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December 2, 2008

EX PARTE

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: CC Docket Nos. 96-45, 96-98, 99-68, 99-200, 01-92;
WC Docket Nos. 03-109, 04-36, 05-337, 06-122

Dear Ms. Dortch:

On December 1, 2008, Dan Brenner and the undersigned, representing the National Cable and Telecommunications Association (NCTA), met by phone with Scott Bergmann, Legal Advisor to Commissioner Jonathan Adelstein, to discuss the above-referenced dockets. The discussion was consistent with NCTA's previous filings in these dockets.

Please do not hesitate to call should you have any questions regarding this matter.

Respectfully submitted,

/s/ **Steven F. Morris**

Steven F. Morris

cc: S. Bergmann

Attachment

NCTA PRESENTATION ON INTERCARRIER COMPENSATION

THE COMMISSION SHOULD PROVIDE THE PUBLIC WITH DETAILS OF THE PROPOSED RULES IT IS CONSIDERING

- Decisions in this proceeding will have huge financial and operational consequences
- The cursory proposals that the Commission is considering are inadequate to provide individual companies a clear idea of these potential consequences
- Given the substantial risk of unintended consequences, the Commission immediately should provide the public with details of the proposal under consideration and, as necessary, issue a Further Notice with tentative conclusions and proposed rules before adopting final rules

NCTA SUPPORTS THE ADOPTION OF UNIFIED TERMINATION RATES

- There is no economic or technical basis for maintaining disparate rates for termination based on technology or end points of the call
- Unifying termination rates will substantially address phantom traffic issues
- If the Commission adopts a track-based approach, such as the ITTA Plan or the Missoula Plan, a CLEC should be in the same track as the ILEC with which it competes – there is no basis for allowing an ILEC to impose higher access charges than its competitors

THE COMMISSION SHOULD PRESERVE SECTION 251 INTERCONNECTION RIGHTS AND OBLIGATIONS

- Competition depends on stable interconnection rules
 - Changes in compensation rules do not necessarily require changes in interconnection rules
 - Current interconnection arrangements are the product of years of negotiation, arbitration and litigation – the Commission should proceed with caution before making significant changes
- As clarified, the Verizon proposal appropriately retains existing interconnection rights and obligations
 - Verizon has largely resolved issues raised by NCTA and Comptel except
 - Verizon's suggestion that IP-IP traffic is somehow excluded from this regime does not make sense
- In contrast, the Missoula Plan erodes the protections afforded to CLECs
 - Allows ILECs to charge extra for interconnection at POI selected by CLEC
 - Special transport rules for rural ILECs are not warranted
- The Commission should clarify that transit must be provided by ILECs at cost-based rates pursuant to Sections 251 and 252
 - Transit is absolutely essential to facilities-based competitors, as the Commission has recognized
 - There is insufficient competition to rely on commercial agreements or market pricing.

REPLACEMENT OF “LOST” ACCESS CHARGE REVENUES SHOULD BE AVAILABLE ONLY WHERE ABSOLUTELY NECESSARY

- The Commission should consider the net effect on a company as a whole
 - Companies like AT&T and Verizon, which are the biggest beneficiaries of reform because of their wireless and long distance businesses, should not be eligible for any replacement funding
 - The vast majority of ILECs have new unregulated revenue streams (including long-distance service, DSL, and video) that should be considered in calculating replacement funding – there is no reason that regulated services should be expected to recover the entire cost of the network.
- Any replacement funding should be available on a competitively neutral basis – there is no justification for creating a mechanism available only to ILECs when CLECs also must reduce their access charges