ORIGINAL

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Bell Atlantic

July 28, 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 No. 94-1, 96-262, and RM 9210

Dear Ms. Salas:

Yesterday, Mr. Frank Gumper and I, representing Bell Atlantic, met concurrently with Ms. Dorothy Attwood, Legal Advisor to Chairman Kennard, and Ms. Kathryn Brown, Chief of Staff, regarding the item captioned above. The attached material formed the basis of discussion at this meeting.

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

Sincerely,

Susanne Guyer

Attachment

cc: Ms. D. Attwood (letter only)
Ms. K. Brown (letter only)

Petition for Forbearance and Pricing Flexibility

July 27, 1999

Concerns

- Special Access relief is two years behind schedule
- Facilities-based competition without collocation
- Criteria for non-MSA relief
- Lower Formula Adjustment

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

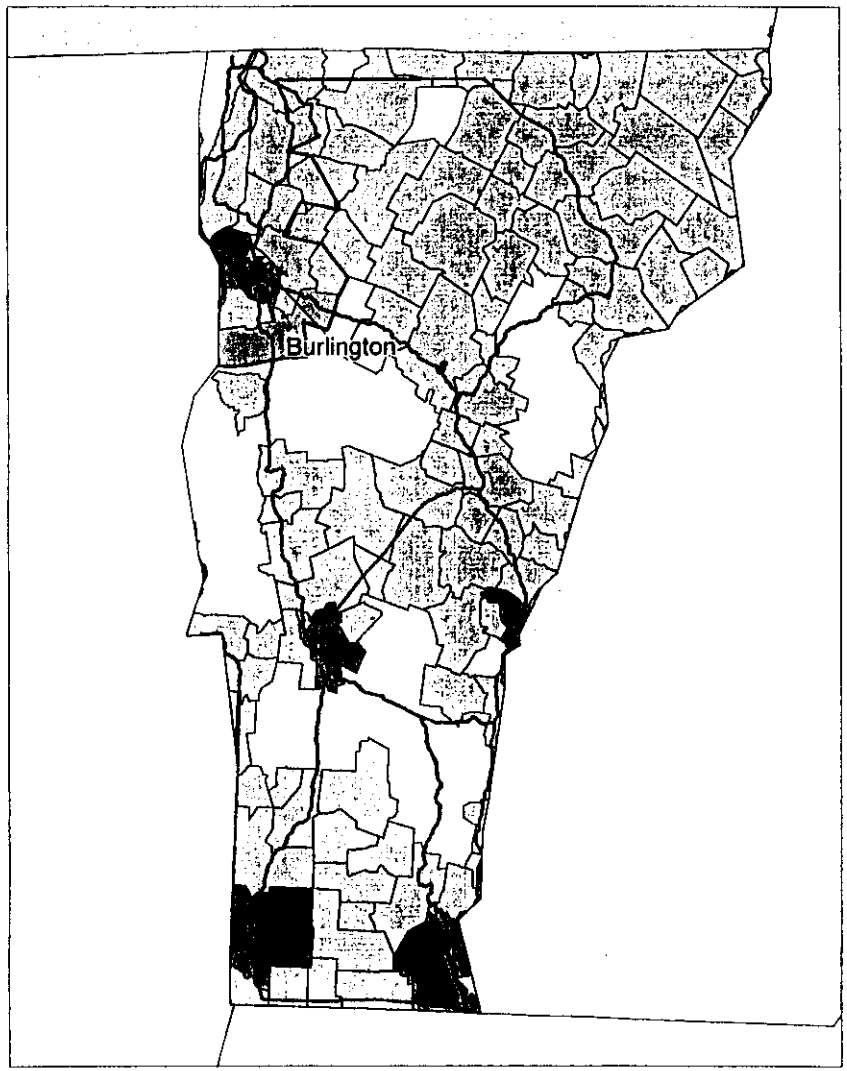
- Administratively simple process
- Decrease regulation as competition increases
  - » Allow deaveraged rates and targeted rate reductions
  - » Provide clear path for removal of all price regulation
- Criteria and Triggers must be
  - » Explicit
  - » Measurable
  - » Verifiable
- Comprehensive -- must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

Status of Competition in Metropolitan New York

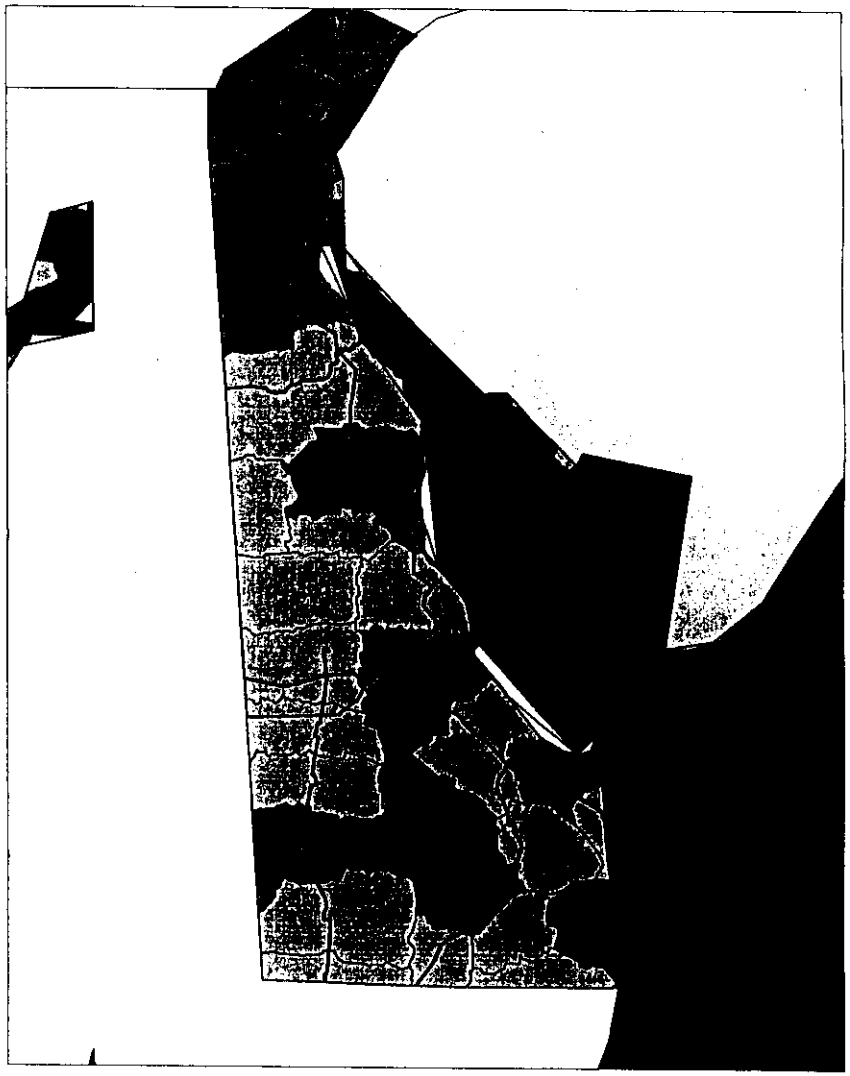
Fiber MSA BA Wire Center Coll WC

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

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