

Before the
Federal Communications Commission
Washington, D.C. 20554

PUBLIC NOTICE

Released: December 6, 1995

Common Carrier Bureau, Room 533, 1919 M Street, N.W., Washington, D.C. 20554. Copies of this filing can be obtained from ITS, Inc. at (202) 857-3800.

We will treat this proceeding as non-restricted for purposes of the Commission's *ex parte* rules. See generally 47 C.F.R. §§ 1.1200-1.1216. For further information contact Janice Myles, Policy and Program Planning Division of the Common Carrier Bureau, at (202) 418-1577.

FEDERAL COMMUNICATIONS COMMISSION

**PLEADING CYCLE ESTABLISHED FOR COMMENTS ON
GTE'S PETITION FOR WAIVER OF PART 69
OF THE COMMISSION'S RULES TO GEOGRAPHICALLY
DEAVERAGE SWITCHED ACCESS CHARGES
CCBPol 95-26**

On November 27, 1995 GTE Telephone Operating Companies (GTE) filed a petition requesting that the Commission waive Part 69 of the Commission's rules in order to allow GTE to implement a new pricing structure for switched access services. GTE states that its proposed ZonePlus structure provides for geographic deaveraging of switched access rates and structured volume discounts in five study areas (California, Texas, Oregon, Washington and Florida).

GTE states that existing access rules prevent GTE from offering discounts for switched access services other than transport. GTE states that the rules also prevent it from expanding the range of pricing options available to access customers and establishing market-based price levels which are indicative of cost. GTE states that the requirement to price access at study area average rates disadvantages GTE, especially in dense market areas where prices significantly exceed the forward looking costs of providing access service. GTE states that its proposed ZonePlus structure would align GTE's access rates more closely with costs.

GTE states that ZonePlus represents a logical transition from the existing regulatory model toward a more competitively oriented price regulation framework such as that proposed in the *Price Cap Performance Review for Local Exchange Carriers, Second Further Notice of Proposed Rulemaking* in CC Docket 94-1, FCC 95-393, released Sept. 20, 1995 (Second Further Notice). GTE states that although the pricing flexibility proposals being considered in the Second Further Notice would achieve many of the results which are expected of GTE's ZonePlus offering, GTE has a need for immediate action. GTE states that the Commission should grant GTE authority to implement ZonePlus, at least on an interim basis pending the outcome of the Second Further Notice.

Interested parties should file comments on GTE's petition by **January 5, 1996** and reply comments by **January 22, 1996** with the Secretary, FCC, 1919 M Street, N.W., Washington, D.C. 20554. A copy should also be sent to Janice Myles, Common Carrier Bureau, FCC, Room 544, 1919 M Street, N.W., Washington, D.C. 20554, and to the Commission's contractor for public service records duplication: ITS, Inc., 2100 M Street, N.W., Suite 140, Washington, D.C. 20037. Parties filing comments in this non-docketed proceeding should include the Policy Division internal reference number, CCBPol 95-26, on their pleadings. GTE's petition is available for inspection and copying in the Industry Analysis Division reference room,