MARASHLIAN & DONAHUE, PLLC
THE COMMLAW GROUP

April 10, 2017

Ex Parte

Ian Forbes
Deputy Division Chief
Wireline Competition Bureau
Telecommunications Access Policy Division
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Request for Review by Locus Telecommunications, LLC of Decisions of the Title II Program Administrators and Petition for Declaratory Rulings Relative to the Treatment of Private Carriage Revenues, Docket No. 06-122*

Dear Mr. Forbes:

Last week, I, along with other representatives of Locus Telecommunications, LLC ("Locus" or "the Company"), met with Dr. Jay Schwarz, Acting Wireline Advisor to Chairman Ajit Pai, and Amy Bender, Legal Advisor to Commissioner Michael O'Rielly, in connection with the above-referenced matters. During these meetings, Locus discussed the importance of the issues highlighted in its pending Request for Review and Petition for Declaratory Ruling, including both the narrower economic impact on Locus as well as the broader issues implicated by these pending filings.

In particular, Locus explained how it has suffered economic harm as a result of USAC's practice of sharing private carriage revenue data with the TRS Fund, LNP and NANPA billing agents, unless the 499 Filer identifies "private service provider" as its "most important activity"[1] in Line 105 of the Form (by designating the activity with the "#1.") Locus explained that, on its 2016 Form 499-A, the Company listed "private service provider" as its #2 most important activity (in terms of total revenue), behind Cellular/PCS/SMR. Locus detailed how USAC shared revenue data related to its private service provider activities (#2 revenue source) with the TRS, LNP and NANPA billing agents and how these agents rendered invoices for fees based on said private service provider (aka, private carriage) revenue. Locus explained that USAC's sharing of its private carriage revenue and the resulting imposition of TRS, LNP and NANPA fees (aka, Title II program fees) violates Commission rules, precedent and the Communications Act. Further, that USAC's rejection of Locus's attempt to utilize Line 603 of the 499 Form to segregate its private carriage revenue, so as to avoid having said revenue forwarded by USAC to the Title II program billing agents, should be retracted, thereby enabling Locus to use the Form 499 to deliver results that are consistent with FCC rules and applicable law.

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[1] The Form 499 Instructions state: "Mark the boxes that describe the telecommunications activity or activities of the filer. If more than one is appropriate, label the activities in order of importance to the filer's business." In the audit context, USAC has further defined the term "order of importance" as referring to the total amount of revenue a filer derives from each discrete "activity."

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In its meetings with Dr. Schwarz and Ms. Bender, Locus made the following requests:

1. Impress upon the Wireline Competition Bureau the ease of providing USAC with guidance to follow the rules and permit Locus (and other carriers) to use Line 603 to exclude private carriage revenue from TRS, NANP and LNP fees, or to otherwise alter its current practice of ONLY excluding private carriage revenue from being shared with the Title II program billing agents when a Filer lists its "private service provider" activities as the Filer's primary ("most important") activity and source of revenue for the year in question;
2. Encourage the Commission to rule on the Request for Review; and
3. Encourage the FCC to put Locus's Petition for Declaratory Ruling out for public notice.

With respect to the first request listed above, Dr. Schwarz suggested Locus follow up our meeting by communicating directly with you to: (a) determine the status of any responsive action planned by the Wireline Competition Bureau to address USAC's practice, (b) obtain guidance as to the most appropriate method of segregating private from common carriage revenue so as to avoid the imposition of Title II program fees on exempt revenue, and (c) coordinate all future efforts in regard to this matter with your office. Dr. Schwarz informed us he would be in contact with your office regarding this matter.

On behalf of Locus, I invite you to contact me at (703) 714-1313 or jsm@commlawgroup.com should you seek further input, either in writing or otherwise, regarding the specific matters identified by Dr. Schwarz or the broader issues raised in Locus's pending Request for Review and Petition for Declaratory Ruling.

Respectfully submitted,

Jonathan S. Marashlian
Counsel to Locus Telecommunications, LLC

cc: Michael Morrissey, General Counsel, Locus Telecommunications, LLC
Carol Pomponio, FCC, Telecommunications Access Policy Division