

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

In the matter of
Policy and Rules Concerning the Interstate,
Interexchange Marketplace
Implementation of Section 254(g) of the
Communications Act of 1934, as amended
CC Docket No. 96-61

ORDER

Adopted: May 25, 2006

Released: May 25, 2006

By the Associate Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, we find that the American Samoa Government and the American Samoa Telecommunications Authority (ASTCA) have implemented the measures necessary to facilitate the ability of interexchange carriers (IXCs) to integrate their service offerings to American Samoa. We therefore lift the suspension of the rate integration requirement applicable to American Samoa and require IXCs serving American Samoa to offer integrated rates for service to and from American Samoa no later than May 25, 2007. Thereafter, the annual certification of compliance with rate integration filed by the IXCs shall include American Samoa.

II. BACKGROUND

2. In 1996, the Commission, implementing section 254(g) of the Communications Act of 1934, as amended, adopted a rate integration rule, which required providers of interstate interexchange telecommunications services to provide services to their subscribers in each state at rates no higher than the rates charged to their subscribers in any other state. The Commission determined that this rule should apply to all United States territories and possessions, including those offshore points such as

1 47 U.S.C. § 254(g).

2 Policy and Rules Concerning the Interstate, Interexchange Marketplace; Implementation of Section 254(g) of the Communications Act of 1934, as amended, CC Docket No. 96-61, Report and Order, 11 FCC Rcd 9564 (1996) (Rate Averaging and Rate Integration Report and Order), aff'd on recon., 12 FCC Rcd 11812 (1997). There is currently no Commission rule requiring wireless carriers to provide services on an integrated basis. See Policy and Rules Concerning the Interstate, Interexchange Marketplace; Implementation of Section 254(g) of the Communications Act of 1934, as amended, CC Docket No. 96-61, Memorandum Opinion and Order, 15 FCC Rcd 21066 (2000) (noting that the earlier rule applying section 254(g) to commercial mobile radio service providers was vacated and remanded, GTE Service Corp. and Micronesian Telecommunications Corp. v. FCC, 224 F.3d 768 (D.C. Cir. 2000)).

American Samoa. The Commission required IXCs to file interim and final rate integration plans with respect to American Samoa and other offshore locations.³

3. Subsequently, in reviewing the rate integration plans, the Common Carrier Bureau⁴ found that American Samoa could implement several measures to facilitate the ability of IXCs to integrate their service offerings to American Samoa with their service offerings to the United States and other offshore points.⁵ Specifically, the Bureau found that American Samoa could (1) participate in the North American Numbering Plan (NANP); (2) provide access services to IXCs on a basis similar to that provided by local exchange carriers in other parts of the United States; and (3) offer Feature Group D service if requested by IXCs.⁶ The Bureau further found that the record was incomplete as to American Samoa's plans to facilitate rate integration. Therefore, the Bureau encouraged American Samoa to file a rate integration plan and temporarily suspended the obligation of IXCs to provide services on an integrated basis to American Samoa, pending resolution of these issues.⁷

4. On October 1, 1997, the American Samoa Government and the American Samoa Office of Communications (ASOC), the precursor to ASTCA, jointly filed the 1997 Rate Integration Plan. The American Samoa Government indicated that it intended to establish separate local exchange and IXC entities, with the exchange carrier offering access to the affiliated IXC and to any others requesting service. Upon bona fide request, the ASOC local exchange carrier would implement equal access and access arrangements comparable to Feature Group D. The American Samoa government stated, however, that it had no intention of joining the North American Numbering Plan.⁸ The American Samoa Government and ASTCA subsequently changed their position and sought, and were granted, authority for American Samoa to enter the NANP using the Numbering Plan Area code 684.⁹

5. On May 3, 2004, ASTCA filed an update to the 1997 Rate Integration Plan submitted by its predecessor, ASOC, and the American Samoa Government.¹⁰ The ASTCA indicated that it had achieved several of the steps outlined in the *1997 Rate Integration Order* and noted progress that had been made on joining the NANP, but ASTCA did not provide current rates for the local, long distance, and interstate access services. In response, AT&T and Blue Sky filed comments asserting that ASTCA had not implemented all the measures set forth in the *1997 Rate Integration Order*.¹¹

³ The Commission delegated to the Common Carrier Bureau the authority to resolve any issues concerning carriers' plans for rate integration for the offshore points. *Rate Averaging and Rate Integration Report and Order*, 11 FCC Rcd at 9597-98, para. 68.

⁴ Pursuant to a Commission reorganization in March 2002, the Common Carrier Bureau was renamed the Wireline Competition Bureau (Bureau).

⁵ *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934, as amended*, CC Docket No. 96-61, Memorandum Opinion and Order, 12 FCC Rcd 11548 (Com. Car. Bur. 1997) (*1997 Rate Integration Order*).

⁶ *Id.* at 11557-58, para. 21.

⁷ *Id.* at 11558, para. 22.

⁸ See Letter from David L. Sieradzki, Esq., Counsel for the American Samoa Government, to William F. Caton, Acting Secretary, FCC, at ii (filed Oct. 1, 1997).

⁹ See Letter from William F. Maher, Jr., Chief, Wireline Competition Bureau, to Ron Connors, Director, North American Numbering Administration, Neustar, Inc. (Dec. 24, 2002).

¹⁰ See Letter from David L. Sieradzki, Esq., Counsel for ASTCA, to Marlene H. Dortch, Secretary, FCC (filed May 3, 2004).

¹¹ AT&T Reply Comments at 5-9 (filed June 28, 2004); Blue Sky Comments at 2-5 (filed June 15, 2004).

6. On October 31, 2005, ASTCA further supplemented the record in this proceeding.¹² It stated that (1) American Samoa converted fully from an international calling code to an NANP area code as of April 2, 2005; (2) equal access and Feature Group D were fully implemented in ASTCA's local switching office as of September 8, 2005; and (3) American Samoa consumers had an opportunity to participate in two rounds of equal access balloting conducted on June 10, 2005 and August 10, 2005. ASTCA further stated that it offers Feature Group D switched access services at tariffed NECA access rates only to IXC's that choose to establish physical points of presence within American Samoa.

7. On February 21, 2006, in response to a Bureau request for further information,¹³ ASTCA submitted further information on its plan. It confirmed that "the American Samoa Government created the American Samoa Telecommunications Authority (ASTCA), a semi-autonomous entity owned by the Government and governed by its own Board of Directors. In turn, the ASTCA Board of Directors established separate LEC and IXC divisions within ASTCA."¹⁴ It also provided service and rate information on its local, interstate exchange access, and interstate toll rates. AT&T and Verizon Communications, Inc. ("Verizon"), filed comments and reply comments, respectively, stating that the necessary changes to billing and related systems required to include American Samoa in their respective long distance rate plans would be costly and would require twelve months to implement.¹⁵

III. DISCUSSION

8. After reviewing the initial rate plan and the subsequent updates, we find that the American Samoa Government and ASTCA have fully implemented the measures necessary to facilitate the ability of IXC's to integrate their service offerings to American Samoa. Specifically, ASTCA: (1) has joined NECA and offers interstate access through NECA's interstate access tariffs; (2) is part of the NANP; (3) if requested, offers Feature Group D service to IXC's that establish points of presence in American Samoa. These steps respond fully to the concerns expressed by the Bureau in 1997 and thus remove any impediment to the ability of IXC's to integrate their service offerings to American Samoa. No party has opposed lifting the suspension. The only concern, raised by both AT&T and Verizon, is that the Commission grant IXC's sufficient time -- twelve months -- to make the necessary changes to their billing systems in order to bill for integrated service. As the Commission did in 1996, we will allow IXC's twelve months to accomplish this.¹⁶ Therefore, we lift the suspension of the rate integration requirement for IXC's to serve American Samoa at integrated rates as of May 25, 2007. After that date, IXC's shall include American Samoa in the annual certification of compliance with rate integration.¹⁷

IV. ORDERING CLAUSES

9. Accordingly, IT IS ORDERED that, pursuant to authority contained in sections 1, 4(i), 201-205, and 254(g) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154(i), 201-205, and 254(g), and section 0.291 of the Commission's rules, 47 C.F.R. § 0.291, the rate integration plan submitted by the American Samoa Telecommunications Authority IS APPROVED.

¹² See Letter from David L. Sieradzki, Esq., Counsel for ASTCA, to Marlene H. Dortch, Secretary, FCC (filed Oct. 31, 2005).

¹³ See *Request for Additional Information Regarding the Rate Integration Plan Filed by the American Samoa Telecommunications Authority*, CC Docket No. 96-61, Public Notice, DA 06-295 (rel. Feb. 6, 2005).

¹⁴ See Letter from David L. Sieradzki, Esq., Counsel for ASTCA, to Marlene H. Dortch, Secretary, FCC at 1 (filed Feb. 21, 2006).

¹⁵ AT&T Comments at 2-3 (filed Feb. 28, 2006); Verizon Reply Comments at 1 (filed Mar. 10, 2006).

¹⁶ See *Rate Averaging and Rate Integration Report and Order*, 11 FCC Rcd at 9597, para. 68.

¹⁷ 47 C.F.R. § 1900.

10. IT IS FURTHER ORDERED that the 1997 suspension of the requirement that interexchange carriers offer service to and from American Samoa at integrated rates IS VACATED effective May 25, 2007.

Federal Communications Commission

Donald K. Stockdale, Jr.

Associate Chief

Wireline Competition Bureau