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SouthEast Telephone

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

May 3, 2002

Chairman Michael K. Powell
Federal Communications Commission
445 Twelfth St., S.W.
Washington, D.C. 20554

RE: Appropriate Framework for Broadband Access to the Internet over Wireline Facilities,
CC Docket No. 02-33, 95-20, 98-10;
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers,
CC Docket No. 01-339, 96-98, 98-147
Review of Regulatory Requirements for Incumbent LEC Broadband Telecommunications Services, CC Docket No. 01-337

Dear Chairman Powell,

SouthEast Telephone is a small, locally owned competitive local exchange carrier (CLEC) operating in the rural Appalachian region of eastern Kentucky. We provide local telephone service using resold services and recombined unbundled network elements to approximately 5,000 customers. We also provide dial-up Internet access to about 13,000 customers. While we completely depend on BellSouth's last-mile network facilities, we have built our success on providing superior customer service to rural Kentuckians, with special efforts to serve credit-impaired customers and others who have not been satisfied with the customer service from incumbents. In recognition of our successful efforts to provide telecommunications and Internet access services in this rural area, the U.S. Small Business Administration recently named me "Small Businessperson of the Year" for 2002 for Kentucky.

Currently, SouthEast Telephone is providing broadband Internet via DSL primarily using resold services. Our future in broadband includes migrating our resold DSL to a hybrid facilities based system utilizing collocation and BellSouth's "last mile." To provide these services, we will be largely dependent on BellSouth's network for the foreseeable future. At this time, given the stage of technology development and deployment, it is imperative that we continue to rely on BellSouth's facilities. BellSouth may or may not face some degree of facilities competition in metropolitan areas; but here in rural Kentucky, they are the only game in town. As SouthEast Telephone begins to roll out DSL to our customers, we are relying on the Kentucky PSC's and the FCC's pro-competitive policies requiring incumbent local exchange carriers (ILECs) like BellSouth to cooperate with competitive entrants.

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Thus, as you work through the issues raised in these inter-related rulemaking proceedings, SouthEast Telephone strongly urges you to keep in mind the following considerations:

- The ILECs will continue to be, for practical purposes, the only suppliers of broadband infrastructure for the foreseeable future in rural areas of Kentucky.

- Rural Kentuckians and other consumers will benefit from continued enforcement of the Telecommunications Act's unbundling and resale requirements. Customers should be able to buy broadband services from multiple suppliers with different pricing and different customer service qualities.

- At some point in the future, unbundling and resale rules may become unnecessary if there is enough competition among facilities providers. However, that point has not yet arrived, especially in rural Kentucky, where population density is low and deployment of new technology is currently quite costly. Unbundling and resale rules are particularly important in rural areas, where there is virtually no competition for broadband facilities.

- The best way to expand broadband – as well as narrowband – telecom and Internet offerings, especially in rural Kentucky, is to enable competitive entrants like SouthEast Telephone to compete in these underserved markets by utilizing the ILECs' DSL infrastructure under the competitive framework established by the Telecommunications Act of 1996.

Thank you for your consideration. I would appreciate your treating this letter as a comment in the Wireline Broadband proceeding. I also request that this letter be included in the record of the other proceedings listed above, given the relationship of the issues to the matters raised there. Please contact me if you have any questions.

Respectfully submitted,

Darrell Maynard/bcs

Darrell Maynard
President

cc: Commissioner Kathleen Q. Abernathy
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
Dorothy Attwood, Chief, Wireline Competition Bureau
Marlene Dortch, FCC Secretary

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