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October 16, 2002

EX PARTE

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
Room TW-A325
445 12th Street, S.W.
Washington, D.C. 20554

Re: CC Docket Nos. 96-98; 96-45; 01-337; 01-338; 02-33

Dear Ms. Dortch:

On October 15, 2002, Kevin Joseph of Allegiance Telecom (“Allegiance”) and I met with Matthew Brill, Legal Advisor to Commissioner Kathleen Abernathy. During the meeting, we reiterated the arguments made by Allegiance in its comments and reply comments in the above-referenced dockets. We also made the following additional points. First, we stated that the FCC’s methodology for determining universal service contributions must not impose an inequitable or discriminatory contribution obligation on CLECs like Allegiance that serve only business customers. Second, we argued that the FCC should rule in the Triennial Review proceeding that Verizon’s “no facilities” policy is unlawful by, at the very least, clarifying that the definition of unbundled loops includes the obligation to condition those loops for the purpose of delivering high-capacity service. We also argued that the FCC should rely on a market power analysis rooted in its non-dominance standard to determine whether the impairment standard is met for a particular UNE. Finally, we argued that the Commission should not reclassify the transmission used to provide ILEC broadband Internet access as a Title I service because such an approach would offer the ILECs opportunities to engage in anticompetitive behavior and because the FCC could deregulate the ILEC transmission service to the extent necessary by exercising its forbearance authority.

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Pursuant to Section 1.1206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), a copy of this letter is being filed electronically for inclusion in the public record of each of the above-referenced proceedings.

Sincerely,

/s/
Thomas Jones

cc: Matthew Brill