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April 30, 1999

Ms. Blanca S. Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 980986-TP  
Complaint of Intermedia Communications Inc. against GTE Florida Incorporated  
for breach of terms of Florida Partial Interconnection Agreement under Sections  
251 and 252 of the Telecommunications Act of 1996, and request for relief

Dear Ms. Bayo:

Please find enclosed an original and fifteen copies of GTE Florida Incorporated's  
Posthearing Statement for filing in the above matter. Also enclosed is a diskette with a  
copy of the Posthearing Statement in WordPerfect 6.1. Service has been made as  
indicated on the Certificate of Service. If there are any questions regarding this filing,  
please contact me at (813) 483-2617.

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
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- VIAW \_\_\_\_\_
- OTH \_\_\_\_\_

Sincerely,

Kimberly Caswell

KC:tas

Enclosures

A part of GTE Corporation

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05505 APR 30 89

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for arbitration concerning )  
complaint of Intermedia Communications, Inc. )  
Against GTE Florida Incorporated for breach )  
of terms of Florida partial interconnection )  
agreement under Sections 251 and 252 )  
of the Telecommunications Act of 1996, and )  
request for relief )

Docket No. 980986-TP  
Filed: April 30, 1999

GTE FLORIDA INCORPORATED'S POSTHEARING STATEMENT

GTE Florida Incorporated (GTE) files its Posthearing Statement, in accordance with the February 12, 1999, Prehearing Order in this case.

Basic Position

The Commission should deny the complaint of Intermedia Communications, Inc. (ICI) for reciprocal compensation for traffic destined to Internet service providers (ISPs). The parties' interconnection agreement prescribes reciprocal compensation only for local traffic. The FCC has ruled that ISP traffic is largely interstate; as such, there is no legal basis for subjecting this non-local traffic to reciprocal compensation. GTE never agreed or intended to treat ISP traffic as local for purposes of the reciprocal compensation provisions of the GTE/ICI agreement. Such action would have been inconsistent with GTE's longstanding and well-publicized corporate position that ISP traffic is jurisdictionally interstate. Moreover, as a rational company, GTE would never have agreed to a reading of the contract that would cost it potentially millions of dollars a year with no corresponding recovery.

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FPSC-RECORDS/REPORTING

### Specific Positions

There was initially only one issue formally identified for resolution in this Docket. However, after the FCC issued its opinion on the jurisdictional nature of ISP traffic, GTE and ICI agreed to submit Supplemental Testimony on the additional issue of: "What is the effect of the FCC's reciprocal compensation order on the Commission's determination of the issue in this case?" GTE will discuss this sub-issue within the context of the following issue designated at the outset of this case:

**Issue 1: Under their Interconnection Agreement, are Intermedia Communications, Inc. and GTE Florida Incorporated required to compensate each other for transport and termination of traffic to Internet Service Providers? If so, what action, if any should be taken?**

**GTE's Position: \*\* No. The FCC has ruled that ISP traffic is jurisdictionally interstate and GTE never agreed to include ISP traffic within the Agreement's local traffic definition. There is no basis for subjecting this non-local traffic to reciprocal compensation obligations that the Agreement applies only to local traffic. \*\***

At the beginning of this case, GTE witness Pitterle testified that ICI is not entitled to reciprocal compensation for ISP traffic because such traffic is jurisdictionally interstate and thus outside the scope of the parties' local interconnection Agreement. (See Pitterle Direct Testimony (DT).) GTE's reading of the Agreement was grounded in its plain language, informed by longstanding FCC precedent. (Id.)

ICI witness Strow countered that Mr. Pitterle was wrong "for two straightforward and unavoidable reasons": (a) a call from an end user to an ISP is a local call, and the contract requires reciprocal compensation for such calls "terminated" on each other's network; and

(b) "an Internet communications consists of two segments: (1) a local telephone call from an end-user to an ISP; and (2) an enhanced transmission from the ISP over the Internet." (Strow Rebuttal Testimony (RT) at 2.)

As it turns out, it is ICI that is wrong. Since the case began, ICI's two-call theory of ISP traffic has been definitively rejected by the FCC. The FCC has also clarified that ISP calls do not "terminate" at the ISP point of presence. Thus, the understanding of FCC precedent that GTE advanced at the beginning of this case--and the one that it held at the time of contract execution--has been right all along. As GTE has known all this time, ISP traffic is not local, but jurisdictionally mixed and largely interstate. The parties' local Interconnection Agreement applies reciprocal compensation obligations only to local traffic. GTE never agreed that the Agreement's definition of local traffic should include ISP or any other type of interstate traffic. Thus, there is no basis for subjecting non-local ISP traffic to reciprocal compensation obligations.

### **I. The Theory of ICI's Complaint Is Wrong.**

On February 26, 1999, the FCC released its long-awaited Order determining the jurisdictional nature of Internet-bound traffic. (Implementation of the Local Competition Provisions in the Telecomm. Act of 1996, FCC 99-38 (ISP Order). It ruled that such ISP traffic "is jurisdictionally mixed and appears to be largely interstate." (ISP Order at para. 1.) Consistent with its past precedents, the FCC concluded that ISP communications "do not terminate at the ISP's local server, as CLECs and ISPs contend, but continue to the ultimate destination or destinations, specifically at an Internet website that is often located

in another state.” (Id. at para. 12, citations omitted.) The FCC explicitly disagreed with CLECs who had argued—like ICI does here—that ISP-bound traffic could be separated, for jurisdictional purposes, into intrastate telecommunications service and interstate information service components. It pointed to its longstanding practice of analyzing the “totality of the communication” to determine its jurisdictional nature, and confirmed that “it has never found that ‘telecommunications’ end where ‘enhanced’ service begins.” (Id. at para. 13.)

In short, the FCC thoroughly destroyed the premise for ICI’s complaint for reciprocal compensation—that “traffic to an ISP is local traffic” (ICI Complaint at 10.) The FCC decision reflected the same view of FCC precedent that Mr. Pitterle first set forth in his Direct Testimony—that ISP traffic does not terminate within GTE’s local serving area and that it is not severable into local exchange telecommunications and interstate information service components.

**GTE Did Not Agree to Include ISP Traffic Within the “Local Traffic” Definition.**

Although the FCC settled the dispute about the jurisdictional nature of ISP traffic, it has not yet established a compensation mechanism to apply to this non-local traffic. Rather, it has sought comment on two proposals embodying the FCC’s strong judgment that commercial negotiations, rather than regulatory mandates, “are the ideal means of establishing the terms of interconnection contracts.” (ISP Order at para. 28.)

Until the FCC concludes its proceeding to set the terms of compensation for ISP traffic, it has attempted to delegate to the states the authority to decide reciprocal

compensation disputes. GTE does not believe this delegation is lawful. As GTE and others have argued at the FCC, the FCC lacks the authority to disclaim its statutory responsibility over interstate communications, including Internet access. Under section 252 of the Act, the states are empowered to arbitrate only matters within the scope of Section 251. The FCC has already correctly determined that (1) Section 251(b)(5) requires compensation only for the transport and termination of local calls, and (2) Internet access traffic is predominantly interstate, i.e., it is not local. The states therefore have no authority, in the arbitration context or otherwise, to establish a compensation mechanism for Internet-bound calls. (See Comments of GTE, In re: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Inter-Carrier Compensation for ISP-Bound Traffic, CC Dkt. Nos. 96-98 & 99-68 (April 12, 1999).

Even if one accepts, for the sake of argument, the validity of the FCC's divestment of authority, it still provides no basis for the Commission to sanction application of reciprocal compensation to ISP traffic in this case. In this regard, the FCC has stated that "parties may voluntarily include this traffic within the scope of their interconnection agreements under sections 251 and 252 of the Act, even if these statutory provisions do not apply as a matter of law. Where parties have agreed to include this traffic within their section 251 and 252 interconnection agreements, they are bound by those agreements, as interpreted and enforced by state commissions." (Id. at para. 22.) Even though ISP-bound traffic is jurisdictionally interstate, "parties nonetheless may have agreed to treat the traffic as subject to local compensation." (Id. at para. 23.)

Given these FCC statements, ICI witness Strow correctly recognizes that the pivotal question for states interpreting interconnection agreements is whether the parties “may have agreed that ISP-bound traffic should be treated in the same manner as local traffic for purposes of reciprocal compensation.” (Strow ST at 3, citing ISP Order at para. 24.) Although GTE believes the FCC cannot lawfully disclaim jurisdiction over interstate ISP traffic, the fact remains that GTE never agreed, in any event, to include ISP traffic within the ambit of its local interconnection Agreement with ICI.

There is no dispute that the GTE/ICI Agreement, by its terms, requires such compensation for only local, not interstate, traffic.<sup>1</sup> There is no reason to find that GTE intended something other than what is plainly stated in the contract. GTE did not “voluntarily agree to include this traffic” within the scope of the Agreement. GTE has always correctly understood that ISP traffic is jurisdictionally interstate (and thus outside the scope of local interconnection obligations). (Pitterle ST at 6.) Indeed, GTE’s longstanding corporate position with regard to the jurisdictional nature of ISP traffic is a prominent matter of public record.<sup>2</sup> The FCC’s first ruling directly analyzing the

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<sup>1</sup> Section 1.20 of the Agreement, in relevant part, defines “Local Traffic” as “traffic that is originated by an end user of one Party and terminates to the end user of the other Party within GTE’s then current local serving area, including mandatory local calling scope arrangements.”

Section 3.1 of the Agreement prescribes that: “The parties shall reciprocally terminate Local Traffic originating on each other’s networks utilizing either direct or indirect network interconnections as provided in this Article.”

<sup>2</sup> The GTE/ICI interconnection contract was negotiated at a national level with personnel from GTE Headquarters (rather than GTE Florida Incorporated), where GTE’s corporate position on the interstate nature of ISP traffic also was formulated.

jurisdictional nature of ISP traffic was issued in the context of GTE's ADSL tariff filing (ADSL provides for a dedicated connection to an ISP's point of presence (POP)). (GTE Tel. Operating Cos. GTOC Tariff No. 1, GTOC Transmittal No. 1148, FCC 98-292, Memo. Op. & Order (Oct. 30, 1998). ) GTE filed its ADSL tariff in the federal, rather than state, jurisdiction because it correctly understood that ISP traffic is jurisdictionally interstate. (Pitterle ST at 6-7.)

This Commission recognizes, and ICI seems to agree, that FCC precedent existing at the time the parties executed their interconnection Agreement is relevant to discerning what the contracting parties might reasonably have intended. (Complaint of WorldCom Technologies, Inc. Against BellSouth Telecomm., Inc., etc., Order No. PSC-98-1216-FOF-TP, Sept 15, 1998 (WorldCom Order); Request for Arbitration Concerning Complaint of American Comm. Services of Jacksonville, Inc. d/b/a e.spire Communications, Inc. et al., Order No. PSC-99-0658-FOF-TP at 6 (April 6, 1999) (e.spire Order) Strow DT at 10.) In its ISP Order, the FCC (like GTE in its ADSL and later filings) relied on decades of its FCC and Court precedent to conclude that ISP traffic is jurisdictionally interstate. Given GTE's correct understanding of that precedent at the time it executed the ICI contract, there would have been no reason for GTE to seek exclusion of ISP traffic from the definition of "Local Traffic" (and thus reciprocal compensation obligations) in that contract.<sup>3</sup> In other

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<sup>3</sup> For instance, ICI here (like CLECs at the FCC) misconstrued the FCC's access charge exemption for ISPs to mean that calls from end-users to ISPs are local traffic. (See, e.g., ICI Complaint at 11.) This reading was contrary to common sense, as the FCC emphasized: "That the Commission exempted ESPs from access charges indicates its understanding that ESPs in fact use interstate access service; otherwise, the exemption would not be necessary." (ISP Order at para. 16 [emphasis in original].)



words, as evidenced by its actions at the FCC, GTE did not consider ISP traffic to be local in nature. So it would have made no sense to expect GTE to exclude this non-local traffic from the "local traffic" category. On the contrary, GTE would have had to affirmatively seek to include ISP traffic in the local traffic definition for it to come within local reciprocal compensation obligations. (Pitterle ST at 7.)

During negotiations, there was no sign that ICI differed with GTE's well-known position on the jurisdictional nature of ISP traffic. ICI states that its largest customer was an ISP when the parties executed the contract, so "presumably GTE was aware" that reciprocal compensation requirements were "significant" to ICI. (Strow DT at 11.) But ICI did not inform GTE of the "significance" of reciprocal compensation for ISP traffic. Likewise, GTE did not know that ICI had misapprehended FCC precedent on jurisdictional traffic analysis (and thus the scope of the Agreement's reciprocal compensation obligations). (Pitterle ST at 8-9.) For this Commission to extend the contract's reciprocal compensation obligations to jurisdictionally interstate ISP traffic, it would have to impute to GTE the same incorrect view of FCC precedent that ICI apparently held. There is no evidence to support such action.

Principles of statutory construction also weigh in GTE's favor. As this Commission itself has pointed out:

Agreements must receive a reasonable interpretation, according to the intention of the parties at the time of executing them, if that intention can be ascertained from their language...Where the language of an agreement is contradictory, obscure, or ambiguous, or where its meaning is doubtful, so that it is susceptible of two constructions, one of which makes it fair, customary, and such as prudent men would naturally execute, while the other makes it inequitable, unusual, or such as reasonable men would not

be likely to enter into, the interpretation which makes a rational and probable agreement must be preferred...An interpretation which is just to both parties will be preferred to one which is unjust.

(e.spire Order at 8, citing James v. Gulf Life Insurance Co., 66 So.2d 62, 63 (1953).

GTE believes the language of the contract is unambiguous; there is absolutely no language stating or implying that local traffic includes ISP or other jurisdictionally interstate traffic. But even if the contract is deemed "susceptible of two constructions" (that is, local traffic is local traffic vs. local traffic is local traffic plus some interstate traffic), GTE's construction is the more "rational and probable" one.

ISPs do not generally make calls, but they do generate a huge volume of inbound calls. In addition, these calls typically last much longer than the average voice call. GTE's local end-user rate structure is primarily flat-rate, while reciprocal compensation payments would be usage-based under the GTE/ICI contract. Given these facts, ICI's interpretation of the contract means that GTE would have to pay substantial compensation to ICI without the ability to recover its costs from GTE customers who originate those calls. (Pitterle DT at 13-15.) It does not take much usage for the reciprocal compensation payments to dwarf the average \$11.81 flat fee the originating customer pays to GTE.

A "prudent" corporation would never "naturally execute" this kind of one-sided deal, which amounts to corporate welfare for a competitor. By the same token, ICI's interpretation—which would force GTE to pay ICI millions of dollars annually with no corresponding benefits--is plainly "inequitable" and "unusual." There is no basis for a finding that GTE agreed to such an outrageous interpretation, especially since it was at

odds with the FCC's precedent—correctly interpreted by GTE—at the time the contract was executed.

**ICI's Contract Interpretation Would Distort Local Competition.**

Even if the Commission did have jurisdiction to subject interstate ISP traffic to reciprocal compensation, policy concerns recommend against the usage-based structure ICI advocates here. Contrary to Ms. Strow's view, the impact of the Commission's decision here on local competition is not irrelevant. (Strow RT at 10-11.) This Commission is charged with promoting competition and encouraging investment in telecommunications infrastructure. (Ch. 364.01, Fla. Stat.) It cannot blithely take action that will directly undermine these mandates.

In the words of one industry analyst, reciprocal compensation for Internet traffic is "arguably the single greatest arbitrage opportunity and hence market distortion in the telecom sector today," because "companies reap up as much as 4,000 percent arbitrage for minimal, value-added service." (Scott C. Cleland, The Precursor Group/Legg Mason Research Technology Team, Reciprocal Compensation for Internet Traffic—Gravy Train Running Out of Track (June 24, 1998).) The market distortion arising from awarding reciprocal compensation for ISP traffic will manifest itself in several ways. The approach ICI urges will, for example, eliminate competition among local exchange companies to serve the large and ever-expanding class of local customers who are heavy Internet users via an ISP for dial-up traffic. No LEC—whether ILEC or CLEC—would voluntarily serve a subscriber if it stands to pay more in reciprocal compensation fees to the ILEC that serves a subscriber's ISP than it receives from providing local telephone service to that

subscriber. Applying the Agreement's reciprocal compensation provisions to ISP traffic will incent carriers (and equipment vendors) to maximize and protect regulatory gaming arrangements dependent on today's network, rather than developing the advanced network of tomorrow. For instance, they are less likely to encourage high-volume customers to shift to more efficient broadband offerings such as ADSL, in order to preserve their advantageous compensation flows. These carriers will, moreover, lose their incentive to undertake or expand their facilities-based local services if they must pay the same reciprocal compensation payments for ISP traffic that they demand of ILECs. (Pitterle DT at 15-16.)

For their part, ILECs will be forced to write checks to CLECs using funds that could have been used to upgrade their networks and deploy new technologies—and draining away revenues from basic services that are already priced substantially below cost. This effect should be particularly troubling in Florida, where CLECs are not yet required to contribute anything to the maintenance of universal service.

In accordance with its governing statute, the Commission is obliged to consider all of these effects in ruling on ICI's Complaint. Because the relief ICI seeks will subvert local competition and discourage infrastructure investment by both GTE and ICI, the Commission should refuse to grant it.

**The Commission Should Act Cautiously in this Interim Period.**

The FCC itself has acknowledged the problem of applying usage-based reciprocal compensation structures (like the one in the GTE/ICI contract) to ISP traffic. In its ISP

Order, it observed that “no matter what the payment arrangement, LECs incur a cost when delivering traffic to an ISP that originates on another LEC’s network. In particular, pure minute-of-use pricing structures are not likely to reflect accurately how costs are incurred for delivering ISP-bound traffic.” (ISP Order at para. 29.)

It is the FCC that will ultimately establish the reciprocal compensation structure for ISP traffic. Given its remarks in the Order, it is highly unlikely that this mechanism will be the kind of usage-based scheme that applies to local traffic under the GTE/ICI interconnection contract. As noted, there is considerable doubt as to whether the states can, in the interim, settle the question of what compensation, if any, is to be applied to interstate ISP traffic. In any event, if the Commission accepts ICI’s position here, it will likely conflict with the FCC’s ultimate ruling settling this matter. This likely inconsistency further supports the legal and policy reasons not to impose reciprocal compensation on interstate ISP traffic under the parties’ local interconnection Agreement.

Under the circumstances, GTE believes the best approach is to deny ICI’s Complaint and entirely reject its claim for reciprocal compensation. It would be unduly disruptive and inefficient to implement the scheme ICI advocates, only to have it changed later when the FCC rules on the mechanism that will apply. Maintaining a bill-and-keep compensation scheme until the FCC rules would, moreover, avoid the problems associated with the FCC’s invalid delegation of interstate authority to the states. The Commission should also actively support the development of a permanent mechanism at the federal level for inter-carrier compensation that treats ISP-bound traffic in a manner consistent

with other interstate services—thus avoiding inequitable payment flows and the mismatch between revenues and costs.

However, if the Commission feels compelled to act before the FCC does, in no event should it sanction the usage-based compensation mechanism ICI advocates. The most prudent interim approach would be the one the Missouri Public Service Commission has taken. In a reciprocal compensation dispute brought by Birch Telecom against Southwestern Bell Telephone Company, that Commission originally ordered the parties to compensate each other for ISP traffic “in the same manner that local calls to non-ISP end users are compensated” until the FCC could rule on the issue. After the FCC’s February 26 ruling, the Commission clarified that because “the appropriate amount of compensation has not yet been determined [by the FCC], the parties will not be required to pay reciprocal compensation for ISP-bound traffic at this time.” Instead, the Commission directed the parties to track traffic to ISPs until the FCC could rule on the compensation issue. At that time, the parties will be subject to a true-up to determine what, if any, compensation should be paid for this ISP traffic. (In re: Petition of Birch Telecom of Missouri, Inc. for Arbitration of the Rates, Terms, Conditions and Related Arrangements for Interconnection with Southwestern Bell Tel. Co., Order Clarifying Arbitration Order, Case No. TO-98-278, at 3-4 (April 16, 1999).)

This is the fairest and most prudent approach until the FCC can act. It will ensure that the parties are properly compensated in accordance with the mechanism the FCC adopts, and will also guard against the disruptive effects of potentially inconsistent state and federal decisions.

This alternative is entirely consistent with the specific contract at issue. As noted, GTE never intended or agreed to apply reciprocal compensation to interstate ISP traffic. ICI argues that its intentions were otherwise—that it intended the Local Traffic definition to include ISP traffic. At the very least, it will be impossible for the Commission to find that there was any meeting of the parties' minds as to the scope of the reciprocal compensation obligations under the contract. Basic contract principles hold that if the parties do not agree on a particular matter, then there is no contract with regard to it. Because there is no evidence to support a Commission decision that the parties agreed to treat interstate ISP traffic as local, there is no basis for imposing any compensation mechanism on this traffic, let alone one that is not cost-based.

**The Commission's Decisions on the BellSouth Complaints Are Not Controlling.**

GTE is aware that this Commission has made decisions in other reciprocal compensation complaints, all filed against BellSouth. One of these cases consolidated four companies' complaints (by ICI, WorldCom Technologies, MCI Telecommunications Corporation, and Teleport Communications Group, Inc.) (Dockets 971478-TP et al.). The other was a complaint by e.spire (Docket No. 981008-TP). In each case, the Commission determined that BellSouth owed reciprocal compensation for ISP traffic under the terms of its local interconnection agreements with the respective complainants. For several reasons, those decisions are not controlling in this case. In fact, the Commission cannot use the rationale in those cases to inform its decision here.

This is a different case, a different contract, and a different evidentiary record. One outstanding distinction between this case and all the BellSouth complaints concerns GTE's expressed intent about the jurisdictional nature of ISP traffic. As explained, GTE's filing its ADSL tariff in the federal jurisdiction was a very visible public confirmation of its position as to the jurisdictional nature of ISP traffic. ICI's Complaint here makes many of the same arguments CLECs made in the FCC's ADSL proceeding (and in the ISP proceeding). GTE's legal analysis here and at the time it signed the interconnection agreement with ICI was, likewise, consistent with its filings in the FCC proceedings. As explained, GTE's viewpoint turned out to be the correct one. Even if other parties—in this instance, ICI—may have had reason to support a different interpretation of FCC precedent, there is no basis for attributing that incorrect interpretation to GTE, as well.

In addition, the record in the BellSouth dockets did not include any discussion of the effect of the FCC's February 26 ruling. The Commission's WorldCom Order came months before the FCC's ISP Order—and even before the FCC's ADSL Order. There, the Commission correctly observed that it must consider the FCC orders extant at the time of contract execution and appeared to understand that the exercise of its jurisdiction rested on whether ISP traffic could be separated into telecommunications and information service components (WorldCom Order at 18.) However, it came to the wrong conclusion about the jurisdictional question, interpreting FCC precedent to find that ISP traffic was local. In light of the FCC ISP Order, of course, the Commission can no longer rely on this conclusion—or the WorldCom Order.

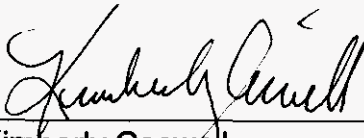


The e.spire decision was issued barely a week after the FCC's ISP Order, leaving the Staff little or no time to consider that Order before drafting the Recommendation grounding the Commission's vote. In addition, the record in the e.spire proceeding had closed long before release of the FCC's ISP Order. There was no opportunity, as there was in this case, for parties to submit testimony specifically addressing the effect of that Order or to suggest interim solutions until the FCC can establish a reciprocal compensation mechanism. Given the benefit of this additional testimony and analysis--along with the absence of any evidence that GTE agreed to include interstate ISP traffic within the local traffic definition--the Commission is able take a more reasoned and informed approach in this case. It can and should find no basis for ordering reciprocal compensation for ISP traffic.

\* \* \*

For all the foregoing reasons, GTE asks the Commission to deny ICI's Complaint for reciprocal compensation for ISP-bound traffic, finding that no such compensation is due. In the alternative, the Commission should order the parties to track their ISP traffic, so that reciprocal compensation, if any, can be paid later in accordance with the mechanism the FCC is to establish.

Respectfully submitted on April 30, 1999.

By:   
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Kimberly Caswell  
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Attorney for GTE Florida Incorporated

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that copies of GTE Florida Incorporated's Posthearing Statement in Docket No. 980986-TP were sent via overnight delivery(\*) on April 29, 1999 or U.S. mail(\*\*) on April 30, 1999 to the following:

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