

Donna Epps
Vice President
Federal Regulatory Affairs



1300 I Street, NW, Suite 400 West
Washington, DC 20005

Phone 202 515-2527
Fax 202 336-7922
donna.m.epps@verizon.com

September 18, 2012

Ex Parte

VIA ECFS

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

Re: Special Access for Price Cap Local Exchange Carriers, WC Docket No. 05-25 and RM-10593

Dear Ms. Dortch:

On September 14, 2012, Curtis Groves, Maggie McCready, Fred Moacdieh, and the undersigned of Verizon met with Nick Alexander, Deena Shetler, Eric Ralph, William Layton, and Ken Lynch, of the FCC's Wireline Competition Bureau and Jack Erb of the FCC Office of Strategic Planning and Policy Analysis. The purpose of the meeting was to discuss the Commission's mandatory special access data request.¹

In the meeting, we explained that Verizon needs some flexibility in responding to the upcoming data request because the various systems and databases Verizon maintains may not keep data in the same manner or format as the Commission may outline in its upcoming data request. We discussed why focusing the data request on last-mile facilities (rather than expanding it to include transport) will avoid imposing unnecessary burdens on the industry while still providing the Commission with appropriate data to address competition questions. In addition, we explained that we are assessing the work effort associated with responding to the data request and working to quantify how much work is involved. Finally, we explained that to conduct a forward-looking analysis, the Commission needs to request forward-looking information, including data on where providers have responded to Requests for Proposals (RFPs) and/or submitted competitive bids. Verizon's September 12th ex parte discussing competitive bidding for Sprint's network modernization initiative demonstrated conclusively that there are competitive alternatives to ILEC special access services.² A provider's decision to respond to an RFP provides useful insight into that provider's plans to provide service and demonstrates an ability to compete in an area. The Commission needs this type of information to get a realistic

¹ *Special Access for Price Cap Local Exchange Carriers, et al*, Report and Order, WC Docket No. 05-25, RM-10593; FCC 12-92, ¶ 101 (Aug. 22, 2012).

² Ex Parte Letter from Donna Epps, Verizon, to Marlene Dortch, FCC, WC Docket No. 05-25 & RM-10593 (September 12, 2012).

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view of the competitive landscape and to determine whether the market is contestable. Verizon's July 31 ex parte submission provided specific RFP information the Commission should request.³

In addition, some carriers have recently suggested that the Commission should establish a *de minimis* standard that would exempt some companies from responding to the data request.⁴ The Commission should not establish such a standard. Rather, the Commission should require all providers of high capacity services to respond to a mandatory data request. If the Commission exempts smaller providers, it will fail to obtain a complete and accurate picture of the breadth of competitive alternatives and its analysis will lack relevant information. Smaller providers may have a significant number of lines concentrated in one particular area, and both individually and collectively, smaller providers of high capacity services can represent a material source of competition in any given area. Furthermore, the data request should not unduly burden smaller providers because they will only have to collect data and respond for a relatively small service area.

Sincerely,



cc: Nick Alexander
Deena Shetler
Eric Ralph
William Layton
Ken Lynch
Jack Erb

³ Ex Parte Letter from Donna Epps, Verizon, to Marlene Dortch, FCC, WC Docket No. 05-25 & RM-10593 (July 31, 2012), at 3.

⁴ See, e.g., Ex Parte Letter from Karen Reidy, COMPTTEL, to Marlene Dortch, FCC, WC Docket No. 05-25 & RM-10593 (August 15, 2012).