

**SEPARATE STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Application by SBC Communications Inc., Michigan Bell Telephone Company, and Southwestern Bell Communications Services, Inc. for Authorization to Provide In-Region, InterLATA Services in Michigan (WC Docket No. 03-138).

Today, we grant SBC authority to provide in-region, interLATA service originating in the state of Michigan. I congratulate SBC for opening its operations in Michigan to competition. Obtaining Section 271 authority for the first state in the former Ameritech region marks a significant achievement and holds promise for Michigan consumers. I also extend my thanks to the Michigan Public Service Commission and to the staff of our Wireline Competition Bureau for their hard work reviewing this application.

I am pleased to support this Order. At the same time, I would like to address two areas that warrant special attention on a going-forward basis -- the provision of wholesale bills to competitive LEC customers and the processes for line splitting, the method by which competitive carriers may offer both voice and DSL services over the same local loop.

Section 271 requires the Bell Companies to provide nondiscriminatory access to unbundled network elements, which includes the obligation to provide competitors with complete, accurate, and timely wholesale bills. Much of the record in this proceeding has focused on the adequacy of SBC's wholesale billing practices and I want to thank the Department of Justice for its contributions to this analysis. This Order finds that SBC has satisfied the standard required under our precedent for wholesale billing, based in part on a recognition that the complexity of telephone company billing systems and the high volume of transactions make some level of carrier-to-carrier disputes inevitable. Given the importance of timely and accurate billing to the carrier-customer relationship, I believe that it is imperative that both SBC and its wholesale customers continue to develop and enhance the billing processes.

Similarly, this Order notes concerns raised about line splitting processes in Michigan. To date, Michigan competitors have sparingly used line splitting, but I expect that decisions in the Triennial Review Order will increase demand for line splitting. If competitors are to successfully bring broadband services to the mass market, it is essential that there be effective line splitting processes that can accommodate increasing volumes. I am pleased that SBC is engaged in collaborative testing of new line splitting procedures that would address many of the concerns raised.

In the Public Interest section of this order, we find sufficient assurance that local markets in Michigan will remain open even after SBC receives Section 271 authorization. This finding is a prerequisite for a successful application, given Congress' direction in Section 271(d)(6) that the market-opening provisions of Section 271 are an on-going obligation. With this provision in mind, I would like to encourage SBC, the Michigan Commission, and our staff here at the FCC to continue their diligent efforts to ensure that Congress' standard is met.