



October 27, 2006

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

Re: Application for Consent to Transfer Control of BellSouth Corporation to AT&T, Inc. WC Docket No. 06-74

Dear Ms. Dortch:

Global Crossing submits this letter as a follow up to our October 16, 2006 *ex parte* meeting with Commissioner Adelstein and Scott Bergmann. Like many other parties to this proceeding, Global Crossing North America, Inc. ("Global Crossing") has raised concerns about the Applicants' pricing power in the special access market, especially when the proposed transaction will eliminate AT&T as a competitive supplier of special access services in the BellSouth region. The attached charts provide an illustration of BellSouth's pricing power and the impact of AT&T's exit from the BellSouth market. The charts are based on actual pricing data Global Crossing utilizes in its decision-making process for the purchase of special access services in the Atlanta, Georgia market. These charts illustrate the prices charged by a variety of carriers on a specific route within Atlanta. The six charts are really two sets of three charts. The first set is for DS1 services of 0-mile, 5-mile, and 10-mile lengths. The second set is for DS3 services of 0-mile, 5-mile, and 10-mile lengths.

The BellSouth rates are derived from their publicly available tariffs and the actual rates are revealed. The rates for other carriers, including AT&T's CLEC subsidiary in Atlanta, are derived from contracts Global Crossing has with its access vendors. While AT&T is identified on the charts, the names of the other vendors are not, nor are the actual prices revealed for any of the vendors other than BellSouth in order to protect proprietary pricing information. Even in the absence of precise detail, the charts demonstrate a clear and significant pricing differential between BellSouth and the rest of

the market, including AT&T's CLEC subsidiary. While some modest discounts (21%) off the tariff are attainable from BellSouth, the discounts do not bring BellSouth's rates into parity with the other vendors and nonetheless require extreme volume and term commitments from Global Crossing which prevent Global Crossing from utilizing the services of these other vendors despite a sizeable price advantage. Moreover, because these other vendors serve only a fraction of the total number of buildings served by BellSouth, Global Crossing often has no choice but to use BellSouth's services.

In addition to highlighting the pricing differentials that exist in the market, these charts also serve to illustrate the type of evidence that could be put forth in a simple baseball style, or final offer arbitration process as described in Global Crossing's previous comments in this proceeding and those of other parties.¹ Global Crossing believes that if it is allowed the opportunity to present to an experienced commercial arbitrator the sort of evidence illustrated in the attached charts, commercial reasonableness would prevail and BellSouth's special access prices would be brought in line with prevailing market trends. Of course, BellSouth could avoid arbitration if it presented commercially reasonable terms and conditions for its special access services during contract negotiations. In either event, the availability of final offer arbitration will inject a new dynamic into the negotiating process for special access services and allow the market to function more effectively and efficiently.

Respectfully submitted,

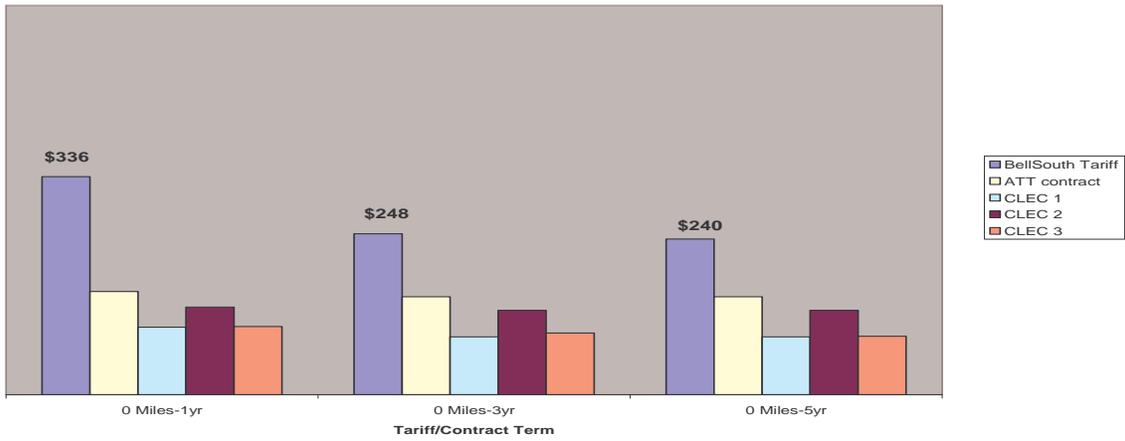
GLOBAL CROSSING NORTH AMERICA, INC.

/s/

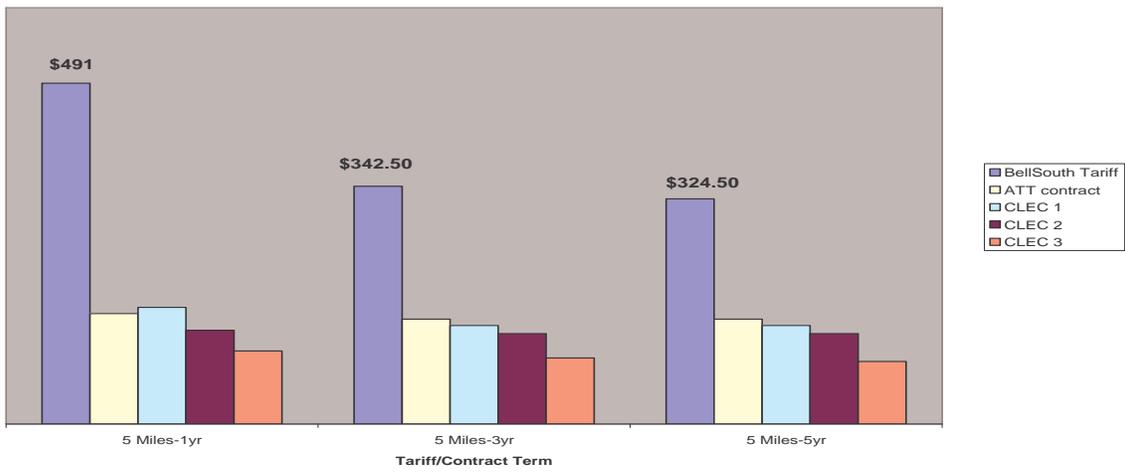
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¹ See, *Ex Parte* from Comptel et. al. filed September 22, 2006.

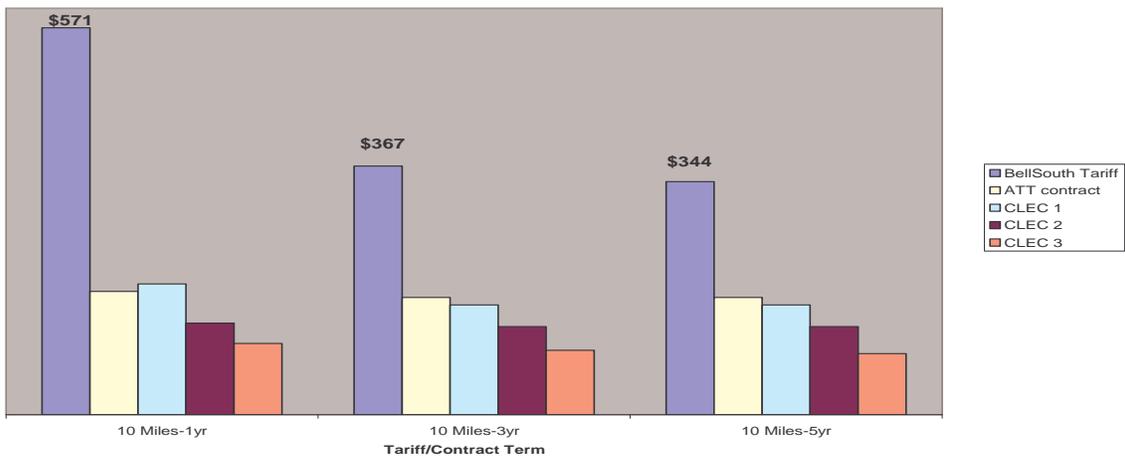
**Atlanta DS1 Comparison: 0 Mile
Rates effective October, 2006**



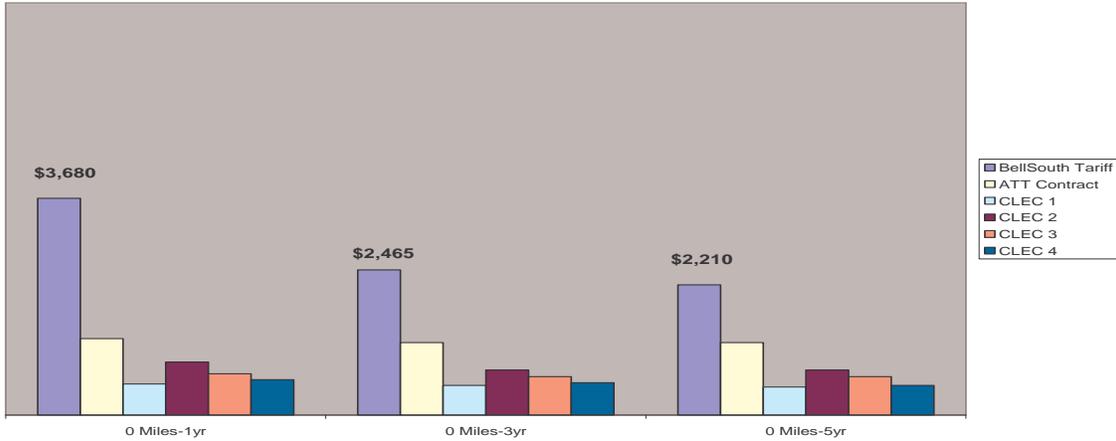
**Atlanta DS1 Comparison: 5 Mile
Rates effective October, 2006**



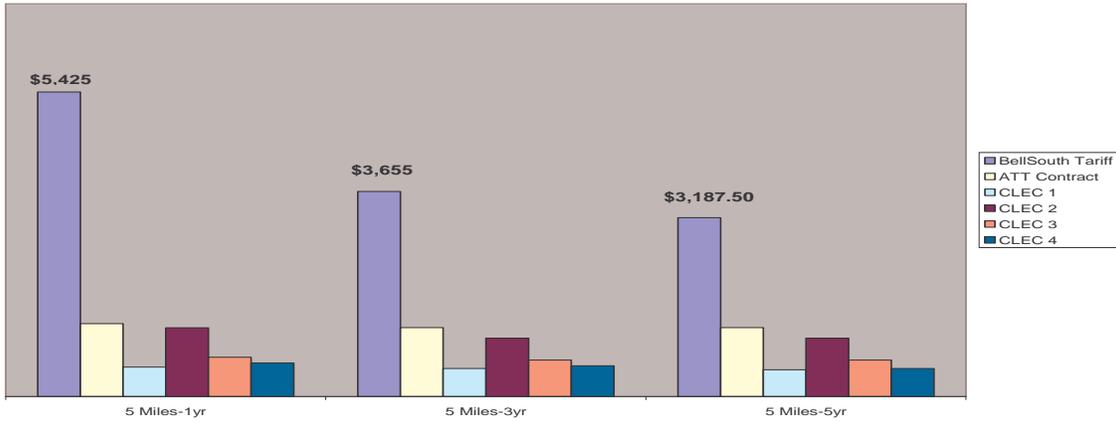
**Atlanta DS1 Comparison: 10 Mile
Rates effective October, 2006**



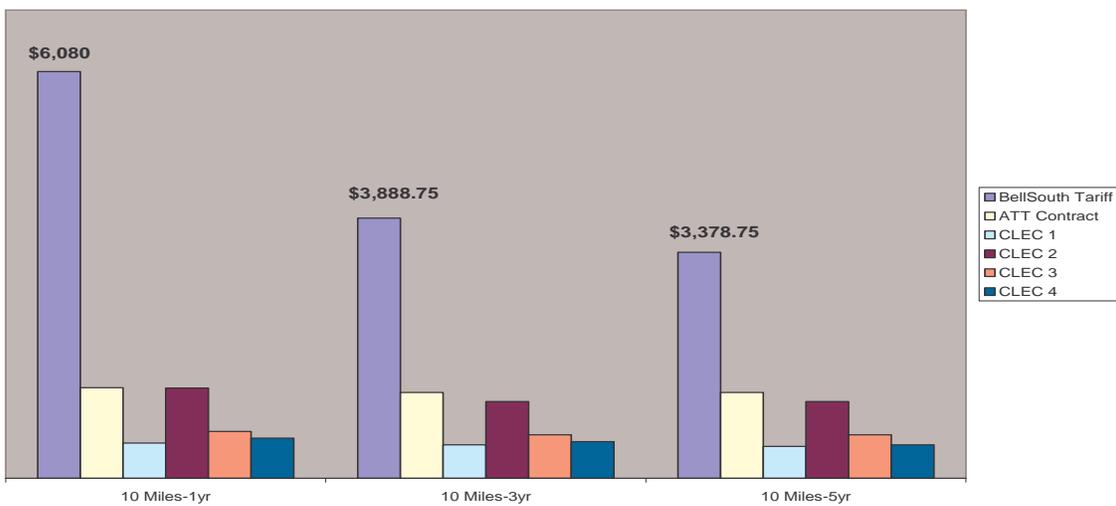
**Atlanta DS3 Comparison: 0 Mile
Rates effective October, 2006**



**Atlanta DS3 Comparison: 5 Mile
Rates effective October, 2006**



**Atlanta DS3 Comparison: 10 Mile
Rates effective October, 2006**



CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Comments of Global Crossing North America, Inc. was served via electronic mail this 27th day of October, 2006, upon the following:

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