

June 11, 2019

Rebekah P. Goodheart
Tel +1 202 639 5355
RGoodheart@jenner.com

VIA ECFS

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

Re: *Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage*,
WC Docket No. 18-155

Dear Ms. Dortch:

On June 7, 2019, Michael R. Romano, Senior Vice President – Industry Affairs & Business Development at NTCA–The Rural Broadband Association (“NTCA”), and the undersigned and James Dawson of Jenner & Block LLP, counsel to NTCA, met with Nirali Patel, Wireline Advisor to Chairman Ajit Pai of the Federal Communications Commission (“Commission”). During the meeting, NTCA encouraged the Commission to adopt both prongs of its proposal to curb terminating access arbitrage in the intercarrier compensation systems.¹ The Commission’s innovative two-prong approach will effectively address terminating access arbitrage by shifting the financial burden for transport and by promoting direct interconnection in a manner that protects both interexchange carriers (“IXCs”) and consumers.²

NTCA also urged the Commission to ensure that any reforms adopted in this proceeding are targeted to address terminating access arbitrage and do not sweep so broadly as to affect innocent local exchange carriers (“LECs”).³ While NTCA supports efforts to eliminate arbitrage of the intercarrier compensation system, the Commission should take care to prevent unintended harms to LECs. NTCA also noted that if the second prong is not adopted, other measures

¹ See *In re Updating the Intercarrier Compensation Regime to Eliminate Access Arbitrage*, Notice of Proposed Rulemaking, 33 FCC Rcd 5466, 5470-71 ¶¶ 10-13 (2018).

² See Letter from Michael R. Romano, NTCA–The Rural Broadband Association, to Marlene H. Dortch, Secretary, FCC, at 2-4, WC Docket No. 18-155 (May 16, 2019) (“NTCA May 16 Ex Parte”); Comments of NTCA, WC Docket No. 18-155 (July 20, 2018); see also Letter from Rebekah P. Goodheart, Counsel for NTCA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 18-155 (June 4, 2019).

³ See NTCA May 16 Ex Parte at 4.

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become increasingly important to ensure that innocent LECs do not bear significant additional transport costs and/or suffer from “self-help” withholdings by IXC.

Please contact the undersigned if you have any questions regarding these matters.

Sincerely,

/s/ Rebekah P. Goodheart

Rebekah P. Goodheart

Counsel for NTCA–The Rural
Broadband Association

cc: Nirali Patel