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August 24, 2010

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

Re: *Requirements in the Broadband Data Improvement Act,* GN Docket No. 09-47; *A National Broadband Plan for Our Future,* GN Docket No. 09-51; *International Comparison and Consumer Survey Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996*, *as Amended by the Broadband Data Improvement Act,* GN Docket No. 09-137; *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92; *Intercarrier Compensation for ISP-Bound Traffic,* CC Docket No. 99-68; *IP-Enabled Services,* WC Docket No. 04-36

Dear Ms. Dortch:

On August 23, 2010, Cesar Caballero, Jennie Chandra, Eric Einhorn and I, from Windstream Communications, Inc. ("Windstream"), met with the following members of the Wireline Competition Bureau: Rebekah Goodheart, Associate Bureau Chief; Randy Clarke, Jay M. Atkinson, Dan Ball, Lynne Engledow, John Hunter, and Doug Slotten of the Pricing Policy Division; and Katie King of the Telecommunications Access Policy Division.

Windstream expressed its continued support for comprehensive intercarrier compensation reform, consistent with its filings in the above-referenced dockets, including the attached handouts. Windstream emphasized that reform must offer meaningful opportunities for recovery of revenues diminished by mandated rate reductions. Implementing reform without such opportunities for revenue recovery would slow broadband deployment and could even result in the withdrawal of investment in existing facilities.

Consistent with its prior proposals, Windstream suggested that a rational first step for intercarrier compensation reform would be to reduce intrastate rates to interstate rates, over a five-year transition, while providing an adequate opportunity to replace revenues. This reform alone—which need not be preceded or accompanied by new "edge" rules—would reduce arbitrage significantly and build momentum for further reforms. Windstream also recommended that the Commission promptly issue an Order confirming that VoIP providers placing IP traffic over switched access facilities must pay jurisdictionalized access charges, and adopting rules to curtail phantom traffic.

The Commission should decline to set further rate reductions (beyond the interstate level) until after it can assess financial conditions in the wake of the first stage of reforms. It is too soon to tell whether a wholesale reduction in intercarrier compensation rates, as recommended by the National Broadband Plan, is advised or warranted. Such a reduction would also raise substantial legal and policy concerns.[1]

Please feel free to contact me if you require additional information.

Sincerely,

/s/

Malena F. Barzilai

cc: Rebekah Goodheart
Randy Clarke
Jay M. Atkinson
Dan Ball
Lynne Engledow
John Hunter
Katie King
Doug Slotten

Attachments

[1] *See* Comments of Windstream Communications, Inc., WC Docket Nos. 05-337, 03-109, 06-122, 04-36, CC Docket Nos. 96-45, 96-98, 01-92, 99-68, 99-200, at 27-47 (Nov. 26, 2008).