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May 29, 2012

***Via Electronic Submission***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W., Room TW-A325  
Washington, D.C. 20554

**Re: *Ex Parte Communication***  
*Special Access Rates for Price Cap Local Exchange Carriers,*  
*WC Docket No. 05-25; Improving Public Safety Communications*  
*In the 800 MHz Band, WT Docket No. 02-55*

Dear Ms. Dortch:

This letter is to inform you that on May 24, 2012, Sprint Nextel Corporation ("Sprint") through its representatives Larry Krevor, Vice President of Government Affairs, Spectrum, and Charles McKee, Vice President of Government Affairs, Federal and State Regulatory, met with Commissioner Ajit Pai, Mathew Berry, Chief of Staff, and Gene Fullano, Legal Advisor to Commissioner Pai, to provide an overview of Sprint's operations and pending regulatory matters before the Federal Communications Commission ("FCC").

Sprint noted that it is a competitive wireless and wireline carrier, serving more than 56 million customers as of the end of the first quarter 2012, operating under the brand names Sprint, Virgin Mobile, Boost and Assurance Wireless. Sprint has been a consistent leader in technology development, being the first national CDMA carrier, the first to deploy EVDO and the first to deploy 4G broadband technology (using WiMax) a full year in advance of any other carrier, spurring the current competition to launch LTE services in the United States.

Sprint also noted its achievements over the past year including receipt of the American Customer Satisfaction Index (ACSI) Award for best customer service, receiving three J.D. Power Awards in 2012, and being named the third greenest company in the United States in Newsweek's 2011 Green Rankings.

Sprint also described its current business initiatives, including its network upgrade known as "Network Vision." Network Vision is a nationwide restructuring of the Sprint network using the newest, most-advanced equipment in the industry. Sprint plans to consolidate multiple network technologies into one seamless network with the goal of increasing efficiency and enhancing network coverage, call quality and data speeds for customers. Network Vision is expected to cost an incremental \$4-5 billion.

Finally, Sprint discussed pending matters before the Federal Communications Commission including spectrum, special access, and 800 MHz Reconfiguration. Sprint emphasized the importance of increasing the availability of spectrum for commercial broadband

use, but urged the Commission to do so in a thoughtful manner that encourages competition, limits opportunities for spectrum warehousing and facilitates access for smaller competitive carriers to the spectrum resources necessary to expand their networks.

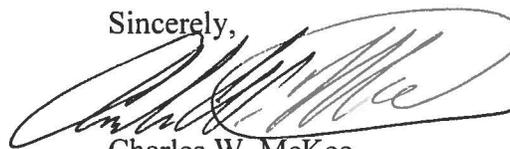
With respect to special access, Sprint noted that, despite claims to the contrary, special access circuits remain a vitally important market. Sprint alone has hundreds of thousands of special access circuits deployed in its network today and expects to purchase tens of thousands of additional circuits in 2012. Special access is an \$18 billion market and has generated triple-digit rates of return for the RBOCs at a time when most American companies are struggling. These services are critically important to businesses that are forced to bear the harsh financial burden associated with excessive rates for these bottleneck services, and to the national broadband ecosystem.

Sprint disputed claims that pricing flexibility would in any way encourage a transition to IP networks or give ILECs greater ability to reduce pricing. ILECs are free to decrease their rates below price cap levels, but they have failed to do so. Data filed at the FCC show that the ILECs' current special access rates subject to price cap regulation remain at or as close to the cap as is mathematically possible. Moreover, granting of pricing flexibility has only resulted in price increases for businesses and consumers: AT&T raised its Phase II special access rates by 15% or more in July 2010 (one day after expiration of its commitment to maintain rates at price cap levels in order to gain approval of its takeover of BellSouth); Verizon increased its rates by 6-8% in July 2011, and proposed (and subsequently withdrew under pressure) a second 6-8% rate increase this past month.

With respect to 800 MHz Reconfiguration, Sprint discussed the progress made toward completing the transition and emphasized the importance of reaching a speedy conclusion to permit the deployment of new advanced services. Sprint also discussed its continuing obligation to fund the costs of transition, but noted the need to modify some administrative processes and requirements in light of retuning progress.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being electronically filed with your office. Please let me know if you have any questions regarding this filing.

Sincerely,

A handwritten signature in black ink, appearing to read 'Charles W. McKee', written over a circular stamp or seal.

Charles W. McKee

cc: Mathew Berry  
Gene Fullano