



October 17 2018

VIA ECFS

Errata

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage, WC Docket No. 18-155

Dear Secretary Dortch:

On Thursday, September 13, 2018, the undersigned and Kathryn Glaser of HD Tandem, along with Megan Delany of Dentons, met with Pamela Arluk, Gregory Capobianco, Lynne Engledow, Victoria Goldberg, Lisa Hone, John Hunter, Edward Krachmer, Al Lewis, Eric Ralph, and Shane Taylor of the Wireline Competition Bureau regarding the above referenced proceeding. Per the Bureau's request, HD Tandem is refiling the attached ex parte to provide a more detailed summary of our discussion for the record.

During the meeting, we discussed HD Tandem's comments as filed in the above-referenced proceeding and reiterated our desire to work with the Commission to accomplish the goals of eliminating opportunities for arbitrage within the intercarrier compensation system, as well as continuing to advance the IP Transition, for the benefit of consumers.

Specifically, we encouraged the FCC to consider comprehensive intercarrier compensation reform solutions that will advance a reciprocal bill-and-keep end state and promote the IP Transition that HD Tandem has been working towards since the adoption of the original *Transformation Order*. We discussed the commercial solutions that HD Tandem has developed and implemented in the marketplace, including with several large incumbent carriers. HD Tandem therefore expressed concern with

various one-sided proposals that could result in different regulatory treatment based on different kinds of traffic.

HD Tandem also discussed the bill-and-keep end state goal, explaining how HD Tandem believes that bill-and-keep in the intercarrier compensation context is best understood as a relationship between two carriers. Specifically, HD Tandem discussed that a bill-and-keep end state involves the mutual exchange of traffic between two carriers bearing the cost of their own network with a mutually agreed upon offset rate for the natural imbalance of traffic. HD Tandem cautioned against defining bill-and-keep based on traffic types, and urged the adoption of a truly reciprocal and symmetrical bill-and-keep end state whereby each carrier pays for the expense of their own network to facilitate a mutual exchange of traffic.

Respectfully submitted,

/s/ David Erickson

David Erickson
President

cc: Pamela Arluk
Gregory Capobianco
Lynne Engledow
Victoria Goldberg
Lisa Hone
John Hunter
Edward Krachmer
Al Lewis
Eric Ralph
Shane Taylor