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July 9, 2004

BY ELECTRONIC FILING

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

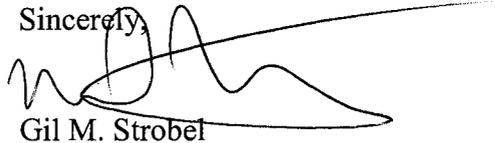
Re: *Ex Parte* Presentation, CC Docket No. 01-338

Dear Ms. Dortch:

On July 8, 2004, Thomas Sugrue, Harold Salters, Daniel Menser and Greg Tedesco of T-Mobile USA, Inc., and Ruth Milkman of Lawler, Metzger & Milkman, counsel to T-Mobile, met with David Furth, Stacy Jordan, Joseph Levin, Jeffrey Steinberg and Peter Trachtenberg of the FCC's Wireless Telecommunications Bureau to discuss the above-captioned proceeding. During the meeting, T-Mobile explained the importance of ensuring that wireless carriers have nondiscriminatory access to unbundled network elements, which are critical to the ability of wireless carriers to compete with incumbent local exchange carriers. The discussion was consistent with the points made in the attached presentation.

In accordance with the Commission's rules, this letter is being provided to you for inclusion in the public record of the above-referenced proceeding.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gil M. Strobel', is written over the word 'Sincerely,'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gil M. Strobel

Attachment

cc: David Furth
Stacy Jordan
Joseph Levin
Jeffrey Steinberg
Peter Trachtenberg

Access to Unbundled Network Elements for CMRS Providers

T-Mobile USA, Inc.

CC Docket No. 01-338

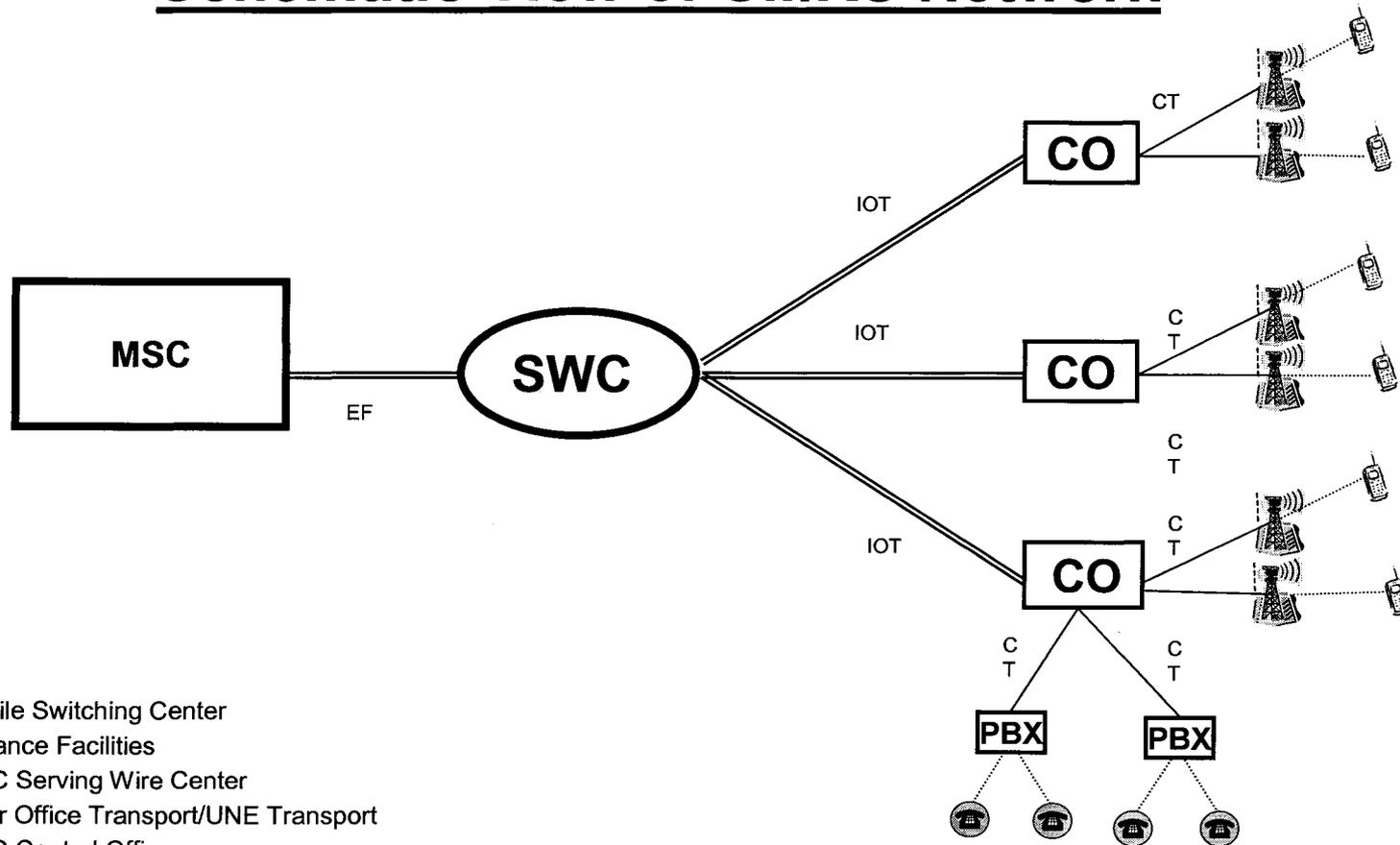
July 8, 2004

CMRS Is Critical To Residential Competition

- Chairman Powell long ago recognized that CMRS may offer the best hope of bringing local exchange competition to residential customers. (“Digital Broadband Migration” Part II, Oct. 2001)
 - FCC has found that CMRS providers offer services in competition with telecom services that traditionally have been within the exclusive domain of the ILECs. *TRO* ¶ 140
 - Intermodal competition plays an important role in the FCC’s impairment analysis. (*TRO* ¶¶ 5-6, 97; 140; *USTA*)
- CMRS will become an even more important alternative if UNE-P is not available

CMRS Providers Depend on ILEC Facilities to Reach End-User Customers

Schematic View of CMRS Network



- MSC - Mobile Switching Center
- EF - Entrance Facilities
- SWC - ILEC Serving Wire Center
- IOT - Inter Office Transport/UNE Transport
- CO - ILEC Central Office
- CT - Channel Termination/UNE Loop/subloop

Remand Issue: Links Connecting ILEC Networks To CMRS Facilities

- Court remanded FCC's decision on entrance facilities
 - Idea that network elements are limited to facilities within an ILEC's network has "little or no footing in the statutory definition."
(*USTA II*)
- FCC should find that connections between carriers' networks are network elements and conduct an impairment analysis for all links, including:
 - MSC-to-SWC
 - SWC-to-CO
 - CO-to-base-station
- There are virtually no alternatives for the critical CO-to-base-station connections and CMRS providers cannot offer service without these vital connections

Remand Issue: Relevance of Special Access

- Availability of special access should be given little weight
- To compete against ILECs, CMRS providers need access to key inputs at economic costs
 - All evidence shows that current special access rates far exceed economic costs
 - Average BOC rates of return have climbed from less than 8% in 1996 to more than 40% in 2003, with some BOCs reaching close to 70%
- FCC should focus on actual deployment of competitive facilities

Any Architectural Safeguards for EELs Must Be Compatible With CMRS Networks

- Goal of EELs service eligibility rules was to encourage the provision of local voice service “in direct competition to incumbent LEC service.” (*TRO* at ¶ 595)
- CMRS providers serve this goal, but may not meet wireline-centric eligibility rules
 - *E.g.*, CMRS providers often do not have “collocation arrangements” in every LATA
- A CMRS provider should be eligible for EELs if it
 - Is licensed to offer service in the relevant area; and
 - Has a point of interconnection in the LATA in which service is being offered