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September 1, 2011

Ex Parte

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

Re: 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; IP-Enabled Services, WC Docket No. 04-36

Dear Ms. Dortch:

On August 30, 2011, I had a discussion with Margaret McCarthy, Policy Advisor to Commissioner Copps, about America's Broadband Connectivity plan (the "ABC Plan") filed by AT&T, CenturyLink, FairPoint, Frontier, Verizon and Windstream as well as the consensus framework our companies reached with the National Telecommunications Cooperative Association (NTCA), Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), Western Telecommunications Alliance (WTA) and USTelecom. Together, these proposals set out a comprehensive plan for universal service and intercarrier compensation reform.

In the meeting, I emphasized that the ABC Plan and Joint Rural Association proposal represent an unprecedented consensus that provides policymakers with an opportunity to resolve once and for all contentious issues that have blocked universal service and intercarrier compensation reform for over a decade. I urged the Commission to take advantage of the momentum created by those agreements and move quickly to adopt the ABC Plan and Joint Rural Association proposal.

I stressed that this framework will achieve significant consumer benefits. Most importantly, the proposed universal service reforms will support the provision of broadband services to homes and businesses that are uneconomic to serve absent support, including millions of homes and businesses that do not have access to broadband today. The Plan's intercarrier compensation reforms will help continue the industry transition to IP networks, will eliminate

September 1, 2011

Page 2

many forms of arbitrage and fraud, and will ensure carriers that rely on these revenues have a reasonable period of time to make the transition to the new system. I explained that the access replacement mechanism outlined in the framework will ensure that reforms do not jeopardize the operations of providers that rely on intercarrier compensation revenues for implicit support of networks in high-cost areas.

I also discussed the ABC Plan's right-of-first-refusal approach to distributing Connect America Fund support in certain high-cost areas where there is no unsupported broadband provider. I explained that the right of first refusal is a narrowly-targeted means of accelerating broadband deployment and preventing inefficient duplication of existing facilities constructed with the help of legacy high-cost universal service programs.

Please contact me if you have any questions.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Kathleen Hill". The signature is written in a cursive, slightly slanted style.

cc: Margaret McCarthy