



December 26, 2006

EX PARTE

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

Re: Ex Parte, WC Docket No. 06-74

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, COMPTEL hereby gives notice that on December 23, 2006, its representative had a conversation with Scott Bergmann, Legal Advisor to Commissioner Adelstein. In this meeting, COMPTEL explained the importance of eliminating entirely AT&T's post-merger ability to use its anticompetitive "bundled discount" contract structure to impede prospective entry by alternative providers of wholesale metro transmission services in competition with the incumbent LEC's special access services. Were the Commission to allow AT&T to provide a "bundled discount" contract tariff (like its "MVP" plan) with a steeper discount structure alongside a contract tariff that simply prescribed set discounts for set volumes, the Commission will not have eliminated the problems created by the bundled discount contracts.

As an initial matter, COMPTEL explained that only AT&T can supply all of any customer's demand, and most of AT&T's special access customers are engaged in intensely competitive industries, and, thus, must get the lowest possible input price from AT&T. Therefore, customers will be constructively foreclosed from using more efficient competitors for a smaller portion of the customer's access demand. This will lead to higher overall prices for the customer, vis-à-vis a similarly-discounted plan based solely on volume purchased (vs. percent of customer's total

demand, or previous year's demand). Moreover, the problem that such contracts discriminate against third-party competitors is also not addressed if AT&T, post-merger, is allowed to continue to offer these anticompetitive contracts in any guise.

Representing COMPTEL was the undersigned attorney.

Sincerely,

/s/ Jonathan Lee
General Counsel