Grace E. Koh
Policy Counsel
Public Policy Office

July 1, 2011

VIA ECFS

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

Re: In the Matter of Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; High-Cost Universal Service Support, WC Docket No. 05-337; Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109

Dear Ms. Dortch:

On June 29, Jennifer Hightower and Doug Garrett from Cox Communications, Inc. ("Cox") and Barry Ohlson and the undersigned from Cox Enterprises, Inc. met with Angie Kronenberg, wireline legal advisor to Commissioner Clyburn, to discuss Cox's views on reforms to the frameworks for intercarrier compensation and universal service. We also met with members of the Wireline Competition Bureau: Victoria Goldberg, Doug Slotter, Lynne Engledow, Raffi Melanson, Marcus Maher, Travis Litman, Al Lewis, Dan Ball, Joe Cavender, and Alexander Minard. On June 30, we met with Christine Kurth, policy director and wireline counsel to Commissioner McDowell; Margaret McCarthy, wireline policy advisor to Commissioner Copps; and Zac Katz, chief counsel and senior legal advisor to Chairman Genachowski. Sandy Wilson of Cox Enterprises also attended the meeting with Zac Katz.

At the meetings, we urged the Commission to reform the intercarrier compensation framework in conjunction with its efforts to reform and redirect the current universal service mechanism toward the deployment of broadband services. We explained that, as a provider of both circuit-switched and packet-switched voice services, Cox's chief concern is the adoption of clear rules for a stable and quick transition to a unified intercarrier compensation rate, without creating new opportunities for arbitrage. We also pointed out that Cox both contributes to and draws from the current Universal Service Fund, and its concern is to ensure such subsidies are rationally allocated to areas of need while managing the size of the fund. Our specific proposals for achieving these outcomes are outlined in the attached summary, which we also distributed at the meetings.

In addition, we discussed the need to ensure just and reasonable rates – ideally, cost-based – for transit, which we raised in our comments. *See* Comments of Cox Communications, Inc., WC Docket No. 10-90, at 16-17 (filed Apr. 19, 2011). We also noted that carrier-of-last-resort ("COLR")

obligations may need to be reviewed empirically to determine whether such obligations are actually invoked and how frequently they are invoked. COLRs may no longer be necessary where multiple providers compete in an area, and COLR obligations may also need to be limited in instances where such obligations significantly exceed business realities. Finally, as Cox has indicated in its comments, the Commission may need to clarify IP-to-IP interconnection rights between carriers, at least during the transition to an all-IP infrastructure. *See id.*, at 18-19.

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed with your office via ECFS. Courtesy copies also are being distributed to the meeting attendees via email.

Respectfully submitted,

/s/

Grace Koh
Policy Counsel
Cox Enterprises, Inc.

cc: Dan Ball
Joe Cavender
Lynne Engledow
Victoria Goldberg
Al Lewis
Travis Litman
Marcus Maher
Margaret McCarthy
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Zac Katz
Angie Kronenberg
Christine Kurth
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