COVAD

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Via Electronic Mail

Robert Curtis
Deployment Director, National Broadband Plan Initiative
Office of Strategic Planning & Policy Analysis
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: GN Docket Nos. 09-47, 09-51 & 09-137
Ex Parte Correspondence Concerning Development of the National Broadband Plan

Dear Mr. Curtis:

This correspondence is a follow-up to Covad Communications Company's meeting with you and other members of the National Broadband Plan Taskforce on October 13, 2009, at the COMPTEL 2009 event in Orlando, Florida. In order to provide additional insight on questions you are currently considering on last mile, second mile, and middle mile issues and their relation to the National Broadband Plan, I am attaching a copy of a study conducted by QSI Consulting Inc. ("QSI") on broadband network unbundling policies and the role of competition in the broadband market in the United States.

The QSI analysis reviews the costs that competitive local exchange carriers ("CLECs") would incur under three scenarios in which CLECs lease incumbent LEC ("ILEC") facilities in order to offer broadband services: 1) homerun copper; 2) hybrid fiber/copper loops; and 3) all fiber loops. QSI reviewed these scenarios in a sample of five different Metropolitan Statistical Areas ("MSAs"): Los Angeles, New York, Philadelphia, Phoenix and Washington, D.C. In all cases QSI found that limitations on CLECs' ability to compete more broadly stem from escalating costs as configurations over fiber facilities have to be purchased at higher or non-UNE based prices. QSI concludes that CLECs face a price squeeze in the five MSAs reviewed when they need to serve business customers in locations where copper loops are not available.

The QSI study suggests that promotion of broadband competition in the United States will be greatly advanced if the FCC takes affirmative steps to: 1) guarantee continued access to the ILECs' legacy copper networks; and 2) expand CLEC opportunities for access to the ILECs' fiber-based broadband networks.

Please do not hesitate to contact me should you have any questions concerning the foregoing.

Respectfully,

Anthony Hansel

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Enclosure