

3 High Ridge Park  
Stamford, CT 06905  
203.614.5099 phone  
203.614.4627 fax  
maggie.wilderotter@czn.com

EX PARTE OR LATE FILED

RECEIVED & INSPECTED

MAR 4 - 2005

FCC - MAILROOM

**MAGGIE WILDEROTTER**  
*President and Chief Executive Officer*



**EX PARTE PRESENTATION**

**ORIGINAL**

March 2, 2005

The Honorable Kathleen Q. Abernathy  
Commissioner  
Federal Communications Commission  
445 12th Street, SW, Room 8 B115  
Washington, DC 20554

**Re: Level 3 Communications LLC's Petition for Forbearance Under 47 U.S.C. §160(c) and Section 1.53 of the Commission's Rules from Enforcement of Section 251(g), Rule 51.701(b)(1), and Rule 69.5(b), WC Docket No. 03-266**

Dear Commissioner Abernathy:

I know the Commission is on a deadline to deal with the Level 3 Communications Petition for Forbearance so I felt it was important for me to let you know our Company's position on this matter. You and I both know these issues are very complex and there can be unintended consequences to a decision that gets made without considering the entire intercarrier compensation environment. Therefore, Citizens Communications strongly urges the Commission to deny Level 3's Petition for forbearance from interstate access charge rules. Level 3's petition is not an opportunity for the Commission to advance toward a forward-looking, market-based compensation regime; rather it is an attempt by one segment of service providers to entice the Commission to engage in a creative form of regulatory favoritism, and to create a new and more virulent opportunity for arbitrage within the current compensation system.

For all its imperfections, the current access environment is technology neutral. Policy makers managing this system over the last two decades have taken great care to avoid creating "winners" and "losers" among directly competing technologies or service providers. For example, during the migration from long-haul copper and microwave to fiber optics during the 1980s and early 1990s, neither the Commission nor state regulators established special, lower rates for traffic transmitted over fiber. Likewise, no access charge discounts were applied to traffic transmitted via digital, as opposed to analog, long distance switches. The Commission recognized that in competing with legacy technologies, newer technologies needed to prove themselves based on intrinsic technical or economic superiority, and did not require nor deserve interventionist aid.

No. of Copies rec'd 0  
List ABCDE

The Honorable Kathleen Q. Abernathy  
March 2, 2005  
Page 2 of 2

Along the same lines, Level 3 and other VoIP providers do not require nor deserve any interventionist aid. There is no controversy about the promise of VoIP. It is precisely because the promise is so great that the Commission should refrain from creating artificial advantages for this technology or its early adopters. To the extent VoIP fulfills its promise, it will provide its own rewards and incentives for service providers that deploy it. Conversely, if it creates artificial rewards for VoIP, the Commission will not accelerate appropriate uses, but will instead encourage diversion of scarce resources into inefficient VoIP business plans, at the expense of more economically viable and consumer-beneficial expenditures, such as rural broadband.

The Commission and state regulators established local exchange carriers' access rates in order to enable affordable communications services throughout the United States, especially in rural communities such as those served by Citizens Communications. The measures requested by Level 3 will not reform nor replace the current access charge system, but rather will undermine it and the affordable communications services it supports. Furthermore, the relief requested by Level 3 will not encourage the replacement of supported telephone services by unsupported VoIP-based services. You must also take into consideration that the current access charge environment supports networks which not only deliver the rural telephone services with which VoIP directly competes, but also delivers the rural broadband services which VoIP requires. Thus, rather than accelerating broadband and VoIP, the relief sought by Level 3 in this Petition threatens to retard both.

Failing to deny this petition will not advance the Commission toward its goal of a rational, efficient, unified intercarrier compensation framework. Instead, it will create within the current framework a new artificial distinction more arbitrary and uneconomic by several measures than the current jurisdictional distinctions. By denying Level 3's petition, the Commission will avoid creating a new series of controversies and unintended side effects which would hamper and delay its efforts to expeditiously address comprehensive intercarrier compensation reform.

For these reasons, Citizens Communications respectfully urges the Commission to deny Level 3's petition and focus its energy on intercarrier compensation reform in total.

If you should have any questions regarding this letter don't hesitate to give me a call. Thanks again for your consideration.

Sincerely,



Maggie Wilderotter  
President & CEO

Citizens Communications