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November 16, 2012

**Ex Parte**

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

**RE: Universal Service Contribution Methodology; Universal Service  
Administrative Company Request for Guidance, WC Docket No. 06-122**

Dear Ms. Dortch:

On November 14, Alan Buzacott, Chris Miller and David Haga of Verizon and Samir Jain of WilmerHale, representing Verizon, met with Sean Lev, Suzanne Tetreault, Diane Griffin Holland, Paula Silberthau and Marcus Maher of the General Counsel's Office and Carol Mattey and Vickie Robinson of the Wireline Competition Bureau.

In the meeting, Verizon again urged the Commission to reverse the *Bureau Order* that established a one-year limit on a contributor's ability to re-file its Form 499 to revise its revenues downward and, thereby, reduce its required contributions to the Universal Service Fund ("USF").<sup>[1]</sup> Procedurally, the one-year deadline set in the *Bureau Order* should have been – but was not – the subject of a notice-and-comment rulemaking prior to being adopted and, in any event, was beyond the Wireline Competition Bureau's delegated authority. Substantively, the one-year deadline to re-file does not provide carriers with sufficient time to reasonably identify all situations where they may have overpaid – *i.e.*, contributed more than they were required – into the fund. There are a variety of foreseeable circumstances outside of a contributor's control – such as delay in receipt of information from third parties, external audits and service classification decisions by the Commission itself – that could lead to an overstatement of revenues and that cannot be discovered within one year. The Commission therefore should adopt a rule that recognizes these circumstances and allows carriers sufficient time to correct and recover any resulting overpayment.

We also discussed the lack of a Commission rule or order addressing a limitations period to re-file in a situation where a carrier's contributions would increase. Verizon discussed the October 25, 2012 "white paper" it filed regarding this issue, noting that there already is an applicable statutory limitations period in such situations and that the Commission otherwise can and should reasonably limit the time period in which a carrier is required to re-file its Form 499

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<sup>[1]</sup> *Federal-State Joint Board on Universal Service*, et al., 20 FCC Rcd 1012 (WCB 2004) ("*Bureau Order*").

Ms. Marlene H. Dortch

November 16, 2012

Page 2

to make an upward revision to revenues, as well as to limit the look-back period for a USAC audit that could result in an upward revision.

This letter is being filed electronically pursuant to Section 1.1206 of the Commission's rules. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Beyarott". The signature is written in a cursive style with a large initial "A".

cc: (via e-mail)  
Sean Lev  
Suzanne Tetreault  
Diane Griffin Holland  
Paula Silberthau  
Marcus Maher  
Carol Matthey  
Vickie Robinson