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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

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Contact: David Fiske, 202/418-0513
Mike Balmoris, 202/418-0253

STATEMENT OF FCC CHAIRMAN MICHAEL POWELL ON WITHDRAWAL OF SBC's 271 APPLICATION FOR MICHIGAN

Washington, DC – SBC has withdrawn its application to provide long distance service in Michigan. The FCC cannot approve such applications by the Bell Companies unless they satisfy the requirements of section 271.

In my view, SBC's application generally met the requirements of section 271. Ultimately, the outstanding issues that prevented approval were very narrow, but nonetheless important. Perhaps the most troubling of these issues relates to billing. Despite extensive examination of the record supporting these applications, questions remain regarding whether SBC is currently providing wholesale billing functions for competitive LECs in a manner that meets the requirements of our existing precedent. Indeed much of the information related to this issue, including the results of a data reconciliation, was introduced very late in our 90 day process. If the Commission were to take this evidence into account, it would have required an unusually broad waiver of our 'freeze frame' rule.

I would like to thank all of the Commissioners of the Michigan Public Service Commission and its Chair, Laura Chappelle for their outstanding work and enormous contribution to this proceeding. Indeed, few states have achieved the levels of market penetration seen by Michigan. I am confident that SBC, in consultation with the Michigan Commission, Department of Justice, and this Commission, will expeditiously resolve the outstanding issues that prevented approval.

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