



June 12, 2015

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Via ECFS

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

Re: Numbering Policies for Modern Communications, WC Docket No. 13-97; IP-Enabled Services, WC Docket No. 04-36; Telephone Number Requirements for IP-Enabled Services Providers, WC Docket No. 07-243; Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92; Connect America Fund, WC Docket No. 10-90; Numbering Resource Optimization, CC Docket No. 99-200

Dear Ms. Dortch:

This week Verizon personnel met with Commission staff to discuss issues in the above proceedings, as follows: on Wednesday, June 10, Robert Morse spoke by telephone with Amy Bender, Legal Advisor to Commissioner Michael O’Rielly; on Thursday, June 11, the undersigned met with Rebekah Goodheart, Legal Advisor to Commissioner Mignon Clyburn; on Thursday, June 11, the undersigned and Robert Morse met with Travis Litman, Legal Advisor to Commissioner Jessica Rosenworcel; and on Thursday, June 11, Alan Buzacott spoke by telephone with Nicholas Degani, Legal Advisor to Commissioner Pai.

In these discussions we urged the Commission to initiate a further notice of proposed rulemaking to examine the cost allocation rules for numbering administration, portability and pooling, consistent with our prior comments.¹ The current revenue-based allocation method, adopted in 1998 at the early stage of local number portability, was not intended to be permanent. Seventeen years later the industry has evolved far from the early stages of local number portability, and the current method no longer meets the statutory requirement that number portability costs “be borne by all telecommunications carriers on a competitively neutral basis....”²

We pointed out that the Commission has been considering this issue for nearly a decade, beginning with the 2005 Bellsouth Petition for Rulemaking, and more recently in the 2013

¹ See Comments of Verizon and Verizon Wireless, WC Docket No. 13-97 *et al.*, at 4-7 (July 19, 2013); Verizon and Verizon Wireless Petition for Declaratory Ruling, *Petition for Declaratory Ruling To Assess NPAC Database Intra-Provider Transaction Costs on the Requesting Provider*, WC Docket No. 11-95 (May 31, 2011).

² 47 U.S.C. § 251(e)(2).

*Notice of Proposed Rulemaking.*³ Issuing a Further Notice of Proposed Rulemaking on the differing viewpoints that have already been submitted in the record would be an appropriate next step. Additional intervening steps, such as referring the issue to the North American Numbering Council (NANC) for further consideration, would unnecessarily delay final action. Should the Commission refer the issue to the NANC, the Commission should instruct the NANC to present alternatives to the current cost allocation rules—with no recommendations—within six months.

We also addressed last-minute filings by Level 3 in several dockets including the Numbering Policy proceeding (WC Docket No. 13-97). Those filings advocate for a far-reaching expansion of the scope of the “VoIP symmetry” intercarrier compensation rule adopted in the *USF-ICC Transformation Order*.⁴ In place of the existing language that limits application of the VoIP symmetry rule to when “the CLEC is listed in the database of the Number Portability Administration Center (NPAC) as providing the calling party or dialed number,”⁵ Level 3 proposes to apply the rule if either the CLEC or a VoIP provider is listed in the NPAC database as owning the calling party or dialed number.

We urged the Commission to take no action on Level 3’s proposal. The Commission cannot adopt Level 3’s last-minute proposal because it has not been the subject of a notice-and-comment rulemaking. For Level 3 to seek changes to the VoIP symmetry rule, it must file a petition for rulemaking with the Commission. And Level 3’s proposal would dramatically expand the scope of the VoIP symmetry rule and would increase the potential for arbitrage. Contrary to Level 3’s claim that its proposal would encourage IP-to-IP interconnection, Level 3’s proposal would actually encourage unnecessarily retaining TDM-based CLECs like Level 3 in the call flow in order to continue generating end-office-switching access charges.

Sincerely,



cc: Amy Bender
Rebekah Goodheart
Travis Litman
Nicholas Degani

³ BellSouth Corporation, *Petition for Rulemaking to Change The Distribution Methodology for Shared Local Number Portability and Thousands-Block Number Pooling Costs*, RM-11299 (Nov. 3, 2005); *Numbering Policies for Modern Communications*, Notice of Proposed Rulemaking, Order and Notice of Inquiry, 28 FCC Rcd 5842, ¶¶ 66-69 (2013) (“*2013 Notice of Proposed Rulemaking*”).

⁴ *Connect America Fund*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (“*USF-ICC Transformation Order*”).

⁵ *See Connect America Fund; Developing a Unified Intercarrier Compensation Regime*, Declaratory Ruling, 30 FCC Rcd 1587, ¶ 3 n.7 (2015).