

June 28, 2012

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

Re: Petition of Accipiter Communications, Inc. for Temporary Waiver
WC Docket Nos. 10-90 and 10-208
Petition for Stay of East Ascension Telephone Company
WC Docket Nos. 10-90 and 05-337
Notice of Oral Ex Parte Communications

Dear Ms. Dortch:

On June 26, Grace Koh of Cox Enterprises, Inc., Douglas Garrett of Cox Communications, Inc. ("Cox") and the undersigned, all representing Cox, met with Angela Kronenburg of Commissioner Clyburn's office, Christine Kurth of Commissioner McDowell's office, Priscilla Delgado Argeris of Commissioner Rosenworcel's office, Nicholas Degani of Commissioner Pai's office, Carol Matthey, Deputy Chief of the Wireline Competition Bureau, and Joseph Cavender and Katie King of the Wireline Competition Bureau to discuss the above-referenced proceedings. (The East Ascension Telephone Company petition for stay was not discussed during the meeting with Ms. Kurth.)

During the meetings, the Cox representatives described the company's interest in these proceedings and specific factual considerations applicable to each proceeding. The information provided by Cox is outlined on the attached handout, which was provided to Ms. Matthey, Mr. Cavender and Ms. King. In addition, Cox referred to maps describing the service areas of Accipiter and East Ascension, which also are attached to this letter, to demonstrate the nature of the territories served by the companies and Cox and the extent of overlap in areas where customers are located.

In accordance with the requirements of Section 1.1206 of the Commission's Rules, this notice is being filed with the Commission within two business days of the

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meetings that are disclosed herein and copies are being provided to each of the Commission participants.

Respectfully submitted,



J.G. Harrington

Counsel to Cox Communications, Inc.

Attachments (4)

cc (w/attach): Angela Kronenburg
Christine Kurth
Priscilla Delgado Argeris
Nicholas Degani
Carol Matthey
Joseph Cavender
Katie King

HIGH COST FUND WAIVER REQUESTS

Cox Supports the Commission's Efforts to Control High Cost Fund Costs

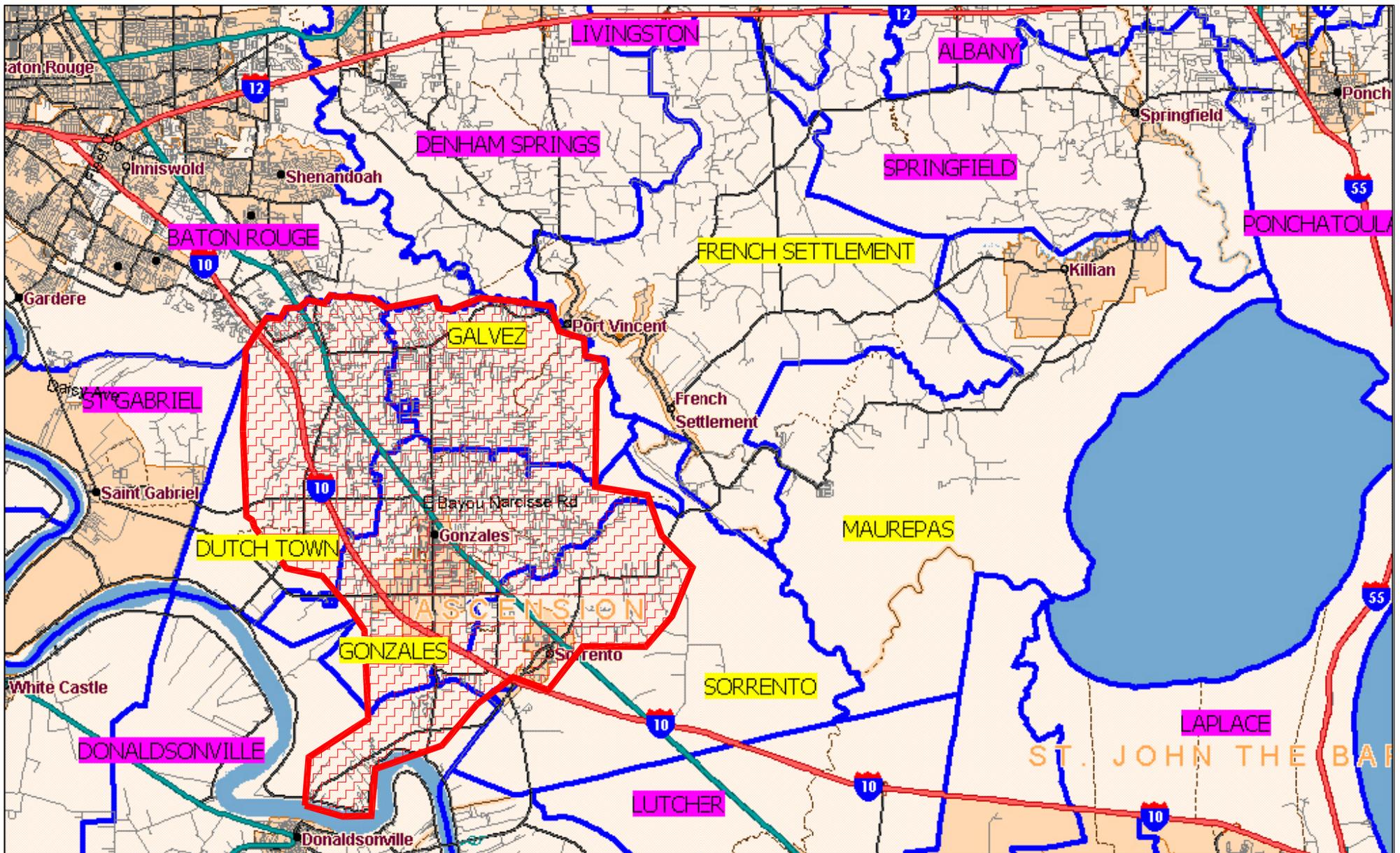
- Cost control is critical to ensure that funds are directed to locations that truly need support and to ensure that there is sufficient support for broadband services.
- The Commission's measured approach to waivers of the cap on per-line high cost support is consistent with the intent of the rules to control costs.

Accipiter

- Cox competes with Accipiter in portions of the fast-developing North Valley and West Valley areas outside of Phoenix. Most of the places where Accipiter and Cox compete are within master-planned developments and connecting areas.
- Accipiter has been spending most of its efforts to build out in places where it competes with Cox, not to serve underserved populations in sparsely populated areas.
- Much of Accipiter's service area is empty, not merely sparsely populated, so its claims concerning the number of customers and the area it serves are overstated.
- Significant portions of Accipiter's service area are slated to be developed as suburban housing, with upwards of 100,000 households. In practice, Accipiter is asking the Commission to continue to provide large subsidies to support the company while it waits for this development to occur. Cox anticipates that it would seek to serve these areas as well.
- Accipiter's arguments about Cox amount to a claim that, seven years after a settlement that addressed its complaints (and with no findings by any regulator or court that there was anticompetitive conduct), Accipiter still is unable to compete effectively. Given the amount of time that has passed, and Accipiter's failure to take advantage of key terms of the settlement, it is apparent that any difficulty Accipiter is having now is Accipiter's own fault.
- Accipiter is entitled under Arizona law to seek full payment for extending facilities to customers who are beyond its current network, so it will not incur unusually high costs for serving new consumers in far-flung portions of its service area. (To the extent Accipiter chooses to serve these customers without requiring them to pay, it should not be entitled to universal service subsidies for those customers.)
- Accipiter keeps changing its story – in the petition it said it might need to seek some kind of relief from RUS, while in its reply it said it already has sought relief.

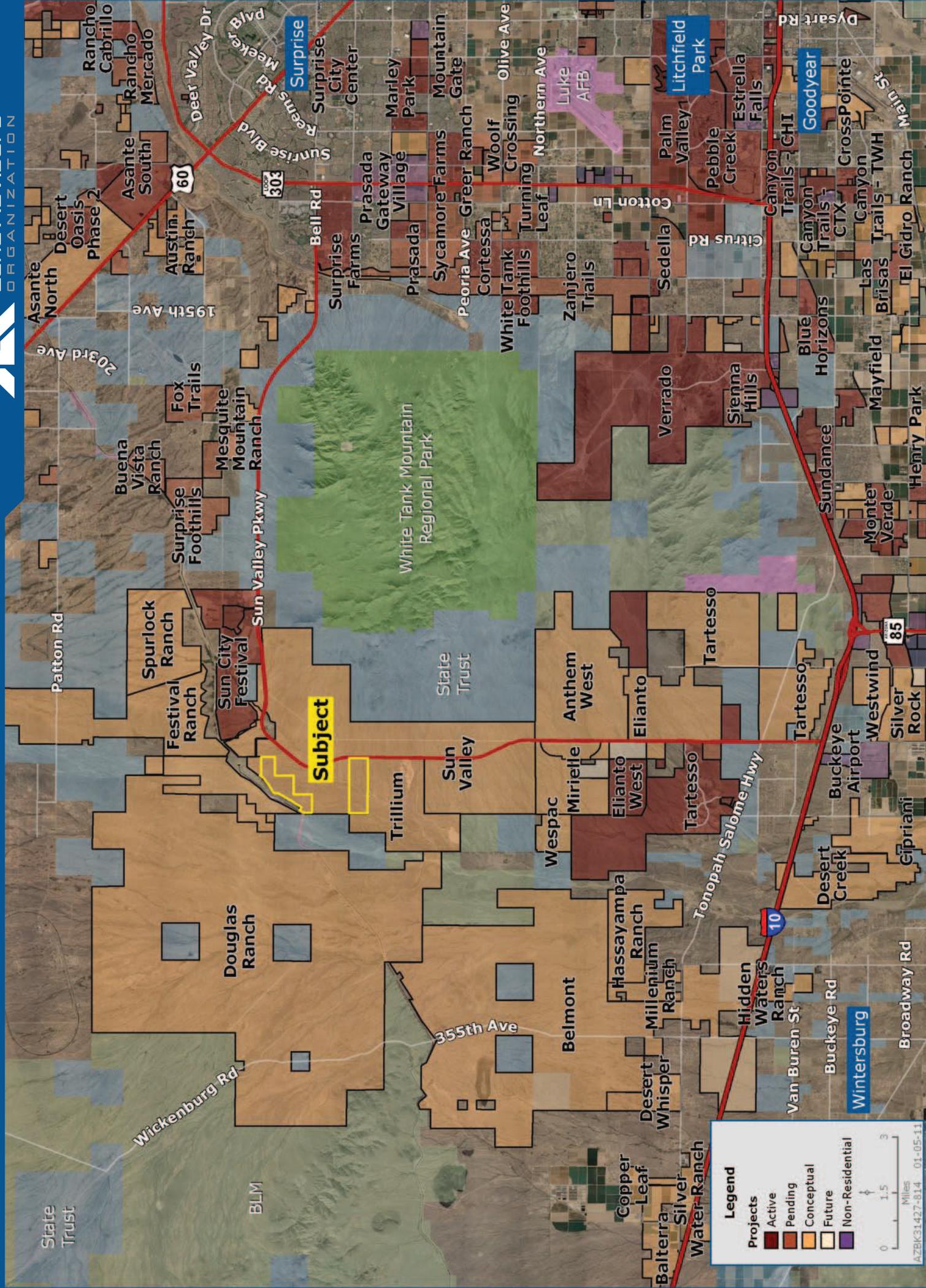
East Ascension Telephone

- Cox competes with EATEL in the vicinity of Baton Rouge. EATEL's study area consists of six rate centers, and Cox provides service that overlaps portions of five of those rate centers. Cox also will compete with EATEL in the Baton Rouge area as EATEL expands its coverage to operate as a CLEC.
- Large portions of the EATEL service area include lakes and fishing camps, where nobody lives or will live. Its claims about customer density should be analyzed in that context.
- The National Broadband Map shows that 97 percent of the households in EATEL territory also are served by competitors.
- EATEL's service area is comparable in many ways to the service area of CenturyTel – Evangeline, yet it receives about 2-1/2 times more support on a per-loop basis. (Similarly, EATEL receives more than 4 times as much support on a per-loop basis than CenturyTel – SE Louisiana.)
- EATEL has engaged in an aggressive effort to build out its facilities in areas already served by competitors. It has devoted significant resources to this CLEC operation. When a carrier has the resources to expand outside its current service area, it is not apparent that it is in need of subsidies; indeed, it may be that the subsidies are paying for the expansion.



East Ascension Telephone Company (EATEL) rural study area includes the rate centers of Dutch Town, Galvez, Gonzales, French Settlement, Maurepas, and Sorrento.

Cox 's cable footprint is indicated in the red shaded area.



Legend

Projects

- Active
- Pending
- Conceptual
- Future
- Non-Residential

0 1.5 3 Miles

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