June 16, 2015

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: In the matter of Technology Transitions (GN Docket No. 13-5); Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers (RM-11358); Special Access for Price Cap Local Exchange Carriers (WC Docket No. 05-25); AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services (RM-10593)

Dear Ms. Dortch:

On Friday, June 12, 2015, Christopher Heimann, Keith Krom and the undersigned of AT&T met with Matthew DelNero, Carol Mattey, Deena Shetler, Eric Ralph, Daniel Kahn, Pam Arluk, Randy Clarke, William Kehoe, Mike Ray, Vanessa Riley, Jean Ann Collins, Michele Berlove, Bakari Middleton, and Heather Hendrickson of the Wireline Competition Bureau to discuss comments filed by AT&T in the above captioned proceedings.

AT&T believes that proposals in the NPRM fail to achieve the Commission’s stated goal to maintain established rules and decisions that provide for wholesale access to inputs as it continues its special access rulemaking proceeding. In fact, the established rules and decisions concluded that pricing regulation of Ethernet-based services is not necessary to ensure that rates and practices for those services are just, reasonable, and not unjustly or unreasonably discriminatory; make clear that § 214 is meant to protect end users; and do not require ILECs seeking authority to discontinue a legacy service that is used as a wholesale input by competitive carriers to commit to providing competitive carriers equivalent wholesale access on equivalent rates, terms, and conditions. Missing from these proposals is a balance of equities between CLECs and ILECs, one that acknowledges the business strategies and investments made by both sets of carriers and doesn’t tip the regulatory scales in favor of either one. The proposals would subject ILECs to a regulatory Hobson Choice: either (a) maintain antiquated TDM networks, regardless of cost or (b) accept new and unwarranted rate regulation on Ethernet and packet-based services – regulatory prescriptions the Commission specifically rejected in granting forbearance on these services.

As we discussed, the current § 214 process and procedures heretofore interpreted by the Commission and followed by carriers already provide the Commission the means to meet its goal to maintain established rules and decisions that provide for wholesale access to inputs as it continues its special access rulemaking proceeding. In the case of TDM-based services (DS-1,
DS-3) that are the subject of proposals contained in this proceeding’s NPRM, we would expect, for example, that a service withdrawal application would contain an accounting of Ethernet services available from incumbent carriers and cable company offerings⁴ that serve as alternatives for ILEC services. Having reviewed the facts presented the Commission will be in a position to determine how the retail community and carriers that purchase these services as inputs will be affected by the proposed service withdrawal. No modification to this existing process is necessary for the Commission to achieve its stated goal.

The attached presentation outlining AT&T’s position in these matters was used during the meeting to guide the discussion that took place.

Pursuant to Section 1.1206 of the Commission’s rules, a copy of this notice is being electronically filed in the above-captioned dockets. Please do not hesitate to contact me with any questions regarding this matter.

Sincerely,

/s/ Frank S. Simone

cc: M. DelNero
    C. Mattey
    D. Shetler
    E. Ralph
    D. Kahn
    P. Arluk
    R. Clarke
    W. Kehoe
    M. Ray
    V. Riley
    J. Collins
    M. Berlove
    B. Middleton
    H. Hendrickson

⁴ See Ex parte Letter from Glenn Reynolds, USTelecom, WC Docket No. 05-25 (Nov. 29, 2012).