

Kathleen Grillo
Vice President
Federal Regulatory



1300 I Street, NW, Suite 400 West
Washington, DC 20005

Phone 202 515-2533
Fax 202 336-7922
kathleen.m.grillo@verizon.com

February 11, 2005

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 10, 2005, Karen Zacharia and Kathleen Grillo of Verizon, met with Scott Bergmann, Legal Advisor to Commissioner Jonathan Adelstein 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

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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: Scott Bergmann