



August 13, 2004

VIA ELECTRONIC FILING

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

Re: In the Matter of Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92

Dear Ms. Dortch:

This letter is filed in accordance with Commission rules. On August 12, 2004, Charles Fast of Consolidated Telephone Company, Riley Garrigan of TELECOM Consulting Resources, Michael Urdahl of Great Plains Communications and I met with Scott Bergman, legal advisor to Commissioner Adelstein, Chris Libertelli, legal advisor to Chairman Powell, and Aaron Goldberger, legal advisor to the Office of the Bureau Chief of the Wireless Telecommunications Bureau, on issues in the above docket.

In the meeting with Mr. Bergman, we discussed the status of the FCC's ongoing intercarrier compensation investigation. In the meeting with Messrs. Libertelli and Goldberger, we also discussed the status of this docket and presented an overview of the intercarrier compensation proposal sponsored by the Alliance for Rational Intercarrier Compensation ("ARIC"). The ARIC FACTS (Fair Affordable Comprehensive Telecom Solution) plan proposes to comprehensively reform intercarrier compensation through state and FCC cooperative efforts to:

- Establish local rate benchmarks; and
- Equalize subscriber line charges between all customers served by rural and non-rural companies; and
- Unify all intercarrier compensation rates for all services, interstate and intrastate, access and reciprocal compensation; and
- Establish a State Equalization Fund in each state to offset revenue reductions, but not increase the Federal Universal Service Fund.

The FACTS Plan also recommends compensation and regulation needs in an Internet protocol environment. A copy of the document utilized in the presentation is attached.

Sincerely,

Ken Pfister
Vice President-Strategic Policy

Attachment