open Time Warner’s cable system to at least three non-affiliated cable broadband Internet service providers and cannot interfere with the content passed along by non-affiliated ISPs. AOL Time Warner is also required to market and offer DSL services to subscribers in Time Warner’s cable areas, and to offer the same price for its AOL service on DSL in its own TW Cable areas as it does elsewhere.<sup>32</sup> The FTC and the European Union cooperated in this investigation, although the European Union’s resolution addressed different issues.

NOTES

- 1 Pub. L. No. 104-104, 110 Stat. 56.
- 2 In 1982, AT&T entered into a consent decree with the Department of Justice settling the Department's monopolization claims. As part of the settlement, AT&T divested its local Bell operating companies and retained its long distance business. The 22 local Bell operating companies were organized into seven regional Bell operating companies which were prohibited from providing long distance services.
- 3 Incumbent LECs include the RBOCs and other large incumbents, but permits certain exceptions for small, rural LECs.
- 4 47 U.S.C. § 251(c)(2).
- 5 47 U.S.C. § 251(c)(3); *see* 47 U.S.C. § 153(29) (defining network element).
- 6 47 U.S.C. § 251 (c)(4).
- 7 47 U.S.C. § 252(e)(4), (6).
- 8 47 U.S.C. § 252(d) (1-3). In April 2001, the FCC determined that telecommunications traffic delivered to Internet service providers ("ISPs") was not subject to reciprocal compensation because it is interstate access traffic. At the same time, the FCC established a transitional cost recovery mechanism for the exchange of this traffic to phase out such payments over time. *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, CC Docket Nos. 96-98 & 99-68, Order On Remand and Report and Order, available at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/Orders/2001/fcc01131.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Orders/2001/fcc01131.pdf)>.
- 9 47 U.S.C. § 252(d)(1).
- 10 *American Tel. & Tel. v. Iowa Utils. Bd.*, 525 U.S. 366, 397 (1999).
- 11 *FCC v. Iowa Utils. Bd.*, *cert. granted*, -- U.S. --, 121 S. Ct. 878 (Jan. 22, 2001) (Docket Nos. 00-587, 00-590).
- 12 *FCC v. Iowa Utils. Bd.*, *cert. granted*, -- U.S. --, 121 S. Ct. 878 (Jan. 22, 2001) (Docket Nos. 00-587, 00-590).
- 13 47 U.S.C. § 271(c)(2)(B)(i)-(xiv). The fourteen requirements are as follows: (1) interconnection at rates and terms that comply with Sections 251(c)(2) and 252(d)(1); (2) access to network elements (which includes the necessary operational support systems) at rates and terms that comply with Sections 251 and 252; (3) access to poles, ducts, conduits and rights of way; (4) unbundled loops; (5) local transport; (6) local switching; (7) access to 911, E911 (emergency services), directory assistance and operator services; (8) white pages listings for CLEC customers; (9) compliance with the numbering administration guidelines; (10) access to the databases and signaling needed to route calls; (11) number portability (the customer's ability to keep a phone number when changing carriers); (12) local dialing parity (having to dial the same number of digits for calls through all carriers); (13) reciprocal compensation; and (14) access to resale services.

- 14 47 U.S.C. § 271(d)(3)(C). The FCC must also determine that the RBOC has satisfied the so-called Track A/Track B requirements, which state that at least one facilities-based CLEC is operating in the state (Track A) or that none have asked to do so (Track B), 47 U.S.C. § 271(c)(1)(A), (B); that there is an existing approved interconnection agreement or a general statement of available terms and conditions, 47 U.S.C. § 271(c)(2)(A); that the RBOC will provide long distance service through a separate affiliate, 47 U.S.C. § 272; and that the RBOC has complied with the requirements of Section 251, 47 U.S.C. § 271(c)(2)(B)(i), (ii) & (xiv).
- 15 These applications are: SBC-Oklahoma I (1997); Ameritech-Michigan (1997); Bell South-South Carolina (1997); Bell South-Louisiana I (1998); Bell South-Louisiana II (1998); Verizon-New York (1999); SBC-Texas I (2000); SBC-Texas II (2000); Verizon-Massachusetts I (2000); SBC-Kansas & Oklahoma II (2000) (a joint application); Verizon-Massachusetts II (2001); SBC-Missouri (2001-pending); and Verizon-Connecticut (2001-pending). The Department of Justice's Evaluations of these applications can be found on the Department's website at <<http://www.usdoj.gov/atr/public/comments/sec271/sec271.htm>>. The Federal Communication Commission's Section 271 Orders can be found on the FCC's website at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/in-region\\_applications/](http://www.fcc.gov/Bureaus/Common_Carrier/in-region_applications/)>.
- 16 47 U.S.C. § 271(d)(3).
- 17 FCC Local Telephone Competition: Status as of June 30, 2000 at 1, available at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/Reports/FCC-State\\_Link/IAD/lcom1200.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/lcom1200.pdf)>. In 1999, the most recent year for which FCC data are available, CLECs held 5.8 percent of nationwide local revenues. *Trends in Telephone Service, Industry Analysis Division, Common Carrier Bureau, Dec. 2000*, at 9-2, available at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/Reports/FCC-State\\_Link/IAD/trend200.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/trend200.pdf)>. A more recent survey by a CLEC trade association states that CLECs served 8.2 percent of local telephone lines nationwide as of the third quarter of 2000 and that CLECs held 8.3 percent of the local telecommunications market in terms of revenues as of the fourth quarter of 2000. Association for Local Telecommunications Services Annual Report of the State of the Local Telecom Industry, 2001 at 25, available at <<http://www.alts.org/Filings/022001/Annual Report.pdf>>.
- 18 See FCC Local Telephone Competition: Status as of June 30, 2000 at tbls. 1 & 2.
- 19 *Id.*
- 20 See *Trends in Telephone Service, Industry Analysis Division, Common Carrier Bureau, Dec. 2000*, at 14-4 to 14-8, available at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/Reports/FCC-State\\_Link/IAD/trend200.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/trend200.pdf)>; *Statistics of the Long Distance Telephone Industry, Industry Analysis Section, Common Carrier Bureau, Federal Communications Commission, January 2001*, at 35, available at <[http://www.fcc.gov/Bureaus/Common\\_Carrier/Reports/FCC-State\\_Link/IAD/ldrpt101.pdf](http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/ldrpt101.pdf)>.
- 21 See FCC Universal Service Home Page, available at <[http://www.fcc.gov/ccb/universal\\_service/welcome.html](http://www.fcc.gov/ccb/universal_service/welcome.html)>; see also, e.g., Texas Public Utility Commission Substantive Rule Pertaining to Texas Universal Service Fund Assessment, available at <<http://www.puc.state.tx.us/telecomm/reports/txunfund.cfm#PUCT>>.

- 22 *Annual [FCC]Report and Analysis of Competitive Market Condition With Respect to Commercial Mobile Services*, Fifth Report at 9, 14, 18-19, available at <<http://www.fcc.gov/wtb/reports/fc000289.pdf>>.
- 23 15 U.S.C. § 18.
- 24 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/mci0000.htm>>.
- 25 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx99.htm>>.
- 26 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx41.htm>>.
- 27 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx123.htm>>.
- 28 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx133.htm>>.
- 29 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx4468.htm>>.
- 30 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx239.htm>>.
- 31 Public documents relating to this matter are available at <<http://www.usdoj.gov/atr/cases/indx257.htm>>.
- 32 Public documents relating to this matter are available at <<http://www.ftc.gov/opa/2000/12/aol.htm>>.