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Ex Parte

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

Re: In the Matter of IP-enabled Services, WC Docket No. 04-36; Level 3 Communications Petition for Forbearance, WC Docket No. 03-266

Dear Ms. Dortch:

On February 4, 2005, Michael Glover, Susanne Guyer, and Karen Zacharia of Verizon, met with Jeffrey Carlisle, Chief of the Wireline Competition Bureau, Lisa Gelb, Deputy Chief of the Wireline Competition Bureau, Tamara Preiss, Chief, Pricing Policy Division, and Steve Morris, Jennifer McKee, and Jeremy Marcus of the Wireline Competition Bureau to discuss the above-referenced proceedings.

Verizon urged the Commission to deny Level 3's petition. Verizon explained that Level 3's petition is not an appropriate subject for forbearance for several reasons. For example, the petition alone cannot provide the relief Level 3 requests. In addition, Level 3 is asking the Commission to change the rules that apply to interexchange traffic, and to change the way rates are prescribed and by whom. Moreover, any decision to change the compensation for these calls would raise significant interrelated issues – such as a determination that the new rates are just and reasonable and compensatory, and that universal service objectives will not be harmed – that are beyond the scope of this proceeding.

Verizon also explained that, even if Level 3's petition were an appropriate forbearance petition, it does not satisfy the Section 10 statutory criteria. The new rates would not be just and reasonable and non-discriminatory. Level 3 has made no showing that the rates that would apply are just and reasonable, nor has it shown that forbearance is somehow necessary to ensure consumers receive just and reasonable rates for long

distance. Moreover, granting Level 3's petition would result in discrimination in a number of ways, including discrimination between long distance providers, between rural and non-rural LECs (and between different kinds of rural LECs), between PSTN to IP traffic handed to the end user's 1+ carrier, and other PSTN to IP traffic. In addition, Level 3 has not addressed the impact of granting its petition on universal service, nor has it shown that consumers would be protected if forbearance were granted. Because forbearance would not be in the public interest, Level 3's petition should be denied.

Please contact me if you have any questions.

Sincerely,

/s/Kathleen Grillo

cc: Jeffrey Carlisle
Lisa Gelb
Tamara Preiss
Steve Morris
Jennifer McKee
Jeremy Marcus