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Oct 28, 2008

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Federal Communications Commission
Office of the Secretary

Chairman Kevin Martin
Federal Communications Commission
Room 8-B201
Washington, DC 20554

Re: Ex Parte filing in in Developing a Unified Intercarrier Regime, CC Docket No. 01-92; High-Cost Universal Service Support, WC Docket No. 05-337; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Intercarrier Compensation for ISP-Bound Traffic, WC Docket No. 99-68, and Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135

Dear Chairman Kevin Martin:

We understand that the FCC is considering new "intercarrier compensation" rules that single out business customers to pay higher rates for services that are identical to those purchased by other customers. In addition, for the first time in its history, the FCC will increase business customer line charges above current levels and far above the actual costs of those lines, even for the country's largest telephone companies who are earning record-breaking profits under the current rate scheme.

We are writing to object to this sea change in the FCC's ratemaking policies because of the harm it would do to American business and to the economy at large.

At a time when American businesses are already experiencing economic stresses that are unprecedented in our nation's history, the Commission apparently expects businesses (and consequently their customers) to pay artificially high prices for telecommunications services, a critical input for most businesses in the 21st century. By forcing prices up for services whose costs have dropped dramatically due to the many advances and innovations in communications technologies over the past few years, the FCC's new policy would deny customers the economic benefits of those developments and stifle the efficiencies and productivity gains that businesses need in order to compete in a difficult economic times.

Any FCC distortion in the price of telecommunications services has a broad impact throughout our economy because of the crucial role telecommunications products now play in a broad range of industries and economic activities.

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We urge you to reject "intercarrier compensation" and universal service assessment schemes that target business customers for unreasonably discriminatory and unjustified rate increases. The unilateral price increases contemplated by proposals in this proceeding would be impossible in a competitive telecommunications marketplace. In the absence of effective competition, the FCC's policies should protect, not exploit, customers whose businesses depend on reasonably priced telecommunications services.

Sincerely,

A handwritten signature in black ink, appearing to read "Cynthia M. Hanson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Cynthia Hanson
Director, Infrastructure Vendor Governance