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Gary L. Phillips
General Attorney

SBC Communications, Inc.
1401 H Street, NW
Suite 1020
Washington, DC 20005
Phone 202-326-3817



January 13, 2000

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: **Ex Parte Presentation**
CC Docket 99-68
Reciprocal Compensation

Dear Ms. Salas:

Yesterday I had a conversation with Larry Strickling, Yog Varma, Jane Jackson, Rich Lerner, and Aaron Goldschmidt of the Common Carrier Bureau, regarding the above-referenced docket. During that conversation, I noted that the proposed merger of Time Warner and AOL underscores how consumers increasingly will use the Internet to access multimedia applications, such as video and audio programming. I noted that, as this trend unfolds, the already huge disparity between the average length of an Internet session and the average length of a local voice call will grow even wider. Thus *any* inter-carrier compensation regime for Internet traffic that incorporates per-minute rates – even rates that are below TELRIC - would only perpetuate the massive subsidies that are today distorting the marketplace.

Sincerely,

CC: L. Strickling
Y. Varma
J. Jackson
R. Lerner
A. Goldschmidt

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