

Donna Epps
Vice President
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Ex Parte

VIA ECFS

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

**Re: Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92;
Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket
No. 07-135**

Dear Ms. Dortch:

Yesterday, Tamara Preiss, Chris Miller and the undersigned of Verizon met with Zac Katz in Chairman Genachowski's office to discuss Verizon's views on comprehensive intercarrier compensation reform. We also had a separate meeting with Albert Lewis, Rebekah Goodheart, Randy Clarke, Kevin King, Victoria Goldberg, Lynne Engledow, Travis Littman, Doug Slotten, and Rohit Dixit of the Wireline Competition Bureau on the same topic. In our meetings, we explained that there is widespread acknowledgement that the current intercarrier compensation (ICC) system is broken and requires comprehensive reform. We urged the Commission to adopt a rational and reasonable transition to reduce access charges for all providers and all technologies. We also discussed a variety of issues related to state access reform activity and access line loss trends.

Additionally, we urged the Commission to act quickly to eliminate arbitrage schemes flowing from flaws in the current ICC regime such as traffic pumping and phantom traffic. We explained that traffic pumping is costing the industry \$400 million annually and discussed why it is essential for the Commission to act to end traffic pumping in advance of completing comprehensive ICC reform.

Sincerely,

A handwritten signature in black ink that reads "Donna Epps".

cc: Zac Katz
Albert Lewis
Rebekah Goodheart
Randy Clarke

Kevin King
Victoria Goldberg
Lynne Engledow
Travis Littman

Doug Slotten
Rohit Dixit