CHRONOLOGY
SOUTHWESTERN BELL
TEXAS SECTION 271 LONG DISTANCE APPLICATION

Before passage of the Telecommunications Act of 1996, the Regional Bell Operating Companies (BOCs), the local progeny of the once-integrated Bell system, were barred by the terms of the Justice Department's Modified Final Judgement (MFJ) from entering certain lines of business, including long distance services. The ban on long distance services was based on the MFJ court's determination that such a restriction was "*clearly necessary to preserve free competition in the interexchange market*," or long distance market.

Through the competitive checklist and the other requirements of section 271, Congress defined the mechanism by which the BOCs may enter the in-region, long distance market. This mechanism replaces the structural approach of the MFJ that prohibited BOCs from participating in that market.

Accordingly, Congress set up a framework that requires BOCs to demonstrate that their local markets are open to competition before they are permitted to enter the in-region long distance market. In order to execute Congress' intent, the FCC must make certain that the BOCs have opened their local markets and thus allow competition to develop in those markets. Following is a timeline of key events in Southwestern Bell's successful section 271 application:

March, 1998 – Southwestern Bell filed with the Texas Commission a draft section 271 application to provide in-region, interLATA service in the State of Texas.

June 1, 1998 – The Texas Commission issued an order listing 129 key issues that needed to be resolved before it could recommend approval of SWBT's application. The Texas Commission also invited Southwestern Bell and competing carriers to participate in a series of collaborative meetings, workshops and technical conferences to address these and other issues.

April 1999 – Telcordia Technologies was selected as the independent Third Party Tester in early 1999, and began testing Southwestern Bell's operations support systems (OSS) in April 1999.

October 20, 1999 – Telcordia presented its final report detailing the results of its functionality and capacity testing, and concluded that Southwestern Bell's OSS were "operationally ready to handle commercial volumes of transactions."

December 16, 1999 – After working further with Southwestern Bell and competing Local Exchange Carriers (LECs) to resolve open issues, including OSS issues, identified in Telcordia's final report, the Texas Commission voted to unanimously support Southwestern Bell's section 271 application.

-- more --

January 10, 2000 – Southwestern Bell filed an application with the FCC to provide in-region, interLATA service in the State of Texas.

February 14, 2000 - The Department of Justice (DOJ) filed its evaluation of Southwestern Bell's application, concluding that, although Southwestern Bell had shown substantial progress in opening its local markets to competition, it failed to satisfy the requirements of section 271.

April 5, 2000 – Southwestern Bell filed an extensive supplement to its January 10 Application.

April 6, 2000 – The FCC granted Southwestern Bell's request to withdraw its January 10 Application and to initiate a new application pursuant to section 271, with a new 90-day statutory deadline, based on the record generated in the initial application proceeding and supplemented by the April 5 filing.

April 26, 2000 – The Texas Commission submitted its evaluation of Southwestern Bell's April 5th section 271 application, stating that Southwestern Bell has taken the statutorily required steps to open its local markets to competition.

June 13, 2000 – The DOJ filed its evaluation of Southwestern Bell's April 5th section 271 application, recommending approval of its application to provide long distance service in Texas. In recommending its approval, the DOJ noted that Southwestern Bell had addressed many of the deficiencies associated with its first application.

June 30, 2000 – The FCC grants Southwestern Bell's application to enter the long distance market in Texas based on its conclusion that Southwestern Bell has taken the statutorily required steps to open its local exchange and exchange access markets to competition.