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GTE Telephone
Operations Headquarters
Local Competition/Interconnection Program Office
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P.O. Box 152092
Irving, TX 75015

date: 6/21/96

to: REED HARRISON MR. WASH

fax #: 908-771-2219 MS. BEASLEY

re: MR. SHURTER

pages: 6, including this cover sheet. IT'S ARRIVED.

from: DON McLEOD Reed 6/21/96

phone#: 214-718-6330

REMARKS:

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IF YOU HAVE PROBLEMS OR QUESTIONS WITH REGARD TO THIS FACSIMILES,
PLEASE CALL 214/718-1300. THANK YOU.

AGBH 000408
001421

Donald W. McLeod
Vice President-Local
Competition/Interconnection



GTE Telephone
Operations

June 21, 1996

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Mr. R. Reed Harrison III
Vice President
AT&T
Local Infrastructure & Access Management
Room 4ED103
One Oak Way
Berkeley Heights, N. J. 07922

Dear Mr. Harrison:

This letter is to advise you that the GTOC service areas listed in the attachment come under the rural exemption as provided by Section 251 (f)(1) of the Telecommunications Act of 1996 (the Act), with respect to certain interconnection resale and unbundling obligations. Although these service areas are rural, we will continue to negotiate in good faith for interconnection, unbundled network elements, and resale.

Section 3(a)(47) of the Act provides a rural exemption for a "local exchange carrier operating entity" that meets any of the following conditions:

- (A) Provides service to any study area that does not include an unincorporated area of 10,000 residents or more, or does not include any territory defined as urban by the Census Bureau.
- (B) Provides service to fewer than 50,000 access lines.
- (C) Provides service to a study area with fewer than 100,000 access lines.
- (D) Has less than 15% of the access lines in communities of more than 50,000 residents as of February 8, 1996.

GTE service areas qualify for the rural exemption either under condition (C) or (D) as indicated on the attachment.

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Mr. R. Reed Harrison III
June 21, 1996
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As you may know, Congress was correctly concerned about maintaining high quality communication services in rural areas; accordingly, they did not impose certain interconnection, resale, and unbundling obligations on telephone companies serving these areas, unless the state commission determines such activity is appropriate. Therefore, in some instances, it may be necessary for the state commission to determine to what extent a competitive local exchange carrier's request for services under the Act is unduly economically burdensome, is technically feasible, or may interfere with the maintenance of universal service.

GTE will actively participate in any Commission proceedings to determine whether such requests meet the requirements of the Act.

Sincerely,


for Donald W. McLeod
Vice President-Local Competition/
Interconnection Program Office

DWM:pr
Attachment

c: C. E. Nicholas - GTE
M. C. Seaman - GTE
J. C. Peterson - GTE
R. H. Shurter - AT&T

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**GTE Telephone Operations
Areas Qualifying for the Rural Exemption
(Data as of January 31, 1996)**

State	State or Study Area	Access Lines	Sec. 3(a)(47) Condition Met	Rural Exemption
Alabama	Total State	249,066	—	No
	Contel South - Alabama	104,364		
	GTE South - Alabama	144,702		
Alaska	Total State	17,000	(C), (D)	Yes
Arizona	Total State	7,506	(C), (D)	Yes
Arkansas	Total State	191,468	(D)	Yes
	Contel Arkansas	92,897		
	Contel KS dba AR	19,907		
	GTE SW - Arkansas	78,662		
California	West Coast Tel.	12,752	(C)	Yes
	Contel California	336,618	—	No
	GTE California	3,682,791	—	No
Florida	GTE South - Florida	1,999,159	—	No
Hawaiï	Hawaiian Telephone Co.	671,283	—	No
Idaho	Total State	114,478	(D)	Yes
Illinois	Total State	823,462	(D)	Yes
	Contel Illinois	175,966		
	GTE North - Illinois	607,736		
	GTE South - Illinois	39,760		
Indiana	Contel South - Indiana	9,447	(C)	Yes
	Contel Indiana	165,237	—	No
	GTE North - Indiana	671,170	—	No

State	State or Study Area	Access Lines	Sec. 3(a)(47) Condition Met	Rural Exemption
Iowa	Total State	259,658	(D)	Yes
	Contel of Iowa	95,742		
	Contel of KS dba Iowa	51,275		
	GTE North - Iowa	112,641		
Kentucky	Contel of Kentucky	85,447	(C)	Yes
	GTE South - Kentucky	395,504	---	No
Michigan	Total State	677,474	(D)	Yes
	Contel of South - Michigan	47,158		
	GTE North - Michigan	630,318		
Minnesota	Total State	115,488	(D)	Yes
	Contel of Minnesota	111,708		
	GTE North - Minnesota	3,780		
Missouri	Contel Systems Missouri	43,537	(C)	Yes
	KS State dba Missouri	7,151	(C)	Yes
	GTE North - Missouri	116,758	---	No
	Contel of Missouri	225,895	---	No
Nebraska	Total State	52,900	(C), (D)	Yes
New Mexico	Total State	80,093	(D)	Yes
	Contel New Mexico	37,880		
	GTE SW - New Mexico	42,213		
Nevada	Total State	29,328	(C), (D)	Yes
N. Carolina	Total State	291,853	---	No
	Contel of North Carolina	112,487		
	GTE South - N. Carolina	179,386		
Ohio	Total State	774,745	(D)	Yes
Oklahoma	GTE SW - Oklahoma	101,051	---	No
Oregon	GTE NW - Oregon	405,388	---	No
Pennsylvania	Contel of PA	60,415	(C)	Yes
	Quaker State	38,561	(C)	Yes
	GTE North - PA	489,729	---	No
S. Carolina	Contel of S. Carolina	19,889	(C)	Yes
	GTE South - S.C.	160,954	---	No

State	State or Study Area	Access Lines	Sec. 3(a)(47) Condition Met	Rural Exemption
Texas	Total State	1,651,192	—	No
	Contel of Texas	200,781		
	GTE SW - Texas	1,450,411		
Virginia	GTE South - Virginia	33,009	(C)	Yes
	Contel of Virginia	461,355	—	No
Washington	Contel NW - Washington	65,197	(C)	Yes
	GTE NW - Washington	669,916	—	No
Wisconsin	Total State	440,994	(D)	Yes
Saipan	Total Micronesia	15,000	(C), (D)	Yes
TOTAL ACCESS LINES: 16,719,914		TOTAL QUALIFYING LINES: 3,974,995 (23.8%)		

Section 3(a)(47) of the Act defines a "rural telephone company" as a local exchange company that meets any of the following conditions:

- A) Provides service to any study area that does not include an unincorporated area of 10,000 residents or more, or does not include any territory defined as urban by the Census Bureau.
- B) Provides service to fewer than 50,000 access lines.
- C) Provides service to a study area with fewer than 100,000 access lines.
- D) Has less than 15% of the access lines in communities of more than 50,000 as of February 8, 1996.