

## ***Advocacy Submits Comment on the FCC's Notice to Update the Record on the Special Access Rulemaking***

On August 8, 2007, Advocacy filed a letter with the Federal Communications Commission ("FCC" or "Commission") in response to the Commission's request to refresh the docket on its Special Access Notice of Proposed Rulemaking (NPRM). In 2005, Advocacy and other interested parties filed letters suggesting ways to improve the FCC's special access regime. In its August 8 letter, Advocacy urged the Commission to consider how recent mergers have affected the special access market, and to take into account new studies and data related to competition and special access. A complete copy of Advocacy's letter may be accessed at: <http://www.sba.gov/advo/laws/comments/>.

- Competitive local exchange carriers (CLECs) have experienced increased prices for special access paired with a limited ability to negotiate special access contracts. Small carriers now believe that competition in the special access market has so far decreased it has amounted to a market failure. Advocacy urged the FCC to reevaluate special access pricing to reverse the negative impacts on small carriers and fulfill the goal of fostering competition under the Telecommunications Act of 1996.
- There are few available viable alternatives to special access services in the market. The recent mergers of several major telecommunications firms have further consolidated the market. These mergers have lessened the number of providers for special access, and may have exacerbated the difficulties faced by small competitive carriers and small rural incumbent local exchange carriers (ILECs). Therefore, an economic analysis of the current market situation is needed before the Commission completes its Special Access rulemaking, in order to assess these changes and determine what improvements will assist the special access market in becoming more competitive.

For more information, visit Advocacy's website at: <http://www.sba.gov/advo/> or contact Assistant Chief Counsel Cheryl Johns by e-mail at: [cheryl.johns@sba.gov](mailto:cheryl.johns@sba.gov), or by phone at: (202) 205-6949.