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October 31, 2000

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th St., SW, Room TWB-204
Washington, DC 20554

Re: Notice of Oral *Ex Parte*:

In the Matter of Implementation of the Local Competition Provisions in the Local Telecommunications Act of 1996, Fourth Further Notice of Proposed Rulemaking, CC Docket No. 96-98

In the Matter of Application by Verizon New England, Inc. Bell Atlantic Communications, NYNEX Long Distance Company, and Verizon Global Networks to Provide In-Region InterLATA Services in Massachusetts, CC Docket No. 00-176

Comments Requested On The Application By SBC Communications, Inc. For Authorization Under Section 271 Of The Communications Act To Provide In-Region, InterLATA Service In The States Of Kansas And Oklahoma, CC Docket No. 00-217

Dear Ms. Salas:

On Friday October 27, 2000, I met with Glenn Reynolds, Associate Chief of the Common Carrier Bureau, Michelle Carey, Chief of the Policy and Program Planning Division of the Common Carrier Bureau and Katherine Farroba, Deputy Chief of the Policy and Program Planning Division of the Common Carrier Bureau to discuss various issues related to the aforementioned dockets. I discussed that the Commission should use the Verizon Massachusetts 271 application to affirm the principle that RBOCs will not be permitted to

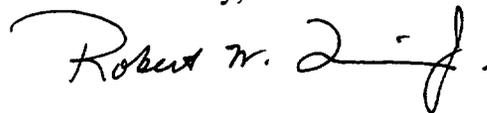
purportedly open their local markets to competition (by cutting certain rates in half) only after they have decided to file Section 271 applications. In particular, I stated that the Commission should not conduct a pricing analysis on the October 13, 2000 rates purportedly filed by Verizon in this proceeding and should reject this application on pricing grounds alone immediately. I pointed out to the Commission Staff that unlike New York and Texas, the current 271 applications before the Commission lacked the robust competition in the residential market brought by carriers utilizing the UNE Platform. I stated that the Commission needed to determine why that was the case and suggested that it need look no further than the UNE rates in effect.

I explained to the Commission that pricing was a critical factor in a carrier's analysis and decision of whether it can be profitably enter the market to serve consumers. Carriers require prices that permit them to profitably enter markets *in sufficient time to build the systems and infrastructure necessary to be competitive in those markets*. Indeed, if the Commission were to permit Verizon to arbitrarily change its UNE rates in the midst of a 271 proceeding here, CLECs would never be able to achieve the UNE pricing reductions necessary for consumers to see competitive alternatives to the ILECs across the country outside of the 271 process again.

Further, I discussed the need for the Commission to act quickly to raise the ceiling on lines at individual customer locations for which CLECs can obtain the UNE-P from the three-line limit that currently exists. In addition, I also pointed out that Commission should act quickly to resolve the ambiguity being asserted by ILECs regarding the availability of line sharing for UNE-P customers.

The positions expressed by AT&T were consistent with those contained in the Comments and ex parte filings previously made in the aforementioned dockets. Two copies of this Notice are being submitted in accordance with the Commission's rules.

Sincerely,



cc: Glenn Reynolds
Michelle Carey
Katherine Farroba