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VIA ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Notice of *Ex Parte*
*In the Matter of Updating the Intercarrier Compensation Regime to
Eliminate Access Arbitrage, WC Docket No. 18-155***

Dear Ms. Dortch:

On August 14, 2018, James Groft, Josh Nelson, and Jeff Roiland, the CEOs of Northern Valley Communications, LLC, Great Lakes Communication Corporation, and BTC, Inc. d/b/a Western Iowa Networks, respectively (collectively the “CLECs”), held two separate meetings to discuss matters related to the above-referenced proceeding. Myself and my colleague, John Nelson, also attended as the CLECs’ counsel. The meetings were held with (1) Jamie Susskind, Chief of Staff to Commissioner Carr, and (2) Wireline Competition Bureau and Pricing Policy Division staff members, including Bureau Chief Kris Monteith, Joseph Calascione, Lynne Engledow, Victoria Goldberg, Edward Krachmer, Albert Lewis, and Arielle Roth. The purpose of these meetings was for the CLECs to discuss concerns with the Commission’s Notice of Proposed Rulemaking (the “Access Stimulation NPRM”), including the unsupported allegations and factual omissions in the comments and reply comments submitted by the IXC and CEA providers, as well as to discuss the benefits that high volume services have provided to these rural carriers and to consumers nationwide. The presentation attached as **Exhibit A** was used during the discussion.

In the meeting with Ms. Susskind, I began by briefly describing the CLECs’ various concerns with respect to the Access Stimulation NPRM, including: (1) how quickly the Commission moved forward with the NPRM proceeding; (2) the lack of post-*Connect America Fund Order* data and evidence that was used to guide the Commission’s proposals; and (3) how the Commission’s recent *INS Tariff Order* resolved many issues that had generated recent disputes, thereby making the reforms proposed in the Access Stimulation NPRM unnecessary. Mr. Groft, Mr. Nelson, and Mr. Roiland provided an overview of their companies, all of which have sought to comply with – not evade – the Commission’s 2011 *Connect America Fund Order*. And after being asked by Ms. Susskind what benefits have been generated by having these traffic volumes terminate to their networks, each CEO individually explained how free conferencing services benefit consumers – both rural and nationwide – and how the revenues obtained from access stimulation allow each access-stimulating CLEC to support their respective rural

economies and deploy broadband services to underserved and unserved areas. I then summarized the CLECs' positions and expressed the CLECs' concern that, should the Commission decide that the *INS Tariff Order* does not provide IXC's with enough relief, the agency should request current data and evidence from the IXC's and CEA providers. Ms. Susskind committed to bringing the CLECs' concerns to Commissioner Carr's attention.

In the meeting with Wireline Competition Bureau and Pricing Policy Division staff members, I again began by laying out the CLECs' various concerns. Mr. Groft, Mr. Nelson, and Mr. Roiland thereafter provided background on each of their CLECs and the benefits their CLECs are able to provide to consumers and their rural economies through their involvement in access stimulation. In discussing NVC's services, Mr. Groft also expressed his concern with the misleading and unsubstantiated allegations of harm made by the IXC's in their comments and referenced certain data that had been discussed during a public hearing in NVC's recent collection action against AT&T in federal court to support his belief that IXC's do not lose money on access stimulation traffic, but rather are engaged in an effort to reduce their consumer's use of conference calling services that compete with their own services. Mr. Krachmer asked us to provide a copy of the data that was made publicly available. I explained to him that AT&T required NVC to destroy the underlying data after the two companies reached a settlement, but committed to providing the Wireline Competition Bureau and Pricing Policy division a copy of the publicly-available hearing transcript wherein the results of the data analysis and AT&T's access-stimulation-related profits are discussed. That transcript is attached hereto as **Exhibit B**.

I again expressed the CLECs' concern about the fact that many allegations were made in the NPRM that are not supported by current evidence contained in the record. Wireline Competition Bureau Chief Montieth acknowledged the CLECs' concern and assured the CLECs that the Bureau is committed to engaging in a fact-based rulemaking. We then explored evidence-gathering procedures that the Bureau could undertake in this proceeding to test many of the unsupported allegations made by AT&T and others. I encouraged the Bureau to issue the data requests attached as Exhibit D to the CLECs' Comments to ensure that the record is fully developed before any further rules are adopted.

Pursuant to Section 1.1206 of the Commission's rules,¹ a copy of this letter is being filed via the Commission's electronic comment filing system ("ECFS"). If you have any questions, please do not hesitate to contact me.

Sincerely,



G. David Carter

¹ 47 C.F.R. § 1.1206.

cc: John Nelson
Jamie Susskind
Kris Monteith
Joseph Calascione
Lynne Engledow
Victoria Goldberg
Edward Krachmer
Albert Lewis
Arielle Roth