

# LATHAM & WATKINS<sup>LLP</sup>

## FIRM / AFFILIATE OFFICES

Barcelona	New Jersey
Brussels	New York
Chicago	Northern Virginia
Frankfurt	Orange County
Hamburg	Paris
Hong Kong	San Diego
London	San Francisco
Los Angeles	Shanghai
Madrid	Silicon Valley
Milan	Singapore
Moscow	Tokyo
Munich	Washington, D.C.

September 4, 2007

## **BY ELECTRONIC FILING**

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

Re: RM-11293 – Ex Parte Submission

Dear Ms. Dortch:

CenturyTel, Inc. (“CenturyTel”) is filing this *ex parte* submission to provide the Commission additional information on the record in the above-captioned proceeding. Pole attachments continue to be essential inputs for telecommunications service providers, including incumbent local exchange carriers (ILECs), most notably in rural areas where laying telephone lines underground is often uneconomical, particularly in rocky terrain. Often, electric utilities enjoy bottleneck control of these facilities. Many states have refused to regulate pole attachment rates, however, leaving ILECs with no alternative but to pay monopoly rents to utilities, while their competitors enjoy the protection of the FCC’s rules regulating pole attachment rates.

CenturyTel has seen significant increases in the utilities’ pole attachment rates for ILECs, which are now well in excess of the rates for either competitive local exchange carriers (CLECs) or cable system operators. For example, CenturyTel’s Southern Region, which serves approximately 631,000 access lines, has seen pole attachment rental expenses nearly double from 2002 to 2007. Meanwhile, the total number of access lines has decreased, due in large part to wireless substitution, making the increase in per-customer pole attachment costs even more staggering. Next year, the pole attachment expenses for CenturyTel Southern Region are projected to increase by approximately fifteen percent more, making pole attachment expenses the fastest-growing line item expense in its budget.

The delivery of broadband service to rural areas requires a significant number of pole attachments: CenturyTel estimates that its Wi-Fi deployment requires approximately 24 poles per square mile for an outdoor coverage and 49 poles per square mile for first-room indoor coverage. The stakes are high, but with minor reforms to its rules, the Commission can facilitate broadband competition and encourage additional deployment of broadband capabilities by curbing the electric utilities’ ability to charge monopoly rents.

LATHAM & WATKINS LLP

The legal arguments underlying this *ex parte* submission are summarized in CenturyTel's June 27<sup>th</sup> *ex parte* filing, and in CenturyTel's comments in support of the above-captioned petition for rulemaking, filed in the record in this proceeding. CenturyTel's February 21<sup>st</sup> *ex parte* filing in this proceeding sets forth in further detail the discriminatory charges it has been experiencing.

Please direct any questions concerning this matter to me.

Very truly yours,

/s/

Karen Brinkmann

*Counsel to CenturyTel, Inc.*

cc: Thomas Navin, Chief, Wireline Competition Bureau  
Marcus Maher, Legal Counsel, Wireline Competition Bureau  
Randy Clarke, Legal Counsel, Wireline Competition Bureau