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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Jan F. Reimers
President

May 14, 1993

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Office of the Secretary
Federal Communications Commission
Washington, D.C. 20554

Subject: Reply Comments In The Matter of Safeguards to Improve the Administration of the Interstate Access Tariff and Revenue Distribution Processes, CC Docket No. 93-6, RM 7736

Enclosed you will find an original and 9 copies filed as directed in the above matter. This will allow each Commissioner to receive a personal copy of these reply comments. Additionally, a courtesy copy is being sent to William A. Kehoe III at the Accounting and Audits Division.

These reply comments are filed on behalf of several small member companies of the National Exchange Carrier Association (NECA).

Sincerely,



cc: William A. Kehoe III, Accounting and Audits Division

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MAY 14 1993

Before the
Federal Communications Commission
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
Safeguards to Improve the) CC Docket No. 93-6
Administration of Interstate) RM7736
Access Tariff and Revenue)
Distribution Processes)

Reply Comments

The following group of 50 supportive member companies from 17 states submit reply comments in the above matter concerning our National Exchange Carrier Association (NECA):

<u>Member Company</u>	<u>City</u>	<u>State</u>
Adams Telephone Co-operative	Golden	Illinois
Baraga Telephone Company	Baraga	Michigan
Bruce Telephone Company	Bruce	Mississippi
Camden Telephone Company	Camden	Indiana
Citizens Telephone of Kecksburg	Mammoth	Pennsylvania
Citizens Telephone Corp.	Warren	Indiana
Citizens Utilities Co. of Pennsylvania	New Bethlehem	Pennsylvania
Barnesville Telephone Company	Barnesville	Minnesota
Cobbosseecontee Tel. & Tel.	Gardiner	Maine
Community Service Telephone Co.	Winthrop	Maine
Consolidated Telephone Company	Brainard	Minnesota
Coon Valley Coop. Tel. Assoc. Inc.	Menlo	Iowa
Cooperative Telephone Exchange	Stanhope	Iowa
Doylestown Telephone Company	Doylestown	Ohio
Farmers & Business Mens Tel. Co.	Wheatland	Iowa
Granby Telephone Company	Granby	Massachusetts
Glenwood Telephone Company	Glenwood	Georgia
Harmony Telephone Company	Harmony	Minnesota
Harold Telephone Company, Inc.	Harold	Kentucky
Hartington Telephone Company	Hartington	Nebraska
Hickory Telephone Company	Hickory	Pennsylvania
Ironton Telephone Company	Coplay	Pennsylvania
Jefferson Telephone Company	Jefferson	South Dakota

<u>Member Company</u>	<u>City</u>	<u>State</u>
Kadoka Telephone Company	Kadoka	South Dakota
Kaleva Telephone Company	Kaleva	Michigan
Kalida Telephone Company	Kalida	Ohio
Laurel Highlands Telephone Co.	Stahlstown	Pennsylvania
Lexington Telephone Company	Lexington	North Carolina
Ligoner Telephone Company	Ligoner	Indiana
Marianna & Scenery Hill Tel. Co.	Marianna	Pennsylvania
McClure Telephone Company	McClure	Ohio
Mid Century Telephone Coop., Inc.	Canton	Illinois
Middle Point Home Telephone Co.	Middle Point	Ohio
Mutual Telephone Company	Sioux City	Iowa
Odin Telephone Company	Odin	Illinois
Pennsylvania Telephone Company	Jersey Shore	Pennsylvania
Ronan Telephone Company	Ronan	Montana
Searsboro Telephone Company	Searsboro	Iowa
South Canaan Telephone Company	South Canaan	Pennsylvania
Spruce Knob Seneca Rocks Tel. Co.	Riverton	West Virginia
Sweetser Telephone Company	Sweetser	Indiana
The North-Eastern Pennsylvania Tel.	Forest City	Pennsylvania
Tipton Telephone Company, Inc.	Tipton	Indiana
Tri-County Telephone Memb. Corp.	Belhaven	North Carolina
Union Telephone Company	Hartford	South Dakota
Venus Telephone Company	Venus	Pennsylvania
Villisca Farmers Telephone Company	Villisca	Iowa
West Liberty Telephone Company	West Liberty	Iowa
Yeoman Telephone Company, Inc.	Yeoman	Indiana
Yukon Waltz Telephone Company	Yukon	Pennsylvania

The Virginia Telephone Association (VTA) consisting of 12 additional Subset III NECA member companies respectfully submitted the following comments concerning NECA compensation:

- Respondents believe that it would be in the best interest of the FCC, NECA, and all members of NECA, that the full compensation package of the officers of NECA be published at least to member companies.
- Incentive compensation, if structured properly, may be helpful in creating efficiencies at NECA. For example, monetary rewards for excellent service to members and cost saving achieved through streamlined operations would benefit not only the reward recipients but the industry as a whole.

These positions espoused by the only other group of member companies taking positions on issues raised in this Notice are consistent with our thinking. Serious suggestions from member companies for information on compensation programs and their appropriate focus should be given careful consideration. NECA was created by the Commission to serve and be responsive to members.

The request by the VTA member companies to publish full compensation packages of NECA officers can be most easily accomplished by including information in the annual Board election proxy statements which are distributed to member company officers authorized to vote for Board members. The request could be satisfied by providing information comparable to data the Security and Exchange Commission (SEC) requires public corporations, including NECA member companies, to publish annually. A corporation like NECA with a consistent annual budget around \$40 million should have to meet member company information requirements just as the member companies must meet stockholder information requirements.

VTA's point, illustrated by the example, citing when incentive payments could be helpful is excellent. High quality service to members and streamlining should be recognized and rewarded. Streamlining does benefit the industry as a whole as pointed out.

Finally, we agree with the VTA group position that other objectives, like pool earnings and audit 'quotas', should not be included in an incentive compensation plan.

Respectfully submitted,
ICORE, Inc.



Jan F. Reimers
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