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May 03, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
Washington, DC 20554

Re: WC Docket Nos. 04-223, 05-281

Dear Ms. Dortch:

Pursuant to Section 1.1201 of the Commission's rules, this will provide notice that on May 2, 2006 Matthew Feil, General Counsel, FDN Communications, Inc. and the undersigned met with Scott Bergmann, Office of Commissioner Jonathan S. Adelstein, and Scott M. Deutchmann, Office of Commissioner, Michael J. Copps concerning issues in the above-captioned proceedings. We expressed the views that the Commission should preserve UNE-L competition; that there is no basis for forbearance in the Anchorage market, particularly since General Communication, Inc. uses UNEs; that ACS of Anchorage, Inc. has failed to adequately identify relevant geographic and product markets; and that Commission's approach to forbearance in Omaha was flawed in that intermodal competition does not justify limiting intramodal competition where impairment exists under the Commission's rules. We also presented views set forth in the attached document, which was provided at the meetings.

Sincerely,

/s/
Patrick J. Donovan.

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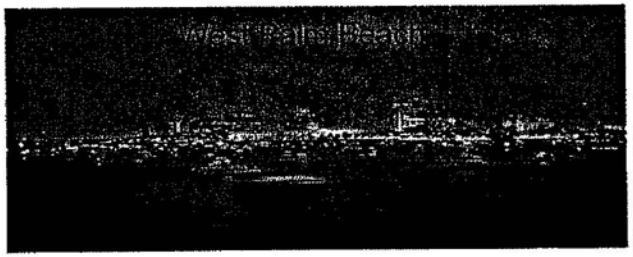
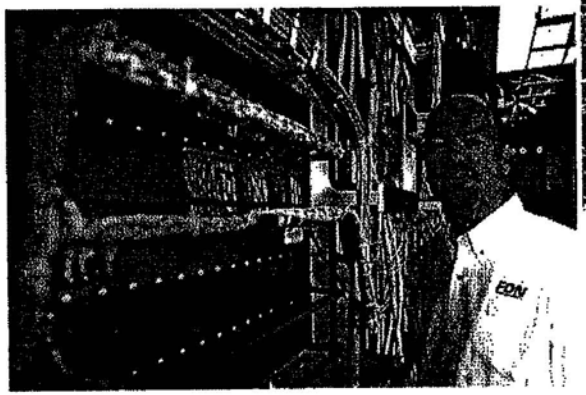
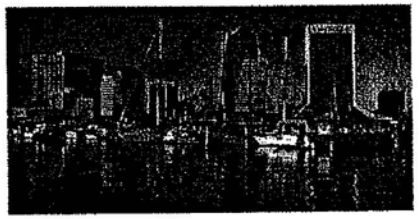
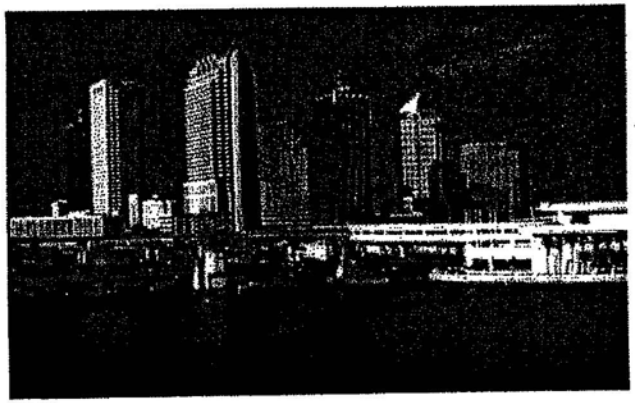
FDN
COMMUNICATIONS

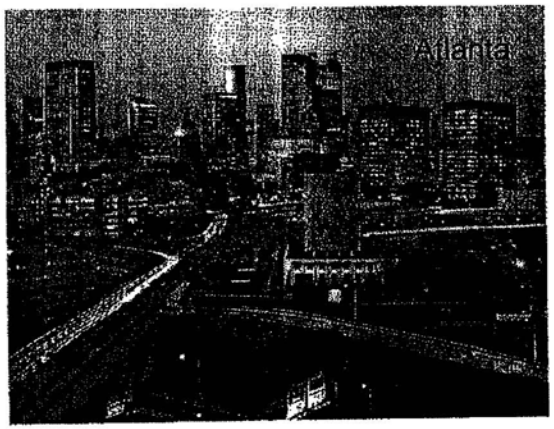
Competition in Florida Today & Tomorrow: How FDN Fits In

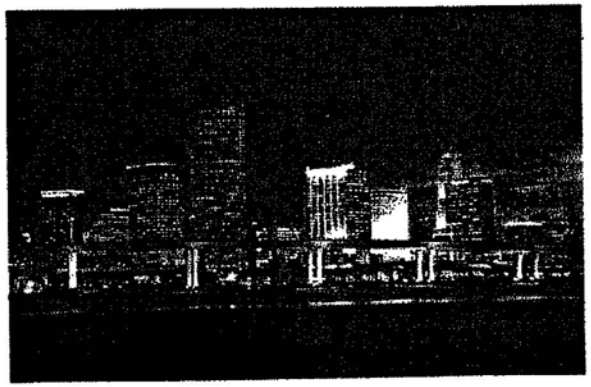








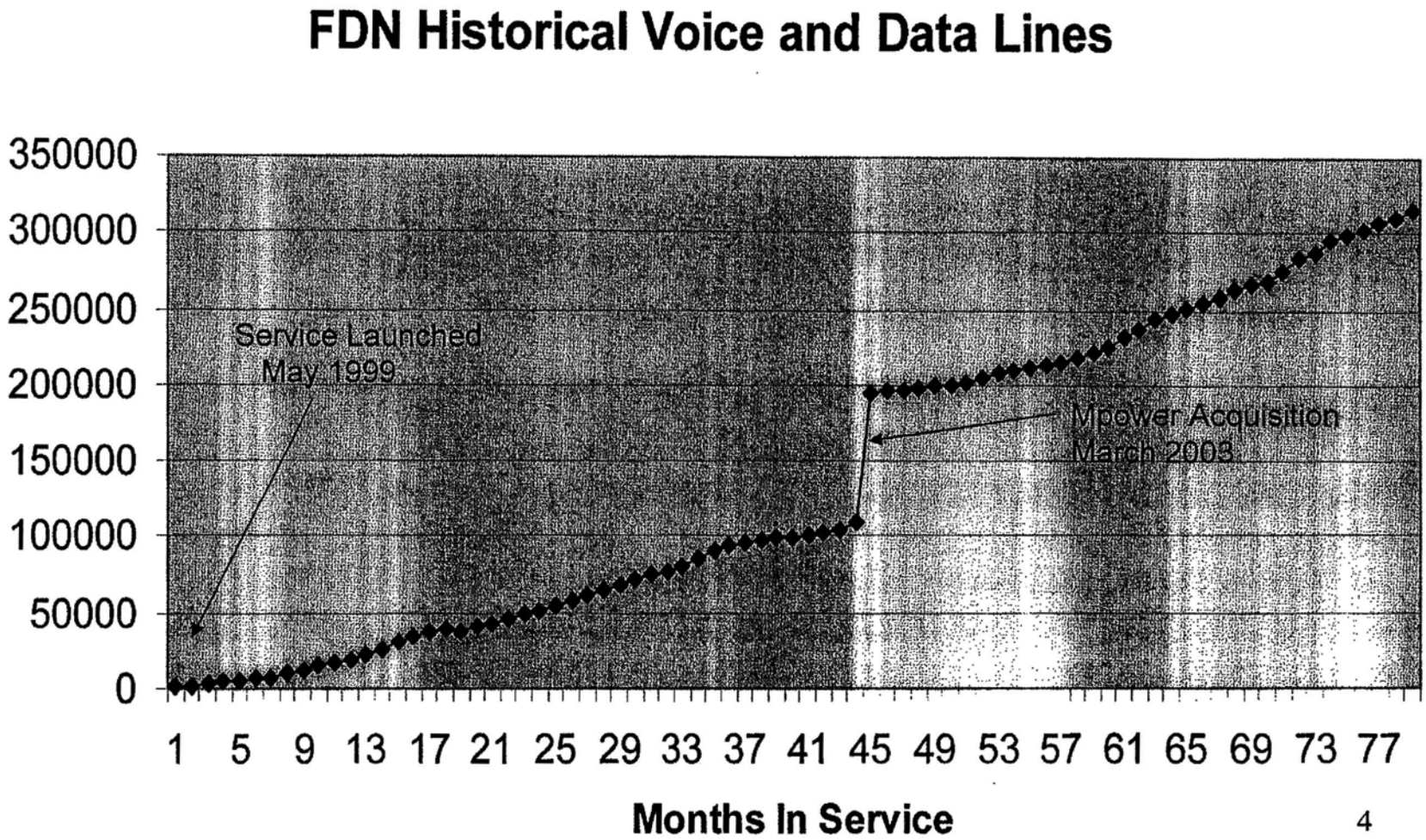




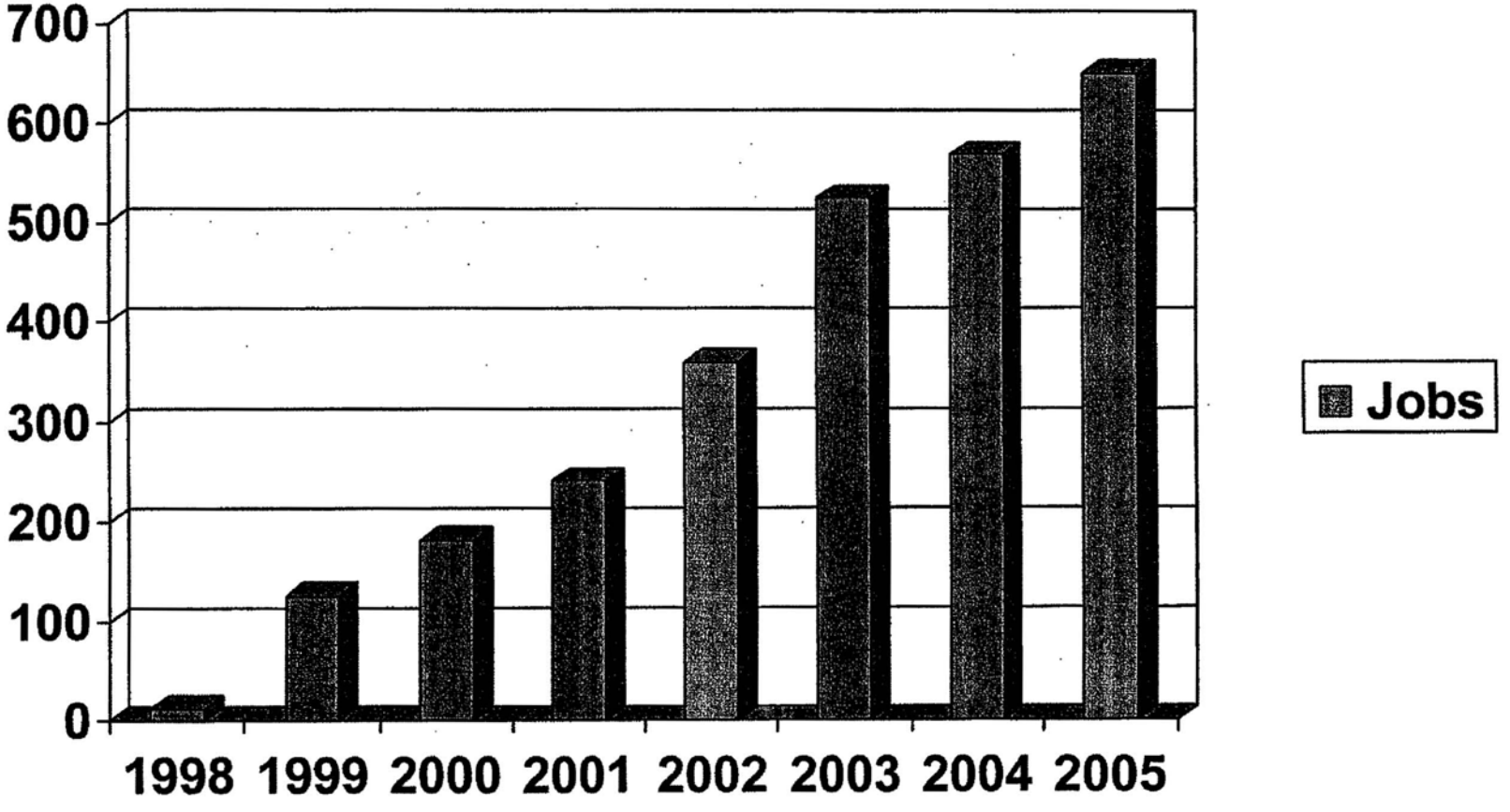
FDN History

- The Telecom Act passed in 1996. The purpose of the Act was to bring the benefits of competition to everyone, not just the big business customer the CAPs could serve. FDN was founded in Florida in 1998 after FDN founders observed successful UNE loop provisioning in Texas and Michigan.
- FDN launched services in Orlando in May 1999, Ft. Lauderdale, Jacksonville, West Palm Beach, Tampa and Miami followed by 2000.
- In March 2003 FDN purchased and successfully integrated Mpower Communications Florida & Georgia customer base into its own.
- In 2005, FDN acquired half interest in Supra Telecommunications, a provider of residential communications services in Florida.
- Today, FDN has more UNE loops in service than any other CLEC in Florida and Georgia, FDN is financially healthy and is one of Florida's top 200 companies.

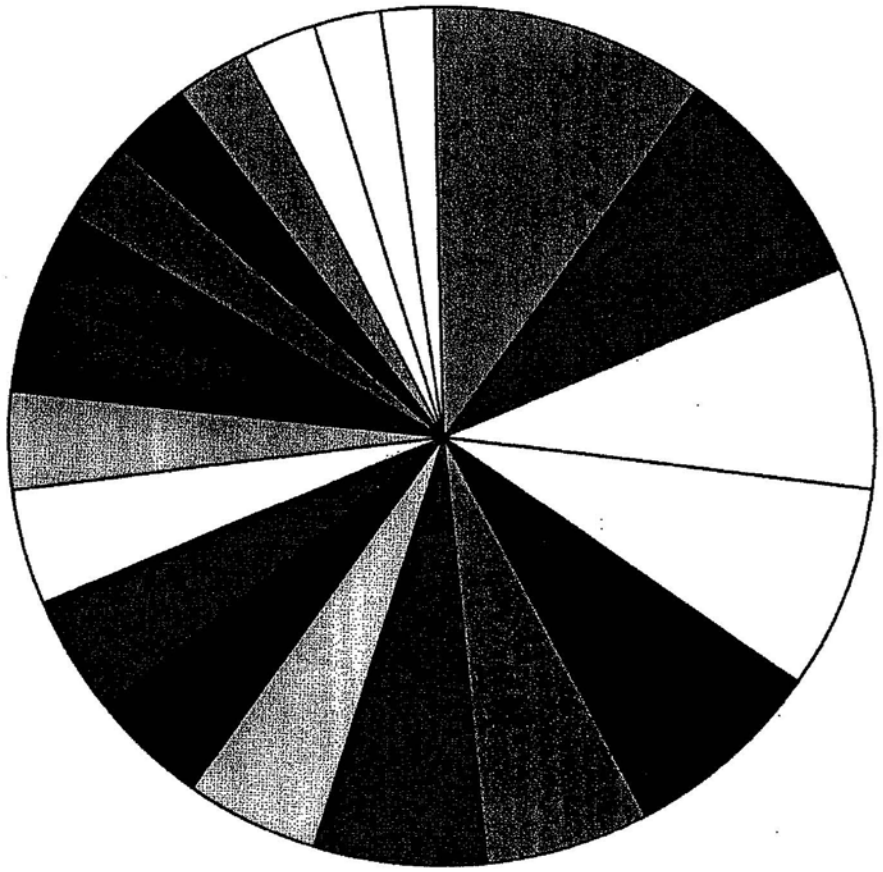
FDN: Entrenched and Growing



FDN Contributes Economic Growth



FDN's Rainbow of 65,000 Customers



- Health Services
- Real Estate
- Eating and Drinking Places
- Personal Services
- Business Services
- Miscellaneous Retail
- Wholesale Trade - Durable Goods
- Engineering, Accounting, Research, Management & Re
- Insurance Agents, Brokers and Service
- Legal Services
- Automotive Repair, Services and Parking
- Construction - Special Trade Contractors
- Home Furniture, Furnishings and Equipment Stores
- Automotive Dealers and Gasoline Service Stations
- Food Stores
- Nondepository Credit Institutions
- Membership Organizations
- Social Services
- Building Cnstrctn - General Contractors & Operativ
- Apparel and Accessory Stores

Mix of FDN's Customers

Top 10 SIC

SIC	SIC Description	% of FDN Base by Line Count	% with 4 lines and below	Avg. Employees	% of Florida Market
80	Health Services	8.1%	46%	8.9	6.8%
58	Eating and Drinking Places	7.0%	71%	17.6	5.1%
72	Personal Services	6.8%	85%	4.3	5.3%
59	Miscellaneous Retail	5.4%	70%	4.7	5.8%
65	Real Estate	5.4%	41%	7.2	5.4%
50	Wholesale Trade - Durable Goods	5.2%	47%	8.3	5.4%
73	Business Services	5.0%	46%	7.8	6.0%
87	Engineering, Accounting, Research, Management & Re	3.7%	49%	6	3.9%
64	Insurance Agents, Brokers and Service	3.5%	41%	4.5	1.6%
75	Automotive Repair, Services and Parking	3.4%	78%	4.3	2.6%

*SIC = Standard Industry Classification

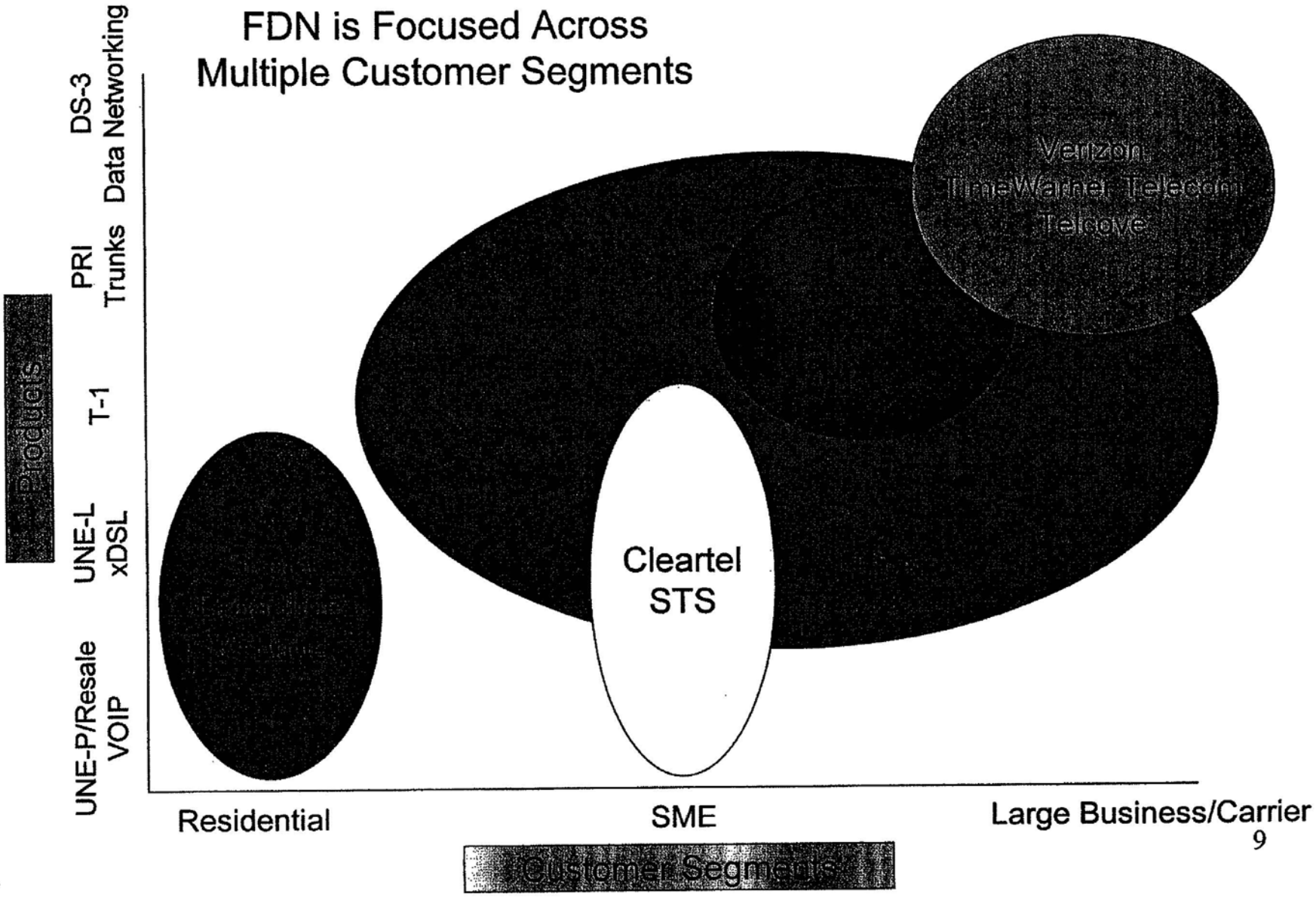
Broadest Suite of Business Communications Services

- Voice Services
  - Flat rate business lines.
  - Complete Voice® – Feature-rich business lines.
  - Enhanced calling features.
  - Voice and Data over integrated or burstable T1.
  - Centrex – PBX functionality.
  - PBX Trunks (Digital and Analog)
  - PRI (Primary Rate Interface)
  - Voice Mail
  - Vanity Numbers
  - Foreign Exchange and Remote Call Forward (RCF) numbers.

- Long Distance Services
  - Intra-LATA, Intrastate, Interstate and International Long Distance.
  - Switched & Dedicated.
  - Account Codes.
  - Toll Free Services with features such as geographical or time of day routing
  - Calling Cards
  - Management Reports

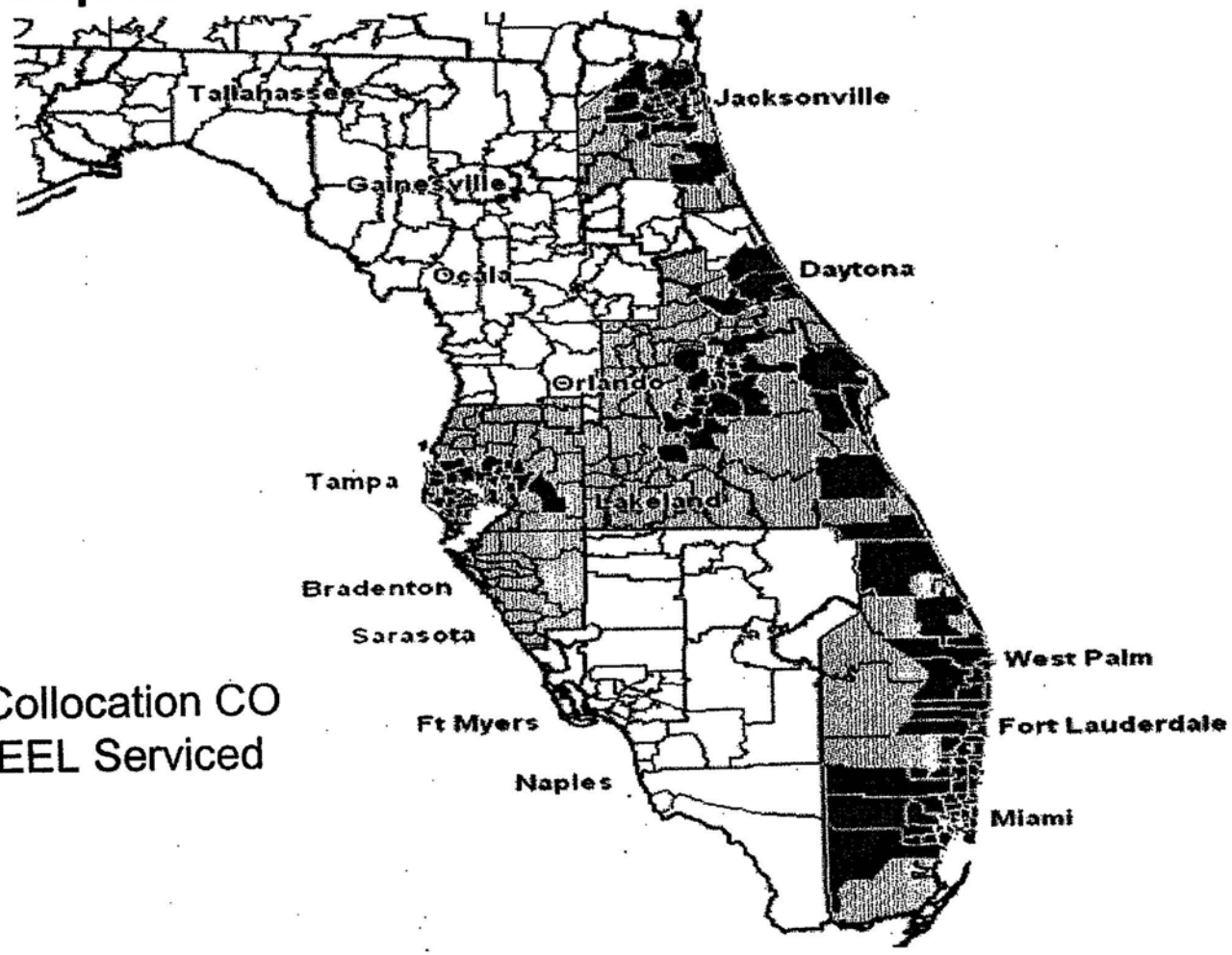
- Data Service
  - Dial-up & Dedicated Internet Access.
  - Web Hosting & Email.
  - IDSL, ADSL & SDSL – All with Static IPs.
  - Managed Routers.
  - T1, Fractional, Full or Integrated and Burstable up to 1.5Mbps.
  - Frame Relay Service (I-FRAME).
  - Collocation Services.

FDN is Focused Across Multiple Customer Segments



Where Does FDN Provide Service?

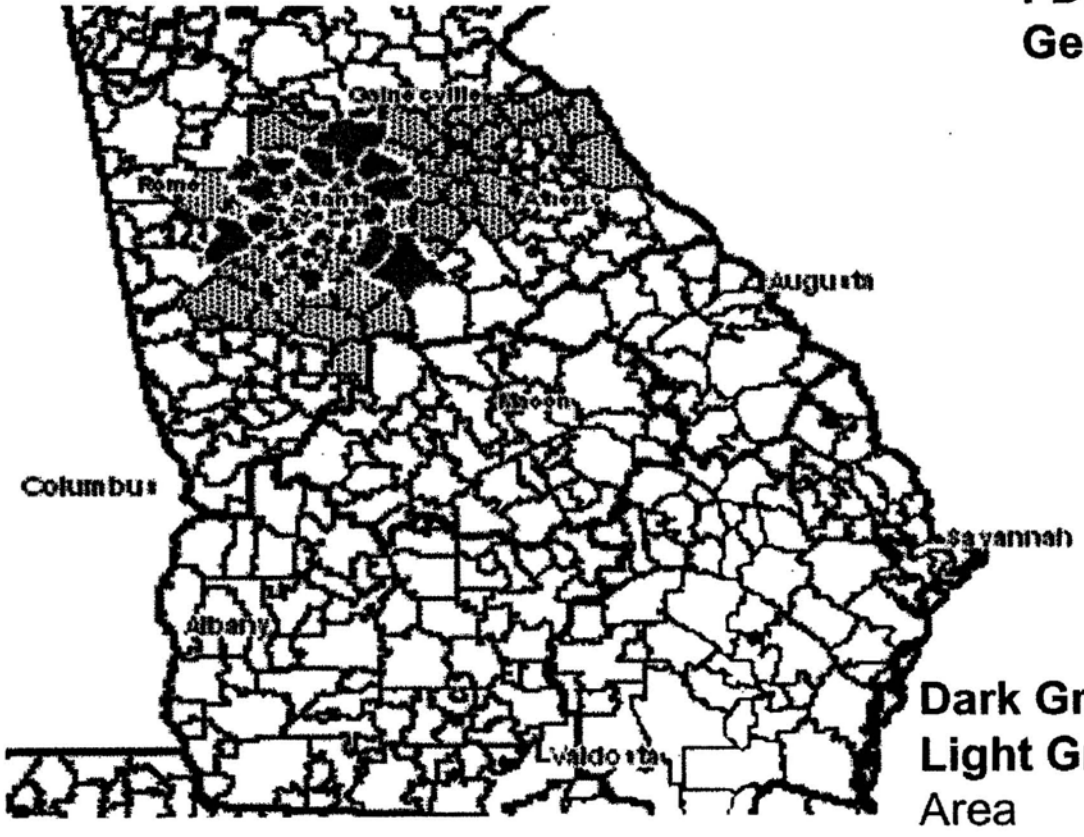
FDN Service Footprint



Dark Green: Collocation CO
Light Green: EEL Serviced Area

Where Does FDN Provide Service?

FDN Service Footprint
Georgia



Dark Green: Collocation CO
Light Green: EEL Serviced Area

The Market:
Wireline Business Service

- Competitive carriers have about 34% market share in Florida as of May 2005
- For that trend to hold steady, economic access to copper -- the foundation for UNE-L and a data strategy -- is required.
- Cable companies do not compete heavily in the Florida and Georgia business markets and will not in the foreseeable future.

The Market:
Wireline Residential Service

- Competitive carriers have about 9% market share in Florida as of May 2005
- Without UNE-P, this may decrease in the short term
- Economic access to copper is the foundation for UNE-L and a "third pipe" data strategy for residential wireline competition.
- Many consumers do not yet want broadband, but are entitled to competitive choice for voice services. UNE-L is the way to bring them choice.

The Market:

Broadband Issues

- Broadband over power line and WiMax are in experimental stages. Available WiMax equipment is often not designed for voice service.
- Wireless spectrum issues: access, availability, reliability.
- A duopoly for broadband service will not benefit consumers.

  In a duopoly a market with only two competitors, supracompetitive pricing at monopolistic levels is a danger.... The combination of concentrated markets and barriers to entry is a recipe for price coordination.

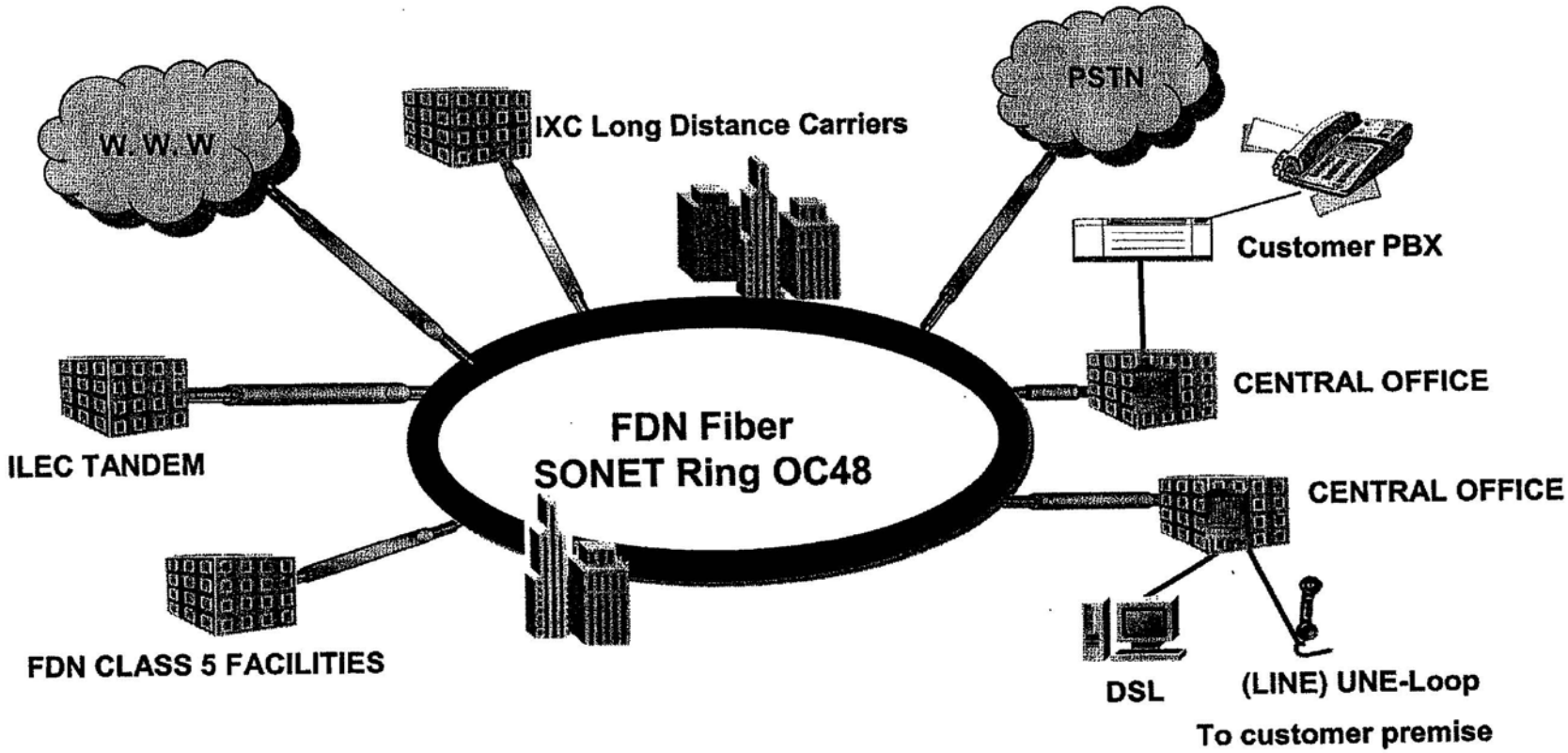
- FDN wants to provide a third choice for consumers.

FDN's Network:

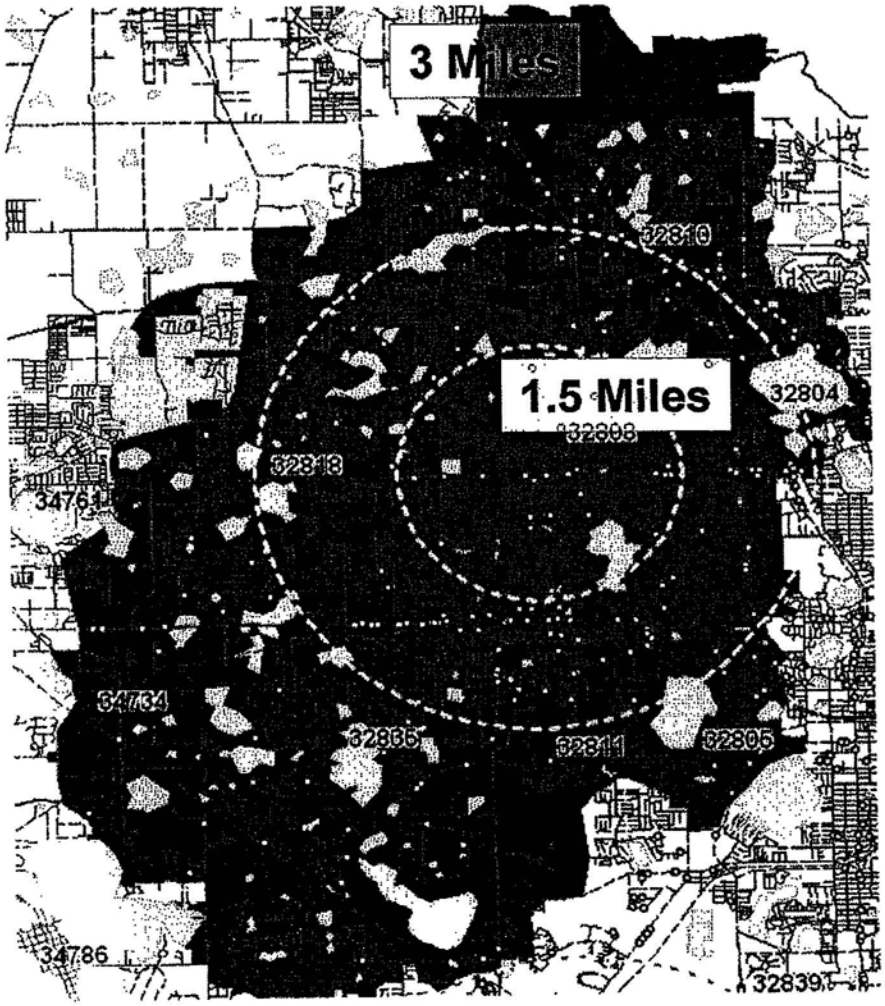
Leveraged for the Florida & Georgia Markets

- FDN has invested over $100M in network and collocations.
- FDN has more UNE-L loops in service in the states of Florida and Georgia than all other CLECs.
- FDN market penetration is estimated to be between 5% to 10% of small and medium sized businesses.
- FDN operates a facilities based network with over 260 collocation sites in the BellSouth, Sprint and Verizon territories.
- Six Class 5 Nortel DMS 500 Switches, 5 Juniper Core Routers and 6 Marconi ATM Switches.
- FDN is now investing millions in ADSL2+ and VOIP

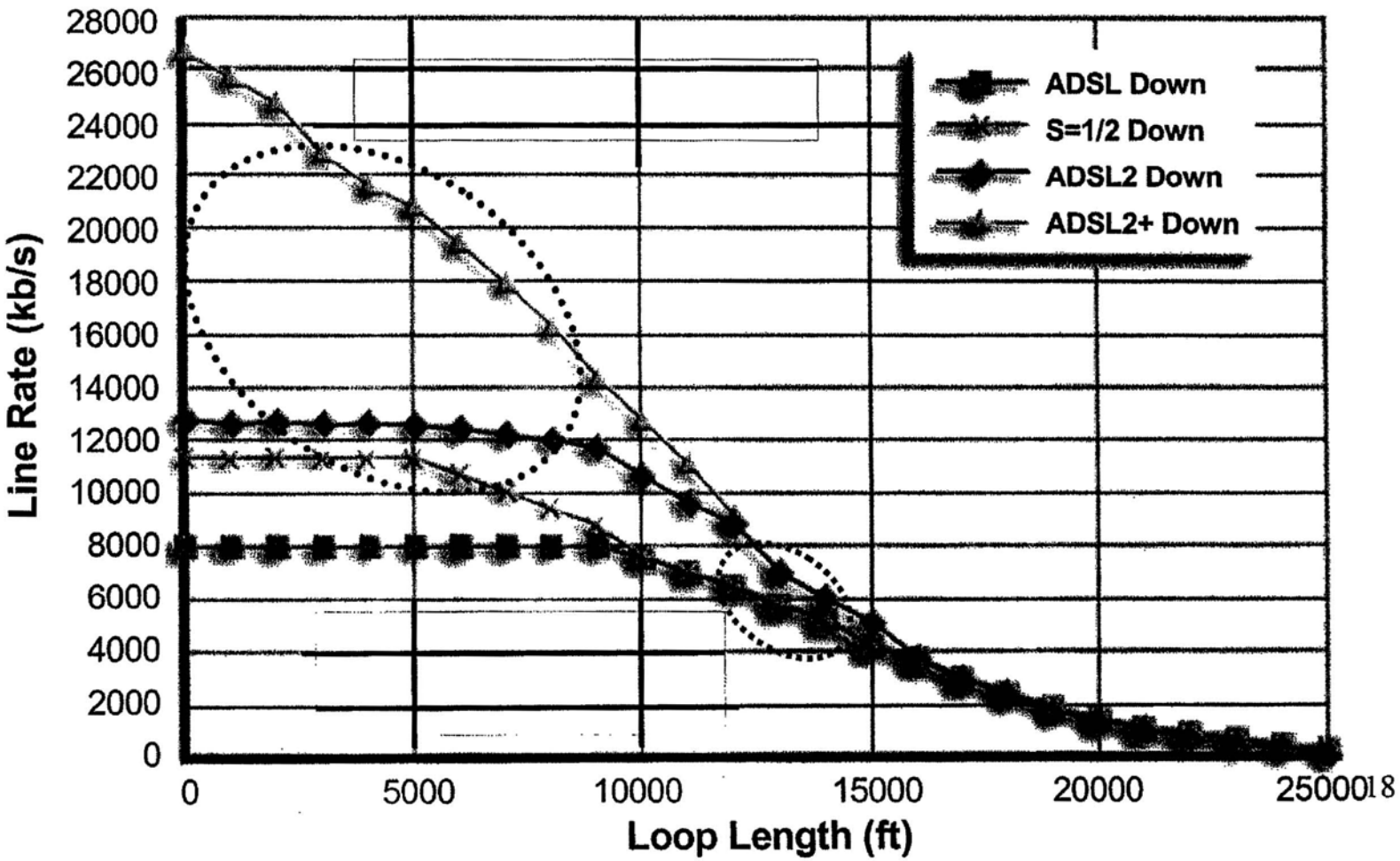
Metro Network Overview



Typical LSO Footprint: The Reach of Copper



FDN "Speeding up" Copper Loops Via ADSL2+



About FDN's Direction....

- Stay the course on serving small business and UNE-P wholesale replacement.
- Retain regional strategy resulting in responsible growth instead of spreading our resources too thin.
- Focus on excellent customer service... our customers and our quality of service are our best advertising.
- Grow our business through organic growth, eye other opportunities.
- Engage regulators and lawmakers on importance of UNEs and choice for "the little guy."
- Deploy products needed by small business and wholesale/mass market customers.