



April 18, 2011

Via ECFS

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

Re: Dockets WC 10-90, GN 09-51, WC 07-135, WC 05-337, CC 01-92, CC 96-45, WC 03-109

Dear Ms. Dortch:

We submit these comments regarding the recently-issued NPRM in the above-referenced dockets.

This letter addresses the NPRM's requests for comment regarding long term reform of the Inter-Carrier Compensation system and Universal Service payments.

Communications in the United States is undergoing rapid evolution enabled by new technology and, in particular, the Internet. It is clear that a backward-looking approach to regulation is unsuitable. And we know from experience that we cannot accurately predict the future or anticipate what new technology, or shifting consumer sentiment or other forces might bring.

Updating regulations for this new environment is a massive undertaking. We believe the following points are important:

1. Social, commercial, and government interests are served by having a "Public Switched Telephone Network" that is reliable, ubiquitous, and affordable. Despite the emergence of email, SMS, and myriad other forms of communication, the "telephone call" likely has a few more decades of utility.
2. Government regulation regarding inter-carrier compensation should be eliminated. Market forces are moving the industry to a "bill and keep" regime. Where one carrier provides a service to another, a commercial agreement will specify the terms.
3. The PSTN is a global network. Attempts to "jurisdictionalize" traffic for purposes of regulation must be abandoned. End-users do not care if a call is local, intra-LATA, intra-MTA, intrastate or interstate. Soon they will not care if it is international. Regulators must recognize that clinging to these notions is not helpful.
4. Numerous telephony-specific laws and regulations are in place and many continue to serve the public interest. CALEA, TRS, Truth-in-Caller-ID, Do-Not-Call-List, wiretapping and recording, Emergency Services (9-1-1) and similar rules should be revisited to insure that they are technologically current.
5. The notion of "caller pays" should be abandoned (and becomes meaningless in a bill-and-keep regime). When things are working right, both parties benefit from a call and there's no merit in ascribing the cost to the calling party (who may well be returning a call originally placed by the other party).
6. An "interconnected" PSTN where any participant can readily reach any other serves the public interest. Regulations should encourage interconnection and insure consistent addressing (numbering). The public will be further served by consistent network behavior, proper identification of originating network and calling party, and mechanisms to address harassment and abuse.
7. We should be informed by the success of mobile telephony. There are now twice as many mobile subscriptions in the United States as there are wireline (conventional and VoIP

combined). Mobile operators do not file access tariffs and receive limited ICC, yet mobile subscriptions are climbing while line counts for traditional services are declining.

8. Support mechanisms to insure ubiquitous telephone service availability should be explicit and transparent. Broadband can be an enabler for cost-effective delivery of telephone service and offers a host of benefits beyond telephony. "Smart" mobile terminals can be telephony endpoints and also provide access to additional services. "Universal service" should strive for the best possible value equation while recognizing that requirements vary among constituents.
9. Technology advances are driving carriers to move to new methods of interconnection (IP-based). This brings opportunities for lower costs and enhanced services, and any regulations should encourage this where possible.
10. Lessons on interconnection can be learned from the Internet, which is, by definition, a set of interconnected independent networks. Telephony carriers will have to establish mechanisms for peering and "rules" for compensation where appropriate to ensure efficient and equitable use of resources. We can expect today's "tandem" functions to evolve into competitive telephony peering exchanges.
11. Telephone addresses (numbers today, but likely something more "user friendly" in the future) will remain critical. Orderly management of addresses for number portability is required for reachability, security and privacy. Even in a bill-and-keep environment, "800 numbers" will be important for easy end-user access to various services. Lessons can be learned from the Internet's DNS.
12. We should expect (and encourage) "telephony" to expand beyond 3.4KHz two-way audio, to encompass higher-fidelity transmissions that can also include video, and to provide for various notification and messaging services.

The transition from our current situation to the next plateau requires consideration of numerous technical and commercial issues in addition to public policy. We suggest that the FCC put in place a general framework with guiding principles, and then sponsor one or more true "working groups" of interested parties (including industry representatives as well as consumer and business end-users) to hash out the details in a series of subsequent sessions. An aggressive schedule can be met through interactive, real-time "virtual meetings" using some of the great technology we are trying to promote.



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