



June 21, 2012

EX PARTE

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

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

Dear Ms. Dortch:

This is to inform you that on June 19, 2012, the undersigned representing USTelecom met with Priscilla Delgado Argeris and Paul Murray, Legal Advisors to Commissioner Rosenworcel, in connection with the proceeding identified above.

During this meeting, I explained how USTelecom has repeatedly urged in the past that the Commission pursue mandatory data requests because competitive providers would be unlikely to voluntarily provide data essential to any meaningful examination of the competitiveness of this market. I noted that this has proved to be accurate, as the Commission staff on multiple occasions have identified the failure of competitive providers to respond to the multiple voluntary data requests, including describing this omission as an “obstacle[] in its efforts to gather the data it needs to make an informed decision on special access.”¹

I also explained how, in contrast, ILECs have provided extensive data in this record demonstrating robust competition for the provision of high-capacity services to business customers. In addition to providing data about their own services in response to the prior voluntary data requests, the ILEC industry has provided in the record extensive publicly available analyses concerning the highly competitive nature of the business market and the fact that legacy ILEC special access services are rapidly being displaced by newer, more robust technologies essential to supporting the expanding bandwidth needs of businesses.² I specifically reviewed some recent independent analyses detailing the extensive competition being provided by cable companies and other competitive carriers for providing these new, higher-capacity services to business customers, as described in my ex parte of April 26, 2012 in this docket.

¹ Opposition of Federal Communications Commission to Petition for Writ of Mandamus, *In re COMPTTEL, et al.*, (D.C. Cir., Oct. 6, 2011) (attached).

² See, e.g., USTelecom 2009 Fact Report and 2010 Supplement (filed February 24, 2010) (WC Docket 05-25).

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In light of the foregoing and the staff's acknowledged "dearth" of data in the record demonstrating a problem with the existing triggers, I explained that it would be contrary to any principle of data-driven analysis for the Commission to change the ground rules mid-stream, particularly in a manner that only penalizes those entities that have provided data to the benefit of those which have not.

I also noted that a rush to judgment by the Commission here seemed perplexing given the nature of the pending pricing flexibility petitions currently under review. I explained that the markets for which Phase II pricing flexibility relief were being sought were extremely competitive, with AT&T demonstrating (and not a single commenter challenging) that there were 27 collocated competitors in the San Francisco/Oakland MSA and 17 in the San Antonio MSA. And I pointed out that Windstream's petition is seeking only Phase I relief in two of the three MSAs – thus, the proposed order would appear only to prohibit Windstream from *lowering* special access prices in these markets. Finally, in response to their questions, I submitted the attached press release from Cox Communications.

Pursuant to Commission rules, please include this letter in the docket identified above.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn T. Reynolds". The signature is fluid and cursive, with a long horizontal stroke at the end.

Glenn T. Reynolds

c: Priscilla Delgado Argeris
Paul Murray

Subject:

FW: Cox Tops J.D. Power Ranking for Business Data Services in Small/Midsize Business Segment

From: Cox Communications News [<mailto:newsalerts@cox.mediaroom.com>]

Sent: Friday, May 18, 2012 5:25 PM

To: Brogan, Patrick S.

Subject: Cox Tops J.D. Power Ranking for Business Data Services in Small/Midsize Business Segment

News Release Issued: May 18, 2012 5:23 PM EDT

Cox Tops J.D. Power Ranking for Business Data Services in Small/Midsize Business Segment

Cable providers outperform traditional telcos as a group across all segments

ATLANTA, May 18, 2012 /PRNewswire/ -- This week, Cox Communications ranked highest in customer satisfaction among data service providers for small and midsize businesses (20 to 499 employees) and second among data service providers for very small businesses (1 to 99 employees) in the J.D. Power and Associates 2012 Major Provider Business Telecommunications Data Services Study(SM). This marks the fifth time in seven years that the company has ranked highest in satisfaction in J.D. Power and Associates Business Telecommunications Services studies.

"Third parties, and more importantly, our customers have consistently recognized Cox's ability to meet the mission critical and extremely diverse technology demands of today's businesses," said Phil Meeks, senior vice president of Cox Business. "We have the local network and support staff in place in each of our markets to effectively deliver against our competition."

The study measures customer satisfaction with providers of telecommunications data services, such as cable modem, DSL, T1, T3/DS3, Ethernet and frame relay. Six factors are used to measure satisfaction: performance and reliability; cost of service; sales representatives and account executives; billing; offerings and promotions; and customer service. Within the small/midsize business segment, Cox ranks particularly well in four of the six factors driving satisfaction: performance and reliability; cost of service; sales representatives and account executives and billing.

According to the J.D. Power and Associates study, across all business segments as a group, cable providers rank higher in overall satisfaction than traditional telecommunications—or telco—providers.

"Cable providers now rank higher in performance and reliability, due to their advantage in the area of data transfer speeds," according to J.D. Power and Associates. "As price and performance across providers converge, the account service and support, in many instances, becomes the differentiator."

Cox Business provides voice, data and video services for more than 275,000 small and regional businesses, including healthcare providers, K-12 and higher education, financial institutions and

federal, state and local government organizations. The organization also serves most of the top tier wireless and wireline telecommunications carriers in the U.S. through its wholesale division. According to Vertical Systems Group, Cox Business is one of the largest providers of business Ethernet services in the U.S. based on customer ports and has been consistently recognized for its leadership among small/midsize business data service providers. Cox is currently the seventh largest voice service provider in the U.S. and supports more than 950,000 business phone lines. For more information about Cox Business, Click Here or call 1-800-396-1609.

BLUE Powered by Cox Business (www.coxblue.com) is a unique social media initiative designed specifically for businesses that features original content from approximately 30 contributors including business experts from various industries, technologists, social media and marketing innovators and influential writers. Businesses can also interact with Cox via dedicated Google+, LinkedIn and Twitter channels.

About Cox Communications:

Cox Communications is a broadband communications and entertainment company, providing advanced digital video, Internet and telephone services over its own nationwide IP network. The third-largest U.S. cable TV company, Cox serves approximately 6 million residences and businesses. Cox Business is a facilities-based provider of voice, video and data solutions for commercial customers, and Cox Media is a full-service provider of national and local cable spot and new media advertising.

Cox is known for its pioneering efforts in cable telephone and commercial services, industry-leading customer care and its outstanding workplaces. For seven years, Cox has been recognized as the top operator for women by Women in Cable Telecommunications; Cox has ranked among DiversityInc's Top 50 Companies for Diversity seven times, including the last six years. More information about Cox Communications, a wholly owned subsidiary of Cox Enterprises, is available at www.cox.com and www.coxmedia.com.

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