

December 17, 2012

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FILED ELECTRONICALLY

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th St., S.W.  
Washington, DC 20554

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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 December 13 and 14, 2012, representatives of Charter Communications, Inc. met with Commission staff in multiple meetings concerning the above-referenced proceedings. The first meeting on December 13 was attended by Mark Brown, Senior Director and Senior Counsel for Charter, Michael Moore, Senior Director and Senior Counsel, Regulatory Affairs, for Charter, the undersigned representing Charter, Michael Steffen of the Chairman's Office, General Counsel Sean Lev, and Lisa Gelb and Rebekah Goodheart of the Wireline Competition Bureau. The second meeting on December 13 was attended by Mark Brown, Michael Moore, K.C. Halm of Davis Wright Tremaine LLP and the undersigned representing Charter, and Christine Kurth of Commissioner McDowell's Office. The third meeting on December 13 was attended by Mark Brown, Michael Moore, K.C. Halm, the undersigned, and the following participants from the Wireline Competition Bureau: Bill Dever, Tim Stelzig, Claude Aiken, Richard Hovey, and Melissa Kirkel (by phone). The first meeting on December 14 was attended by Mark Brown, Michael Moore, the undersigned, and Priscilla Delgado Argeris of Commissioner Rosenworcel's Office. The second meeting on December 14 was attended by Mark Brown, Michael Moore, K.C. Halm, the undersigned, and Angela Kronenberg of Commissioner Clyburn's Office. The final meeting on December 14 was attended by Mark Brown, Michael Moore, K.C. Halm, and Nicholas Degani of Commissioner Pai's Office.

In these meetings, Charter reiterated the views expressed in its comments that the Commission should clarify that Internet Protocol (IP) interconnection between incumbent local exchange carriers (ILECs) and managed Voice over Internet Protocol (VoIP) service providers is governed by 47 U.S.C. § 251(c)(2). *See* Reply Comments of Charter Communications Inc. at 2-

10 (filed March 30, 2012).<sup>1</sup> Charter explained that, with more than fifteen years of operation under the section 251(c)(2) framework, the Commission should clarify that this regime continues to apply despite changes in the technology used for interconnection, and that such framework is the best hope for removing regulatory uncertainty and speeding the transition to all-IP networks. Charter also addressed the claims of some ILECs that IP interconnection is essentially the same as Internet peering and should be left entirely to voluntary agreements, with no regulatory backstop. As Charter explained, these claims ignore crucial differences between exchanging Internet traffic and connecting managed VoIP networks that do not traverse the public Internet. Internet peering does not require a regulatory backstop because there are numerous different routes IP packets can travel to reach their destinations. If a particular Internet service provider will not agree to reasonable terms, it is almost always possible to use indirect routes through other providers in order to reach the same destination. The availability of alternate providers and routes provides discipline to the Internet peering market.

The nature of Internet data traffic differs in key respects from managed VoIP traffic. For example, managed VoIP networks that do not traverse the public Internet like those provided by Charter, other cable companies, and the large ILECs differ from the public Internet in that they require quality of service guarantees to ensure a customer experience equal to or better than traditional circuit-switched telephony. Internet Protocol is not designed to provide quality of service guarantees – such guarantees require additional arrangements between interconnecting VoIP providers. That means that routing managed VoIP traffic indirectly through multiple other providers requires making arrangements with each of those providers, which entails significant transaction costs. Additionally, the use of more indirect, circuitous routes itself can degrade the quality of managed VoIP service, as lost or delayed packets harm the customer experience.

Just as in the traditional circuit-switched world, incumbent carriers have the ability to exercise market power in the managed VoIP market. Accordingly, many of the same reasons that led Congress to establish the regulatory safeguards and pro-competitive interconnection terms of Section 251(c)(2) apply equally to the current universe of managed VoIP networks.

Please contact me if you have any questions regarding these meetings.

Sincerely,

*/s/ Samuel L. Feder*

Samuel L. Feder

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<sup>1</sup> To be clear, Charter is advocating that 47 U.S.C. § 251(c)(2) governs IP interconnection only for the exchange of VoIP traffic on managed networks that does not traverse the Internet. Such traffic is generally exchanged via session initiation protocol (SIP) trunks. Charter is not advocating that the exchange of Internet traffic be governed by the section 251(c)(2) framework.

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cc: Michael Steffen  
Christine Kurth  
Angela Kronenberg  
Priscilla Delgado Argeris  
Nicholas Degani  
Sean Lev  
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Bill Dever  
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Claude Aiken  
Richard Hovey  
Melissa Kirkel