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Via ECFS

EX PARTE NOTICE

September 30, 2016

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: *Business Data Services in an Internet Protocol Environment*, WC Docket No. 16-143; *Special Access Rates for Price Cap Local Exchange Carriers*, WC Docket No. 05-25 and RM-10593

Dear Ms. Dortch:

On September 28, 2016, Chip Pickering, Angie Kronenberg and Karen Reidy of INCOMPAS, Charles McKee of Sprint, Eric Einhorn of Windstream, and John Nakahata, on behalf of Windstream, met with Stephanie Weiner, Senior Legal Adviser to the Chairman, and Matthew DelNero, Chief, Wireline Competition Bureau, regarding the above-referenced proceeding. We reviewed the extensive record support documenting that ILECs retain significant market power over BDS in much of the country, as summarized in the attached ex parte letter filed by Sprint on September 28, 2016. We also urged the Commission to move forward with the Verizon-INCOMPAS framework. In particular, we discussed the importance of addressing Ethernet both above and below 50 Mbps to constrain the exercise of market power. Without such action, the proceeding would not be addressing the backhaul necessary for 5G services, and would lead to significantly reduced communications solution choices for business, governmental, educational and health care provider users as networks and services naturally transition from TDM to IP-based services. We noted that the Verizon-INCOMPAS framework was specifically designed to be administrable, using a competitive market test that could be determined from existing data, and proposing an Ethernet benchmark that could be determined based on publicly available data. Under the benchmark proposal, carriers will continue to set their own prices, and the benchmarks will serve as the guide in non-competitive areas for the Commission to determine whether those rates are just and reasonable.

In addition, Mr. Pickering spoke with Chairman Wheeler on September 29, 2016 and Howard Symons on September 30, 2016. In those conversations, he conveyed the need for comprehensive and meaningful reform, based upon the industry proposal as outline by the INCOMPAS and Verizon Letters.

Respectfully submitted,

/s/ Karen Reidy

Karen Reidy
Vice President, Regulatory

Attachment

cc: Chairman Tom Wheeler
Stephanie Weiner
Howard Symons
Matthew DelNero