ORIGINAL

Bell Atlantic
1300 I Street NW, Suite 400W
Washington, DC 20005

Kenneth Rust
Director, Federal Regulatory Affairs

EX PARTE OR LATE FILED

Bell Atlantic

July 9, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ex Parte

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

Re: CC Docket Nos. 94-1, 96-262, and RM 9210

Dear Ms. Salas:

Yesterday, Susanne Guyer and Frank Gumper, representing Bell Atlantic, had separate meetings with Kyle Dixon, Legal Assistant to Commissioner Powell, Linda Kinney, Legal Assistant to Commissioner Ness, and Sarah Whitesell, Legal Assistant to Commissioner Tristani, regarding the items captioned above. The attached material formed the basis of discussion at each of the meetings.

Any questions on this filing should be directed to me at the address shown above.

Sincerely,

Ken Rust

Attachment

cc: Mr. K. Dixon
Ms. L. Kinney
Ms. S. Whitesell

Petition for Forbearance and Pricing Flexibility

Bell Atlantic

July 8,1999

The ALTS' "Study" Is Meaningless

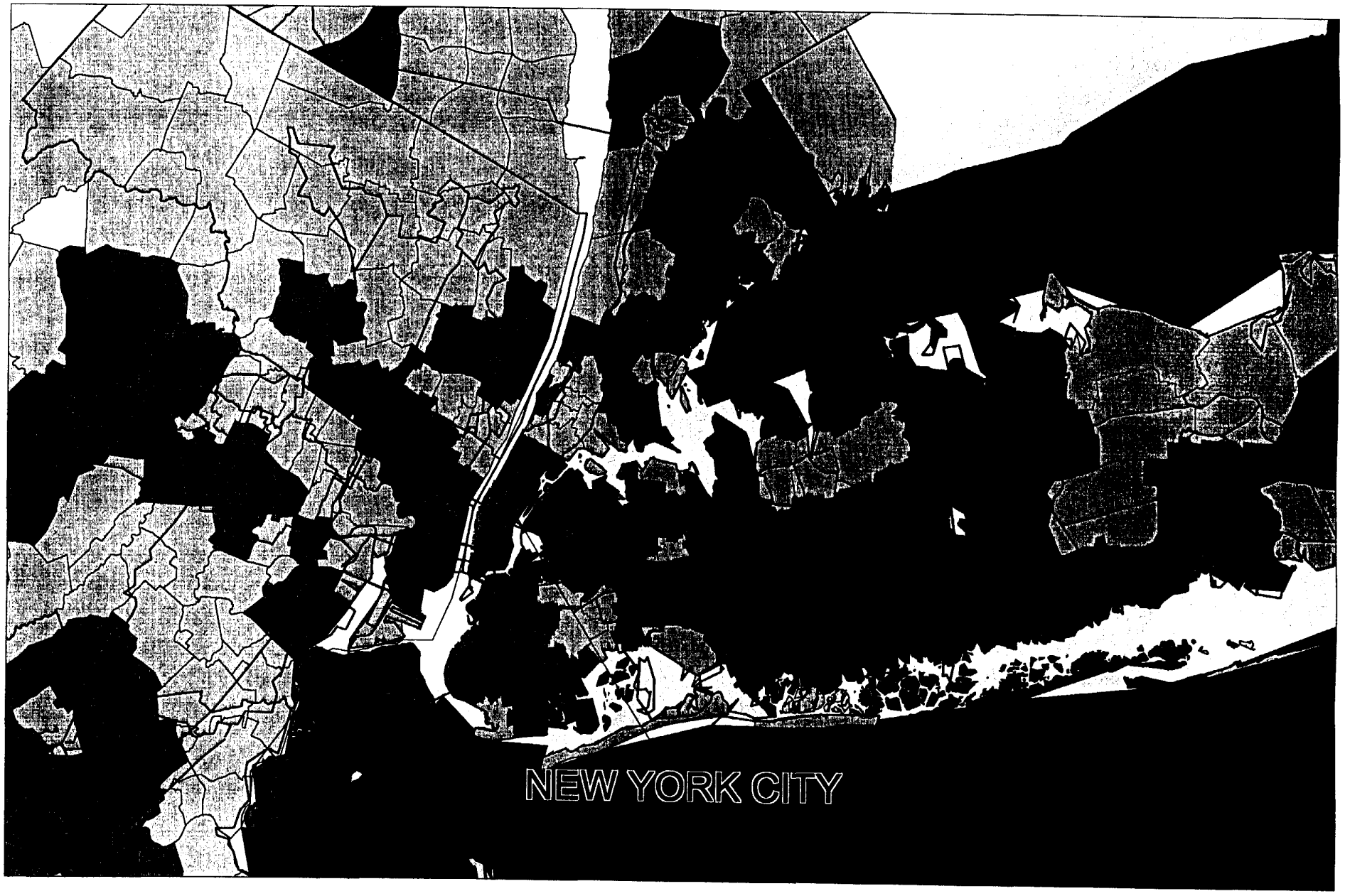
- It consists of nothing but a patchwork of hypothetical "what ifs" with no factual data to support absurd conclusions and recommendations.

- Unrealistic Criteria For Relief
  - » Collocation in <u>all</u> ILEC wire centers
  - » Route by route analysis of interoffice transport
  - » 20% of the ILEC business loops resold or provided as UNEs

Bell Atlantic
Pricing Flexibility Principles

- Administratively simple process
- Decrease regulation as competition increases
  - » Allow deaveraged rates and targeted rate reductions
  - » Provide clear path for removal of all price regulation
- Criteria and Triggers must be
  - » Explicit
  - » Measurable
  - » Verifiable
- Comprehensive -- must address all markets
  - » Services
  - » Geographic areas

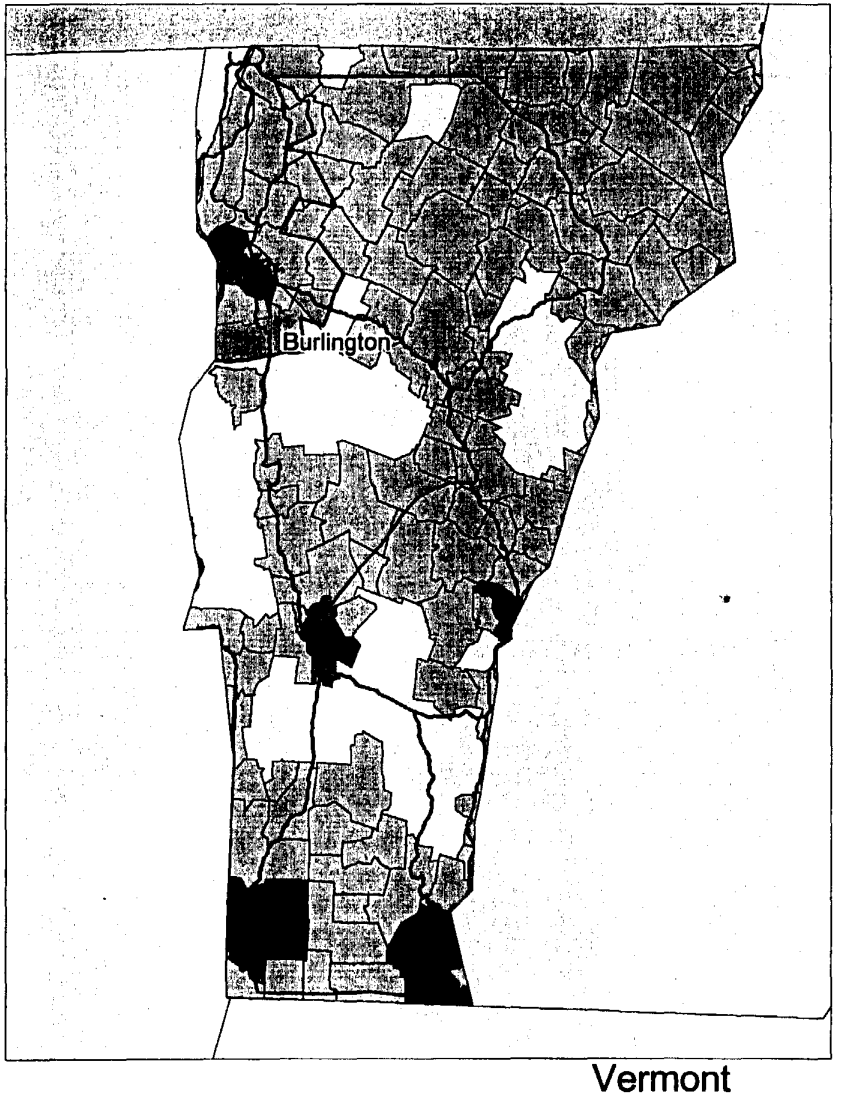
Status of Competition in Metropolitan New York



Fiber MSA BA Wire Center Coll WC

1 inch = 7 miles

Competition in non-MSA Areas



Vermont
1 inch = 21 miles

Delaware
1 inch = 13 miles

Fiber MSA BA Wire Center Coll WC

Other Concerns

- Respond to RFPs
  - » Customers with demand across MSA and non-MSA
- Facilities-based competition
- Criteria for non-MSA relief
- Lower Formula Adjustment

SUMMARY

- Meaningful relief must include *reasonable* opportunity to remove services from price caps
- Criteria for relief must be *realistically* attainable
- Provisions must also allow for relief for non-MSAs