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VIA ELECTRONIC FILING

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

Re: Notice of Ex Parte Communication, WC Docket No. 07-135

Dear Ms. Dortch:

On June 23, 2010, Brendan Kasper, Senior Regulatory Counsel of Vonage Holdings Corp. ("Vonage"), and the undersigned met with Scott Brantner, Lynne Engledow, Matthew Friedman, John Hunter, Albert Lewis, and Douglas Slotten of the Pricing Policy Division of the Wireline Competition Bureau.

Vonage explained its interest in having the FCC adopt rules this year to conclude its access stimulation rulemaking. Vonage pioneered easy to use VoIP service and the flat rate, all-you-can-eat pricing model for wired service. Price competition from VoIP, in particular the advent of the low cost all inclusive plans, has benefited consumers tremendously. Economists estimate $24 billion in direct consumer savings from VoIP competition between 2008 and 2012. Over the same period, consumers are expected to save an additional $87 billion due to the competitive response of incumbent wireline providers to VoIP competition. In short, low cost bundled calling plans are a very good thing for consumers.

The economics of offering low cost all-you-can-eat voice plans are driven by telecommunications costs. Because Vonage is not a carrier, it contracts with third parties to exchange traffic between its customers and customers connected to the Public Switched Telephone Network ("PSTN"). These telecommunications costs are the largest costs for Vonage and include things such as termination costs, telephone number leasing, and assorted telecommunications facilities costs. Based on the Company's 10-Q for 1Q 2010, telephony services were Vonage's largest expense, making up 30.8% of total operational expenses. Termination costs were the largest portion of the telephony services expense at 47% of this expense, which makes termination costs 14.5% of Vonage's total operational expenses. Even though the high cost termination volume due to access stimulation is small relative to total traffic termination; it has greatly increased Vonage's average termination costs.

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The participants discussed the AT&T and Rural Independent Competitive Alliance ("RICA") proposal filed on November 25, 2008, and CLEC objections that revenue sharing is a reasonable practice.

Sincerely yours,

/s/ *electronically signed*

Tamar E. Finn

Enclosure

cc (by e-mail):

Lynne Engledow
John Hunter
Albert Lewis
Douglas Slotten