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*Notice of Ex Parte Communication*

February 23, 2004

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12th Street, SW  
Washington, DC 20554

Re: WC Docket No. 03-251

Dear Ms. Dortch:

On February 23, 2004, on behalf of Americatel Corporation (“Americatel”), Denisse Becerra, Judith L. Harris and the undersigned met with Marvin Sacks, Steve Morris, Richard Kwiatkowski and Monica Desai from the Pricing Policy Division of the Wireline Competition Bureau, to discuss Americatel’s position in the above-captioned proceeding. We explained why the Commission should not permit the Bell Operating Companies (“BOCs”) to base prices for unbundled network elements (“UNEs”) on historical or embedded costs. We demonstrated how the BOCs have changed their economic theories underlying their recommended costs-for-pricing to achieve the desired result. The BOCs have long argued that prices for services should not be based on embedded costs, but now are arguing for UNE prices based on embedded costs in order to reduce the amount of local competition using UNEs. We also discussed the need for reasonable UNE prices for long distance carriers to enter the local market in order to compete against the BOCs’ service bundles. The attached material was used in the discussion and was left with the Commission Staff.

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Please place a copy of this letter and the accompanying attachment in the file for this proceeding. One electronic copy of this notice is being submitted to the Commission in accordance with Section 1.1206 of the Commission's rules.

Very truly yours,

/s/

Robert H. Jackson

cc: Marvin Sacks  
Steve Morris  
Richard Kwiatkowski  
Monica Desai