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May 1, 2018

**Via ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: WC Docket No. 17-323 -Venture Communications Cooperative Petition for  
Waiver of Commission Rules  
*Ex Parte* Letter**

Dear Ms. Dortch:

On behalf of Venture Communications Cooperative (“Venture” or “the Company”), JSI hereby submits this letter as a follow up to discussions held with Wireline Competition Bureau staff on April 17, 2018.<sup>1</sup> The following information is provided to address questions regarding how the National Exchange Carrier Association (“NECA”) determined a combined Venture interstate originating Local Switching Rate Band of 1 for the merged South Dakota study areas, 391680 and 391688.

NECA has an established process for setting proposed resulting switched access rate bands when two study areas merge. Prior to parties filing a petition with the Federal Communications Commission seeking waiver of rules on switched access rate caps and recalculation of frozen switched access baseline, NECA uses frozen Local Switching (“LS”) revenue requirement and projected minutes of each merging study area and calculates a weighted average LS rate. Based on the result, the resulting study area is placed in one of eight Local Switching rate bands. In this case, study area 391680 has revenue requirement and minutes which very significantly exceed those of study area 391688, in the magnitude of ten-fold, such that the resulting LS rate band 1 is the same as the current rate band for 391680.

NECA has provided data using this methodology for past waiver petition filings which were subsequently approved. The methodology does not systematically result in either an increase or decrease to Connect America Fund Inter-carrier Compensation (“CAF ICC”) support, but would produce zero impact to CAF ICC support on average. Because of switched access rate banding in NECA Tariff No. 5, there is currently not a way to


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<sup>1</sup> See Letter from John Kuykendall to Marlene H. Dortch, FCC Secretary, Notice of *Ex Parte*, Venture Communications Cooperative Petition for Waiver of Commission Rules, WC Docket No. 17-323, filed April 19, 2018.

assign a resulting rate that would produce exactly zero effect to CAF ICC support for each individual case.

Please direct any questions regarding the filing to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "John Kuykendall". The signature is fluid and cursive, with the first name "John" being more prominent than the last name "Kuykendall".

John Kuykendall  
JSI Vice President  
301-459-7590

cc: Lynne Engledow, Wireline Competition Bureau  
Douglas Slotten, Wireline Competition Bureau  
Jennifer Leonard, NECA  
Randy Houdek, Venture Communications Cooperative