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VIA ECFS

NOTICE OF EX PARTE (Correction¹)

August 2, 2016

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

Re: *Investigation of Certain Price Cap Local Exchange Carrier Business Data Services Tariff Pricing Plans*, WC Docket No. 15-247; *Special Access Rates for Price Cap Local Exchange Carriers*, WC Docket No. 05-25 and RM-10593; *Business Data Services in an Internet Protocol Environment*, WC Docket No. 16-143

Dear Ms. Dortch:

On July 28, 2016, Glen Post, John Jones and Melissa Newman of CenturyLink and Dan McCarthy and Kathleen Abernathy of Frontier Communications met in three separate meetings with Chairman Tom Wheeler; Howard Symons, General Counsel; Stephanie Weiner, Legal Advisor-Chairman Wheeler; and Matt DelNero, Chief-Wireline Competition Bureau; with Commissioner Michael O’Rielly and Amy Bender, Legal Advisor to Commissioner O’Rielly; and with Commissioner Ajit Pai and Nick Degani, Legal Advisor to Commissioner Pai, to discuss the broadband data services (BDS).

CenturyLink and Frontier discussed the proposed regulatory framework in this proceeding and expressed concerns that it does not reflect how carriers negotiate for broadband data services (BDS), including backhaul. Market conditions have shifted considerably since the FCC’s 2013 data set, which was not accurate and which is now three years old. We also explained that price regulation will distort and deter competition in the BDS market; prices set too low will preclude competitors from entering the market.

¹ This Ex Parte Notice was initially filed on August 1, 2016. Today’s version corrects a reference in the sixth line of the first paragraph by accurately identifying Nick Degani as the Legal Advisor to Commissioner Pai. A copy of today’s filing is being re-served via electronic mail on the same copy recipients.

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The fixed wireline network is essential to providing critical infrastructure for wireless providers to meet the exponential growth in wireless data consumption. We noted that in 2015, for the first time, more wireless data traffic was offloaded onto a wired network than data carried over wireless infrastructure and that trend is increasing. The current BDS rulemaking would reduce, not increase, incentives to invest in much-needed wireline fiber-optic infrastructure that provides the foundation for offloading wireless data. We reiterated that it is important that any regime the FCC adopts does not deter investment, especially in rural areas.

Sincerely,

/s/ Melissa E. Newman

Copy via email to:

Chairman Tom Wheeler

Commissioner Michael O'Rielly

Commissioner Ajit Pai

Howard Symons

Amy Bender

Nick Degani

Matt DelNero

Stephanie Weiner