Dec 13, 2004

**Telecom tussle: Panel should probe landscape**

By Lawrence J. Spiwak

November's close election bore out a basic fact of American political life: If elected officials want to earn political capital from their constituents, then voters expect their government officials to make informed decisions before passing sweeping legislation or regulations that have a material effect on people's lives.

An excellent example of such responsible policy-making can be found with the Oklahoma Legislature's recent experience with the issue of telephone deregulation.

According to a statewide poll completed early this year, 70 percent of Oklahomans believe it's premature to deregulate SBC, Oklahoma's incumbent telephone monopolist. (And for good reason: 86 percent of Oklahomans are still answering a hardwired home phone provided by SBC.) Thus, rather than buy SBC's anecdotal arguments that a "thousand broadband flowers are blooming," the Legislature transferred the matter to the Oklahoma Corporation Commission, which regulates the local telephone industry, and requested that the commission investigate the potential consequences of sweeping deregulation on consumers.

Yet before this investigation could begin, a proposal was placed before the commission that will change agency rules to abolish nearly all of the regulatory oversight of retail competition -- oversight that currently exists to promote choice and protect consumers. Such action is puzzling, since common sense dictates that the commission should develop an evidentiary record as contemplated by the Legislature before acting on these proposed rule changes that would deregulate SBC.

Indeed, it's inconceivable that a commission, which has been committed to first-rate telecommunications that will grow Oklahoma businesses and jobs, would consider taking itself out of the mix before first investigating the competitive landscape.

Take for example the "Local Plus" controversy of 2003:

Last fall, SBC pulled the plug on its "Local Plus" unlimited calling option and rural Oklahomans lost their toll-free access lines to their dial-up Internet service providers. But the commission stood up for rural customers by scrutinizing SBC's change in calling plans. It then required SBC to provide adequate notice to consumers and an alternative calling plan. Yet if the commission approves the rule changes as currently proposed, then the commission will abrogate its authority to step into such situations and stand up for Oklahoma consumers.

Who knows? Maybe there is sufficient competition to prevent SBC from exercising its sizable market power by raising prices and restricting output. While I and 70 percent of all Oklahomans seriously doubt it, surely it is not too much to expect the Oklahoma Corporation Commission to complete a thorough investigation that will answer this crucial question -- the basic task of any administrative agency -- before removing its regulatory backstops.

Spiwak is president of the Phoenix Center for Advanced Legal and Economic Public Policy Studies (www.phoenixcenter.org), an international nonprofit think tank based in Washington.

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