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August 16, 2018

**VIA ECFS**

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> 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 15, 2018, James Graft, 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”), met with Commissioner Michael O’Rielly to discuss matters related to the above-referenced proceeding. Myself and my colleague, John Nelson, also attended as the CLECs’ counsel. The purpose of this meeting 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.

I began our meeting with Commissioner O’Rielly 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 have generated recent disputes, thereby making the reforms proposed in the Access Stimulation NPRM unnecessary. Mr. Graft, Mr. Nelson, and Mr. Roiland thereafter 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 the benefits their CLECs are able to provide to consumers and their rural economies through their involvement in access stimulation.

After each of the CEOs provided Commissioner O’Rielly with background on their respective companies, Commissioner O’Rielly acknowledged the many difficulties that rural CLECs in Iowa and South Dakota face every day, including issues regarding economies of scale. I informed Commissioner O’Rielly that, because of access stimulation, rural carriers are actually able to better realize economies of scale and create more efficient networks, and that the reforms

proposed in the Access Stimulation NPRM, if implemented, would widen the gap between cost and revenue for both rural CLECs and CEA providers.

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. Mr. Groft asked Commissioner O'Rielly if he supported evidence-gathering and fact-based rulemaking in this docket before adoption of proposed rules. Commissioner O'Rielly assured the CLECs that, while he has not had the opportunity to review the record regarding the Access Stimulation NPRM, he remains committed to the principle of evidenced-based rulemaking. He asked the CLECs to update him regarding their efforts to work with the Wireline Competition Bureau and the Chairman's Office to obtain additional data from the long-distance carriers and CEA providers necessary to develop a full record in this proceeding.

Pursuant to Section 1.1206 of the Commission's rules,<sup>1</sup> 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

cc: Commissioner Michael O'Rielly  
John Nelson

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<sup>1</sup>

47 C.F.R. § 1.1206.