

CONCURRING STATEMENT OF  
FCC COMMISSIONER JAMES H. QUELLO

In re: Docket No. 20828 - "Second Computer Inquiry"

I believe that the Commission's approval of this Final Order was an important watershed in the process of moving the national telecommunications system into a new and exciting era. I must point out, however, that the Final Order is anything but final. It is a first step along the road to full participation of AT&T and GTE in the provision of "enhanced" telecommunications services. I share with the Chairman and my colleagues a commitment that the Commission will remain sensitive to the needs of the carriers who wish to participate fully in the competitive arena.

I am in full accord with the acknowledgment of the Staff that this is not a perfect document. I am confident that we can and will move closer to perfection as we all gain experience on this uncharted terrain. I regard as a keystone of the Final Order the premise that the Commission remains willing and able to change course should our perception of the future prove to be in error. I encourage the affected carriers to demonstrate where and how they perceive we have erred and to propose alternative courses where appropriate.

I share many of Commissioner Fogarty's concerns with regard to the degree of separation required and the extent to which information flow should be restricted. I believe that we, as regulators, bear a heavy responsibility to encourage the strongest possible competition in the provision of enhanced services. I suspect that--out of an abundance of caution--we have erected too many structural barriers. While I recognize the need to protect the monopoly service ratepayers and the competitive environment, I continue to be concerned that we might be to some extent inhibiting the potential for innovative and efficient service.

To strike a proper balance between barriers to anti-competitive behavior and encouragement of full and fair competition requires an infinitely delicate touch. It requires a confidence that I believe we can and will develop as we move forward. I expect that we will choose to abandon some of our heavier weapons as we proceed through the jungle trails and become more familiar with the environment. Once we begin to distinguish shadow from substance, our perceptions are likely to change.

I am gratified that the Commission has agreed to broaden the language of the Order to permit affiliates of the competitive entities to provide the necessary firmware in both network and customer premises equipment. That concession relieved some of my concerns about restricted information flow. Some concerns remain, however, and I would hope and expect that they, too, will be eased in the months just ahead.

I look forward to the inquiry regarding code and protocol conversion. I assume that we can resolve questions about the appropriateness of including such services within the basic network quickly and in the best interests of the public.

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The public should expect to reap great benefit in the near future from a range of services including many as yet undreamed of. I believe that the dominant carriers--through their subsidiaries--must play an important role in reaching those expectations. Since the Commission chose to forbear overt Title II regulation and to rely instead upon the forces of vigorous competition in the provision of enhanced services, I feel confident that we will be able and willing to remove any remaining barriers to full and fair competition as the need is demonstrated.

Therefore, I concur.