



UNITED STATES DEPARTMENT OF COMMERCE
National Telecommunications and
Information Administration
Washington, D.C. 20230

April 29, 2004

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APR 29 2004

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

RE: *Review of the Section 251 Unbundling Obligations for Incumbent Local Exchange Carriers*, CC Docket No. 01-338

Dear Ms. Dortch:

Enclosed please find an original and two (2) copies of the *ex parte* letter from Michael D. Gallagher, Acting Assistant Secretary for Communications and Information, U.S. Department of Commerce, to Chairman Michael K. Powell, in the above-referenced docket. A copy of the letter was sent to Chairman Powell and each of the Commissioners.

Please direct any questions you may have to the undersigned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kathy Smith".

Kathy Smith
Chief Counsel

enclosures

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The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Review of the Section 251 Unbundling Obligations for Incumbent Local
Exchange Carriers, CC Docket No. 01-338


Dear Chairman Powell:

On March 26, 2004, the President set out a bold new vision for broadband in America, establishing a national goal for universal and affordable access to broadband technologies by 2007. The President said in his Innovation speech on Monday, "a proper role for the government is to clear regulatory hurdles so those who are going to make investments do so."¹ As part of achieving the President's broadband vision, I am writing to encourage the Commission to continue its efforts to create a pro-investment environment for broadband deployment.

As the President stated, the Administration supported the Commission's decision in the Triennial Review Order "to eliminate burdensome regulations on new broadband networks."² This portion of the order was affirmed by the D.C. Circuit Court, providing a powerful incentive for incumbents and new entrants alike to invest in new broadband infrastructure.

The Commission now has before it petitions seeking to clarify the unbundling requirements applicable to fiber loops serving residential multiunit premises. These petitions give the Commission an opportunity to eliminate lingering regulatory uncertainty and to continue its efforts to create a pro-investment environment for broadband. Commission action on the petitions will increase the incentive for firms to invest in broadband facilities and services and help spur deployment of cutting edge broadband networks across the United States. I therefore

¹ President George W. Bush, Remarks at the American Association of Community Colleges Annual Convention, Minneapolis Convention Center, Minneapolis, Minnesota (April 26, 2004) (available at <http://www.whitehouse.gov/news/releases/2004/04/20040426-6.html>).

² *Id.*

The Honorable Michael K. Powell
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urge the Commission to act on the petitions as expeditiously as possible in order to clarify the treatment of fiber-to-the-home to include fiber loops serving residential multiunit premises.

Sincerely,

A handwritten signature in black ink, reading "Michael D. Gallagher". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael D. Gallagher
Acting Assistant Secretary for
Communications and Information

cc: The Honorable Kathleen Q. Abernathy
The Honorable Michael J. Copps
The Honorable Kevin J. Martin
The Honorable Jonathan S. Adelstein