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Suite 700  
Washington, DC 20001

September 22, 2011

*Via Electronic Filing*

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street SW  
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 a 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 September 20, 2011, Kathy Zachem, Senior Vice President Regulatory and State Legislative Affairs, Lynn Charytan, Vice President Legal Regulatory Affairs, Mary McManus, Senior Director FCC and Regulatory Policy, all of Comcast Corporation ("Comcast") and Richard Metzger of Lawler, Metzger, Keeney & Logan, LLC, outside counsel to Comcast, met with Albert Lewis, Travis Litman, Marcus Maher, Victoria Goldberg, Randy Clarke, via telephone, Patrick Halley, Carol Matthey, and Jenny Prime, all of the Wireline Competition Bureau. Comcast's representatives also met separately with Zachary Katz of the Office of the Chairman, Sharon Gillett and Rebekah Goodheart of the Wireline Competition Bureau, and Michael Steffen of the Office of General Counsel.

In the course of the discussion, Comcast's representatives emphasized the importance of ensuring that the Commission's plan for reforming intercarrier compensation eliminates on a going forward basis the disputes and controversies between voice service providers that have plagued the current regime. Comcast's representatives stated that the Commission can accomplish this principal objective by making clear that terminating exchange access and termination under section 251(b)(5) includes the termination of voice calls to an end user or to an affiliated or unaffiliated voice provider that in turn delivers the call to a retail end user and by adopting conforming changes to the Commission's rules. Attached to this written *ex parte* are suggested revisions to the FCC's rules that would provide the necessary clarity and certainty to intercarrier compensation arrangements in the future.

Comcast's representatives also used the attached diagram to explain why its voice affiliates remain heavily dependent on tandem transit services offered by incumbent local exchange carriers to interconnect with wireless and wireline carriers throughout the country. Comcast's representatives urged the Commission to make clear that any measures it may adopt to reform the rules governing the transport and termination of voice traffic have no effect at all on the current arrangements that apply to tandem transit services, which will continue to be overseen by state regulatory commissions in interconnection proceedings. Finally, during the meeting with Ms. Gillett and Goodheart and Messrs. Katz and Steffen, Comcast's representatives indicated that their primary concern with respect to high cost reform was to stop the ongoing growth in the size of the fund and ease the economic burden on consumers who finance the fund.

Pursuant to section 1.206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), this *ex parte* notification is being filed for inclusion in the public record of the above referenced proceedings.

Respectfully submitted,

/s/ Mary McManus  
Mary McManus

#### Attachments

cc: Albert Lewis  
Travis Litman  
Marcus Maher  
Victoria Goldberg  
Randy Clarke  
Patrick Halley  
Carol Matthey  
Jenny Prime  
Zachary Katz  
Sharon Gillett  
Rebekah Goodheart  
Michael Steffen

## PROPOSED RULE REVISIONS

- 1. Amend sections 51.701(b) and (c), add new section (e), amend existing (e), and designate existing (e) as new (f)**

### **§ 51.701 Scope of transport and termination pricing rules.**

(b) *Telecommunications traffic.* For purposes of this subpart, telecommunications traffic means telecommunications and telecommunications service traffic exchanged between a LEC and a telecommunications carrier, other than interstate or intrastate exchange access traffic that is exchanged with a CMRS provider prior to [last day of transition period].

(c) *Transport.* For purposes of this subpart, transport is the transmission and any necessary tandem switching of telecommunications traffic subject to section 251(b)(5) of the Act from the interconnection point between the two carriers to: (i) the terminating carrier's end office switch that directly serves the called party; or (ii) equivalent facilities provided by an entity other than an incumbent LEC.

(d) *Termination.* For purposes of this subpart, termination is: (i) the switching of telecommunications traffic subject to section 251(b)(5) of the Act at the terminating carrier's end office switch and delivery of such traffic to the called party's premises; or (ii) the transmission of telecommunications traffic subject to section 251(b)(5) of the Act via equivalent facilities and delivery of such traffic to the called party's premises.

(e) *Equivalent facilities.* For purposes of this subpart, equivalent facilities are any transmission system that delivers telecommunications traffic subject to section 251(b)(5) of the Act to a called party's premises.

(f) *Reciprocal Compensation.* For purposes of this subpart, a reciprocal compensation arrangement between two carriers is one in which (i) each of the two carriers receives compensation from the other carrier, (ii) for transporting and terminating to a called party's premises, (iii) telecommunications traffic delivered to the interconnection point by the other carrier.

- 2. Add section 51.703(c)**

### **§ 51.703 Reciprocal compensation obligation of LECs.**

(c) Notwithstanding any other provision of the FCC's rules, each LEC shall be entitled to assess and collect the applicable charges for the transport and termination of

telecommunications traffic subject to section 251(b)(5) of the Act, regardless of the specific functions provided or facilities used to transport and terminate such traffic and regardless of whether the LEC assessing the applicable charges directly delivers such traffic to the called location or transports and terminates traffic to the called party in conjunction with another provider.

NOTE TO PARAGRAPH (c): Under this subsection, a LEC that transports and terminates telecommunications traffic in whole or in part through an affiliated or unaffiliated entity that uses Internet Protocol facilities to transmit such traffic to the called party's premises shall be entitled to assess and collect the rate for the transport and termination of such traffic. In no event may the total charges that a LEC and such an affiliated or unaffiliated entity assess for jointly transporting and terminating such telecommunications traffic to the called location exceed the applicable transport and termination rate. The facilities used by the LEC and affiliated or unaffiliated entity for the transport and termination of such traffic shall be deemed equivalent facilities under this subsection.

### **3. Amend section 61.26(a)(3)**

#### **§ 61.26 Tariffing of competitive interstate switched exchange access services.**

(a)(3) *Interstate switched exchange access service* shall include: (i) the functional equivalent of the ILEC interstate exchange access services typically associated with following rate elements: carrier common line (originating); carrier common line (terminating); local end office switching; interconnection charge; information surcharge; tandem switched transport termination (fixed); tandem switched transport facility (per mile); tandem switching; and (ii) the termination of interstate interexchange telecommunications traffic to any end user, either directly or in conjunction with another provider, regardless of the specific functions provided or facilities used.

### **4. Amend section 61.26(f)**

(f) If a CLEC provides some portion of the interstate switched exchange access services used to send traffic to and from an end user not served by that CLEC, the rate for the access services provided may not exceed the rate charged by the competing ILEC for the same access services, except if the CLEC is listed in the database of the Number Portability Administration Center as providing the calling party or dialed number, the CLEC may assess a rate equal to the rate that would be charged by the competing ILEC for all exchange access services required to deliver interstate traffic to the called number.

## PROPOSED RULE REVISIONS

1. Amend sections 51.701(b) and (c), add new section (e), amend existing (e), and designate existing (e) as new (f)

### § 51.701 Scope of transport and termination pricing rules.

(b) *Telecommunications traffic.* For purposes of this subpart, telecommunications traffic means: telecommunications and telecommunications service traffic exchanged between a LEC and a telecommunications carrier, other than interstate or intrastate exchange access traffic that is exchanged with a CMRS provider prior to [last day of transition period].

~~(1) Telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access (see FCC 01-131, paragraphs 34, 36, 39, 42-43); or~~

~~(2) Telecommunications traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter.~~

(c) *Transport.* For purposes of this subpart, transport is the transmission and any necessary tandem switching of telecommunications traffic subject to section 251(b)(5) of the Act from the interconnection point between the two carriers to: (i) the terminating carrier's end office switch that directly serves the called party; or (ii) equivalent facility facilities provided by ~~a carrier~~ an entity other than an incumbent LEC.

(d) *Termination.* For purposes of this subpart, termination is: (i) the switching of telecommunications traffic subject to section 251(b)(5) of the Act at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises; or (ii) the transmission of telecommunications traffic subject to section 251(b)(5) of the Act via equivalent facilities and delivery of such traffic to the called party's premises.

(e) Equivalent facilities. For purposes of this subpart, equivalent facilities are any transmission system that delivers telecommunications traffic subject to section 251(b)(5) of the Act to a called party's premises.

~~(e)~~ (f) *Reciprocal Compensation.* For purposes of this subpart, a reciprocal compensation arrangement between two carriers is one in which (i) each of the two carriers

receives compensation from the other carrier, (ii) for ~~the transport~~transporting and ~~termination on each carrier's network facilities of~~terminating to a called party's premises, (iii) telecommunications traffic ~~that originates on the network facilities of~~delivered to the interconnection point by the other carrier.

## 2. Add section 51.703(c)

### § 51.703 Reciprocal compensation obligation of LECs.

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# TRANSIT SERVICE: Enables the exchange of traffic between parties interconnected at the ILEC tandem.

