



FEDERAL COMMUNICATIONS COMMISSION

September 7, 2011

JULIUS GENACHOWSKI  
CHAIRMAN

The Honorable Edward J. Markey  
U.S. House of Representatives  
2108 Rayburn House Office Building  
Washington, D.C. 20515

Dear Congressman Markey:

Thank you for your letter regarding the Commission's current efforts to reform the Universal Service Fund and the intercarrier compensation system. As you noted, one of the issues the Commission is examining in its *Notice of Proposed Rulemaking* is access stimulation and the impact of Commission policies on services such as conference calling services.

Interested parties recently submitted comments and reply comments on proposals regarding access stimulation, and the Commission's staff is in the process of reviewing these filings. The *Proposed Rulemaking* did not propose to declare the practice unlawful, as many providers have urged. Rather, it required entities engaging in revenue sharing, which may include a conference call company, to refile their rates to reflect the volume of traffic delivered. Resolution of this issue should bring certainty to providers while taking action to reduce inflated revenues that result from intercarrier compensation rates based on elevated traffic volumes.

As the Commission considers these issues, our objective is to spur deployment of broadband and IP networks while taking measures to prevent gaming the intercarrier compensation system and eliminate any abuses and inefficiencies that are occurring with the current system. The reforms also will create a level playing field to enable all providers to compete on equal terms. Please be assured that any decision by the Commission will take into account the interests of consumers, businesses, and carriers, and the importance of continued investment in underserved areas.

I appreciate learning of your concerns and look forward to your continued input on these important issues.

Sincerely,



Julius Genachowski