



November 17, 2007

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Portals
Washington, DC 20554

Re: Notice of *Ex Parte* Communications, WC Docket No. 04-223

Dear Secretary Dortch:

Royce Holland, CEO of McLeodUSA Incorporated (“McLeodUSA”), Arunas Chesonis, Chairman and CEO of PAETEC Holding Corp., John B. Messenger, Associate General Counsel of Paetec, Kevin Joseph of the Joseph Group, LLC, and William A. Haas, Deputy General Counsel of McLeodUSA, met with members of the Wireline Competition Bureau, including Bureau Chief Ms. Dana Shaffer, on November 13, 2007, regarding issues related to McLeodUSA Petition to Modify the Omaha Forbearance Order filed in July 2007.

Specifically, Mr. Holland highlighted facts showing how the Commission’s predictive judgment, upon which the forbearance grant was based, that Qwest would voluntarily negotiate reasonable commercial terms and conditions to replace UNEs, has completely failed to materialize. He also emphasized that although the cable company had gathered about 50% share of the residential market, the small and medium-sized enterprise market was still overwhelmingly dominated by Qwest since Qwest is the sole “last mile” provider in approximately 98% of the commercial buildings in the Omaha MSA. He explained that McLeodUSA is seeking a prompt up or down decision from the FCC so that McLeodUSA can move forward with either re-engaging in at least the Omaha SME market that has very little competition from cable if the FCC grants the requested relief, or follow through with plans to exit Omaha and terminate service to small and medium business and residential customers in all 11 Omaha MSA central offices that McLeodUSA serves in Nebraska in the event the grant of forbearance is not reversed. McLeodUSA will keep providing service in Council Bluffs, IA, which is unaffected by the forbearance order. A copy of the presentation made by McLeodUSA handed out during the meetings is attached.

Marlene H. Dortch
Secretary
November 16, 2007
Page 2

Mr. Chesonis, on behalf of PAETEC, which is in the process of acquiring McLeodUSA, affirmed that the combined entity will follow through on the plans for Omaha as explained by Mr. Holland.

Respectfully submitted,



William A. Haas
Deputy General Counsel

Without enclosure:

Cc: Royce Holland, CEO, McLeodUSA
Arunas Chesonis, Chairman and CEO, PAETEC
Kevin Joseph, The Joseph Group, LLC
John B. Messenger, PAETEC