



www.frontieronline.com

Legal Department
180 South Clinton Avenue
Rochester, NY 14646-0700

Tel: 585.777.7270
Fax: 585.263.9986
gregg.sayre@frontiercorp.com

VIA FCC ELECTRONIC COMMENT FILING SYSTEM

October 29, 2008

NOTICE OF EX PARTE COMMUNICATION

Ms. Marlene Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Developing a Unified Intercarrier Compensation Regime - Proper Routing and Compensation for Termination of Telecommunications Traffic, CC Docket No. 01-92

Federal-State Joint Board on Universal Service, CC Docket No. 96-45; WC Docket No. 05-337

Dear Ms. Dortch:

On October 28, 2008, Kenneth Mason, Vice President, Government and Regulatory Affairs of Frontier Communications Corporation met with Greg Orlando, Legal Advisor, Wireline for Commissioner Tate. Mr. Mason discussed concerns over the process of the current order on Intercarrier compensation and USF circulating at the Commission. Mr. Mason stated that the order brings together two critical issues and apparently is substantially different from anything on the record, yet stakeholders are not being given the opportunity to see the plan and file comments. Mr. Mason stated that the Commission should address the ISP-bound traffic remand from the Court of Appeals, consider the Federal-State Joint Board on Universal Service's proposal on Universal Service and put the order out for comment. Mr. Mason also discussed the need to apply a minimum of interstate access charges to non-local Voice over Internet Protocol traffic terminated to the Public Switched Telephone Network.

Mr. Mason stated that it appears the order has potential negative implications for rural customers, who are most likely to receive SLC increases because they reside in the least competitive markets, and mid-size rural price cap carriers. Mr. Mason stated Frontier's support of the efforts of the Commission to achieve a workable solution to the intercarrier compensation issue and agreed that the different rates which apply to the various types of intercarrier compensation create the arbitrage problems facing the industry today. However, from what Frontier understands to be in the plan, Frontier has concerns over the speed of the transition from intrastate to interstate, especially with the lack of a reasonable recovery mechanism to create a manageable glide path. Mr. Mason stated that the Independent Telephone &

Telecommunications Alliance (ITTA) and others have put forward proposals that contemplate rate unification at higher levels.

Mr. Mason stated that the apparent broadband build-out commitment to keep current high cost support is likely to achieve the opposite impact when coupled with the potential revenue losses in the intercarrier reform piece of the order. Frontier receives less than 3% of its total revenues from federal high cost support and would need to spend more in capital to reach 100% availability than it would receive in support over the 5-year period.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregg C. Sayre". The signature is written in a cursive style with a large initial "G".

Gregg C. Sayre
Associate General Counsel -
Eastern Region

GCS/hmj