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Via Electronic Filing
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

EX PARTE LETTER RE: WC Docket No. 05-25, RM-10593

Dear Secretary Dortch:

Dear Secretary Dortch:

On November 4, 2016, representatives of BT Americas Inc. ("BT") met with Travis Litman, legal advisor to Commissioner Rosenworcel. Sheba Chacko, Senior Counsel and Head of Americas Regulation and Global Telecoms Policy, and Jennifer Hodges, Vice President Government Affairs USA, represented BT in this meeting.

BT asked that Commissioner Rosenworcel support strengthening enforcement of PBDS rates for services 50 Mbps and under by adopting the following mechanism:

The Commission should use concepts from price cap regulation to set a presumption for what would be considered just and reasonable rates in a complaint proceeding. Specifically, the Commission should require carriers filing price caps for TDM services to also file proof with the Commission that the weighted average of their posted Ethernet service rates 50 Mbps and under – each carrier's Actual Price Index (API) – is below a Price Guideline Index (PGI) set by the Commission. Carriers would not file tariffs for their Ethernet services 50 Mbps and under, tariff rules would not apply to Ethernet services 50 Mbps and under, and hence this mechanism would not entail price cap regulation. However, in a complaint proceeding, if a complainant could show that the API exceeded the PGI for the Ethernet services at issue, then there would be a presumption that these Ethernet prices charged by the seller were unjust and unreasonable. Such a remedy would not require reversal of Ethernet forbearance from dominant carrier regulation. The Commission could adopt a rule to this effect and delegate to the Bureau to implement it.

On the issue of private carriage, BT explained that not only does it fulfill all the criteria of private carriage, it does not offer BDS on a standalone basis nor does it have any BDS facilities. Therefore, it would ill serve the public interest for BT and companies like it (e.g. systems integrators) that incorporate BDS into their network solutions to stop operating as private carriers and/or systems integrators and commence selling BDS as common carriers when they have no expertise doing so, no competitive advantage, and no ability to affect the BDS market.

BT also said that it supported: (i) having TDM one-time reductions take effect over two years, not three, (ii) that TDM rate reductions should take effect by January 2017, (iii) that the Commission should extend the time period during which the Tech Transitions rule would apply (i.e. that in order for a carrier to receive authority to discontinue a legacy TDM-based service that is used as a wholesale input by competitive providers, an ILEC must commit to providing competitive carriers wholesale access on reasonably comparable rates, terms, and conditions), and (iv) the proposal that prices for wholesale services like BDS should be lower than prices for retail services that use BDS as an input.

If you have any questions regarding any matters discussed herein please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "SChacko". The signature is written in a cursive, slightly slanted style.

Sheba Chacko
Head, Americas Regulation and Global Telecoms Policy, BT

cc: Travis Litman