



August 27, 2018

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Ex Parte* Communication: WC Docket No. 17-144

Dear Ms. Dortch:

On August 23, 2018, Mike Skrivan of Consolidated Communications and the undersigned of ITTA met by conference call with Pam Arluk, David Zesiger, Doug Slotten, Chris Koves, and Dick Kwiatkowski of the Wireline Competition Bureau's Pricing Policy Division regarding the Notice of Proposed Rulemaking in the above-referenced proceeding.¹

We had a conversation regarding the best way to establish initial business data services rate levels for electing A-CAM carriers exiting the NECA pools. Focusing on what time period the Commission should use for cost and revenue data for purposes of calculating a net recipient/net contributor factor, we evaluated the relative merits of data from the full prior calendar year versus only six months of the prior calendar year. We suggested that were the Commission to adopt a six-month approach, it would be best to halve the full-year data, because a full year of data better captures a carrier's cost and revenue patterns. In addition, using whichever data approach the Commission adopts, the data would be applied to adjust at least all NECA rates for services for which there is current demand. We further discussed whether it would also be appropriate to adjust NECA rates for services for which there is no current demand but some demand may be anticipated.

¹ *Regulation of Business Data Services for Rate-of-Return Local Exchange Carriers*, Notice of Proposed Rulemaking, FCC 18-46 (Apr. 18, 2018).

Ms. Marlene H. Dortch
August 27, 2018
Page 2

Please do not hesitate to contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/

Michael J. Jacobs
Vice President, Regulatory Affairs

cc: Pam Arluk
David Zesiger
Doug Slotten
Chris Koves
Dick Kwiatkowski