FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

May 30, 2012

Regina McNeil
Vice President and General Counsel
National Exchange Carrier Association
80 South Jefferson Road
Whippany, NJ 07981

RE: WC Docket Nos. 10-90, 07-135, 05-337, 03-109; CC Docket Nos. 01-92, 96-45; GN Docket No. 09-51; WT Docket No. 10-208: Rate Transition Calculations as Part of the Intercarrier Compensation Reform Process

Dear Ms. McNeil:

We write to emphasize that, as with any applicable Commission rule, National Exchange Carrier Association (NECA) members are obligated to comply with rule sections adopted by the Commission requiring certain calculations as part of the intercarrier compensation reform process.[1]

NECA has met with Commission staff to discuss methodologies NECA developed to complete calculations required as part of the intercarrier compensation reform process for carriers participating in NECA's interstate traffic-sensitive tariff.[2] These calculations will be used to develop components of a carrier's Eligible Recovery, the amount of Access Recovery Charges a carrier may assess, and the amount of

[1] *See Connect America Fund*, WC Docket No. 10-90 *et al.*, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17977-17987, paras. 891-904, Appendix A, 18173-18177, § 51.909 (2011) (*USF/ICC Transformation Order and FNPRM*); *pets. for review pending sub nom. In re: FCC 11-161*, No. 11-9900 (10th Cir. filed Dec. 18, 2011).

[2] *See, e.g.,* Letter from Jeffrey E. Dupree, Vice President, Government Relations, NECA, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208 (filed Apr. 20, 2012); Letter from Jeffrey E. Dupree, Vice President, Government Relations, NECA, to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45, WT Docket No. 10-208 (filed Apr. 25, 2012).

intercarrier compensation recovery support a carrier will be eligible to receive from the Connect America Fund.

The methodologies that NECA has discussed to date with Commission staff do not comply with the Commission's rules and NECA has not sought a waiver of the rules. Absent grant of a waiver, parties are obligated to fully comply with the Commission's rules in the intrastate and interstate filings required to be effective by July 3, 2012.

The Commission staff welcomes further discussions with NECA and other interested parties on this matter.

Sincerely,

Sharon E. Gillett
Chief, Wireline Competition Bureau
Federal Communications Commission

cc: James Bradford Ramsay
General Counsel
National Association of Regulatory Utility Commissioners

Brian M. O'Hara
Legislative Director, Telecommunications Technology and Water
National Association of Regulatory Utility Commissioners