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FCC TAKES ACTION TO STRENGTHENS ITS "LINE SHARING" RULES TO FURTHER PROMOTE COMPETITION FOR ADVANCED SERVICES

Commission Requires Local Phone Companies to Facilitate "Line Splitting"

Washington, D.C. – The Federal Communications Commission (FCC) adopted a Reconsideration Order and a Further Notice of Proposed Rulemaking to further promote the competitive availability of unbundled access to the high frequency portion of the local loop, known as "line sharing." The Commission's line sharing rules became effective last year and directed incumbent local exchange carriers (LECs) to share their telephone lines with competitive providers of high-speed Internet access, namely digital subscriber line (DSL) services. Line sharing eliminates the need for consumers to obtain a second phone line when they choose a company other than the incumbent LEC for high-speed access to the Internet.

The Order announced today addresses a variety of petitions for clarification and/or reconsideration, including the following issues:

- **Definition of High Frequency Portion of the Loop** The Commission clarified that line sharing applies to the entire loop, even where a portion of the loop is on fiber facilities. This requirement will ensure that consumers served by remote terminals, or "neighborhood gateways," will still be able to access competitive providers of high-speed Internet access. Remote terminals digitize and aggregate customer traffic for fiber transport to an incumbent LEC's central office.
- Line Splitting & Line Sharing The Commission also clarified an incumbent LEC's obligations regarding "line splitting." Line splitting is similar to line sharing, in that it involves the availability of both voice and DSL services on the same line. However, line splitting makes it possible for a single competitor, or two competitive carriers operating as a joint venture, to provide voice and DSL services over the same line. The Commission found that incumbent LECs must permit competing carriers to self-provision or partner with a data carrier in order to provide voice and data services on the same line.

• **Denied Various Petitions** – The Commission denied a variety of requests for reconsideration of line sharing and spectrum management rules adopted in the original Line Sharing Order.

Finally, the Commission adopted a Further Notice that seeks comment on issues related to line sharing where an incumbent LEC has deployed fiber in the loop. The Further Notice will enable the Commission to understand how the deployment of next generation networks will impact competitive access to the high frequency portion of the loop.

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Docket Nos: CC 98-147, CC 96-98

Action by the Commission January 19, 2001, by Third Report and Order on Reconsideration, Fourth Report and Order on Reconsideration, Third Further Notice of Proposed Rulemaking, and Sixth Further Notice of Proposed Rulemaking (FCC 01-26). Chairman Kennard and Commissioners Ness, Furchtgott-Roth, Powell, and Tristani.

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News about the Federal Communications Commission can also be found on the Commission's web site www.fcc.gov.