

October 11, 2007

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***ERRATUM***

*Via Electronic Filing*

Marlene H. Dortch

Secretary

Federal Communications Commission

445 12th Street, S.W.

Washington, D.C. 20554

Re: *Petitions of AT&T Inc., BellSouth Corporation, the Embarq Local Operating Companies, and Qwest Pursuant to 47 U.S.C. 160(c) for Forbearance from Title II and Computer Inquiry Rules with Respect to Broadband Services, WC Docket Nos. 06-125 & 06-147*

*Petitions of Verizon Telephone Companies Pursuant to 47 U.S.C. 160(c) for Forbearance from Title II and Computer Inquiry Rules with Respect to their Broadband Services, WC Docket Nos. 04-440*

*In re Special Access Rates for Price Cap Local Exchange Carriers, WC Docket No. 05-25*

Dear Secretary Dortch:

On October 9 BT Americas, Inc. ("BT") filed an *ex parte* in the above referenced docket. BT is submitting the attached revised *ex parte* with the following changes:

(1) The addition of the following sentence following the first sentence in the second paragraph on p. 1 (which was inadvertently omitted): "The pricing has been calculated by adding the non-recurring and recurring charges over sixty months and dividing such charges by sixty to arrive at a monthly rate" followed by new footnote 1: "Note that Verizon's LAN Extension Service is available only for 3 year periods but BT has calculated the monthly rate as if the service were available for five years."

(2) BT has also added the following clause at the end of the third sentence in that paragraph: ", and is additional information showing that the Ethernet market in the USA is not competitive and hence should not be deregulated."

(3) BT also made two minor changes to further clarify what was said there:  
(i) on p. 1, adding the word "wholesale" in the third sentence between the words "BT's"

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and “service costs” and (ii) on p. 3, changing “BT Openreach’s Ethernet Access Service” which previously read “BT’s Openreach’s Ethernet Access Service”

Thank you for your cooperation in this matter. Please do not hesitate to contact me if you have any questions.

Respectfully submitted,

/s/

Aryeh Friedman

Attachment

cc: (via e-mail)  
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Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: *Petitions of AT&T Inc., BellSouth Corporation, the Embarq Local Operating Companies, and Qwest Pursuant to 47 U.S.C. 160(c) for Forbearance from Title II and Computer Inquiry Rules with Respect to Broadband Services, WC Docket Nos. 06-125 & 06-147*

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*In re Special Access Rates for Price Cap Local Exchange Carriers, WC Docket No. 05-25*

Dear Secretary Dortch:

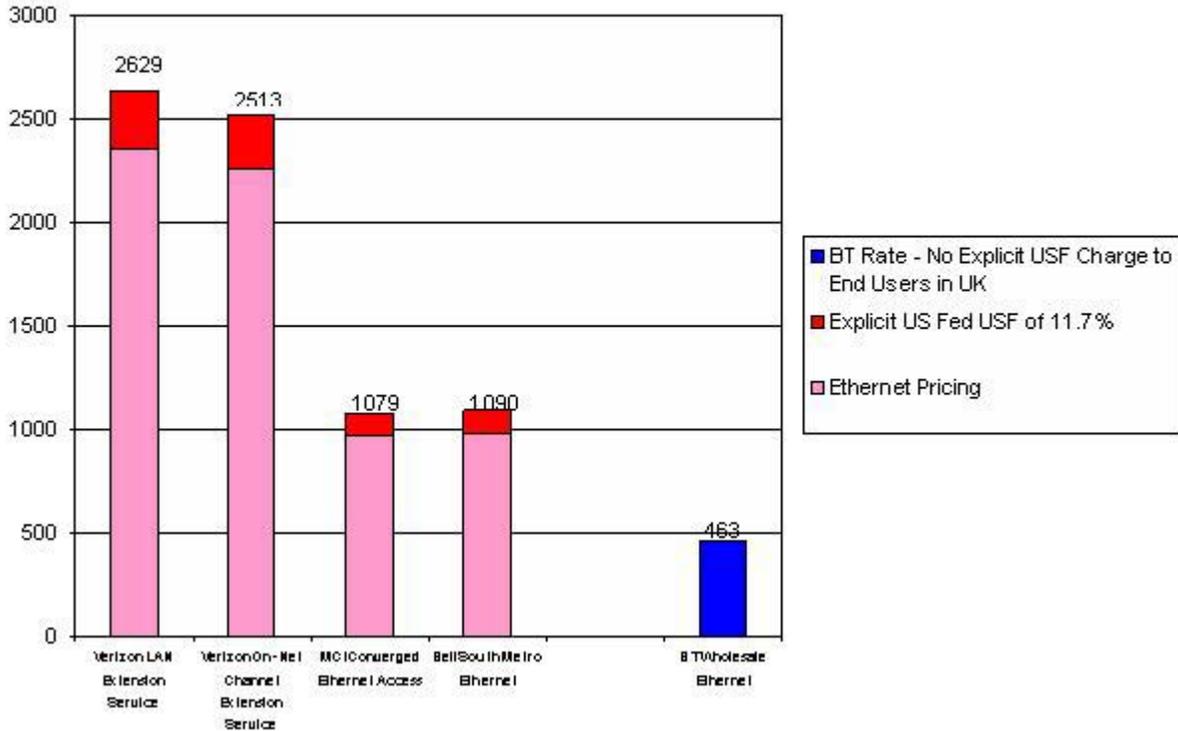
BT Americas, Inc. ("BT") respectfully submits this written *ex parte* for inclusion in the record of the above-captioned proceedings.

Below is a comparison of BT Openreach's 10 Mbps wholesale Ethernet access service (WES 10) to Verizon's and BellSouth's 10 Mbps Ethernet access service. The pricing has been calculated by adding the non-recurring and recurring charges over sixty months and dividing such charges by sixty to arrive at a monthly rate.<sup>1</sup> This comparison shows that BT's wholesale service costs a quarter to a half of the prices charged by Verizon ILEC, Verizon Business and BellSouth, and is additional information showing that the Ethernet market in the USA is not competitive and hence should not be deregulated.

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<sup>1</sup> Note that Verizon's LAN Extension Service is available only for 3 year periods but BT has calculated the monthly rate as if the service were available for five years.

**Ethernet Pricing (Data as of March 2007)**



A few explanatory notes:

*Verizon LAN Extension Services (LES)*<sup>2</sup> is a point-to-point service, offered with a 10Mbps, 16Mbps Token Ring, 100Mbps, 1Gbps Ethernet or 1Gbps Extended Distance interface connection, available where facilities and conditions permit. LES is provisioned over two dedicated fiber strands between the two locations involved where service is delivered over the network J40 interface specified by the customer. The LES network interface converts the optical signal to an electrical Ethernet signal at speeds of 10 Mbps, 16 Mbps Token Ring or 100 Mbps. The 1 Gbps network interface enables LES to be delivered as an optical signal. It is available for 3-year terms and is a best effort service.

The rates and charges for LES apply as channel terminations and channel mileage. The LES channel termination provides the transmission path to connect a customer designated premises to the associated serving wire center. Included as part of the LES channel termination is a converter interface arrangement which defines the technical characteristics and transmission rate of the service. LES channel terminations apply as a monthly recurring rate and nonrecurring charge for each termination provided. LES channel mileage applies as a recurring monthly charge for the airline distance between the serving wire centers associated with the locations involved. Channel mileage recurring monthly rates apply as a fixed and per mile rate element.

<sup>2</sup> FCC Tariff No. 1 Sec. 7.5.23.

Verizon's "On-net Channel Extension" Service: Verizon Optical Networking service (VON)<sup>3</sup> is a dedicated service and is essentially Ethernet over SONET. VON service provides managed optical transport of data signals of various speeds over the telephone company's shared network. Verizon Optical Networking architecture allows for point-to-point transmissions of varying bandwidths between customer designated premises or between a customer designated location and a collocation arrangement where a customer is provided Expanded Interconnection.<sup>4</sup>

Verizon Optical Networking service consists of 3 components, an On-Net Channel Extension, an On-Net Channel Mileage, and an Access Aggregation Port.

(a) On-Net Channel Extension provides the communications path and interface termination from a customer's premises to the serving wire center or between the customer premises and the serving wire center where the customer has Collocated Interconnection Service.<sup>5</sup> The On-Net Channel Extension utilizes a Telephone Company optical network element at the customer-designated premises.

(b) On-Net Channel Mileage provides transport between two Telephone Company Serving Wire Centers (SWCs). On-Net Channel Mileage is measured in airline miles between the SWCs involved.

(c) Access Aggregation Ports support multiple Ethernet, Fibre Channel, and/or FiCON signal(s) that are mapped into SONET at one end of the channel.

MCI Converged Ethernet Access<sup>6</sup> provides dedicated high bandwidth access to one or more MCI Legacy Company Network Services via a single connection using Ethernet topology, per Customer designated location, where the circuit itself is provided by MCI Legacy Company and where facilities are available. Availability of speeds may vary based on Customer's billing platform. Converged Ethernet Access must be combined with a minimum of one MCI Legacy Company Network Service. MCI Legacy Company Network Services include, but are not limited to, Ethernet Virtual Private Line – Metro, Ethernet Virtual Private Line – National, Ethernet Virtual Private Line – International, Company-provided Ethernet Virtual Private LAN Service, Internet Dedicated Service, and Private IP Service. Converged Ethernet Access provides monitoring for Converged Ethernet Access outages for all bandwidth speeds and Customer support 24 hours a day, 7 days a week.

BellSouth Metro Ethernet Service<sup>7</sup> is a high-speed packet transport that is based on Ethernet transmission parameters. BellSouth Metro Ethernet Service provides various transport

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<sup>3</sup> FCC No. 1 Sec. 7.5.25

<sup>4</sup> Rates shown include optional protection. The unprotected "On-net Channel Extension" would be \$590 instead of \$720. Tariff page 7-138.1 says that it's not available after March 2007.

<sup>5</sup> Pursuant to Section 19. *Id.*

<sup>6</sup> [http://www.verizonbusiness.com/external/service\\_guide/reg/cp\\_cea\\_type\\_3\\_04\\_01\\_07.htm](http://www.verizonbusiness.com/external/service_guide/reg/cp_cea_type_3_04_01_07.htm).

<sup>7</sup> FCC 1 Section 7.5.22(B).

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capabilities that range from 2 Mbps through 1 Gbps with capabilities for basic, premium, dedicated and virtual arrangements that may be used to meet individual customer needs. A Basic BellSouth Metro Ethernet Service Connection provides 2 Mbps, 4Mbps, 8 Mbps, 10 Mbps, 100 Mbps and 1 Gbps Ethernet capabilities that are a part of a BellSouth Metro Ethernet Service network within a metropolitan area. Basic BellSouth Metro Ethernet Service is a best effort service with service capabilities that are affected by overall traffic on the Basic BellSouth Metro Ethernet Service network and is suitable for data transmission only.

A Basic BellSouth Metro Ethernet Service connection provides data channel transport that connects customer premises that are 10 miles or less in distance from the BellSouth Metro Ethernet Service wire center associated with the Basic BellSouth Metro Ethernet Service Connection. Customer locations greater than 10 miles from the Basic BellSouth Metro Ethernet Service wire center also require BellSouth Metro Ethernet Service Additional Mileage charges.<sup>8</sup>

*BT Openreach's Ethernet Access Service* (WES A) services are widely available in the UK. BT's WES 10 is available for \$463/month and covers a wider area -- a radius of 15 miles -- than BellSouth's or Verizon's offering which are limited to a radius of 10 miles. BT Openreach also offers wholesale backhaul Ethernet services at competitive rates.<sup>9</sup>

If you have any questions, please feel free to contact me.

Respectfully submitted,

/s/

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<sup>8</sup> The Bell South rates shown are for the "Basic Metro Ethernet Service Arrangement," which can be switched Ethernet but primarily uses ATM switches with emulated interfaces.

<sup>9</sup> Openreach price list, section 3.3  
[http://www.openreach.co.uk/org/pricing/wes/downloads/ORPL\\_WBB\\_Wes.pdf](http://www.openreach.co.uk/org/pricing/wes/downloads/ORPL_WBB_Wes.pdf); 2006 PPP rate 1.6 \$ per £.