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June 16, 2012

Via Electronic Filing

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

EX PARTE LETTER

RE: Special Access Rates for Price Cap Local Exchange Carriers, WC Docket No. 05-25

Dear Secretary Dortch:

On June 14, 2012, BT met with Commissioner McDowell's advisor Christine Kurth to discuss the pending pricing flexibility petitions and pricing flexibility triggers. Representing BT were Sheba Chacko, Senior Counsel and Head, North American Regulation and Global Telecoms Policy, and Jennifer Taylor Hodges, VP, US Government Affairs.

BT explained that there is ample evidence in the record showing that the pricing flexibility triggers are broken and urged the Commissioner to vote to suspend the triggers and deny pending petitions for pricing flexibility while the Commission develops a new pricing flexibility framework. BT refuted ILEC claims that DS-1 and DS-3 access services are obsolete and made clear that its global Fortune 2000 customers rely on these inputs to connect their US sites to their global networks and are likely to do so for the foreseeable future.¹ Regarding AT&T's claims that it would be unfair to suspend the price flex triggers while AT&T's petitions for pricing flexibility are pending, BT pointed out that it would be arbitrary and capricious for the Commission to enforce rules that it knows are broken.

¹ The extent of BT's customers' reliance on DS-1 and DS-3 circuits and the reasons for customers' failure to migrate to Ethernet services was explained in the confidential version of BT's Reply Comments filed in this docket on Feb. 24, 2010. Not much has changed in two years.

Please contact the undersigned if you have any questions regarding matters discussed herein.

Sincerely,

A handwritten signature in black ink that reads "SChacko". The "S" is large and loops around the "C", and the "h" is lowercase and loops under the "a".

Sheba Chacko
Head, North American Regulation and Global Telecoms
Policy, BT

cc: Christine Kurth