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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 Federal-State Joint Board on Universal Service, High Cost Universal Service Support, WC Docket No. 05-337; In the Matter of Federal State Joint Board on Universal Service, CC Docket No. 96-45

Dear Ms. Dortch:

On January 11, 2008, Tom Tauke, Susanne Guyer, and Kathleen Grillo of Verizon met with Commissioner Robert McDowell and John Hunter, Senior Legal Advisor to Commissioner McDowell. The purpose of the meeting was to discuss Verizon's universal service reform proposals and the Joint Board's recommendation for an interim cap on support to competitive ETCs.

Verizon expressed its continued support for the Joint Board's recommendation for an interim cap on CETC support. The interim cap is vital to the long-term stability of the Universal Service Fund, and a necessary step towards meaningful, comprehensive reform. Verizon also discussed its proposal to use reverse auctions or competitive bidding to distribute universal service support. Finally, Verizon discussed the Joint Board's recommendation to consider abandoning or modifying the identical support rule. Verizon stated that ultimately the Commission should adopt reverse auctions to distribute high cost support and eliminate the identical support rule.

Please contact me directly if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Grillo".

cc: Commissioner Robert McDowell
John Hunter