



October 30, 2014

**Via ECFS**

**EX PARTE**

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

***Re: Technology Transitions, GN Docket No. 13-5; AT&T Petition to Launch A Proceeding Concerning the TDM-IP Transition, GN Docket No. 12-353;***

Dear Ms. Dortch:

Granite Telecommunications, LLC (“Granite”) submits these materials for inclusion in the record in the above referenced proceedings. This submission includes letters from Sears Holdings Corporation (“Sears”) and Simon Property Group, Inc. (“Simon”) – two representative customers of Granite -- who urge the Commission to support competitive communications policies, including access to last mile network connections.

As Granite has explained in these proceeding previously, Granite provides voice and data communications to multisite businesses across the entire United States that need a small number of voice lines (typically 3 to 15 lines) at a significant number of locations. Customers include large, well known customers, like Sears and Simon, as well as mid-sized companies and even smaller ones as well as governmental agencies. Granite provides such companies with the ability to obtain service from a single supplier at their disparate retail locations nationwide. Granite’s customers find this to be a major benefit. To meet the demand for such services in most geographic areas, Granite obtains, through commercial agreements with Incumbent Local Exchange Carriers, a combined package of a DS0 loop, local switching and shared transport: in short, a commercial UNE-P replacement.

Because Granite’s customers only have limited demand for communications service every location, the locations at which Granite provides service are typically not economically suited for competitive fiber deployment. As a result, competitors such as Granite are dependent on the ILEC for reasonably-priced wholesale inputs necessary to serve their customer locations with relatively modest communications requirements. The shift in network technology from TDM to IP does not alter the economics of deploying competitive networks to serve these locations. The enormous barriers to competitive deployment to such locations remain.

If, as the technology transition continues, ILECs are not required to offer Granite and other competitors equivalent replacement products on a wholesale basis at equivalent rates, terms, and conditions, customers such as Sears and Simon will be negatively impacted. Both customers state that competition has proven beneficial for “...industry

Ms. Marlene H. Dortch  
October 30, 2014  
Page 2

growth, new jobs, and typically results in cost savings and convenience....”<sup>1</sup> These and other Granite customers believe a re-monopolization of the last mile connection with the ILEC would not be in their business interest.<sup>2</sup>

As AT&T and other ILEC transition to IP technology, it is imperative that the Commission establish, pursuant to Section 214, standards governing ILEC discontinuance of any of their legacy wholesale services. In particular, the Commission should develop an equivalency standard that mandates ILECs offer equivalent replacement products on a wholesale basis at equivalent rates, terms, and conditions to competitors like Granite. By doing so the Commission can establish its revised competition policy framework through broad-based industry rulemakings rather than through adjudication of individual ILEC discontinuance petitions.

Respectfully submitted,

*/s/ Bobbi-Sue Doyle-Hazard*

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<sup>1</sup> See attached letter from Sears Holdings Corporation