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January 24, 2003

**SUMMARY OF  
*EX PARTE* PRESENTATION**

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW, Room TWA325  
Washington, DC 20554

**Re: Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Deployment of Wireline Services Offering Advanced Telecommunications Capability CC Docket Nos. 01-338; 96-98; and 98-147**

Dear Ms. Dortch:

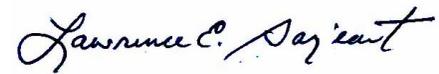
On January 23, 2003, Walter B. McCormick, Jr., President and CEO of the United States Telecom Association (USTA), Dan Phythyon, Senior VP Law and Policy, USTA, and the undersigned, met with Commissioner Jonathan Adelstein and Lisa Zaina, Senior Legal Advisor. During the meeting, we discussed the above-referenced proceeding.

USTA urged Commissioner Adelstein to support Federal Communications Commission (FCC) action in this proceeding that: is bold; eliminates regulatory uncertainty; encourages telecommunications infrastructure investment; and restricts the ability of states to add to the list of unbundled network elements (UNE) adopted by the FCC. The following points were also conveyed during the meeting. Like the RBOCs, independent ILECs have also been unreasonably burdened by the current UNE regime. UNE-P has discouraged facilities-based competition because under the TELRIC pricing structure it provides a disincentive for competitors to invest in facilities. ILECs would welcome the development of a robust, economically rational wholesale market for local exchange service. The current UNE regime is economically irrational and is blind to burgeoning inter-modal alternatives to ILEC telecommunications services. Further, USTA stated that switching should be removed from the UNE list, that UNE policy under Section 251 of the Telecommunications Act of 1996 is the sole province of the FCC, and that any state role must be limited to fact finding.

Marlene H. Dortch  
January 24, 2003  
Page 2

In accordance with FCC Rule 1.1206(b)(2), this Summary of *Ex Parte* Presentation is being filed electronically with your office for inclusion in the public record. Please feel free to contact me at (202) 326-7300 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Lawrence E. Sarjeant".

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Lawrence E. Sarjeant  
Vice President – Law &  
General Counsel

cc: Commissioner Jonathan Adelstein  
Lisa Zaina