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FILED/ACCEPTED

NOTICE OF EX PARTE

AUG 21 2012

Federal Communications Commission
Office of the Secretary

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August 21, 2012

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

Re: *In the Matter of Petitions for Waiver of Commission's Rules Regarding Access to Numbering Resources*, CC Docket 99-200; *Connect American Fund, et al.*, Further Notice of Proposed Rulemaking on IP-to-IP Interconnection Issues, WC Docket No. 10-90; GN Docket No. 09-51; WC Docket No. 07-135; WC Docket No. 05-337; CC Docket No. 01-92; CC Docket No. 96-45; WC Docket No. 03-109; WT Docket No. 10-208

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Dear Ms. Dortch:

On August 17, 2012, Andrea Pierantozzi, Vice President, Voice Services, and the undersigned, of Level 3 Communications, LLC ("Level 3") met with Lisa Gelb, Randy Clarke, Ann Stevens, Travis Litman, and Rhonda Lien of the Wireline Competition Bureau, to answer questions the Bureau had regarding the financial impacts that a Commission decision to grant voice over Internet protocol ("VoIP") provider petitions ("Petitions") for limited waiver of Section 52.15(g)(2)(i),¹ of the Commission's rules could have to Level 3's business.

¹ 47 C.F.R. § 52.15(g)(2)(i).

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Level 3 estimated that the total size of the industry that exists, nationwide, to serve interconnected VoIP providers with Local Exchange service is roughly [BEGIN CONFIDENTIAL TREATMENT] [END CONFIDENTIAL TREATMENT] annually, an amount that does not include the myriad ancillary services provided to VoIP providers by carriers such as Level 3 in conjunction with Local Exchange services. Level 3 estimated that the market is in excess of [BEGIN CONFIDENTIAL TREATMENT] [END CONFIDENTIAL TREATMENT] per year when ancillary services, such as 911, long-distance, and international long-distance, among others, are included.

Level 3 estimated that it has approximately [BEGIN CONFIDENTIAL TREATMENT] [END CONFIDENTIAL TREATMENT] of this overall market. Level 3 explained that this estimate includes its revenues for ancillary services, and the intercarrier compensation it receives for originating and terminating PSTN interconnected calls for its VoIP provider partners. Level 3 also estimated that if VoIP providers were granted direct access to telephone numbers, it would be required to spend [BEGIN CONFIDENTIAL TREATMENT] [END CONFIDENTIAL TREATMENT] to develop new products and services to meet the needs of such VoIP providers. Level 3 also estimated that it would need to spend [BEGIN CONFIDENTIAL TREATMENT] [END CONFIDENTIAL TREATMENT] or more to accommodate the porting of telephone numbers of VoIP provider partners if they were to obtain waivers.

Level 3 argued that a Commission decision to proceed via waiver would rapidly erode the above-described market for CLECs, while a rulemaking proceeding would allow for an orderly transition and timeline for business planning surrounding any rule change.

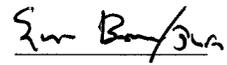
Finally, Level 3 inquired as to whether the Commission is inclined to grant one or more waivers to prove as a “test-case.” Level 3 reiterated its belief that granting individual waivers is discriminatory and provides only one, or those few providers who obtain waivers, with a competitive advantage over the rest of the industry. Level 3 also argued that the best course for the Commission would be to task a standards body or other diverse industry group with conducting the necessary discussion to determine how the industry would be impacted by a rule change giving VoIP providers direct access to telephone number resources. Level 3 also argued that a “test-case” was already conducted by SBCIS (now AT&TIS) and that even though AT&TIS is directly affiliated with an incumbent provider, valuable information could be gleaned from AT&TIS about how it operates using its own telephone numbers. Level 3 also argued that if the Commission is at all inclined to grant a waiver as a sort of “test-case” that it should do so in a limited manner—restricting any grant(s) to one specific geographic area (*e.g.*, a LATA) or to a finite number of number blocks.

As required by Section 1.1206(b), this *ex parte* notification is being filed electronically for inclusion in the public record of the above-referenced proceeding. Please direct any questions regarding this matter to the undersigned.

Level 3 Communications, LLC
August 21, 2012

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Sincerely,

A handwritten signature in black ink that reads "Erin Boone". The signature is written in a cursive style and is positioned above a horizontal line.

Erin Boone
Level 3 Communications, LLC

cc: Michael Steffen
Julie Veach
Lisa Gelb
Ann Stevens
Randy Clarke
Rhonda Lien
Travis Litman