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December 12, 2002

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Ex Parte Notification; UNE Review Dockets (CC Docket Nos. 01-338, 96-98, 98-147) and Performance Standards Dockets (01-318, 98-56, 98-147, 96-98, 98-141, 01-321, 00-51, 96-149, 00-229)

Dear Ms. Dortch:

On December 11, 2002, David Zesiger, of Independent Telephone & Telecommunications Alliance ("ITTA"), and I met with Bill Maher, Chief of the Wireline Competition Bureau, and Scott Bergmann, Legal Counsel, in connection with the above-referenced dockets. The attached outline, which was presented at the meeting, summarizes the issues discussed.

Please contact me at (202) 637-2200 if you have any questions regarding the subject of this submission.

Respectfully submitted,

/s/ Karen Brinkmann
Karen Brinkmann

Enclosure

cc: Bill Maher
Scott Bergman

Independent Telephone & Telecommunications Alliance

UNE Triennial Review (CC Docket 01-338) UNE Performance Standards (CC Docket 01-318)

- ITTA urges the Commission to provide relief from certain unbundling requirements to independent incumbent local exchange carriers ("ILECs") -- small and midsize ILECs that operate under conditions different from the largest ILECs:
  - The networks and operations of independent ILECs are smaller in scale and scope; and
  - Independent ILECs have neither the purchasing power of the largest ILECs, nor the ability to spread costs over the large revenue base that largest ILECs have. Additionally, many operate in higher cost markets.
- Performance Standards. The Commission should not impose new performance standards on small and midsize ILECs.
  - To date, UNE performance standards have only been imposed on the largest ILECs for purposes of determining eligibility for interLATA relief.
  - Most small and midsize carriers do not currently have electronic OSS systems in place. These systems are required to provide the types of measurements proposed by the Commission. Requiring such a system would impose disproportionately large cost burdens on these carriers.
  - The benefits of imposing performance standards on small and midsize carriers, if any, would not be justified by the significant cost to them of implementing electronic OSS systems.
  - There has been no demand to treat independent ILECs like the largest ILECs. There is no evidence of systemic problems of access to UNEs or special access among small and midsize carriers.
- Hot Cuts. The "hot cut" problems raised by the CLECs in the UNE Triennial Review proceeding are irrelevant when considering markets served by independent ILECs.
  - The CLECs that argue that they are impaired without access to unbundled switching due to the prohibitively high cost of hot cuts required to obtain UNE loops refer specifically to provisioning by the largest ILECs.
  - Most independent ILECs are not equipped with the electronic OSS systems that are required to provision lines using hot cuts. Because the markets served by independent ILECs are smaller, and thus have smaller potential volumes of cut-overs, manual cut-over processes are typically used and are more than adequate.
- Switching UNE. ITTA urges the Commission to de-list the switching UNE in all markets due to the universal availability of multiple competitive alternatives.
- UNE-P. ITTA urges the Commission to provide relief for small and midsize carriers from UNE-P, an experiment that has failed to stimulate facilities-based competition.
  - The switching UNE is no longer necessary in any market since competitive alternatives are universally available.
  - The Commission should not perpetuate previous mistakes when nascent competition shows signs of growing in markets served by small and midsize carriers without the economically unsound stimulus of UNE-P.
  - A two-year transition period is reasonable for CLECs that are currently providing service via UNE-P in these markets.