LAW OFFICES
GOLDBERG, GODLES, WIENER & WRIGHT
1229 NINETEENTH STREET, N.W.
WASHINGTON, D.C. 20036

HENRY GOLDBERG
JOSEPH A. GODLES
JONATHAN L. WIENER
DEVENDRA ("DAVE") KUMAR
LAURA A. STEFANI

HENRIETTA WRIGHT
THOMAS G. GHERARDI, P.C.
COUNSEL

THOMAS S. TYCZ*
SENIOR POLICY ADVISOR
*NOT AN ATTORNEY

(202) 429-4900
TELECOPIER:
(202) 429-4912
general@g2w2.com

September 16, 2011

ELECTRONIC FILING

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

Re: ***Ex Parte*, WC Docket Nos. 10-90, 07-135; GN Docket No. 09-51; CC Docket No. 01-92**

Dear Ms. Dortch:

This is to inform you that on September 15, 2011, David Erickson, Founder and CEO, and Hector De La Torre, Vice President, Regulatory Affairs and Communications, both of Free Conferencing Corporation, Amy Mehlman of Mehlman Capitol Strategies, Inc., Mary Diamond Stirewalt of Mary Diamond Strategies, LLC, and the undersigned met with: (1) Commissioner Mignon Clyburn and her Wireline Legal Advisor, Angela Kronenberg; (2) Commissioner Robert M. McDowell and his Policy Director & Wireline Counsel, Christine D. Kurth; and with (3) Margaret McCarthy, Wireline Policy Advisor to Commissioner Michael J. Copps. We discussed the above-captioned proceeding, focusing on intercarrier compensation.

The discussion followed the attached presentation, which was shared with the Commission staff present at the meetings. By copy of this letter, the undersigned is also providing a copy of this presentation to Zachary Katz, Chief

Counsel and Senior Legal Advisor to Chairman Julius Genachowski, and Sharon Gillett, Chief of the Wireline Competition Bureau.

Please do not hesitate to contact me with any questions.

Respectfully submitted,

Henry Goldberg

Henry Goldberg
Counsel for Free Conferencing Corporation

cc: Angela Kronenberg
Christine Kurth
Margaret McCarthy
Zachary Katz
Sharon Gillett

Attachment

Free Conferencing Corporation

Intercarrier Compensation Reform

Most Benefit at Least Cost Reform:

the State Members' Proposal

Corporate Headquaters:

110 W. Ocean Blvd., Suite C
Long Beach, CA 90802
Phone: 877-482-5838
Fax: 562-437-1422
www.FreeConferenceCall.com

FreeConferenceCall.com®

ICC: Five Key Components

- VoIP Included in ICC Payment
- Cost-based Terminating Access Rates Set for Each Carrier
- No Subscriber Line Charge (protects consumer's pocketbook)
- Respects Federal and State Jurisdictions (no preemption)
- Less Strain on Overburdened Universal Service Fund

VoIP Included in ICC Payment

- State Plan (with concurrence of most public and private stakeholders) seeks to treat all telecommunications services similarly, including VoIP
- Combined with call identification mandate, eliminates phantom traffic

- The Commission must require VoIP providers to connect all calls and fulfill their payment obligation in order to connect
- The Commission must mandate corresponding identifying information on each call being connected
- These actions will broaden the base of support for access and end platform arbitrage

Consumer Currently Pays Access

- AT&T charges customer $.07 per minute interstate, $.12 per minute intrastate

roducts and services

our current products and services

rvice type	Products	Comments
ng Distance	AT&T One Rate® Calling Card Plan AT&T One Rate® Seven Cents Plan AT&T AnyHour Int'l Savings Plan	

T&T One Rate® Seven Cents Plan calls

Description	Amount
Direct dialed calls	0.38
Total AT&T One Rate® Seven Cents Plan calls	**$0.38**

Direct dialed calls

	Date	Number called	Where	Time	Code	Min	Amount
1	Aug 5	[redacted]	Sacramento, CA	5:49pm	NH	1	.12
2	Aug 29	[redacted]	Sacramento, CA	7:14pm	NH	1	.12
3	Aug 31	[redacted]	Dallas, TX	8:28am	DH	2	.14
						4	$.38

Continues on back

Detach and return with payment

ease write the number [redacted] on your check or
oney order made payable to AT&T. Do not send cash. Do
ot staple this portion to your payment. Thank you.

otal amount due	**$36.35**
ate due	**September 26, 2011**

[redacted]

at&t

Cost-Based Terminating Access

- Consumers are paying for Origination, Transport, and Termination
- Access rates should cover costs of each component
- There is NO record evidence – no empirical data – to support a single industry-wide $.0007 Termination rate as compensatory
- If any component could be fixed at $.0007, it is Transport due to volumes being processed nationwide and cost of equipment

- Commission should work cooperatively with state commissions to coordinate intra- and interstate access rates
- State Members' Plan proposes an appropriate carrier-specific uniform cost-based rate to avoid arbitrage opportunities

Subscriber Line Charge Increase Harms Consumers

- Proposed SLC increases on Price Cap and Rate of Return Carrier customers replaces current revenue from cost of calls with additional surcharge cost for customers
- By replacing artificially low access rates (what the consumer already pays for) with a new surcharge on consumers, carriers are subsidized directly at consumers' expense
- Requires a non-traffic sensitive rate element to pay for a traffic sensitive cost – creating an additional subsidy between non-callers and callers

- State Members' Plan includes **NO** SLC increase and does not create new subsidies

Federal-State Jurisdiction

- Intrastate rate reductions must be accomplished in conjunction with State Commissions
- Commission should not preempt state regulatory and oversight functions per Telecommunications Act
- Avoid obvious (and promised) litigation to allow reforms to move forward

Less Strain on USF

- With broader contribution base, more resources flow into USF
- With cost-based access rates, less demand from USF to backfill access losses by carriers

- Accompanied with State Member Plan recipient reforms, cost pressure on USF can be reduced

Rulemaking Must Produce Certainty

- Certainty is needed with any Commission action
- Minimize possibility of lawsuits on issues such as preemption of state authority and regulatory taking of terminating carriers' assets
- Lawsuits and self-help will continue to cause market disruption without Commission clarity
- Lack of "deemed lawful" status would produce confusion – negating benefits from Rulemaking
- Deemed lawful status at cost-based (just and reasonable) rates nationwide
- A call-is-a-call, a-minute-is-a-minute standard must be clarified in Rulemaking