

Donna Epps
Vice President
Federal Regulatory



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

Phone 202 515-2527
Fax 202 336-7922
donna.m.epps@verizon.com

April 23, 2008

Ex Parte

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Establishing Just and Reasonable Rates for Local Exchange Carriers, CC Docket No. 07-135; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98; and Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68

Dear Ms. Dortch:

Yesterday, Amy Rosenthal and the undersigned of Verizon met with Scott Bergmann of Commissioner Adelstein's office to discuss Verizon's position on the ISP Reciprocal Compensation proceeding and the practice of traffic pumping.

In particular, we also reviewed the legal bases for the federal ISP-bound traffic compensation regime that is currently in effect. In addition, we reviewed the reasons that this traffic is subject to the FCC's jurisdiction and that it is not subject to Section 251(b)(5) which would subject this traffic to state jurisdiction. The arguments are further set out in prior submissions, and in particular in our May 17, 2004 White Paper. Verizon urged the FCC to continue to support its earlier finding that \$0.0007 is appropriate compensation for dial-up ISP bound traffic.

On the traffic pumping issue, Verizon explained that much of the rural ILEC traffic pumping activity has merely shifted to certain rural CLECs and urged the FCC to take the steps outlined in Verizon's Comments to prevent CLEC traffic pumping. Verizon explained how it developed the triggers outlined in its proposed solutions and how those solutions are designed to target rural CLEC traffic pumping activity, without placing undue burdens on those CLECs that are not engaging in traffic pumping. The attached slides were discussed in the meeting.

Sincerely,

A handwritten signature in black ink that reads "Donna Epps".

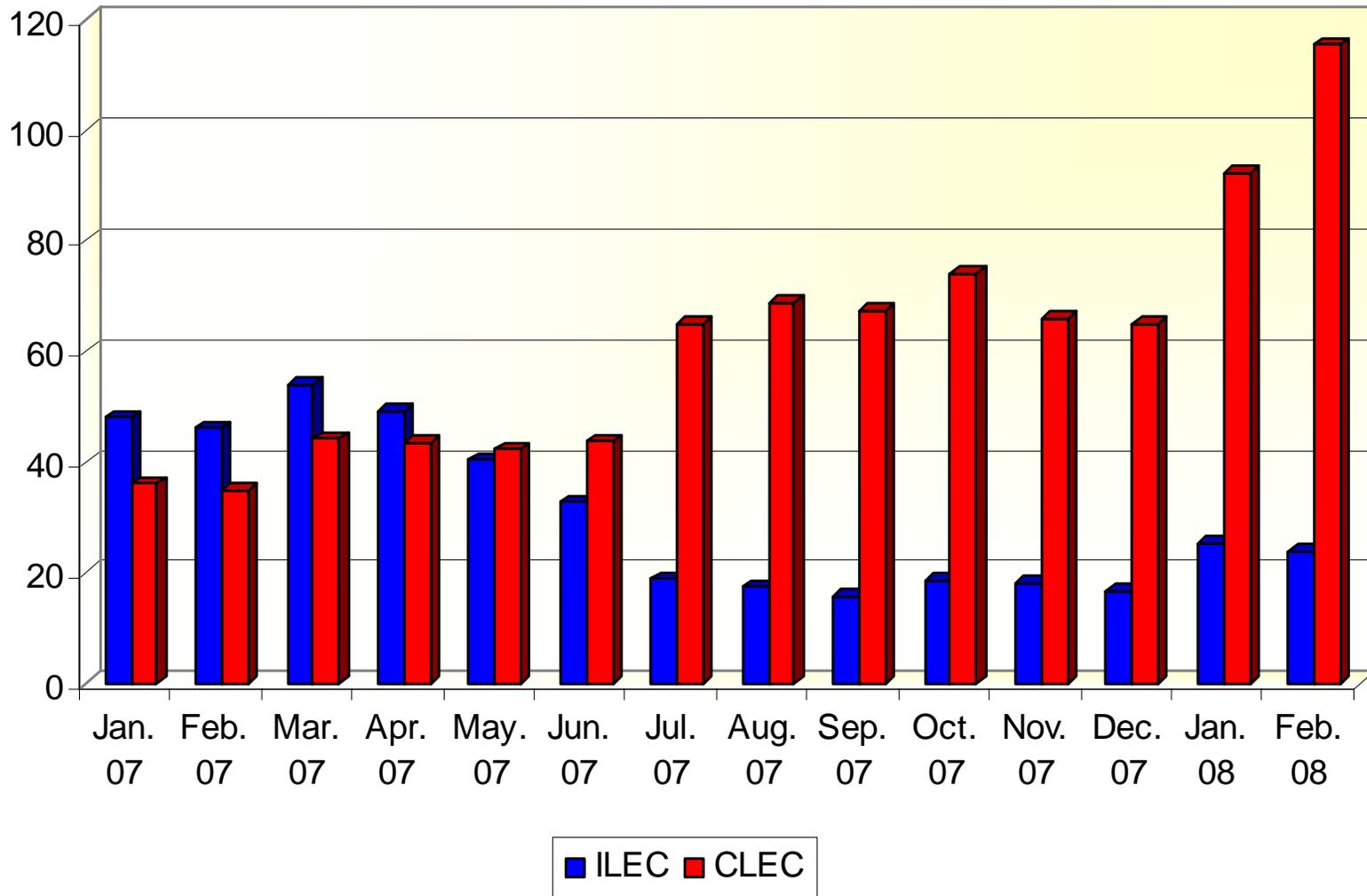
Attachment



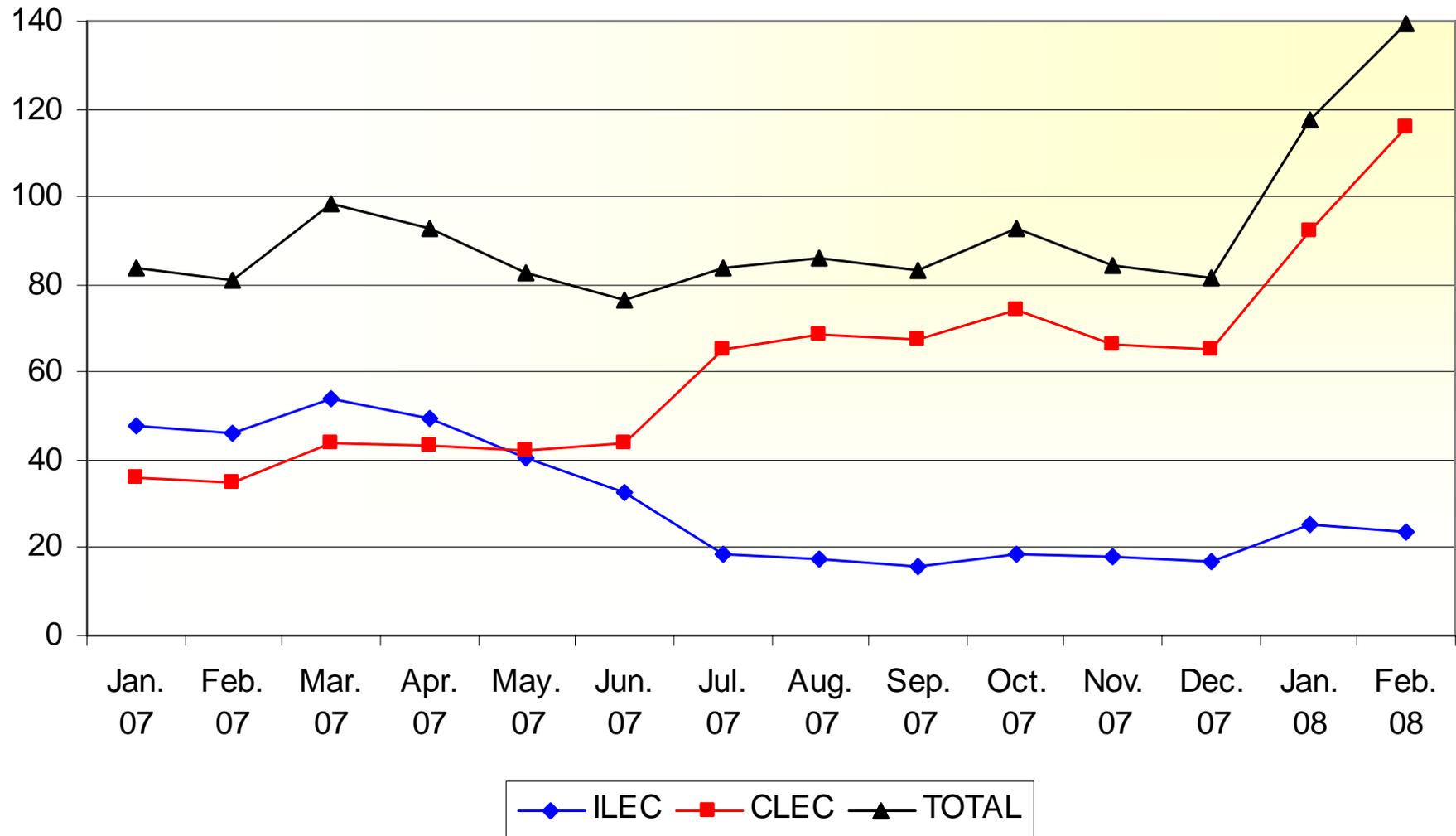
Traffic Pumping Solutions

April 22, 2008

Traffic Volume by ILEC and CLEC Traffic Pumpers 2007 – YTD in Millions of MOU



Traffic Pumping Volume by ILEC , CLEC and Total 2007 – YTD in Millions of MOU



Traffic Pumping By Rural Exemption, Benchmark to NECA, and Other CLECs (% of Billing)

