

News from the **Oklahoma Corporation Commission**

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LEVELING THE PLAYING FIELD

Commission approves order aimed at increasing telecommunication competition, services

(Oklahoma City) The Oklahoma Corporation Commission (OCC) today approved a measure that changes some of the regulations SBC-Oklahoma is currently under.

Commission Chairman Jeff Cloud said the measure is a well-balanced, reasoned approach to a complex issue.

“When it comes to telecommunications, the Commission is charged with protecting the consumer and fostering an environment that encourages innovation and competition,” noted Cloud. “This order meets both obligations.”

“By giving SBC pricing flexibility to better compete in Oklahoma, the door is open for more services to go to more people, including high-speed Internet service. Indeed, SBC has committed to bringing DSL to more rural areas as a result of the order approved today,” Cloud continued. “However, the Commission also retains adequate safeguards that can be used as necessary to protect the consumer from anti-competitive forces. Specifically, if the Commission determines that a given service is no longer competitive, the order allows the Commission to reinstitute the previous rate regulations for that service.”

Vice Chairman Denise Bode believes the order will “result in lower prices and better choices for consumers.”

“This is the next phase in the process begun five years ago to respond to Oklahoma consumers and changes in the telecommunications marketplace,” said Bode. “It most definitely is not ‘deregulation,’ as some have claimed. This order continues complete regulatory oversight by the Commission. Nor are we alone in this approach. So far this year, eleven other states have acknowledged the growth of telecommunications competition and have acted to change regulations as a result.”

(more)

(Order, pg. 2)

Commissioner Bob Anthony dissented on the order, saying that while he votes “yes” for expanding DSL service in Oklahoma, he disagrees with the conclusion that telecommunications competition has grown to such an

extent that Commission rate regulation of SBC's residential phone service can now be loosened.

“Cellular phone service is not as reliable as land-line residential phone service, and such cuttingedge technology as Internet-based telephone service requires a high-speed Internet connection, as well as a charge for the service itself,” said Anthony. “When you look at an apples-to-apples comparison, effective competition for residential telephone service does not exist statewide.

“Further, there is nothing that requires SBC to offer DSL service to all its customers. While adding DSL capability to its central offices in Oklahoma is an important and commendable goal, it is only one link in the chain of providing DSL to each customer. What is needed are legal commitments, not hollow promises of benefits to customers,” Anthony concluded.

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NOTE: Today's order, an executive summary of the order prepared by Vice-Chairman Bode, and Commissioner Anthony's separate opinion are attached.