

**STATEMENT OF  
CHAIRMAN MICHAEL K. POWELL**

*Re: Review of the Section 251 Unbundling Obligations for Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 (CC Docket Nos. 01-338, 96-98); Deployment of Wireline Services Offering Advanced Telecommunications Capability (CC Docket No. 98-147), Order on Reconsideration*

Eight years ago, Congress charged the Commission with deregulating local telephone monopolies in favor of competitive markets. In *USTA II*, the D.C. Circuit endorsed the Commission's approach to the broadband marketplace and for the first time since the Act was passed validated a Commission unbundling decision. Today we take another step toward ensuring that all Americans, not just those residing in single family homes, will reap the benefits of the information age. As many as one in three Americans live in high-rise structures, known in Commission parlance as "multiple dwelling units." Today's decision clarifies unbundling rules as they apply to broadband services provided to these structures. It draws an administratively workable distinction between primarily residential multi-unit dwellings, and other, more commercial locations. By clarifying our unbundling rules as they apply to these situations, we restore the incentives of incumbent LECs to deploy broadband technology, particularly in our nation's cities. After the D.C. Circuit's most recent vacatur in *USTA II*, we hear the message loud and clear: only sustainable, genuine competition fulfills our Congressional mandate. Today's decision goes lengths to support meaningful, facilities-based competition.