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June 23, 2008

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Federal Communications Commission
Office of the Secretary

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

Re: **Petitions of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Denver, Minneapolis-St. Paul, Phoenix, and Seattle Metropolitan Statistical Areas, WC Docket No. 07-97**

I am writing this letter to report that, on June 20, 2008, Lauren Van Wazer, Chief Policy and Technology Counsel for Cox Enterprises, Inc. ("CEI"), Grace Koh, Policy Counsel for CEI, and the undersigned, each representing Cox Communications, Inc. ("Cox"), met to discuss the above-referenced proceeding with Julie Veach, Deputy Chief of the Wireline Competition Bureau ("WCB"), Marcus Maher, Associate Chief of the WCB, Tim Stelzig, Assistant Chief of the Competition Policy Division, and Randolph Clarke, Legal Counsel for the WCB. During the meeting, we discussed issues addressed in Cox's previous filings in this docket and the attached handout.

In accordance with the requirements of Section 1.1206 of the Commission's rules, an original and one copy of this notice are being filed and a copy of this notice is being provided to each meeting participant.

Please inform me if any questions should arise in connection with this notice.

Respectfully submitted,

J.G. Harrington
Counsel to Cox Communications, Inc.

cc (w/o encl.): Julie Veach
Marcus Maher
Tim Stelzig

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COMMUNICATIONS

Qwest Petition for Forbearance in Phoenix, Arizona

WC Docket No. 07-97

June 20, 2008

Background

- Cox is the largest facilities-based competitive LEC serving the Phoenix market. Cox uses its state-of-the-art broadband network to deliver both traditional circuit-switched and voice over IP telephone service both as a stand-alone product and bundled with multichannel video and high speed Internet services.

- Nationally, Cox is one of the largest competitive telephone service providers, serving more than 2.4 million customers, including over 200,000 business customers, in 35 markets across 18 states.

- Cox is a recognized industry leader in the provision of high-quality telephone services. This year, Cox received highest honors in J.D. Power and Associates' 2007 Residential Regional Telephone Customer Satisfaction Study℠ in the Northeast, Southwest and Western Regions. This marks the fifth consecutive year that Cox's residential telephone service has ranked highest in overall customer satisfaction in the Western Region and the second consecutive year Cox has ranked highest in overall customer satisfaction in the Northeast and Southwest regions. Cox also received the *PC Magazine* Readers' Choice Award for its high speed Internet service in 2007, the fourth time it has won this award.

- Cox has thrived in an environment where fair competition is guaranteed by law. The Commission's task in this proceeding, as it was in Omaha, Anchorage, and the Verizon Six MSA Proceeding is to maintain the robust competitive environment that has developed under the 1996 Act.

The Commission Should Continue to Apply Its Established Forbearance Criteria

- The Commission should continue to examine competitive facilities coverage on a granular level. In this case, Qwest has provided little, if any evidence to demonstrate 75% facilities-coverage on an MSA or wire-center basis.

- Examining competitive market share as a part of the forbearance analysis is appropriate, but the Commission should continue to avoid adopting a threshold penetration percentage that would lead to grant or denial of forbearance. Every market is different, and the Commission should take into account all market factors, not just competitive penetration.

- Incumbent LECs seeking forbearance should continue to be required to show specifically how market conditions justify forbearance for each rule. As it has in previous forbearance cases, the Commission should ensure that any relief it grants protects existing competition in the market and promotes future competition based on the needs of the competitors in each market.

Qwest Fails to Meet Its Burden of Demonstrating That Forbearance Is Warranted

- Qwest provides no basis for ordering forbearance from enforcement of the inside wire subloop unbundling requirement.
    - Cox's showing that it requires access to inside wire subloops to remain competitive for MTE customers is essentially unrebutted and is consistent with prior Commission decisions.
    - The Commission should reject Qwest's unfounded speculation that Cox's voice over IP offerings eventually will make use of inside wire subloops unnecessary. Cox currently offers both voice over IP and circuit-switched offerings and expects to do so for the foreseeable future.
    - Qwest's dispute with Cox over past use of unbundled inside wire subloops is irrelevant to the question of whether maintaining access is necessary to build and maintain a competitive market. In any case, Qwest admits that the parties have reached a settlement that addresses its allegations and establishes terms of use for inside wire subloops going forward.
- Qwest has not shown that the level of residential competition in the Phoenix MSA justifies forbearance.
    - Qwest is wrong that the Commission established a competitive penetration threshold for residential forbearance.
        - The Commission has not adopted any specific threshold for retail market share and relying on retail market share to determine whether forbearance should be granted would be inappropriate given the nature of Section 251 obligations.
    - Even if Qwest were right, it overestimates competitor penetration and could not satisfy the purported new "threshold."
        - Qwest's use of white pages listings to estimate CLEC lines is inherently unreliable. No basis exists for Qwest's presumption that competitive LEC customers list their numbers in the white pages at the same rate as Qwest customers. Qwest's methodology inevitably will lead to distortions that easily could skew the result of the competitor penetration inquiry.
        - Qwest's reliance on the Center for Disease Control's national "cut-the-cord" wireless penetration rate of 13.6% is in error, because the CDC also lists a "cut-the-cord" figure for the western U.S. that is almost a full percent less than the figure Qwest uses, translating to about 15,000 lines, using Qwest's methodology. Cox does not concede that the CDC figures are accurate, but if the Commission is going to rely on them, it should use the most geographically relevant estimates.