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Today's News

FCC UNE ORDER goes on agenda for Dec. 15 vote, as CLECs and Bells battle to end of lobbying period. Commissioners begin editing process, Powell's support unsure. (P. 1)

LEGISLATION UNLIKELY this year from Congress. With little time left and nothing done, failure blamed on political infighting. (P. 6)

NEW IP STANDARD leaves U.S. in the dust. Asia, Europe could reap the benefits. (P. 7)

ASIA DOMINATES communications service, device innovation, as U.S. lags, senior Intel executive says. IBM PCs just first of global brands Chinese will capture, Maloney says. (P. 7)

EC TELECOM REPORT outlines challenges, official says. (P. 8)

EUROPEAN REGULATORS lay out ambitious work program for 2005. (P. 9)

COPYRIGHT BILL likely to die with end of Congress. Opponents celebrate early. (P. 10)

TELECOM NOTES: Prepaid calling sector continues to grow, study says... Qwest to expand VoIP offering.. (P. 11)

FCC Puts UNE Order on Meeting Agenda

The next 7 days will be crucial to the outcome of the FCC's draft UNE rules, as commissioners begin framing their positions and working on possible changes in time for a formal vote at the FCC's agenda meeting Dec. 15, FCC staffers said Wed. Commissioners and their staff have been meeting almost nonstop with lobbyists the past 2 weeks. Those meetings stopped late Wed., and commissioners can get to work on their own views, an 8th floor staff member said.

The item, known as the Triennial Review Order (TRO) remand, went on the Dec. 15 agenda late Wed., curtailing all contact between commissioners and outsiders. One source said the commissioners probably will be asked to make a list of the 2 or 3 biggest things they are concerned about. It's too early to know how the commissioners will vote, though sources inside and outside the agency say it might not be hard to gain 3 votes for the proposal -- Chmn. Powell, Comr. Abernathy and possibly Comr. Martin. But Powell may want 5 votes in an effort to bolster the order in court. If he doesn't get more votes, Powell might decide to pull the item from the agenda before Dec. 15, said a lobbyist. "I wouldn't sell the farm" on the item's staying on the agenda, he said. "No one expects a 5-0 vote on the whole order," said another lobbyist. "Over the next week we'll find out as the agency turns inward and the edits process begins."

Industry reaction to the rules remains highly contentious, with CLECs saying the proposed regime could severely curtail their business and Bells arguing the proposal doesn't go far enough in complying with the remand by the U.S. Appeals Court, D.C. "It's hard for us because both sides come in angry," said an 8th floor staffer. As expected, the proposed order calls for an end to the UNE-P option for CLECs by eliminating switching as a UNE, with a 6-month transition period. The most controversial issues involve the high-cap UNEs aimed at business customers. Lawrence Spiwak, pres. of the competitive-leaning think-tank Phoenix Center, said he was "flabbergasted" by the signals from the FCC that it would greatly reduce the situations in which CLECs were considered "impaired," and thus eligible to get Bell UNEs at lower-cost TELRIC rates. An FCC staffer said the agency will have to weigh CLECs' concern about "pain" against the action needed to meet court requirements.