INDEPENDENT TELEPHONE & TELECOMMUNICATIONS ALLIANCE

July 17, 2008

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

Re: NOTICE OF *EX PARTE* PRESENTATION

Assessment and Collection of Regulatory Fees for Fiscal Year 2008
MD Docket No. 08-65, RM-11312

Dear Ms. Dortch:

Yesterday, Curt Stamp and Zac Champ of the Independent Telephone & Telecommunications Alliance (ITTA), Jennie Chandra of Windstream, and the undersigned met with Regina Dorsey, Roland Helvajian, Mika Savir, Mark Stephens, and Mark Stone of the Office of Managing Director to discuss the above-captioned proceeding.

Consistent with its reply comments filed in the above-captioned proceeding, ITTA reiterated its position that the Commission should take action now to ensure that regulatory fees are applied in a competitively neutral manner. Specifically, providers of wireless services should be included in the ITSP category for assessment of regulatory fees. The Commission has demonstrated the reasonableness of this approach by including VoIP in the ITSP group, and ITTA urges the Commission to extend this model to include wireless providers in the ITSP base. There is currently a significant disparity between the fees paid by wireline and wireless: on a per-subscriber basis, the average wireline regulatory fee amount is approximately 680 percent greater than the amount attributable to the average wireless voice customer. This gap only widens under the proposed 2008 fee rates;[1] the attached chart illustrates this trend. As noted at yesterday's meeting, and as expressed in ITTA's previously-filed reply comments, movement of wireless into the ITSP base would be consistent with the Commission's goal of "ensur[ing] regulatory parity among providers of similar services" in a manner that "will minimize marketplace distortions arising from regulatory advantage."[2]

[1] Under the proposed 2008 regime, the average wireline assessment would be approximately 885 percent more than that levied upon wireless.

[2] *Telephone Number Requirements for IP-Enabled Service Providers; Local Number Portability Porting Interval and Validation Requirements; IP-Enabled Services; Telephone Number Portability; CTIA Petitions for Declaratory Ruling on Wireline-Wireless Porting Issues; Final Regulatory Flexibility Analysis; Numbering Resource Optimization: Report and Order, Declaratory Ruling, Order on Remand, and Notice of Proposed Rulemaking,* WC Docket Nos. 07-243, 07-244, 04-36, CC Docket Nos. 96-115, 99-200, FCC 07-188, 22 FCC Rcd 19531, at para. 1 (2007).

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ITTA explained that this new approach would recognize that the convergence of technology and consumer expectations has compelled disparate entities to participate in, and benefit from the adjudication of, common Commission proceedings. For example, representatives of the wireless industry participate in and benefit from adjudication of numerous wireline dockets, including: universal service (WC 05-337); pole attachments (WC 07-245); special access (WC 05-25); rate integration (RM 11415); intercarrier compensation (CC 01-92), and; customer proprietary network information (CPNI) (CC 96-115, WC 04-36). ITTA stated that beneficiaries of expenses incurred in these proceedings are no longer contained within discrete industry silos, and the administration of regulatory fees should reflect this fact.

Finally, ITTA noted that the Communications Act of 1934, as amended, gives the Commission the express ability to reform fees in response to convergence in technologies and changing consumer expectations. Although fees generally should reflect the number of employees that perform regulatory activities in each Bureau, Section 159 states that fees levied on regulated entities shall be adjusted to account for "factors that are reasonably related to the benefits provided to the payor of the fee…and other factors that the Commission determines are necessary to the public interest."[3] Section 159 further provides that the Commission can make changes to the fee schedule to "add, delete, or reclassify services" to account for "additions, deletions, or changes in the nature of its services as a consequence of Commission rulemaking proceedings or changes in law."[4] Movement of wireless into ITSP would be consistent with this statutory approach.

Respectfully submitted,

s/*Joshua Seidemann*
Joshua Seidemann
Vice President, Regulatory Affairs

Attachment

cc: Commissioner Deborah Taylor Tate
Amy Bender
Scott Bergmann
Scott Deutchman
Regina Dorsey
Roland Helvajian
John Hunter
Mika Savir
Mark Stephens
Mark Stone

[3] 47 U.S.C. § 159(a)(1), (b)(1)(A).

[4] 47 U.S.C. § 159(b)(3).