June 10, 2014

***Ex Parte* Notice**

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; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92**

Dear Ms. Dortch:

On Friday June 6, 2014, Joshua Seidemann of NTCA–The Rural Broadband Association, Michael Saperstein of Frontier Communications, Genny Morelli of ITTA, and Malena Barzilai of Windstream Corporation, met with Priscilla Delgado Argeris, Legal Advisor to Commissioner Jessica Rosenworcel, to discuss intercarrier compensation ("ICC") reform.

The parties noted that the Federal Communications Commission (the "Commission") had evidenced a clear intent to pair the elimination of implicit support in ICC with expanded explicit support from the universal service fund ("USF"). *See Connect America Fund*, WC Docket No. 10-90, *et al*., Report and Order, and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17633 (2011), at ¶¶ 20 and 45. The Commission's 2011 order established specific deadlines and objectives with respect to each set of reforms that would have effectively resulted in more explicit USF support becoming available to promote broadband deployment at the same time that certain ICC rates and revenues started to decrease. We observed that the corresponding USF and ICC reforms were no longer proceeding along the same paths at the pace contemplated in the 2011 order, and suggested that the Commission should therefore consider how best to ensure that all reforms can occur on a more coordinated time frame as contemplated when adopted. We suggested, for example, that the Commission should consider pausing ICC rate and recovery mechanism reductions at current levels until such time as USF reforms are completed and implemented, with the ICC reforms adopted in 2011 recommencing thereafter. We further noted in particular that reductions in rates applicable to traffic originated by local exchange carriers and terminating to customers procuring VoIP services are scheduled to take effect in short order; the resulting revenue reductions would come without either any recovery mechanism or other explicit sources of USF support that were expected to be in place at the time the reforms were adopted in late 2011.

NTCA–The Rural Broadband Association
4121 Wilson Boulevard, Suite 1000, Arlington, Virginia 20003
(703) 351-2000 (Tel) ● (703) 351-2001 (Fax)

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ *Michael R. Romano*
Michael R. Romano
Senior Vice President – Policy

cc: Priscilla Delgado Argeris