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ATTORNEYS AT LAW

September 14, 2005

EX PARTE – Via Electronic Filing

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

Re: WC Docket No. 05-65 (SBC-AT&T merger application)
WC Docket No. 05-75 (Verizon-MCI merger application)

Dear Ms. Dortch:

On September 13, 2005, Broadwing's CEO, Dr. David Huber, General Counsel, Kim Larsen, and Chief Regulatory Officer, Larry Strickling, and I met with Chairman Martin and his Wireline Legal Advisor, Michelle Carey, Commissioner Abernathy and her Acting Legal Advisor for Wireline Competition Issues, Russ Hanser, Commissioner Adelstein and his Legal Advisor for Wireline Issues, Scott Bergmann, and Jordan Goldstein and Jessica Rosenworcel, Commissioner Copps' Senior Legal Advisor and Competition and Universal Service Legal Advisor. We discussed the attached slides.

Sincerely,

/s/

Christopher J. Wright
Counsel to Broadwing Communications LLC

Broadwing FCC Presentation

Dr. David Huber, CEO

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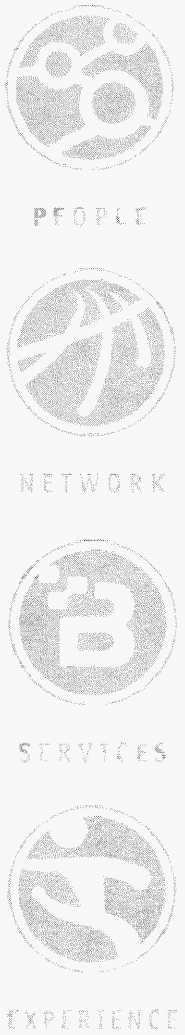
- Hurricane Katrina Response
- Broadwing's Concerns about the SBC/AT&T and Verizon /MCI Mergers



Broadwing

Broadwing Communications, LLC, Confidential & Proprietary Information

Corporate Overview

- Broadwing Communications, LLC, provides innovative communications networking solutions to enterprises and carriers.
  - Unique services enabled by our one-of-a-kind, nationwide, all-optical network. "All-optical" means our network requires less passive regeneration and has fewer points of failure, thus allowing for the highest performance.
  - Data, voice, video and high-capacity bandwidth
- We are an industry leader in bringing new services to market.
  - Converged services–plug and play converged network with L2 and L3 MPLS VPNs offers unparalleled flexibility.
  - Media services–point-to-point or point-to-multipoint used for the transport of high definition media content (MLB, NFL, NBA)
  - VOIP–in addition to our own retail offering, we are providing numbering and infrastructure support to VOIP providers such as Vonage.

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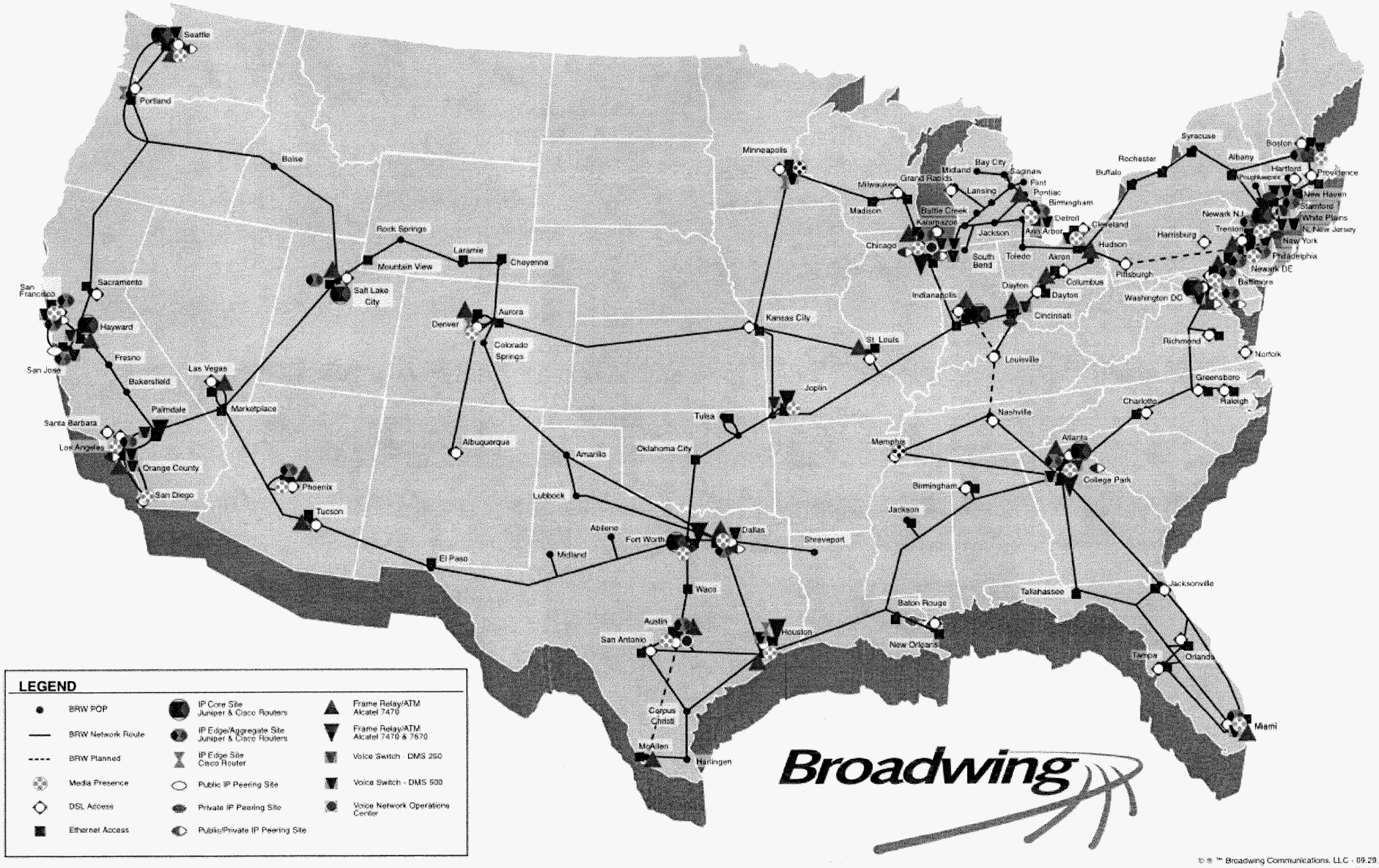
Unique Enabling Network



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Corporate History

1962	Tower Communications Systems, Inc Founded
1994	Became IXC Communications
1999	Acquired by Cincinnati Bell
2000	DEPLOYED WORLD'S FIRST ALL-OPTICAL NETWORK
2003	Corvis Acquires Broadwing Completed Significant Network Expansion Announced MultiConnect Line Extensions
2004	Launched *CoreConnect* Acquired Focal Communications Frost & Sullivan Award Broadwing Corporation Announced
2005	Launched GrandSLAm Unified SLA Announced Unique Converged Services Network Launched *PSTNConnect with SIP* 4th Anniversary of ULH All-Optical Network Completed Focal Network Integration Expanded Media Services Network to 20 Major U.S. Cities Launched Converged Services and VoIP

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Strong Financial Potential

- We can be a strong player in this industry.
  - $850 million annualized revenue in 2004
  - $440 million revenue in 1st half of 2005
  - $196 million in cash, equivalents and investments as of 6/30/05
  - Significantly lower debt than our peer group
  - Not yet cash flow positive
- We have a balanced revenue stream.
  - Customer mix–60% enterprise and 40% carrier
  - Product mix–50% data/private line and 50% voice

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Hurricane Katrina Response

- Dallas Reunion Arena
  - Rapidly installed and provided free telephone service to evacuees through 48-line phone bank in arena.
  - Deployed emergency personnel voice and data communications (25 voice lines and IP T-1s) within Reunion Arena and the Dallas Convention Center.
- Austin Convention Center
  - Providing free telephone service to evacuees through 48-line phone bank we installed in convention center.
  - Deployed 24 voice lines and an IP DS3 to support FEMA and the Red Cross.
- New Orleans POP
  - Our POP remained fully operational throughout the storm and subsequent flooding and is fully functional on generator power. Just completed installation of media services for network television transmissions.

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Concerns About the Bell/IXC Mergers

- Special access
  - We are concerned that these mergers (1) will reduce competition in the market for wholesale special access services and (2) likely could lead to unfair and discriminatory pricing and provisioning of these crucial circuits.
- Internet backbones
  - We are concerned that the mergers of two significant Internet backbone providers (AT&T and MCI) with two of the largest providers of high-speed Internet access (SBC and Verizon) will result in two "mega peers" with the potential to de-peer competitors such as Broadwing and dominate the market.

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Special Access—Loss of Competition

- These mergers will have an adverse effect on competition in the market for special access services.
  - Today, while we depend on the Bells for the majority of our special access circuits, particularly DS-1s, AT&T and MCI are significant suppliers to us and their presence in the market has disciplined the pricing behavior of the Bells.

Cust. Ckts.	Bells	ATT/ MCI	Other CLEC
DS-1	86% $83m	6% $13m	8% $17m
DS-3	55% $30m	25% $13m	20% $19m
OC-n	44% $9m	18% $3m	38% $8m

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Special Access—Loss of Competition

- We cannot economically self-supply access to customer buildings.
  - We have connected only a handful of buildings to our network, mainly to interconnect with other carriers at an OC-n level.
  - Building out DS-1s and DS-3s to customer buildings is not an economically viable strategy for us–customers will not wait for us to build out and there is too great a risk of stranded capital.
- The competitive industry cannot replace the AT&T (Teleport) and MCI (MFS, Brooks) local networks to connect to enterprise buildings at the DS-1 and DS-3 levels.

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Special Access—Risk of Discrimination

- Even if AT&T and MCI did not have substantial local assets that overlapped those of SBC and Verizon, we would be concerned about the increased risk of price and service discrimination that would result from the Bells' acquisition of the two largest independent interexchange carriers.
- We spend just under $300 million annually on local and metro special access circuits.
- Given the critical importance of special access to our ability to offer services, if the merging parties are allowed to discriminate in pricing or provisioning it will greatly impede our ability to remain competitive.

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Broadwing
Connecting with Customers at the Speed of Light