

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matters of:)	
)	
BellSouth Petition for Waiver of)	
the <i>Computer III</i> Comparably Efficient)	
Interconnection Requirements)	CC Docket No. 01-288
)	
Petition of the Verizon)	
Telephone Companies for Waiver of)	CC Docket No. 02-17
Comparably Efficient Interconnection)	
Requirements to Provide)	
Reverse Directory Assistance)	
)	

MEMORANDUM OPINION AND ORDER

Adopted: July 19, 2002

Released: July 19, 2002

By the Senior Deputy Chief, Wireline Competition Bureau:

I. INTRODUCTION

1. In this Order, we grant petitions for waiver filed by BellSouth Corporation (BellSouth)¹ and the Verizon telephone companies (Verizon)² to allow them to provide reverse

¹ The Common Carrier Bureau, now named the Wireline Competition Bureau, issued a public notice seeking comment on BellSouth's petition, filed Sept. 27, 2001. *Pleading Cycle Established for Comments on BellSouth Petition To Provide Nonlocal Operator-Assisted Reverse Directory Assistance and Nonlocal Electronic Reverse Directory Assistance and for Waiver of Any Comparably Efficient Interconnection Requirements that the Commission May Deem Required*, CC Docket No. 01-288, Public Notice (rel. Oct. 11, 2001). We note that in this Order, we use the term "Bureau" to refer both to the Common Carrier Bureau, as it was called prior to March 25, 2002, and to the Wireline Competition Bureau, as it was newly designated as of that date. No party filed comments on BellSouth's petition. On October 17, 2001, the Bureau's Policy and Program Planning Division, now named the Competition Policy Division, granted BellSouth special temporary authority to provide nonlocal electronic and operator-assisted reverse directory services on an integrated basis without complying with the CEI requirements. On February 22, 2002, BellSouth filed an amendment to its original petition. The amendment expanded BellSouth's waiver request to allow it to provide reverse search capabilities with its direct access to directory assistance service offering, which is a federally tariffed service that allows operators of competing directory assistance providers to access BellSouth-owned databases. The amendment also sought to expand its operator-assisted reverse directory service and electronic white pages service by adding the capability to search by using a street address. The Bureau issued a public notice requesting comment on BellSouth's amendment. *Pleading Cycle Established for Comments For BellSouth's Amendment to Petition for Waiver of CEI Requirements*, CC Docket No. 01-22, Public Notice (rel. Feb. 28, 2002). No party filed comments on the amendment. On March 5, 2002, the (continued....)

directory services, as described below, on an integrated basis without complying with the Commission's comparably efficient interconnection (CEI) requirements. We find these waivers to be in the public interest and consistent with our past precedent.

2. Specifically, we allow BellSouth to provide nonlocal operator-assisted reverse directory services and nonlocal electronic reverse directory services on an integrated basis without complying with the CEI requirements.³ We also waive the CEI requirements to permit BellSouth to provide reverse search capabilities on an integrated basis in connection with its direct access to directory assistance service, which currently does not include any reverse search capabilities, and to expand the existing reverse search capabilities in its operator-assisted reverse directory services and electronic white pages service so that customers may search by all or part of a street address or range of street addresses. In addition, we allow Verizon to provide operator-assisted reverse directory services and electronic reverse directory services, including nonlocal reverse directory services, on an integrated basis without complying with the CEI requirements. We condition these waivers on compliance with the Commission's joint cost rules and appropriate amendments to the carriers' cost allocation manuals.⁴

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Policy and Program Planning Division granted BellSouth special temporary authority to provide the directory services set out in its amended petition on an integrated basis without complying with the CEI requirements.

² On January 28, 2002, the Bureau issued a public notice seeking comment on Verizon's January 11, 2002 petition for waiver of the CEI requirements to provide operator-assisted and electronic reverse directory assistance services. *Pleading Cycle Established for Comments for Verizon Petition for Waiver*, CC Docket No. 02-17, Public Notice, DA 02-213 (rel. Jan. 28, 2002). No party filed comments on Verizon's petition. On February 27, 2002, the Policy and Program Planning Division granted Verizon special temporary authority to provide operator-assisted and electronic reverse directory services, including nonlocal reverse directory assistance services, on an integrated basis without complying with the CEI requirements.

³ Reverse directory assistance service is considered "nonlocal" whenever a customer requests the name and/or address of an individual or business outside the customer's home Local access and transport Area (LATA) or area code by providing a telephone number. *Petition of US WEST Communications, Inc. for a Declaratory Ruling Regarding the Provision of National Directory Assistance*, CC Docket No. 97-172, Memorandum Opinion and Order, 14 FCC Rcd 16252, 16255, para. 6 (1999) (*NDA Order*). Among other services, the waivers would cover reverse directory services for individuals or businesses located beyond BellSouth's nine-state region. BellSouth Amended Petition at n.2. Verizon seeks a waiver of the CEI requirements for operator-assisted and electronic reverse directory services in its region, but indicates that its request also covers nonlocal operator-assisted and electronic reverse directory services. Verizon Petition at 3, n.3.

⁴ See 47 C.F.R. § 64.901 (addressing certain local exchange carriers' obligation to separate their regulated costs from nonregulated costs according to specified cost allocation methods); 47 C.F.R. § 64.903(b) (addressing certain local exchange carriers' obligations to file and accurately maintain cost allocation manuals). See also *Separation of Costs of Regulated Telephone Service from Costs of Nonregulated Activities; Amendment of Part 31, the Uniform System of Accounts for Class A and Class B Companies To Provide Nonregulated Activities and To Provide for Transactions Between Telephone Companies and Their Affiliates*, Report and Order, 2 FCC Rcd 1298 (1987) (*Joint Cost Order*), modified on recon., 2 FCC Rcd 6283 (1987), modified on further recon., 3 FCC Rcd 6701 (1988), *aff'd sub nom. Southwestern Bell Corp. v. FCC*, 896 F.2d 1378 (D.C. Cir. 1990).

A. Background

1. CEI Requirements

3. Pursuant to the regulatory scheme established in the *Computer II* proceeding, the Commission has traditionally classified communications services as either basic or enhanced.⁵ In that proceeding, the Commission defined “basic” services as those that provide a “pure transmission capability over a communications path that is virtually transparent in terms of its interaction with customer-supplied information.”⁶ The Commission defined “enhanced services” as “services offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol, or similar aspects of the subscriber’s transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information.”⁷ Unlike basic services, enhanced services are not regulated under Title II of the Communications Act of 1934, as amended (the Act).⁸ In *Computer II*, the Commission established rules to govern the provision of enhanced services, including a requirement that the then-integrated Bell system companies establish separate subsidiaries for the provision of enhanced services.⁹ Following the divestiture of AT&T, the Commission extended the structural separation requirements of *Computer II* to the Bell Operating Companies (BOCs).¹⁰

4. In the *Computer III* proceeding, the Commission established a regulatory framework through which BOCs could offer enhanced and basic services on an integrated basis, pursuant to nonstructural safeguards, including CEI requirements.¹¹ The Commission imposed the CEI requirements to prevent BOCs from subsidizing enhanced services with revenues from basic

⁵ *Amendment of Section 64.702 of the Commission’s Rules and Regulations*, Final Decision, 77 FCC 2d 384 (*Computer II Final Decision*), recon., 84 FCC 2d 50 (1980) (*Computer II Reconsideration Order*), further recon., 88 FCC 2d 512 (1981), *aff’d sub nom. Computer and Communications Indus. Ass’n v. FCC*, 693 F.2d 198 (D.C. Cir. 1982) (referred to collectively as *Computer II*).

⁶ *Computer II Final Decision*, 77 FCC 2d at 420, para. 96.

⁷ 47 C.F.R. § 64.702(a).

⁸ *See id.*

⁹ *See Computer II Final Decision*, 77 FCC 2d at 475-86, paras. 233-60; *Computer II Reconsideration Order*, 84 FCC 2d at 75-86, paras. 72-105.

¹⁰ *See Policy and Rules Concerning the Furnishing of Customer Premises Equipment, Enhanced Services and Cellular Communications Equipment by the Bell Operating Companies*, Report and Order, 95 FCC 2d 1117, 1120, para. 3 (1984), *aff’d sub nom. Illinois Bell Tel. Co. v. FCC*, 740 F.2d 465 (7th Cir. 1984), *aff’d on recon.*, FCC 84-252, 49 Fed. Reg. 26056 (1984), *aff’d sub nom. North American Telecommunications Ass’n v. FCC*, 772 F.2d 1282 (7th Cir. 1985).

¹¹ For a detailed history of the CEI and other *Computer III* requirements, including court decisions and remands, see *Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review – Review of Computer III and ONA Safeguards and Requirements*, Report and Order, 14 FCC Rcd 4289, 4292, para. 4 (1999) (*CEI Further Rulemaking*), recon., 14 FCC Rcd 21628 (1999).

services and to prevent discrimination against competing enhanced service providers with respect to the rates, terms, and conditions of access.¹² Until 1999, before offering an enhanced service on an integrated basis, a BOC was required to file and obtain the Commission's approval of a CEI plan for each proposed enhanced service offering, unless the proposed service was the subject of a previously approved CEI plan.¹³ In their CEI plans, the BOCs were required to explain how they would offer to competing enhanced service providers on a nondiscriminatory basis all the underlying basic services that they used in their own enhanced service offerings.¹⁴ In 1999, the Commission eliminated the requirement that BOCs file and obtain approval of CEI plans before offering an enhanced service on an integrated basis. Now, a BOC must post a CEI plan on its Internet site and notify the Bureau upon such posting, but it need not seek pre-approval of the plan before offering the enhanced service.¹⁵

5. Electronic and operator-assisted reverse directory services are enhanced services that permit a customer to dial the carrier's database and retrieve subscriber name and address information by providing a telephone number. These services are enhanced to the extent that they involve computer processing applications that act on the format or content of the subscriber's transmitted information to provide the subscriber with additional information.¹⁶ Therefore, absent a waiver, a BOC may not provide reverse directory services involving computer processing applications on an integrated basis (*i.e.*, directly through telephone operating companies), unless it complies with the Commission's CEI requirements.¹⁷

6. In prior orders, the Bureau conditionally granted waivers to the BOCs to offer electronic reverse directory services and operator assisted reverse directory services, including nonlocal reverse directory services, on an integrated basis, based on showings that waivers would serve the public interest.¹⁸ In each case, the Bureau found that application of the CEI

¹² *CEI Further Rulemaking*, 14 FCC Rcd at 4294-95, at para. 8. The CEI rules require BOCs to comply with nine CEI parameters designed to assure technically equal interconnection with the local exchange carrier network by affiliated and unaffiliated enhanced service providers.

¹³ *Id.*

¹⁴ *See id.*, 14 FCC Rcd at 4295, para. 8. In the *Non-Accounting Safeguards Order*, the Commission concluded that all the services previously considered to be "enhanced services" are "information services," as defined in the Act. *Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as Amended*, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 21905, 21955, para. 102 (1996) (*Non-Accounting Safeguards Order*) (subsequent history omitted).

¹⁵ *CEI Further Rulemaking*, 14 FCC Rcd at 4292, para. 4.

¹⁶ See 47 C.F.R. § 64.702(a).

¹⁷ *See US West Communications, Inc. Petition for Computer III Waiver*, CC Docket No. 90-623, Order, 11 FCC Rcd 1195, 1199, para. 26 (Com. Car. Bur. 1995) (*US West CEI Waiver*) (determining that US West's reverse search capability is an enhanced service and is subject to the CEI requirements).

¹⁸ *Petition of Nevada Bell, et al. To Provide Operator-Assisted Reverse Directory Assistance Services and Electronic Reverse Directory Assistance Services and for Waivers of and/or Forbearance from Any Comparably Efficient Interconnection or Telecommunications Act of 1996 Requirements*, CC Docket No. 00-227; *Petition of* (continued....)

requirements was not in the public interest because compliance with the requirements was not necessary to allow competing providers to offer the service, and because a waiver was likely to produce benefits for consumers.¹⁹ Each carrier's waiver was conditioned on compliance with the Commission's joint cost rules and on making appropriate adjustments to the carrier's cost accounting manual.²⁰

2. Section 271/272 Requirements

7. Sections 271 and 272 of the Act establish a comprehensive framework governing BOC provision of "interLATA services." Section 271(a) states that neither a BOC nor a BOC affiliate "may provide interLATA services except as provided in [section 271]."²¹ Generally, under section 271(b)(1), a BOC or BOC affiliate "may provide interLATA services originating in any of its in-region states" only "if the Commission approves the application of such company for such state under [section 271(d)(3)]." Section 271(b)(3), however, authorizes the BOCs or their affiliates to provide "incidental interLATA services," as defined in section 271(g). These are "the interLATA provision by a Bell operating company or its affiliate . . . of a service that permits a customer that is located in one LATA to retrieve stored information from, or file

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Qwest Corporation To Provide Operator-Assisted Reverse Directory Assistance Service and for Waiver of Any Comparably Efficient Interconnection Requirements Deemed Applicable, CC Docket No. 01-126, Memorandum Opinion and Order, 16 FCC Rcd 19255, 19260-62, paras. 10-15 (Com. Car. Bur. 2001) (*SBC and Qwest CEI Waiver*); *Ameritech Petition for Waiver of Computer III Rules for Reverse Search Capability*, CC Docket Nos. 85-229, 90-623, 95-20, Order, 13 FCC Rcd 8762, 8767-68, paras. 10-12 (Com. Car. Bur. 1997) (*Ameritech CEI Waiver*); *US West Communications, Inc. Petition for Computer III Waiver*, Cc Docket No. 90-623, Memorandum Opinion and Order on Reconsideration, 11 FCC Rcd 7997, 8007-08, paras. 24-25 (Com. Car. Bur. 1996) (*BellSouth and SWBT CEI Waiver*); *US West CEI Waiver*, 11 FCC Rcd at 1200, paras. 33-34.

¹⁹ *SBC and Qwest CEI Waiver*, 16 FCC Rcd at 19260-62, paras. 11, 14; *Ameritech CEI Waiver*, 13 FCC Rcd at 8767-68, paras. 10-12; *BellSouth and SWBT CEI Waiver*, 11 FCC Rcd at 8007-08, paras. 24-25; *U S West CEI Waiver*, 11 FCC Rcd at 1200, paras. 33-34.

²⁰ *SBC and Qwest CEI Waiver*, 16 FCC Rcd at 19261-61, paras. 13, 15; *Ameritech CEI Waiver*, 13 FCC Rcd at 8768, para. 10; *BellSouth and SWBT CEI Waiver*, 11 FCC Rcd at 7998, para. 2; *U S West CEI Waiver*, 11 FCC Rcd at 1200, para. 34. We note that the Bureau did not condition grant of the 2001 SBC and Qwest waivers of the CEI requirements on compliance with the CPNI requirements because section 222 of the Communications Act already imposes statutory CPNI requirements. *SBC and Qwest CEI Waiver*, 16 FCC Rcd at 19261-62, n.36. Section 222 of the Act and the Commission's CPNI rules set forth the obligations of telecommunications carriers for use of customers' proprietary billing and technical information regarding a customer's service. See 47 U.S.C. § 222; 47 C.F.R. §§ 64.2001-2009; *US WEST v. FCC*, 182 F.3d 1224 (10th Cir. 1999), cert. denied, 530 U.S. 1213 (2000); *Implementation of the Telecommunications Act of 1996: Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information: Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, As Amended*, CC Docket Nos. 96-115 & 96-149, Clarification Order and Second Further Notice of Proposed Rulemaking, 16 FCC Rcd 16506, 16510, para. 7 & n.23 (2001) (finding that the Commission's CPNI rules remain in effect with the exception of Section 64.2007(c)).

²¹ 47 U.S.C. § 271.

information for storage in, information storage facilities of such company that are located in another LATA.”²² InterLATA services include telecommunications and information services.²³

Section 272 generally requires that a BOC provide interLATA services through a separate affiliate;²⁴ however, the requirement to provide interLATA *information* services through a separate affiliate sunset on February 8, 2000.²⁵

8. The Commission has previously determined that both operator-assisted reverse directory services and electronic reverse directory services provided by the BOCs on an interLATA basis fall squarely within the definition of incidental interLATA services contained in section 271(g)(4). In the *NDA Order*, the Commission found that traditional operator-assisted directory services are incidental interLATA services, because they “permit[] a customer that is located in one LATA to retrieve information from, or file information for storage in, information storage facilities of such company that are located in another LATA.”²⁶ Operator-assisted reverse directory services likewise fall within this definition. They permit a customer in one LATA to retrieve name and address information from a BOC’s facilities in another LATA. The only differences between traditional and reverse directory services – the information that the customer provides to the operator, and the information the customer receives from the operator – are not relevant to the definition of incidental interLATA services. In the *BellSouth Section 272 Forbearance Order*,²⁷ the Bureau found that electronic reverse directory services provided by BellSouth on an interLATA basis are also incidental interLATA services.²⁸ The Bureau later

²² 47 U.S.C. § 271(g)(4).

²³ See *Implementation of the Non-Accounting Safeguards of Section 271 and 272 of the Communications Act of 1934, As Amended*, CC Docket No. 96-149, Order on Remand, 16 FCC Rcd 9751, 9754-55, para. 8 (2001).

²⁴ 47 U.S.C. § 272(a)(2)(B)(i), (a)(2)(C).

²⁵ 47 U.S.C. § 272(f)(2); see also *Request for Extension of the Sunset Date of the Structural, Nondiscrimination, and Other Behavioral Safeguards Governing Bell Operating Company Provision of In-Region, InterLATA Information Services*, Order, 15 FCC Rcd 3267 (2000) (*Sunset Order*) (denying request to prolong the requirement to provide interLATA information services through a separate affiliate).

²⁶ *NDA Order*, 14 FCC Rcd at 16265, para. 23 (citing 47 U.S.C. § 271(g)(4)). The Bureau later addressed similar offerings from BellSouth, Ameritech, Bell Atlantic-South, SWBT, and Pacific Bell and found that they were also incidental interLATA services. See *BellSouth Petition for Forbearance for Nonlocal Directory Assistance Service*, CC Docket No. 97-172, Memorandum Opinion and Order, 15 FCC Rcd 6053, 6059, paras. 12-13 (Com. Car. Bur. 2000) (*BellSouth NDA Order*) (BellSouth, Ameritech, SWBT, Pacific Bell, Bell Atlantic-South); *Petition of Bell Atlantic for Forbearance from Section 272 Requirements in Connection with National Directory Assistance Services*, CC Docket No. 97-172, Memorandum Opinion and Order, 14 FCC Rcd 21484, para. 10 (Com. Car. Bur. 1999) (Bell Atlantic-North), *aff’d*, Memorandum Opinion and Order, 15 FCC Rcd 13154 (2000).

²⁷ *Bell Operating Companies Petitions for Forbearance from the Application of Section 272 of the Communications Act of 1934, As Amended, to Certain Activities*, CC Docket No. 96-149, Memorandum Opinion and Order, 13 FCC Rcd 2627 (Com. Car. Bur. 1998).

²⁸ *BellSouth Section 272 Forbearance Order*, 13 FCC Rcd at 2660, para. 68. The Bureau also addressed BellSouth’s operator-assisted reverse directory services. The court overseeing divestiture of AT&T from the Bell system had authorized BellSouth’s provision of those services; therefore, they were “previously authorized (continued....)”

found that the similarly configured electronic reverse directory services of other BOCs likewise fell within the definition of incidental interLATA services.²⁹

B. Discussion

9. The Commission may grant a waiver of a provision of its rules “if good cause therefor is shown.”³⁰ To establish good cause, a petitioner must demonstrate that “special circumstances warrant a deviation from the general rule and such deviation will serve the public interest.”³¹ Accordingly, a petitioner seeking a waiver of the Commission’s CEI requirements carries the burden of demonstrating that a waiver is in the public interest by establishing that a grant of a waiver is unlikely to permit the petitioner to engage in unlawful discrimination or cross-subsidization and is likely to provide benefits for customers.³² As discussed below, we conclude that BellSouth and Verizon have made the requisite showing demonstrating that a grant of their requested waivers is in the public interest. We also note that no party opposes BellSouth’s or Verizon’s waiver requests.

10. Specifically, we find that BellSouth has met the burden of demonstrating that it is in the public interest to grant a waiver to permit it to provide nonlocal operator-assisted and electronic reverse directory services on an integrated basis without complying with the CEI requirements. We also waive the CEI requirements to permit BellSouth to provide reverse search capabilities on an integrated basis in connection with its direct access to directory assistance service offering, which currently does not include any reverse search capabilities, and to expand the existing reverse search capabilities in its operator-assisted reverse directory services and electronic white pages service so that customers may search by all or part of a street address or range of street addresses. We further find that Verizon has met its burden of demonstrating that it is in the public interest to grant a waiver to permit it to provide operator-assisted and electronic reverse directory services on an integrated basis without complying with the CEI requirements. Because Verizon notes in its petition that in many cases it will also offer customers the ability to retrieve name and address information stored in facilities outside the

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services” as defined in section 271(f) and exempt from the general ban on BOC provision of interLATA services contained in section 271(a). *Id.* at 2660, para. 67. The Bureau forbore from applying the separate affiliate requirements of section 272 to BellSouth’s operator-assisted reverse directory services, just as it did for BellSouth’s electronic reverse directory services. *See id.* at 2672, para. 97.

²⁹ *See Nevada Bell, Pacific Bell, and Southwest Bell Telephone Company Petition for Forbearance from the Application of Section 272 of the Communications Act of 1934, As Amended, to Reverse Search Services*, CC Docket No. 98-193, Memorandum Opinion and Order, 14 FCC Rcd 6329, 6332, para. 8 (Com. Car. Bur. 1999) (*SBC Section 272 Forbearance Order*).

³⁰ 47 C.F.R. § 1.3.

³¹ *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (citing *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969)).

³² *Ameritech CEI Waiver*, 13 FCC Rcd at 8767, para. 9.

LATA in which the caller is situated,³³ the CEI waiver we grant to Verizon here encompasses nonlocal, as well as local, operator-assisted and reverse directory services.

11. The fact that other companies are already providing reverse directory services persuades us that grant of a waiver is unlikely to permit BellSouth and Verizon to engage in unlawful discrimination or cross-subsidization and is likely to benefit customers.³⁴ Indeed, Verizon points out that a number of companies offer competitive alternatives to the BOCs' nationwide reverse directory services and that this competition has developed and grown during the time that several BOCs have offered these services pursuant to CEI waivers granted by the Commission.³⁵ Thus, the application of the CEI requirements to BellSouth's and Verizon's provision of these services is not necessary to allow competing providers to offer their services. The public interest is also furthered to the extent that granting the petition will allow customers to have a choice of competitive reverse directory services. In addition, we agree with BellSouth that allowing it to provide a reverse search capability as part of its direct access to directory assistance offering, which is a federally tariffed service that allows operators of competing directory assistance providers to access BellSouth-owned databases, will enable competing carriers to offer expanded directory services to their customers.³⁶

12. BellSouth and Verizon also have shown that they can provide reverse directory services efficiently using the same operators and databases already in place to provide standard (forward) directory services that offer callers the ability to retrieve a phone number by providing a subscriber's name.³⁷ Integrated provision of forward and reverse directory services is therefore more efficient than requiring these companies to use separate personnel, provisioning, and databases, and also allows customers to combine all of their directory assistance inquiries into one call to an operator or electronic database query.³⁸ Further, we are persuaded that the cost of compliance with the CEI requirements would outweigh any potential benefits of compliance, particularly in light of the fact that there is already a choice of providers for operator-assisted and electronic reverse directory services.³⁹

13. We condition the grant of BellSouth's and Verizon's waivers on the same requirements that the Bureau has applied to the other CEI waivers granted to the BOCs for the provision of reverse directory services. Specifically, the grants are conditioned on BellSouth's

³³ Verizon Petition at n. 3.

³⁴ BellSouth Amended Petition at 7-8; Verizon Petition at 4-5 (listing competitive reverse search providers).

³⁵ Verizon Petition at 4.

³⁶ BellSouth Amended Petition at 10.

³⁷ Verizon Petition at 5-6

³⁸ See Verizon Petition at 5.

³⁹ See BellSouth Amended Petition at 8-9; Verizon Petition at 6.

and Verizon's continued compliance with the joint cost rules and their making appropriate amendments to their cost allocation manuals.⁴⁰

14. Consistent with our prior orders described above,⁴¹ we also find that BellSouth's and Verizon's provision of operator-assisted reverse directory services and electronic reverse directory services are incidental interLATA services as defined in section 271(g)(4) when the provisioning involves retrieval of name and address information stored in facilities outside the LATA in which the caller is situated. BellSouth and Verizon may thus offer the services notwithstanding the general ban on BOC provision of interLATA services contained in section 271(a).⁴²

II. ORDERING CLAUSES

15. Accordingly, IT IS ORDERED, pursuant to sections 4, 10, 201-205, 271-272 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154, 160, 201-205, 271-272, and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that BellSouth's petition for a waiver of the *Computer III* CEI requirements for the provision of nonlocal operator-assisted reverse directory services and nonlocal electronic reverse directory services, and for the provision of the expanded reverse search capabilities described herein in connection with its direct access to directory assistance service; operator-assisted reverse directory services and electronic white pages service IS GRANTED to the extent stated and subject to the conditions and requirements established herein.

16. IT IS FURTHER ORDERED, pursuant to sections 4, 10, 201-205, 271-272 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154, 160, 201-205, 271-272, and

⁴⁰ While in certain prior orders we have conditioned grant of such waivers on compliance with the customer proprietary network information (CPNI) requirements in effect at the time, we do not do so here because section 222 of the Act already imposes statutory CPNI requirements. *See supra* n.19. Additionally, we note that our waivers here necessarily include a waiver of our requirement that a LEC may not offer enhanced services using a 411 code, or any other N11 code, unless the local exchange carrier offers nondiscriminatory access to that code to competing enhanced service providers. *See Use of N11 Codes and Other Abbreviated Dialing Arrangements*, CC Docket No. 92-105, First Report and Order and Further Notice of Proposed Rulemaking, 12 FCC Rcd 5572, 5600-5601, para. 48 (1997); *Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry)*, Report and Order, CC Docket No. 85-229, Phase I, 104 FCC 2d 958, 1039-1042, paras. 154-166 (1986) (setting forth the nine equal access CEI parameters, including end user access to abbreviated dialing).

⁴¹ *See supra* para. 8.

⁴² The services BellSouth and Verizon have described in their petitions have been previously held to be information services. *See BellSouth Section 272 Forbearance Order*, 13 FCC Rcd at 2656-57, para. 60. BellSouth and Verizon may offer these information services on an integrated basis because the separate affiliate requirement for interLATA information services sunset pursuant to section 272(f). Section 272(f)(2) provides that "the provisions of [section 272] (other than subsection (e)) shall cease to apply with respect to the interLATA information services of a Bell operating company 4 years after [February 8, 1996], unless the Commission extends such 4-year period by rule or order." The Commission did not extend the four-year period; therefore section 272, except for subsection (e), no longer applies to interLATA information services. *See supra* n.25.

sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, that Verizon's petition for a waiver of the *Computer III* CEI requirements for the provision of

operator-assisted reverse directory services and electronic reverse directory services, including nonlocal reverse directory services, IS GRANTED to the extent stated and subject to the conditions and requirements established herein.

FEDERAL COMMUNICATIONS COMMISSION

Jeffrey J. Carlisle
Senior Deputy Chief
Wireline Competition Bureau