



October 28, 2008

Via Electronic Filing

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: Notice of Written Ex Parte Presentation (WC Docket 05-337; CC Docket 96-45; WC Docket 06-122; CC Docket 01-92)

Dear Ms. Dortch,

The Benton Foundation submits this written *ex parte* filing to update the record on particular issues in the Commission's open dockets on Developing a Unified Intercarrier Compensation Regime (CC Docket No. 01-92), and related Universal Service Fund (USF) dockets (WC Docket No. 05-337 and CC Docket No. 96-45).

On October 14, 2008, Chairman Martin circulated a draft order on Comprehensive Reform of Intercarrier Compensation and Universal Service and a vote on the Order is listed on the tentative agenda for the Commission's November 4, 2008 open meeting. However, there have been few consistent details available on this proposal. At stake here are billions of dollars that come directly from the public's pocketbook.

This proposal will dramatically change how many carriers serving rural and insular areas can access capital to maintain existing infrastructure as well as rollout broadband to those areas where buildout is most costly. Indeed, some argue the proposal calls into question the ability of some publicly-held companies to operate while simultaneously navigating our country's worst financial crisis since the Great Depression. It could also alter the structure for federal and state oversight of the industry - perhaps increasing the need for complementary state universal service programs.

The Benton Foundation's primary interests in these proceedings are two-fold. Benton urges the Commission to only adopt a Report & Order which ensures:

1. consumers benefit from these reforms, are treated fairly, and are not unduly burdened,
2. high-quality broadband is deployed to every region of the nation in a timely fashion and is affordable for every American.

At this juncture, it remains impossible for the public to weigh in on this order and offer answers to these questions. The public has not had a fair or realistic opportunity to comment on the proposal.

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The Commission's actions must be guided by the Telecommunications Act of 1996:

- Universal service support should be explicit, and sufficient enough to ensure reasonably comparable rates;
- The definition of universal service should be updated to include high-speed, broadband Internet access;
- The Commission should phase-out legacy support for analog phone service in five years or less;
- The Order should bolster competition in telecommunication services;
- The Order should aim to increase wireless deployment in high cost areas;
- The plan must be technology neutral;
- Voice, Broadband and Mobility should be treated as interrelated goals; and
- The order should identify and eliminate duplicate subsidies.

Respectfully Submitted,

/s/

Charles Benton

Cc:

The Honorable Kevin Martin, Chairman

The Honorable Deborah Taylor Tate, Commissioner

The Honorable Michael Copps, Commissioner

The Honorable Jonathan Adelstein, Commissioner

The Honorable Robert McDowell, Commissioner