



Erin Boone
Senior Corporate Counsel
Federal Regulatory Affairs

TEL: (202) 595-9905
erin.boone@level3.com

April 3, 2012

VIA ELECTRONIC FILING

EX PARTE

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

Re: *WC Docket No. 10-90, Connect America Fund; GN Docket No. 09-51, National Broadband Plan for our Future; WC Docket No. 07-135, Establishing Just and Reasonable Rates for Local Exchange Carriers; WC Docket No. 05-337, High-Cost Universal Service Support; CC Docket No. 01-92, Developing a Unified Intercarrier Compensation Regime; CC Docket No. 96-45, Federal State Joint Board on Universal Service; WC Docket No. 03-109, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WT Docket No. 10-208*

Dear Ms. Dortch,

Level 3 Communications, LLC (“Level 3”) files this ex parte in response to the Commission’s request for additional data during its recent ex parte meetings regarding the proposal made in the pending petition for reconsideration or clarification filed by Windstream and Frontier on the proper originating access rate for PSTN-VoIP calls under the *CAF Order*.¹ Level 3 was asked about the potential financial impact of the proposal upon Level 3, including financial offsets (e.g., revenue gains from collecting intrastate originating access vs. increased payments as a result of intrastate originating access); Level 3’s intercarrier compensation payments vs. receipts; the percentage of Level 3’s

¹ *Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, ¶¶ 513-520 (2011).

intercarrier compensation payments between origination and termination; and the amount Level 3 has been able to lower toll-free service offerings pursuant to the new rules.

Level 3 seeks confidential treatment of the specific data presented in this letter under the *Protective Order*.²

- The effect of the proposal on Level 3, including financial offsets (e.g., revenue gains from collecting intrastate originating access vs. increased payments as a result of intrastate originating access);
 - Level 3 is not yet able to estimate the long-term effects of the *CAF Order* upon its business. However, **[Begin Confidential]** [REDACTED] **[End Confidential]** Level 3 stands to efficiently and effectively compete with AT&T and Verizon, who control more than 70% of the toll-free marketplace.
 - Level 3's intercarrier compensation payments vs. receipts;
 - For every **[Begin Confidential]** [REDACTED] **[End Confidential]** of intercarrier compensation revenue Level 3 receives, it pays **[Begin Confidential]** [REDACTED] **[End Confidential]** in originating access costs.
 - The percentage of Level 3's intercarrier compensation payments between origination and termination;
 - Level 3's percentage of terminating access charge payments vs. originating access payments is **[Begin Confidential]** [REDACTED] **[End Confidential]**.
 - The amount Level 3 has been able to lower toll-free service offerings pursuant to the new rules;
 - Level 3 is unable to quantify the exact pricing of its IP-based toll-free services under the Commission's former rules. However, Level 3 expects **[Begin Confidential]** [REDACTED] **[End Confidential]**

² *Connect America Fund, et al.*, Protective Order, 25 FCC Rcd 13160 (2010) (“*Protective Order*”).

REDACTED FOR PUBLIC INSPECTION

Please direct any questions you have regarding this letter to the undersigned.

Sincerely,

/s/: Erin Boone

Erin Boone

cc: Michael Steffen
Angela Kronenberg
Christine Kurth
Sharon Gillett
Rebekah Goodheart
John Hunter
Pam Arluk
Doug Slotten
Dan Ball