

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: _____

FB1

**READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING**

(1) LOCKBOX # 358115



APPROVED BY OMB 3060-0589

SPECIAL USE

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
Wilkinson, Barker, Knauer & Quinn, LLP

(3) TOTAL AMOUNT PAID (dollars and cents)
\$ 780.00

(4) STREET ADDRESS LINE NO. 1
2300 N Street, N.W.

(5) STREET ADDRESS LINE NO. 2
Suite 700

(6) CITY
Washington

(7) STATE
DC

(8) ZIP CODE
20037

(9) DAYTIME TELEPHONE NUMBER (include area code)
(202) 783-4141

(10) COUNTRY CODE (if not in U.S.A.)

**IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)**

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)
Metronet Communications Group Inc.

(12) STREET ADDRESS LINE NO. 1
Suite 600, Bow Valley Square Two

(13) STREET ADDRESS LINE NO. 2
205-5th Avenue, S.W.

(14) CITY
Calgary

(15) STATE
Alberta

(16) ZIP CODE
T2P 2V7

(17) DAYTIME TELEPHONE NUMBER (include area code)
(403) 262-2255

(18) COUNTRY CODE (if not in U.S.A.)
Canada

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID
(20A) PAYMENT TYPE CODE (PTC)
C U T

(21A) QUANTITY
1

(22A) FEE DUE FOR (PTC) IN BLOCK 20A
780.00
FCC USE ONLY

(23A) FCC CODE 1
(24A) FCC CODE 2

(19B) FCC CALL SIGN/OTHER ID

(20B) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

(22B) FEE DUE FOR (PTC) IN BLOCK 20B
\$
FCC USE ONLY

(23B) FCC CODE 1
(24B) FCC CODE 2

(19C) FCC CALL SIGN/OTHER ID

(20C) PAYMENT TYPE CODE (PTC)

(21C) QUANTITY

(22C) FEE DUE FOR (PTC) IN BLOCK 20C
\$
FCC USE ONLY

(23C) FCC CODE 1
(24C) FCC CODE 2

(19D) FCC CALL SIGN/OTHER ID

(20D) PAYMENT TYPE CODE (PTC)

(21D) QUANTITY

(22D) FEE DUE FOR (PTC) IN BLOCK 20D
\$
FCC USE ONLY

(23D) FCC CODE 1
(24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN
0521264167

(26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-1 IS DIFFERENT FROM PAYER NAME IN A-2
APPLICANT TIN 043166187

(27) CERTIFICATION STATEMENT

I, _____, (PRINT NAME), Certify under penalty of perjury that the foregoing and supporting information

are true and correct to the best of my knowledge, information and belief. SIGNATURE _____

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

EXPIRATION DATE:

--	--	--	--	--	--	--	--	--	--	--	--

VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD
for the service(s)/authorization(s) herein described. ▶

AUTHORIZED SIGNATURE

DATE

SEE PUBLIC BURDEN ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)

COPY

WILKINSON, BARKER, KNAUER & QUINN, LLP

Washington, DC
Frankfurt, Germany

2300 N Street, NW
Washington, DC 20037-1128

telephone: 202.783.4141
facsimile: 202.783.5851

December 7, 1998

Federal Communications Commission
International Bureau, Telecommunications
P.O. Box 358115
Pittsburgh, PA 15251-5115

Re: MetroNet Communications Group Inc.
Application for Section 214 Authority to Provide Facilities-Based
and Resold International Services Pursuant to Sections 63.18(e)(1)
and (e)(2) of the Commission's Rules to all International Points

To the Commission:

On behalf of MetroNet Communications Group Inc., enclosed for filing are an original and five copies of the above referenced application seeking authority to provide facilities-based and resold international communications services pursuant to Sections 63.18(e)(1) and (e)(2). This application is subject to streamlined processing pursuant to Section 63.12 of the Commission's Rules.

An FCC Remittance Advice Form (FCC Form 159), together with the applicable filing fee of \$780, accompanies this filing.

Please contact this office should you have any questions concerning this filing.

Sincerely,

WILKINSON, BARKER, KNAUER & QUINN, LLP



By: Larry J. Movshin
Robert G. Morse

Enclosure

COPY

BEFORE THE
Federal Communications Commission
WASHINGTON, DC 20554

In the Matter of

METRONET COMMUNICATIONS GROUP INC.

Application for Authorization Pursuant

to Section 214 of the Communications

of 1934, as Amended, to Provide Facilities-

Based and Resold International

Communications Services Pursuant to Sections

63.18(e)(1) and (e)(2) of the Commission's

Rules

) ITC-214-_____

APPLICATION OF METRONET COMMUNICATIONS GROUP INC.

Pursuant to Section 214 of the Communications Act of 1934, as amended

(47 U.S.C. § 214), MetroNet Communications Group Inc. ("MetroNet" or "Applicant")
hereby applies for international Section 214 authority.

Specifically, MetroNet seeks authority to provide facilities-based and
resold international switched voice, data, and business telecommunications services of
unaffiliated carriers between the United States and all international points, including
authority to resell international switched or non-interconnected private line service
between the United States and Canada, pursuant to Sections 63.18(e)(1) and (e)(2) of the
Commission's rules. This application is subject to streamlined processing under Section
63.12 of the Commission's rules. The Commission has found that the introduction of
new entrants into the international telecommunications marketplace promotes competi-

tion in rates, charges and services provided by carriers and thus furthers the public interest.

SECTION 63.18 INFORMATION

MetroNet hereby submits the information required under Section 63.18 of the Commission's rules. The information set forth below is labeled according to the corresponding rule section to which it is responsive.

(a) The name of the applicant is MetroNet Communications Group Inc. Applicant's principal executive offices are located at Suite 600, Bow Valley Square Two, 205-5th Avenue S.W., Calgary, Alberta, Canada T2P 2V7. The main phone number is (403) 262-2255.

(b) MetroNet is a corporation organized under the Canada Business Corporations Act ("CBCA").

(c) All correspondence concerning this application should be addressed to:

Steven Chisholm
Senior Vice President, General Counsel
and Corporate Secretary
Suite 600
Bow Valley Square Two
205 5th Avenue S.W.
Calgary, Alberta CANADA
T2P 2V7
(403) 705-6529

with a copy to:

Lawrence J. Movshin
Wilkinson, Barker, Knauer & Quinn, LLP
2300 N Street, N.W. Suite 700
Washington, DC 20037
(202) 783-4141

(d) Existing Authorizations. MetroNet currently holds no Section 214 authorizations.

(e) (1)(i) Authority Requested. MetroNet is requesting Section 214 authority to operate as a facilities-based carrier pursuant to the terms and conditions of Section 63.18(e)(1) of the Commission's rules and to resell the international services of authorized U.S. common carriers for the provision of international basic switched, private line, data, television and business services to all international points pursuant to the terms and conditions of Section 63.18(e)(2) of the rules. By grant of this application, MetroNet understands that it will become a carrier subject to Section 214 of the Communications Act.

Facilities-Based Service. Pursuant to Section 63.18(e)(1)(ii), MetroNet shall comply with the following terms and conditions: MetroNet will provide services to all international points in countries for which it qualifies for non-dominant regulation as set forth in Section 63.10, except where it is affiliated with a foreign carrier in a destination market and the Commission has not determined that the foreign carrier lacks sufficient market power in the destination market to affect competition adversely in the U.S. market, MetroNet will not commence service on any such route until it receives specific authority to do so under Section 63.18(e)(6) of the rules. MetroNet will only provide service using half-circuits on appropriately licensed U.S. common and non-common carrier facilities provided that these facilities do not appear on an exclusion list published by the Commission and any necessary overseas connecting facilities. MetroNet will not use non-U.S. licensed facilities unless and until the Commission specifically approves their use and so indicates on the exclusion list, and only then for

service to the countries indicated thereon. MetroNet may provide service to any country not included on an exclusion list published by the Commission and may provide international basic switched, private line, data, television and business services. MetroNet shall be subject to all Commission rules and regulations and any conditions stated in the Commission's public notice or order that serves as the applicant's Section 214 certificate.

Switched Resale. Pursuant to Section 63.18(e)(2)(ii), MetroNet may resell the international services of any authorized common carrier, except affiliated carriers regulated as dominant on a route to be served, pursuant to that carrier's tariff or contract duly filed with the Commission, for the provision of international basic switched voice, data, and business services to all authorized international points. MetroNet may provide international switched basic services over resold private lines where the Commission has specifically authorized the provision of switched basic services over private lines to the particular country at the foreign end of the private line. MetroNet shall be subject to all Commission rules and regulations and any conditions stated in the Commission's public notice or order that serves as MetroNet's Section 214 certificate.

(f) Pursuant to Section 63.18(f) of the rules, MetroNet is applying for Section 214 authority described in Sections 63.18(e)(1) and (e)(2) of the Commission's rules.

(g) Not applicable.

(h) Foreign Carrier Affiliations. Pursuant to Section 63.18(h)(1) of the Commission's rules, MetroNet itself is a foreign carrier based in Canada and is affiliated with foreign carriers in Canada. MetroNet and MetroNet Telecom Inc. ("MTI") are wholly-owned subsidiaries of MetroNet Communications Corp. ("MCC"). MetroNet and MTI provide competitive local exchange ("CLEC") and other telecommunications

services in Canada. Specifically, the subsidiaries currently offer or are planning to offer facilities-based voice and data service in several markets, including Canada's eleven largest: Toronto, Montreal, Vancouver, Edmonton, Calgary, Quebec City, Winnipeg, Ottawa-Hull, Kitchener-Waterloo, London and Hamilton. MetroNet's operating subsidiaries provide facilities-based or resold local voice services in these markets. Local services include dedicated access, private line and data transmission, switched access. The subsidiaries also provide interexchange service, data transmission and Internet services.

Ten Percent or Greater Direct and Indirect Shareholders in MetroNet and Interlocking Directorates. Pursuant to Section 63.18(h)(2), the name, address, citizenship and principal business of Applicant's ten percent or greater direct and indirect equity holders for such entities. There are no relevant interlocking directorates.

Direct Ownership. MetroNet is a wholly-owned subsidiary of MCC, a Canadian corporation organized under the CBCA. Its address is Suite 600, Bow Valley Square Two, 205-5th Avenue S.W., Calgary, Alberta, Canada T2P 2V7. MCC is a holding company whose subsidiaries are engaged in the telecommunications business (see description above).

Indirect Ownership. The following entities hold a ten percent or greater indirect ownership interest in MetroNet through ownership in MCC.

Providence Equity Partners, L.P. and affiliates Providence Equity Partners II L.P. and Providence Media Partners L.P.
Address: 50 Kennedy Plaza, Suite 901 Providence, RI 02903
Citizenship: U.S.
Principal Business: Institutional investors
Ownership interest: 19.8 percent direct equity interest in MCC

Rogers Communications Inc.
Address: Scotia Plaza, 40 King Street West, Suite 6400 Toronto, Ontario
CANADA H5H 3Y2.

Citizenship: Canadian
Principal Business: through subsidiaries is engaged in cellular and PCS communications, cable television, video retailing, radio and television broadcasting, publishing and new media businesses.
Ownership interest: 27.5 percent direct equity interest in MCC

Affiliations with U.S. Facilities-Based Carriers. This information is provided pursuant to Section 63.18(h)(3). Except on the U.S.-Canada route MetroNet will not be affiliated with any U.S. facilities-based international carriers. Thus, to the extent that MetroNet does not provide service over its own facilities, it hereby certifies that it is not affiliated with U.S. carriers whose facilities-based service(s) it will resell.

Status as Nondominant Carrier — Facilities-Based Service. This information is provided pursuant to Section 63.18(h)(5) and (h)(8) of the Commission's rules.

- (i) Canada is a member of the World Trade Organization.
- (ii) MetroNet and its subsidiaries lack sufficient market power in Canada to affect competition adversely in the U.S. market. MetroNet is not a monopoly provider of communications services in any market in Canada. MetroNet holds substantially less than a 50 percent market share in the international transport and the local access markets in its respective markets in Canada. MetroNet is a new market entrant, which first offered commercial services only in July 1995 and did not formally commence CLBC operations until the first quarter of 1998. Canadian regulators did not open local exchange markets to competition until May 1997 and ILECs such as Bell Canada, BC Tel, and Telus remain the dominant providers of local services in Canada, controlling approximately 98% of the local services market. The major domestic and international

interexchange/long distance service providers in Canada are Teleglobe, AT&T Canada LDS, and Sprint Canada/FONOROLA. As the Commission is aware, Canada's domestic interexchange carriers have traditionally provided Canada-U.S. transborder services and Teleglobe is the monopoly provider of virtually all other international telecommunications services in Canada.¹ For these reasons, MetroNet is presumptively nondominant on the U.S.-Canada route pursuant to Section 63.10(a)(3) of the Commission's rules.

Status as Nondominant Carrier — Resale of Switched or Non-Interconnected Private Lines. This information is provided pursuant to Section 63.18(h)(6) and (h)(8) of the Commission's rules.

(i) Canada is a member of the World Trade Organization.

(ii) For the reasons discussed *supra*, MetroNet lacks sufficient market power in Canada to affect competition adversely in the U.S. market.

(iii) The Commission has also previously determined that Canada provides effective competitive opportunities to U.S. carriers to resell international switched or non-interconnected private line services.²

Status as Nondominant Carrier — Switched Resale Service. This information is provided pursuant to Section 63.18(h)(7) and (h)(8) of the Commission's rules. As discussed *supra*, MetroNet is not a monopoly provider and lacks 50 percent market share in the international transport and the local access markets on the foreign end

¹ *Teleglobe USA, Inc., Order, Authorization and Certificate*, File Nos. ITC-96-410, ITC-96-412, DA 98-203, ¶ 1, n.6 (Int'l. Bur. released Feb. 3, 1998).

² *See FONOROLA Corp. and EMI Communications Corp., Memorandum Opinion, Order and Certification*, 7 FCC Rcd 7312, 7316 (1992), *on recon.*, 9 FCC Rcd 4066, (1994); *see also Teleglobe USA Inc.* ¶ 8.

of the route and is this presumptively non-dominant pursuant to Section 63.10(a)(3) of the Commission's rules.

(i) Special Concessions Certification. Pursuant to Section 63.18(i), MetroNet has not agreed to accept any special concessions directly or indirectly from any foreign carrier or foreign administration with respect to traffic or revenue flows between the United States and any foreign country which MetroNet may serve under the authority granted pursuant to this Application and that they will not enter into any such agreements in the future.

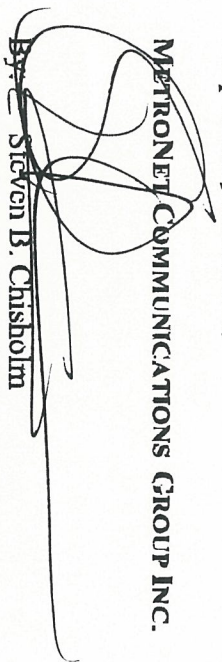
(j) Anti-Drug Abuse Act Certification. Pursuant to Section 63.18(j), MetroNet certifies that, in accordance with 47 C.F.R. §§ 1.2001-1.2003, no officer, director or five percent or more equity holder has been denied Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

(k) Streamlined Processing. For the reasons discussed above, MetroNet qualifies for a presumption of non-dominance under Sections 63.10(a)(3) and (4) of the Commission's rules. This application is therefore subject to streamlined pursuant to Section 63.12(c)(1)(i) and (ii) of the Commission's rules.

Accordingly, MetroNet respectfully submits that the public interest, convenience and necessity will be served by grant of the instant application.

Respectfully submitted,

METRONET COMMUNICATIONS GROUP INC.



~~By:~~ Steven B. Chisholm
Senior Vice President, General Counsel
and Corporate Secretary

Suite 600
Bow Valley Square Two
205 5th Avenue S.W.
Calgary, Alberta CANADA
T2P 2V7
(403) 705-6529

December 7, 1998

Date Invoice No. Description
12/07/98 4656

Amount
\$780.00

FCC001

Total: \$780.00

Wilkinson, Barker, Knauer & Quinn, LLP
2300 N Street N.W., Suite 700
Washington, D.C. 20037-1128

163 00012
540

52283

Date 12/07/98

\$780.00

PAY Seven Hundred Eighty and 00/100 Dollars

TO THE
ORDER
OF
FEDERAL COMMUNICATIONS COMMISSION

FRIGGS BANK, N.A.
LINCOLN OFFICE
WASHINGTON, D.C. 20006

AUTHORIZED SIGNATURE

⑈052283⑈ ⑆054000030⑆ 08451252⑈