



FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, DC 20554

June 11, 2007

Michael J. Copps
Commissioner

The Honorable Edward J. Markey
Chairman, Subcommittee on
Telecommunications and the Internet
Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20215

Dear Chairman Markey:

Thank you for your letter of 23 May. As we move towards auction of the 700MHz band of spectrum, I share your desire for the Commission to do everything it can to ensure that public safety providers have the communications tools they need to protect our communities and nation. This auction also provides an exciting opportunity to spur broadband competition and innovation at a time when our country lags far behind international competitors in deploying affordable broadband. Since joining the Commission, I have tried to do everything I can to help bring the best, most accessible and cost-effective advanced telecommunications services to all of our citizens and communities.

With regard to the special access market, I have urged the Commission for a very long time to complete its rulemaking on these services to ensure that competition and affordable choices thrive in the marketplace. Special access services enable wireless providers, among others, to offer their customers—whether they are residential users, small businesses, municipalities, first responders or enterprise users—competitive choices for telecommunications services. Without affordable special access services, a residential consumer in Boston couldn't make a cell phone call to Milwaukee; a public safety officer at an emergency might not be able to communicate with headquarters; and businesses of all sizes may pay too much to call their field offices or many of their customers. Indeed, a non-competitive, monopolistic special access market represents an economically inefficient tax on every American who uses a cell phone or wireless device and on every small, medium or large business or government agency that purchases raw network access. In other words, it is a burden we all share. And as more consumers become more reliant on their cell phones and wireless broadband adoption increases, the need for affordable, competitive special access services becomes all the more important. It is therefore vital for the Commission to ensure that affordable, competitive special access services are available in the marketplace.

The FCC has been studying the state of the current special access market since 2002 when AT&T petitioned the Commission to consider whether the Bell Operating Companies were using the FCC's deregulated pricing rules to keep prices higher than they would be in a competitive market. This record was closed in July 2005 and rolled into a Commission rulemaking on the special access market that had been initiated in January 2005. Parties have had ample opportunity to comment in this proceeding. Moreover, in the intervening two years, the Commission has gathered additional data in reviewing three telecommunications mergers involving the largest buyers and sellers of special access services. Additionally, in November 2006, the Government Accountability Office concluded an in-depth report entitled "FCC Needs to Improve Its Ability to Monitor and Determine the Extent of Competition in Dedicated Access Services" that found that in areas where the FCC has deregulated its pricing regulations due to the presumed presence of competitive alternatives, prices are higher than in areas that remain subject to FCC regulation.

So, for all of these reasons, I believe the FCC is long overdue to complete a review of its policies governing special access. Accordingly, I certainly support completing this review and adopting any changes to our current rules that the Commission deems necessary to promote competition, choices and lower prices in the special access market no later than September 15, 2007.

Your interest in this matter, and your strong continuing efforts to bring affordable advanced communications to all our citizens, is much appreciated.

Warm regards,

A handwritten signature in black ink, appearing to read "Mike", written in a cursive style.

Michael J. Copps
Commissioner
Federal Communications Commission