



November 22, 2013

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

Re: *Assessment and Collection of Regulatory Fees for Fiscal Year 2013; Procedures for Assessment and Collection of Regulatory Fees; Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, MD Docket Nos. 13-140, 12-201, 08-65: Ex Parte Communication

Dear Ms. Dortch:

On November 20, 2013, Genevieve Morelli and Micah Caldwell of the Independent Telephone & Telecommunications Alliance, Jeb Benedict of CenturyLink, and Malena Barzilai of Windstream met with Mika Savir of the Enforcement Bureau, Roland Helvajian and Thomas Buckley (by phone) of the Office of Managing Director, and Thomas Sullivan of the International Bureau to discuss the Commission's ongoing efforts to comprehensively reform its regulatory fee program so that the fees paid by all licensees more accurately reflect the current cost of regulating them.¹

Given that the wireline industry has been subsidizing other industry sectors through overpayment of regulatory fees for more than a decade, ITTA appreciates that the Commission began the process in fiscal year ("FY") 2013 of reallocating its regulatory fees based on current FTE data.² The Commission should complete this transition in FY 2014. Further delaying necessary adjustments would merely perpetuate the outdated and unjustified distribution of regulatory fees that has existed for many years.

¹ See, e.g., *In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2013; Procedures for Assessment and Collection of Regulatory Fees; Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, MD Docket Nos. 13-140, 12-201, and 08-65, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 13-74 (rel. May 23, 2013) ("*NPRM*").

² See *In the Matter of Assessment and Collection of Regulatory Fees for Fiscal Year 2013; Procedures for Assessment and Collection of Regulatory Fees; Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, MD Docket Nos. 13-140, 12-201, and 08-65, Report and Order, FCC 13-110 (rel. Aug. 12, 2013) ("*FY 2103 R&O*").

ITTA also discussed its proposal to combine wireless voice services into the interstate telecommunications service provider (“ITSP”) category with wireline and VoIP services so that all voice providers are treated in a similar, straightforward manner.³ Despite the Commission’s recent efforts to lower the rate paid by ITSPs, there continues to be a glaring disparity between regulatory fees paid by wireline and wireless providers, placing wireline providers at a competitive disadvantage vis-à-vis their rivals. Assessing all voice providers on the same basis for regulatory fee purposes would promote the Commission’s goals of “ensuring regulatory parity among providers of similar services” in a manner that “will minimize marketplace distortions arising from regulatory advantage.”⁴

In sum, the Commission should complete the transition to updated regulatory fees based on current FTE data in FY 2014 and ensure that regulatory fees are allocated in a more equitable and competitively neutral manner by assessing all voice providers on the same basis. Such actions would be consistent with the Commission’s statutory mandate to make certain that fees levied on regulated entities are adjusted to account for “factors that are reasonably related to the benefits provided to the payor of the fee.”⁵ Adopting these reforms also would further the Commission’s goals of achieving “fair, sustainable, and predictable results” and would help reduce the longstanding and increasingly unfair burden such costs impose on wireline carriers and their customers.⁶

Pursuant to Section 1.1206(b) of the Commission’s rules, I am filing a copy of this letter in the appropriate dockets.

Respectfully submitted,



Micah M. Caldwell
Vice President, Regulatory Affairs

cc: Mika Savir
Roland Helvajian
Thomas Buckley
Thomas Sullivan

³ See *NPRM* at ¶ 13.

⁴ *Telephone Number Requirements for IP-Enabled Service Providers; Local Number Portability Porting Interval and Validation Requirements; IP-Enabled Services; Telephone Number Portability; CTIA Petitions for Declaratory Ruling on Wireline-Wireless Porting Issues; Final Regulatory Flexibility Analysis; Numbering Resource Optimization*, Report and Order, Declaratory Ruling, Order on Remand, and Notice of Proposed Rulemaking, WC Docket Nos. 07-243, 07-244, 04-36, CC Docket Nos. 96-115, 99-200, FCC 07-188, 22 FCC Rcd 19531, ¶ 1 (2007).

⁵ 47 U.S.C. § 159(b)(1)(A).

⁶ *NPRM* at ¶ 14.