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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Dorothy Attwood, Chief
Common Carrier Bureau
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: Notice of Ex Parte Presentation:
Access Charge Reform, CC Docket No. 96-262; Hyperion Telecommunications, Inc. and Time Warner Petitions for Forbearance, Complete Detariffing for Competitive Access Providers and Competitive Local Exchange Carriers, CC Docket No. 97-146; Request for Emergency Relief of the Minnesota CLEC Consortium and the Rural Independent Competitive alliance, DA-1067; Mandatory Detariffing of CLEC Interstate Access Services, DA 00-1268

Dear Ms. Attwood:

The issue of the appropriate level of competitive local exchange carrier (CLEC) switched access rates needs immediate Commission action. The uncertainty created by the disagreements over reasonable switched access rate levels between CLECs and interexchange companies (IXCs) is affecting the ability of CLECs to raise capital, and potentially can impact their ability to effectively compete in the telecommunications marketplace. CLECs need to know on what basis they will receive compensation for switched access services. As you know, the Commission itself has been struggling with this issue for some time.

NewSouth believes that it is now time for the Commission to take decisive action to resolve this issue and to bring certainty to the marketplace. For this reason, NewSouth now supports in substantial part AT&T's proposal. Specifically, NewSouth agrees that the Commission must establish a benchmark rate of 1.2 cents per minute, no later than July 2001, that converges to the prevailing ILEC rate no later than July 2002. Allowing CLECs to permissively de-tariff their switched access rates if they are at or below the benchmark rate provide the benefits of the tariffing process to those CLECs who choose to price their rates at these levels. Acting in this manner will promote efficient entry by competitors and place all CLECs on equal footing in competing for end user customers. This result should also solve the current situation where some IXCs and CLECs continue to dispute switched access charges and payments are made in part or not at all. It also provides a reasonable transition so that CLECs can accommodate the new rate levels in their business plans.

[Handwritten signature]

Sincerely,
Jake E. Jennings
Jake E. Jennings,
Vice President – Regulatory Affairs

Copy to:

Rebecca Beynon
Kyle Dixon
Jeff Dygert
Jordan Goldstein
Jane Jackson
Tamara Preiss
Glenn Reynolds
Dena Shetler
Jack Zinman