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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY



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July 26, 2001

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Ex Parte: Implementation of the Local Competition Provisions in the
Telecommunications Act of 1996 - CC Docket No. 96-98**

Dear Ms. Salas:

On July 26, 2001, Ed Shakin and Susanne Guyer met with Jordan Goldstein of
Commissioner Ness' office to discuss Conversion of Special Access to UNEs.

Pursuant to Section 1.1206(a)(1) of the Commission's rules, an original and one copy of
this letter are being submitted to the Office of the Secretary. Please associate this
notification with the record in the proceeding indicated above. If you have any questions
regarding this matter, please call me at 202 515-2527.

Sincerely,

Gordon R. Evans

c: Jordan Goldstein

Attachment

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List A B C D E



The Commission Should Not Modify Its Ban On Commingling.

- The Commission had it right in its Supplemental Clarification Order (¶ 28), where it expressed concern that commingling could “lead to the use of unbundled network elements by IXC’s solely or primarily to bypass special access services.” Such conversions are inconsistent with the stated intent to “avoid disturbing the status quo while we consider the legal and economic implication of allowing carriers to substitute combinations of unbundled loops and transport network elements for the incumbent LEC’s special access services.” Supplemental Order, ¶ 7
- That concern should be even stronger today, when the Commission is currently considering whether all conversion of special access to UNEs (including those allowed under the current rules) are inconsistent with the Act.
- Allowing additional UNE conversions if carriers are not impaired is anticompetitive and discourages facilities-based competition.



***Carriers Are Not Impaired In Their Provision Of Competing Services --
They Are Already Successfully Competing Without Use Of UNEs.***

- CLECs have a 36 percent share of the special access/private line market.
- There are more than 600 local fiber networks spread over the top 150 MSAs.
- The Commission has already found that a significant portion of the special access market is so competitive that retail price regulation is no longer required.



Allowing Commingling Creates Numerous Implementation Problems.

- Commingling creates a problem in determining who has testing and other responsibilities that are handled by Verizon for special access service and by the CLEC for UNEs.
- Within Verizon, different service organizations for UNEs and special access may cause additional confusion and/or delay.
- Allowing a special access service to be connected directly with a UNE does not enable Verizon to rely on either its special access or its UNE billing programs, thereby complicating a process that is already difficult.

If The Commission Were To Allow A Modification Of The Commingling Ban, Which It Should Not, It Should Be Limited And Clearly Defined.

