

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Special Access for Price Cap Local Exchange Carriers;)	WC Docket No. 05-25
)	
AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services)	RM-10593
)	
)	

**REPLY COMMENTS OF
THE AD HOC TELECOMMUNICATIONS USERS COMMITTEE**

The Ad Hoc Telecommunications Users Committee (“Ad Hoc” or “Committee”) hereby replies to the comments filed in response to the Commission’s Further Notice of Proposed Rulemaking¹ (“FNPRM”) in the dockets captioned above.

For over a decade, Ad Hoc has challenged the Commission’s premature de-regulation of special access and sought relief from the excessive prices that emerged as a result. In response, the ILECs have offered only “repetitive and self-serving claims”² regarding the supposed success of the Commission’s de-regulatory efforts. They have not supported their claims with data showing that prices are reasonable or

1 *Special Access for Price Cap Local Exchange Carriers; AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services*, WC Docket No. 05-25, RM-10593, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 16318 (2012) (“FNPRM”).

2 Ad Hoc Comments at 3.

that competition has emerged in special access markets, which is understandable since prices are not reasonable and effective competition does not yet exist.

Now the Commission is pursuing a data-driven analysis of the special access market. And, true to form, the ILECs have responded by filing comments long on familiar claims and short on supporting facts. Despite their bulk, the comments filed by the ILECs in the latest round of pleadings in this docket merely repeat the unsupported claims and arguments they have already advanced multiple times in prior pleadings, which other parties have already rebutted multiple times in prior pleadings.

AT&T's comments are illustrative. They warn at length of the difficulty of specifying and running the panel regressions that the FNPRM proposes to use as part of the one-time multi-faceted analysis of the market for special access services.³ AT&T supports its comments with a declaration from two economic experts. But after a supposedly factual description of the special access market (which is instead merely a restatement of AT&T's prior unsupported claims regarding rampant competition in special access markets),⁴ the declaration offers the Commission virtually no substance. Declarants Hendel and Israel inform the Commission that the regression analyses "require the use of well-accepted professional methods, transparently applied"⁵ and then provide little more than a tutorial on basic econometric tenets that might have more value if the FCC did not have trained economists on its staff. AT&T's comments appear

³ AT&T devoted nearly half (19 out of 42 pages) of its comments, plus a 50-page declaration by two economists, to addressing just this issue. See AT&T Initial Comments at 19-38 and Attachment A. Verizon also urged the Commission to ensure that its analysis is properly done and noted the difficulty of the task. Verizon Comments at 8-9.

⁴ AT&T Comments, Attachment A at paragraphs 19-33.

⁵ *Id.* at 8.

to be suggesting flaws in an analysis that has not even been specified yet, much less performed.

Rather than burden the Commission and other parties with yet another recapitulation of the flaws in the ILECs' recycled rhetoric and their self-serving flights of fancy regarding the state of competition in the special access marketplace, Ad Hoc will only urge the Commission to continue its pursuit of a data-driven, analytically rigorous assessment of the special access marketplace.

Respectfully submitted,
**AD HOC TELECOMMUNICATIONS
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Certificate of Service

I, Amanda Delgado, hereby certify that true and correct copies of the preceding Comments of Ad Hoc Telecommunications Users Committee were filed this 12th day of March, 2013, via the FCC's ECFS system.

A handwritten signature in black ink that reads "Amanda Delgado". The signature is written in a cursive style and is positioned above a horizontal line.

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