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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 2, 2008, on behalf of the National Cable & Telecommunications Association (NCTA), I met with Greg Orlando, Legal Advisor to Commissioner Deborah Taylor Tate, 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: G. Orlando

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