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November 19, 2012

Honorable Howard A. Jack
Administrative Law Judge
State of New York
Department of Public Service
Three Empire State Plaza
Albany, New York 12223

Re: Case 09-M-0527

Dear Judge Jack:

On October 16, 2012, Verizon New York Inc. (“Verizon”) filed a letter on behalf of itself and a number of other parties requesting a “reasonable opportunity” to submit a joint proposal for resolution of the issues in this proceeding concerning intrastate access charges and the Targeted Accessibility Fund (the “TAF”) (collectively, the “Phase III issues”) and also requesting that approval proceedings for such a joint proposal be the first order of business in any litigation of unresolved Phase III issues (the “October 16 Letter”). Your honor’s November 1, 2012 Phase III Procedural Ruling noted that T-Mobile Northeast LLC (“T-Mobile”) was not among the signatories to the October 16 Letter.¹ The ruling also noted that T-Mobile had previously argued for priority consideration of intrastate access charge issues and that T-Mobile had not submitted a position on the question whether all unresolved issues likely could be resolved within the time frame set previously set by the Commission.²

¹ Case 09-M-0527 – *Universal Service Fund*, Phase III Procedural Ruling, at 3 (issued Nov. 1, 2012) (“Phase III Procedural Ruling”).

² Phase III Procedural Ruling at 3. See Case 09-M-0527 – *Universal Service Fund*, Order Adopting Phase II Joint Proposal (issued Aug. 17, 2012) (Phase II Order) (establishing schedule for collaborative negotiations and litigation of the Phase III issues).

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The need for intrastate access charge reform in New York State has changed in light of the Federal Communications Commission's ("FCC's") November 18, 2011 "ICC-USF Transformation Order."³ The ICC-USF Transformation Order, among other things, instituted a number of reforms relating to intrastate terminating switched access charges, "traffic pumping" and intercarrier compensation between wireless service providers and local exchange carriers. These reforms address many of T-Mobile's concerns with respect to the intrastate switched access rates charged by New York's local exchange carriers. T-Mobile therefore takes no position with respect to whether further action by this Commission with respect to intrastate switched access rates is required at this time.⁴

T-Mobile has received the "Joint Proposal and Settlement Agreement" filed today by Verizon and several other parties for resolution of the Phase III issues in the referenced matter (the "Joint Proposal"). The Joint Proposal addresses the remaining issues in this proceeding relating to intrastate switched access rates and the Targeted Accessibility Fund (the "TAF"). With respect to switched access rates, the Joint Proposal requests that the Commission conclude that "further action on intrastate switched access rates in New York (other than actions taken to implement the ICC-USF Transformation Order and subsequent orders clarifying or reconsidering provisions of that order) is not appropriate at this time" and refrain from taking such further action until the earlier of July 2014 or the date the FCC enters an order addressing the switched access issues identified in the *FCC FNPRM*. (Joint Proposal ¶ 1(b).) With respect to the TAF, the Joint Proposal states that "no changes to the TAF, including but not limited to changes to the contribution mechanism and to the list of funded programs and services, are necessary or warranted at this time." (Joint Proposal ¶ 2(a).) However, the Joint Proposal would permit parties to propose changes to the TAF at a later time, under certain conditions. (Joint Proposal ¶ 2(b).)

Consistent with its position as described above, T-Mobile does not oppose the provisions of the Joint Proposal relating to further action by the Commission with respect to switched access charges. With respect to the proposals relating to the TAF, T-Mobile maintains, for the reasons stated in T-Mobile's various filings in this proceeding, that wireless service providers should not be required to contribute to the TAF, and that any consideration of the TAF should include a comprehensive review of the TAF's structure, purpose and necessity.

Therefore, T-Mobile does not oppose the Commission's adoption of the Joint Proposal, so long as the adopting order provides that any consideration of changes to the TAF proposed pursuant to paragraph 2(b) or otherwise will include a comprehensive review of the structure, purpose and necessity of the TAF.

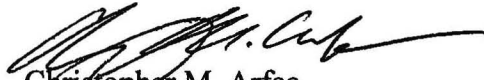
³ *In the Matter of Connect America Fund, etc.*, WC Docket No. 1090 *et al.*, Report and Order and Further Notice of Proposed Rulemaking," FCC 11-161, 26 FCC Rcd 17663 (rel. Nov. 18, 2011) ("ICC-USF Transformation Order"),

⁴ T-Mobile reserves the right to renew its requests for intrastate access reform in the event of any modification of the ICC-USF Transformation Order on reconsideration, review or remand.

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Please do not hesitate to contact me if you have any questions regarding this matter.

Respectfully submitted,



Christopher M. Arfaa
For T-Mobile

cc: Acting Party List
Hon. Eleanor Stein
Hon. Jaclyn A. Brillling