

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- ASSIGNMENT OF LICENSE
- GLOBAL FACILITIES-BASED SERVICE
- GLOBAL FACILITIES-BASED/GLOBAL RESALE SERVICE
- GLOBAL RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- LIMITED GLOBAL FACILITIES-BASED SERVICE/LIMITED GLOBAL RESALE SERVICE
- LIMITED GLOBAL FACILITIES-BASED SERVICE
- LIMITED GLOBAL RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- SUBMARINE CABLE LANDING LICENSE
- INTERNATIONAL SPECIAL PROJECT

Description of Application: _____

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VIA OVERNIGHT MAIL

Federal Communications Commission
ATTN: Ms. Diane Cornell, Division Chief
International Bureau - Telecommunications Division
P.O. Box 358115
Pittsburgh, PA 15251-5115

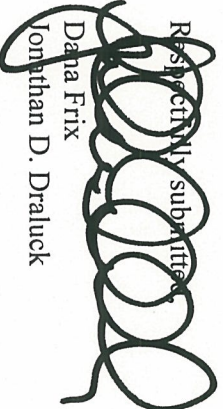
Re: Application of CTC Communications of Virginia Inc. for Section 214
International Global Facilities-Based Authority and Global Resale
Authority _____

Dear Ms. Cornell:

Enclosed for filing with the Commission are an original and six (6) copies of the application of CTC Communications of Virginia Inc. ("CTC-VA") for authority pursuant to Section 214 of the Communications Act. CTC-VA is requesting authority for (1) global facilities-based authority to acquire interests in U.S. authorized international facilities and connecting facilities to provide international telecommunications services between the United States and all international points; (2) global authority to resell international switched services of all unaffiliated authorized carriers to provide international switched services between the United States and all international points served by those carriers; (3) global authority to resell international private lines to provide international private line services between the United States and all international points; and (4) authority to resell international private lines interconnected to the public switched network at one or both ends to provide international switched services between the United States and all countries found to offer equivalent resale opportunities to U.S. carriers.

As required by the Commission's Rules, enclosed is a check in the amount of \$745.00, payable to the Federal Communications Commission. Please date-stamp the extra copy of this application and return it in the enclosed self-addressed, stamped envelope. If you or anyone at the Commission has any questions concerning this filing, please do not hesitate to contact the undersigned. Thank you very much.

Respectfully submitted,


Dana Frix
Jonathan D. Draluck

Counsel for CTC Communications of
Virginia Inc.

cc: Ms. Pamela L. Hintz

half-circuits in U.S.-authorized facilities as well as necessary connecting facilities to provide international telecommunications services between the United States and all international points except those countries excluded by the Exclusion List;^{2/} (2) global authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell the international switched services of all U.S.-authorized carriers to provide international switched services between the United States and all international points served by those carriers; (3) global authority pursuant to Section 63.18(e)(2) of the FCC's rules, 47 C.F.R. §63.18(e)(2), to resell international private lines to provide international non-interconnected private line services between the United States and all international points; and (4) authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell international private lines interconnected to the public switched network ("PSN") at one or both ends to provide international switched services on all international routes on which the Commission permits such services to be provided.^{3/} As CTC-VA does not seek authority to serve countries or use facilities excluded by the Exclusion List, and does not seek to serve countries in which it has a facilities-based affiliate, CTC-VA's Application for authority pursuant to Section 214 is eligible for streamlined processing.^{4/}

^{2/} CTC-VA only seeks authority to own circuits on facilities not excluded by the Exclusion List.

^{3/} The FCC will automatically amend all Section 214 authorizations to permit carriers to resell international private lines to provide international switched services between the United States and other countries as provision of such services becomes permitted by the Commission. *Streamlining Order* at ¶ 34. See also, *International Settlement Rates*, IB Docket 96-261, *Report and Order*, FCC 97-280 (rel. Aug. 18, 1997) (*Benchmarks Order*); *Rules and Policies of Foreign Market Participation in the U.S. Telecommunications Market*, IB Docket 97-142, *Report and Order on Reconsideration*, FCC 97-398 (rel. Nov. 26, 1997) (*Foreign Market Participation Order*).

^{4/} See *Streamlining Order*, 47 C.F.R. § 63.12 (1998).

CTC-VA believes that the added competition its entry will bring to the market will benefit the consumers of United States-overseas services. These benefits include competitive pricing and increased availability of a variety of service options. A grant of this Application will therefore further the public interest.

II. The Applicant

CTC-VA is a corporation organized under the laws of Virginia. CTC-VA is a wholly-owned subsidiary of CTC Communications Corp. ("CTC"), a Massachusetts corporation.^{5/} CTC-VA is not affiliated, as that term is defined by Part 63 of the Commission's Rules^{6/} with any dominant U.S. carriers whose international services CTC-VA will resell. CTC-VA is not affiliated, with any foreign carriers. Therefore, CTC-VA should be classified as a nondominant carrier for the provision of the services for which authority is requested in this Application, and CTC-VA's Application is eligible for streamlined processing.

III. Public Interest Considerations

In the *Market Entry Order*, the Commission set forth the following policy goals for its regulation of the U.S. international telecommunications market: to promote effective competition in the U.S. telecommunications market, particularly the market for international telecommunications services; to prevent anti-competitive conduct in the provision of international services or facilities; and to encourage foreign governments to open their communications markets.^{7/} The Commission also stated that "establishing an effectively competitive global communications market could result

^{5/} CTC was granted Section 214 authority in Docket No. ITC-95-187

^{6/} 47 C.F.R. §63.18(h); *Market Entry and Regulation of Foreign-Affiliated Entities, Report and Order*, 11 FCC Rcd 3875 (1995) (*Market Entry Order*).

^{7/} *Id.* at ¶ 6.

in reduced rates, increased quality, and new innovative services.”^{8/} In addition, the Commission found that “effective competition directly advances the public interest and the Commission’s paramount goal of making available a rapid, efficient, worldwide wire and radio communication service with adequate facilities at reasonable charges.”^{9/}

Grant of CTC-VA’s request for facilities-based and resale authority to provide international services as requested in this Application will directly further the Commission’s policies of bringing increased competition to the U.S. international telecommunications services market and is therefore in the public interest.

IV. Information Required under Section 63.18

As required by Section 63.18 of the Commission’s Rules, CTC-VA submits the following information:

(a) Name, address and telephone number of Applicant:

CTC Communications of Virginia Inc.
360 Second Avenue
Waltham, Massachusetts 02154
Tel: (781) 466-8080
Fax: (781) 466-1306

(b) Applicant is a corporation incorporated under the laws of Virginia.

^{8/} *Id.*

^{9/} *Id.* at ¶ 10.

- (c) Correspondence regarding this Application should be sent to:

Dana Frix
Jonathan D. Draluck
SWIDLER & BERLIN, CHARTERED
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Tel: (202) 424-7500
Fax: (202) 424-7645

with a copy to:

Pamela L. Hintz
Director of Regulatory and Tariff Compliance
CTC Communications of Virginia Inc.
360 Second Avenue
Waltham, MA 02154
Tel: (781) 466-1242
Fax: (781) 466-1306

- (d) Upon grant of this Application, CTC-VA will become an authorized non-dominant facilities-based carrier and reseller with global authority, subject to Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules. CTC-VA lacks the market power that would allow it to control prices to the detriment of market competition.
- (e) CTC-VA requests Section 214 authority to operate as a facilities-based carrier pursuant to the terms and conditions of Section 63.18(e)(1) and to operate as a resale carrier pursuant to the terms and conditions of Section 63.18(e)(2). Specifically, CTC-VA requests: (1) global facilities-based authority pursuant to Section 63.18(e)(1) of the FCC's Rules, 47 C.F.R. § 63.18(e)(1), to acquire interests in half-circuits in U.S.-authorized facilities as well as necessary connecting facilities to provide international telecommunications services between the United States and all international points except those countries excluded by the Exclusion List;^{10/} (2) global authority pursuant to Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell the international switched services of all U.S.-authorized carriers to provide international switched services between the United States and all international points served by those carriers; (3) global authority pursuant to Section 63.18(e)(2) of the FCC's rules, 47 C.F.R. §63.18(e)(2), to resell international private lines to provide international non-interconnected private line services between the

^{10/} CTC-VA only seeks authority to own circuits on facilities not excluded by the Exclusion List.

United States and all international points; and (4) authority pursuant Section 63.18(e)(2) of the FCC's Rules, 47 C.F.R. § 63.18(e)(2), to resell international private lines interconnected to the public switched network ("PSN") at one or both ends to provide international switched services on all international routes on which the Commission permits such services to be provided.

(f) CTC-VA seeks the authority to provide only the services referenced under paragraph (e) of Section 63.18 of the Commission's Rules.

(g) The authority requested in this Application is categorically excluded from environmental processing as defined by Section 1.1306 of the Commission's Rules, 47 C.F.R. § 1.1306. As such, an environmental assessment is not required for purposes of this Application and is therefore not attached.

(h) CTC-VA certifies that it is not affiliated, as that term is defined by Part 63 of the Commission's Rules, with any U.S. facilities-based carrier whose international services CTC-VA proposes to resell. CTC-VA is not affiliated with any foreign carriers as defined by Section 63.18(h)(1)(i) of the FCC's Rules, 47 C.F.R. § 63.18(h)(1)(i).

The following entities hold a ten percent (10%) or greater ownership or management interest in **CTC Communications of Virginia Inc.:**

Name: CTC Communications Corp.
Address: 360 Second Avenue
Waltham, Massachusetts
Percentage Held: 100%
Citizenship: Massachusetts
Principal Business: Telecommunications

The following entities hold a ten percent (10%) or greater ownership or management interest in **CTC Communications Corp.:**

Name: Robert J. Fabbricatore
Address: 360 Second Avenue
Waltham, MA 02154
Percentage Held: approximately 27.5%
Citizenship: U.S.
Principal Business: Telecommunications

Name: Spectrum Equity Investors II, L.P.
Address: One International Place
29th Floor
Boston, Massachusetts 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Investment

Name: William P. Collatos
Address: One International Place
29th Floor
Boston, Massachusetts 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Telecommunications

Name: Kevin J. Maroni
Address: One International Place
29th Floor
Boston, Massachusetts 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Telecommunications

The following entities hold a ten percent (10%) or greater ownership or management interest in **Spectrum Equity Investors II, L.P.:**

Name: William P. Collatos
Address: One International Place
29th Floor
Boston, Massachusetts 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Telecommunications

Name: Kevin J. Maroni
Address: One International Place
29th Floor
Boston, Massachusetts 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Telecommunications

Name: Brian B. Applegate
Address: One International Place
29th Floor
Boston, MA 02110
Percentage Held: approximately 12.9%
Citizenship: U.S.
Principal Business: Telecommunications

CTC-VA's interlocking directorate report is included as Attachment A.

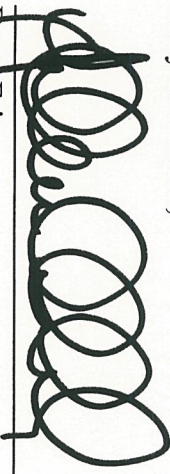
- (i) As required by Section 63.18 (i) of the Commission's Rules, 47 C.F.R. § 63.18(i), CTC-VA certifies that it has not agreed to accept nor shall it accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country for which CTC-VA may be authorized to serve.
- (j) CTC-VA is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. CTC-VA's certification pursuant to Section 1.2002 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301) is attached.

CONCLUSION

For the reasons stated above, CTC Communications of Virginia Inc., respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Section 214 Application.

Respectfully submitted,

By:



Jonathan D. Draluck

Jonathan D. Draluck
SWIDLER & BERLIN, CHARTERED
3000 K Street, N.W., Suite 300
Washington, DC 20007
(202) 424-7500 (tel)
(202) 424-7645 (fax)

Counsel for CTC Communications of Virginia
Inc.

Dated: August 20, 1998

ATTACHMENT A

**Interlocking Directorate Report
of
CTC Communications of Virginia Inc.**

**CTC COMMUNICATIONS OF VIRGINIA INC.
SCHEDULE OF INTERLOCKING DIRECTORATES**

SCHEDULE A

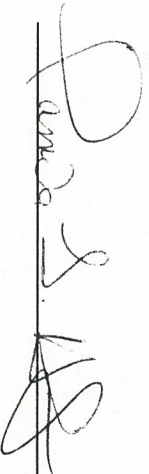
Individual's Name	Organization's Name	Title
Robert J. Fabbricatore	CTC-VA	Chairman, Chief Executive Officer
	CTC	Chairman, Chief Executive Officer
John D. Pittenger	CTC-VA	Executive Vice President- Finance & Administration, Treasurer & Clerk
	CTC	Executive Vice President- Finance & Administration, Treasurer & Clerk

CERTIFICATION OF APPLICANT

On behalf of CTC Communications of Virginia Inc. "CTC-VA", and in accordance with Section 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that no party to this Application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853a. I also hereby certify that the statements in the foregoing Application for Section 214 authority are true, complete, and correct to the best of my knowledge and are made in good faith.

To the extent required by the Commission's rules, CTC-VA has not agreed to accept any special concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

CTC COMMUNICATIONS OF VIRGINIA INC.

By:  _____

Name: _____ Pamela I. Hintz

Title: _____ Director of Regulatory & Tariff Compliance

Date: _____ August 19, 1998