



June 9, 2006

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**EX PARTE – VIA ELECTRONIC FILING**

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington D.C. 20554

***Re: WC Docket No. 96-45  
Oral Ex Parte Presentation***

Dear Ms. Dortch:

On June 8, 2006, the undersigned of General Communication, Inc. (GCI), met with Dan Gonzalez, Chief of Staff for Chairman Kevin Martin, in connection with the above-captioned proceeding. In that meeting, GCI addressed the assessment of Universal Service Fund (USF) contributions on VoIP providers, proposing that USF contributions for covered VoIP providers should be assessed in the same manner as CMRS providers.

First, GCI explained that it provides interstate services over both circuit-switched copper and cable telephony facilities and contributes to universal service based on the quarterly factor assessed on interstate retail revenues in accordance with the Commission's rules. Where interstate revenues are already assessed on a uniform basis without any distinction among service revenues based on technology or type of facilities, no order or change in rules is needed to compel or clarify payment obligations. Accordingly, GCI requests that the Commission avoid ambiguity on this matter and specify that any differing, new, or additional obligations adopted prospectively for covered VoIP providers are not intended to displace established practices.

Second, to the extent that the Commission applies a "safe harbor" for allocation of revenues by covered VoIP providers, it should be assessed and applied in the same way as for CMRS providers. *See Federal-State Joint Board on Universal Service, Memorandum Opinion and Order*, 13 FCC Rcd 21252, 21257-58, para. 11 (1998). This is consistent with the Commission's prior assessment of the factual similarities between the services, (*see Vonage Holdings Corporation Petition for Declaratory Ruling Concerning an Order of the Minnesota Public Utilities Commission, Memorandum Opinion and Order*, 19 FCC Rcd 22404, 22417-18, para. 22 (2004)), and it would be reasonable to extend this approach to covered VoIP providers

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in the interim while the Commission undertakes comprehensive USF contribution reform.

Finally, to the extent that the Commission determines to formalize filing and review of methodologies for allocating interstate revenues, any such obligation should apply uniformly to all contributors.

In accordance with the Commission's rules, a copy of this letter is being filed in the above-referenced docket.

Sincerely,

/s/

Tina M. Pidgeon

Vice President, Federal Regulatory Affairs