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February 27, 2015

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *National Broadband Plan*, GN Docket No. 09-51; *Petitions for Rulemaking and Clarification Regarding the Commission's Rules Applicable to Retirement of Copper Loops and Copper Subloops,* RM- 11358; *Business Broadband Marketplace,* WC Docket No. 10-188; *Technology Transitions Policy Task Force*, GN Docket No. 13-5; *Comment Sought on the Technological Transition of the Nations Communications Infrastructure,* GN Docket No. 12-353; Notice of Ex Parte Communication

Dear Ms. Dortch:

On February 25, 2015, Nancy Lubamersky, Vice President Public Policy of U.S. TelePacific Corp. d/b/a TelePacific Communications ("TelePacific") and the undersigned met with Matthew DelNero, Daniel Kahn, and Michele Berlove of the Wireline Competition Bureau to discuss the important of maintaining wholesale access to the last mile during and after the technology transition.

TelePacific reiterated that its surveys of alternative fiber providers show there is no alternative to the ILEC for more than 80% of TelePacific's business customer locations. While TelePacific in most cases would prefer to use fiber and IP-based technologies to provide service, fiber is available to less than 20% of its customer locations. The RBOC proposed IP broadband alternatives to special access and Ethernet over Copper ("EoC") are very limited in availability with no set price, terms or conditions. Although TelePacific has a substantial network, it typically does not build the last mile because it is not economical to do so for the small and medium sized business customers it serves. When ordering Ethernet services from a third party vendor, the cost for them to extend or build fiber to a customer location can be $5,000- $250,000 or more in special construction costs depending on the location.

EoC has the capacity to provide broadband service at speeds greater than 100 Mbps depending on loop quality and distance. However, properly maintained copper loops are not always available. Where a customer experiences more than two outside plant-related trouble reports in 30 days, TelePacific will often move the customer from a copper UNE-DS1 or EoC loop to special access DS-1. Where neither fiber Ethernet services nor copper loops are available, TelePacific bonds special access DS-1s in order to offer symmetric broadband service to its customers. However, there are technical limitations to how much bandwidth can be derived from bonded DS-1s and customers' needs for high speed broadband often cannot be met.

When TelePacific can negotiate price certainty in a Price Flex tariffed contract, it prefers special access DS-1 services over UNE-T1s. The advantages of using special access include better installation and repair times, the ability to escalate disputes rather than filing complaints at state Commissions, the ability to escalate order installation and repairs, and better overall service quality SLAs.

TelePacific explained that in its experience, forbearing from regulating a service has not made the contracting, ordering or bill auditing process simpler or faster. To the contrary, agreements and billing for so-called deregulated services purchased from the ILECs are more complex and difficult to audit. For example, to buy Ethernet services in one state at better rates, terms and conditions than the tariffed rate from an ILEC with no forbearance requires signing three documents:

- An Agreement to purchase from a previously negotiated Price Flex tariffed contract,
- a form to sign up for a tariffed term and volume plan and
- a short Agreement to codify the unique terms.

To buy similar but now deregulated Ethernet services in one state from an ILEC who has been granted forbearance requires:

- five different negotiated Agreements,
- nine negotiated Amendments,
- Agreements to purchase from three negotiated Price Flex tariffed contracts, and
- a one page form to sign up for a tariffed term and volume plan.

And on top of a requirement to capture every unique term in a separate document, ILECs bill all first month deregulated Ethernet charges at a higher standard rate and then credit via aggregated adjustment entries in month #2, a very difficult process to audit.

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TelePacific looks forward to working with the FCC to ensure reasonable wholesale access through the technology transition so that TelePacific and others can offer competitive alternatives to meet small and medium sized business customers' broadband communications needs.

Sincerely,

/s/ Tamar E. Finn

Tamar E. Finn
Counsel to TelePacific

cc: Matthew DelNero,
Daniel Kahn
Michele Berlove