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March 16, 2012

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 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; Universal Service Reform – Mobility Fund, WT Docket No. 10-208

Dear Ms. Dortch:

On March 14, 2012, Steve Morris and I on behalf of the National Cable & Telecommunications Association (NCTA) met with Angie Kronenberg, Wireline Legal Advisor to Commissioner Clyburn, and on March 15, 2012, we met with Christine Kurth, Policy Director and Wireline Counsel for Commissioner McDowell regarding the above-referenced proceedings. Specifically, we discussed originating access charges for VoIP-PSTN traffic.¹

We expressed our support for the Commission's equal application of prospective intercarrier compensation rules to all VoIP-PSTN traffic in the *CAF Order*, and noted that the Commission specifically declined to differentiate between TDM-originated and IP-originated VoIP-PSTN traffic. We explained that, like other LECs, cable VoIP providers, either directly as competitive LECs or through affiliated or partner competitive LECs, have tariffed and assessed intrastate originating access rates and that they will lose millions of dollars in revenue annually as a result of the Commission in the *CAF Order* reducing these rates to the interstate access level.²

¹ "VoIP-PSTN traffic" is defined by the Commission as traffic that originates and/or terminates in Internet Protocol (IP) format and that is exchanged over public switched telephone network (PSTN) facilities between a local exchange carrier (LEC) and another carrier in Time-Division Multiplexing (TDM) format. *Connect America Fund, et al.*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 96-45, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, at ¶ 940 (rel. Nov. 18, 2011) (*CAF Order*).

² *CAF Order* at ¶¶ 933, 944, 961.

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We also discussed the letter that NCTA jointly filed with Cbeyond, Earthlink, Frontier, Integra Telecom, NTCA, tw telecom, and Windstream.³ We noted that the entities signing on to that letter agree that originating intrastate access charges should be available to all VoIP-PSTN traffic on an equal basis and consistent with the treatment of non-VoIP-PSTN traffic, pending final action by the Commission on originating access charges in the *CAF Order* further notice of proposed rulemaking. Such an approach is consistent with the general policy of prospective parity for TDM and IP-based VoIP-PSTN traffic established in the *CAF Order*, which NCTA consistently has supported.

Finally, we expressed our support for the steps taken by the Commission to curb waste and inefficiency in high-cost support provided to rate-of-return carriers. We discussed the importance of ensuring that any waivers of the high-cost rules be provided only upon a specific demonstration of consumer harm by the petitioning LEC.

Respectfully submitted,

/s/ Jennifer K. McKee

Jennifer K. McKee

cc: A. Kronenberg
C. Kurth

³ Letter from Kathleen Q. Abernathy, Frontier, *et al.*, to Marlene H. Dortch, Federal Communications Commission, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 96-45, Attach. (Mar. 8, 2012).