

The Information
Technology and



Telecommunications
Association

TCA

74 New Montgomery Suite 230
San Francisco, CA 94105-3411
(415)777-5657
Fax (415) 777-5295

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HEREIN IS UNCLASSIFIED

F A X C O V E R S H E E T**DOCKET FILE COPY ORIGINAL**

2 pages including cover sheet

DATE: April 28, 1997 **TIME:** 2:24 PM
TO: Chairman Reed E. Hundt FCC **FAX:** (202) 418-2801
Commissioner James E. Quello FCC (202) 418-2802
Commissioner Rachelle B. Chong FCC (202) 418-2820
Commissioner Susan Ness FCC (202) 418-2821

FROM: A.A. Scoop Sairanen **PHONE:** (916) 657-9166
President-Elect **FAX:** (916) 657-9231

RE: Ex parte contact in CC Docket Nos. 96-45 and 96-262

74 New Montgomery
Suite 230
San Francisco, CA
94105-3411

415/777-4647
415/777-5295 fax

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EX PARTE OR LATE FILE

Telecommunications
Association

April 28, 1997

APR 30 1997

Chairman Reed E. Hundt Federal Communications Commission Office of Secretary
 Federal Communications Commission
 1919 M Street N.W. Room 814
 Washington, D.C. 20554

VIA FACSIMILE

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

Dear Chairman Hundt:

TCA, the Information Technology and Telecommunications Association has recently been informed that the Federal Communications Commission (FCC) is currently considering a proposal that would increase the Subscriber Line Charge for business lines, and impose a new charge, a Federal Equitable Recovery Charge or FERC, of approximately \$4.50 per month per line on multi-line business customers to support extending telecommunications capabilities to schools, libraries and rural health care facilities. While the FCC is considering imposing these new charges on business, (which for the 475 member companies of TCA would conservatively amount to over \$50 million in additional charges) the Commission has not and is not considering the long overdue action of moving the cost of local access services closer to true cost.

While we support, in principle, the initiative to bring telecommunications facilities to schools and libraries for increased access, we are concerned that the FCC is not balancing the cost of this initiative with: 1) the current economic position of the incumbent Local Exchange Carriers which in most instances will be the beneficiary of both use of this subsidy funding to install these services, and will also receive the income from the use of these services; 2) a number of states either have enacted or are in the process of establishing programs to support telecommunications access for schools, libraries, etc., and 3) there is no evidence that ubiquitous competitive entry into the local exchange is forthcoming, and the proposed FERC does nothing to drive rates closer to true cost, and only entrench the philosophy of socialized rate making requiring business customers to subsidize other classes of service.

We urge you not adopt the proposed FERC or any other initiative which increases already uneconomic rates without a true rate reform proceeding by the FCC with the objective of driving rates closer to actual cost.

Sincerely;

A.A. "Scoop" SAIRANEN
 President - Elect

74 New Montgomery
 Suite 230
 San Francisco, CA
 94105-3411

415/777-4647
 415/777-6295 fax

STATE OF CALIFORNIA—STATE AND CONSUMER SERVICES AGENCY

PETE WILSON, Governor

DEPARTMENT OF GENERAL SERVICES

TELECOMMUNICATIONS DIVISION

601 SEQUOIA PACIFIC BOULEVARD
SACRAMENTO, CA 95814-0282
(916) 657-9903

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April 28, 1997

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VIA FACSIMILE

Chairman Reed E. Hundt
Federal Communications Commission
1919 M Street NW, Room 814
Washington, DC 20554

APR 30 1997

Federal Communications Commission
Office of Secretary

Dear Chairman Hundt:

Re. Ex parte contact in CC Docket Nos. 96-45 and 96-262

We have recently been informed that the Federal Communications Commission (FCC) is currently considering a proposal that would increase the Subscriber Line Charge for business lines, and impose a new charge, a Federal Equitable Recovery Charge or FERC, of approximately \$4.50 per month per line on multi-line business customers to support extending telecommunications capabilities to schools, libraries, and rural health care facilities. While the FCC is considering imposing these new charges on business (as well as in our case government entities), the Commission has not and is not considering the long overdue action of moving the cost of local access services closer to true cost.

While we support, in principle, the initiative to bring telecommunications facilities to schools and libraries for increased access, we are concerned that the FCC is not balancing the cost of this initiative with: 1) the current economic position of the incumbent Local Exchange Carriers which in most instances will be the beneficiary of both use of this subsidy funding to install these services, and will also receive the income from the use of these services; 2) a number of states, including California, either have enacted or are in the process of establishing programs to support telecommunications access for schools, libraries, etc., and 3) there is no evidence that ubiquitous competitive entry into the local exchange is forthcoming, and the proposed FERC does nothing to drive rates closer to true cost, and only entrench the philosophy of socialized rate making requiring business customers to subsidize other classes of service.

I urge you not adopt the proposed FERC or any other initiative which increases already uneconomic rates without a true rate reform proceeding by the FCC with the objective of driving rates closer to actual cost.

Sincerely,

ALLAN G. TOLMAN, Chief
Telephone and Network ServicesAGT:SS:pr

EX PARTE OR LATE FILED

HDR

April 28, 1997

Chairman Reed E. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

RECEIVED

APR 30 1997

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

Dear Chairman Hundt:

I am writing on behalf of my company, HDR, Inc., to gain your support **not** to increase business line subscriber line charges and impose FERO. As I understand the proposal, it will add about \$4.50 per line per month, representing an annual cost increase to HDR of more than \$50,000. These increases purportedly are to accommodate extending new telecommunications capabilities to schools, libraries and rural health facilities. Although these are worthy goals, they have little to do with the actual cost of these services. At the same time the FCC is considering imposing these new costs on our business, I am being told that the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

I urge you not to adopt the foregoing proposals. Whether they are characterized as "rate rebalancing" or "modification of rate structures", they are in fact a new tax on American businesses. With all due respect, I believe the imposition of such taxes is the business of the people's representatives, not appointed officials. Moreover, nationwide educational and healthcare initiatives should be considered on a comprehensive basis by all interested authorities, as they are not just a matter for the FCC.

I also urge the Commission to reform its rules governing access charges. All consumers, businesses as well as residential consumers, deserve protection from excessive monopoly pricing. This issue has been talked about for too long and is costing the consumer about \$3 billion more than it should. The Administration's social policy agenda should be addressed in other ways and not get in the way of these reforms.

Sincerely,

HDR, INC.



Angelo Privitera
Vice President

Information Services & Technologies

Air Products and Chemicals, Inc.
7201 Hamilton Boulevard
Allentown, PA 18195-1501
Telephone (610) 481-4911

28 April 1997

EX PARTE OR LATE FILED

Chairman Reed E. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

RECEIVED
APR 30 1997
Federal Communications Commission
Washington, DC 20541

Dear Chairman Hundt:

We understand that the FCC is considering a proposal to increase the business line Subscriber Line Charge and to impose a new charge, reportedly call a FERRO, of at least \$4.50 per line per month to support extending new telecommunications capabilities to schools, libraries and rural health care facilities. At the same time that it is considering imposing these new costs on American businesses, we are told that the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

I urge you not to adopt the foregoing proposals which would, in effect, impose a new tax on American businesses, regardless of whether it is characterized as a "rate re-balancing" or "modification of rate structures". With all due respect, we believe that the imposition of such taxes is the business of the peoples representatives, not appointed officials. Moreover, nationwide educational and health care initiatives should be considered on a comprehensive basis by all interested authorities, not just as a telecommunications matter by the FCC.

The time has come for the Commission to reform its rules governing access charges, which are more than \$3 billion a year higher than they should be. All consumers, businesses as well as residential, deserve protection from excessive monopoly prices. The Administration's social policy agenda should be addressed in other ways and not get in the way of these reforms.

Sincerely,



Virgil W. Palmer
Manager, Computing and Telecommunications
Infrastructure Services

DOCKET FILE COPY ORIGINAL

AEROSPACE CORPORATION

P.O.Box 92957 M2-351
Los Angeles, CA 90009-2957

Fax Cover Sheet

DATE: 4-28-97

TO: Chairman Reed E. Hundt

PHONE:

FAX: 202 418-2801

FROM: Carol Cutting

PHONE: 310 336-0449

FAX: 310 336-7055

RE: Ex Parte Contact in CC Docket Nos. 96-45 and 96-282

Number of pages including cover sheet: [1]

Message

Please read the following letter about our concerns for the proposal to increase business line Subscriber Line Charges. We are a Federally Funded Research and Development Center and as such, our funding comes from the government, which is funded by taxpayers. This proposal would increase our operating fees substantially, possibly as high as \$50k or more per month. ~~year~~. So who are you really proposing should pay for this fee?

We hope you will reconsider putting this into effect.



EX PARTE OR LATE FILED

April 28, 1997

RECEIVED

APR 30 1997

Federal Communications Commission
Washington, D.C. 20554

Chairman Reed E. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

Dear Chairman Hundt,

We understand that the FCC is considering a proposal to increase the business line Subscriber Line Charge and to impose a new charge, reportedly called a FERRO, of at least \$4.50 per line per month to support extending new telecommunications capabilities to schools, libraries and rural health care facilities. At the same time that it is considering imposing these new costs of American businesses, we are told that the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

I urge you not to adopt the foregoing proposals which would, in effect, impose a new tax on American businesses, regardless of whether it is characterized as a "rate rebalancing" or "modification of rate structures". With all due respect, we believe that the imposition of such nationwide educational and health care initiatives should be considered on a comprehensive basis by all interested authorities, not just as a telecommunications matter by the FCC.

The time has come for the Commission to reform its rules governing access charges, which are more than \$3 billion a year higher than they should be. All consumers, businesses as well as residential, deserve protection from excessive monopoly prices. The Administration's social policy agenda should be addressed in other ways and not get in the way of these reforms.

Sincerely,

Carol L. Cutting
Manager, Voice & Video Systems
The Aerospace Corporation

An Affirmative Action Employer

Familian corp

April 28, 1997

Commissioner Reed E. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

Dear Chairman :

We understand that the FCC is considering a proposal to increase the business line Subscriber Line Charge and to impose a new charge, reportedly called FER0, of at least \$4.50 per line per month to support extending new telecommunications capabilities to schools, libraries and rural health care facilities. At the same time that it is considering imposing these new costs on American businesses, we are told that the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

I urge you not to adopt the foregoing proposals which would, in effect, impose a new tax on American businesses, regardless of whether it is characterized as a "rate balancing" or "modification of rate structures". With all due respect, we believe that the imposition of such nationwide educational and health care initiatives should be considered on a comprehensive basis by all interested authorities, not just as a telecommunications matter by the FCC.

The time has come for the Commission to reform its rules governing access charges, which are more than \$3 billion a year higher that they should be. All consumers, businesses as well as residential, deserve protection from excessive monopoly prices. The Administration's social policy agenda should be addressed in other ways and not get in the way of these reforms.

Sincerely,



Joyce Gordon
Communications Administrator

EX PARTE OR LATE FILED

RECEIVED

APR 30 1997

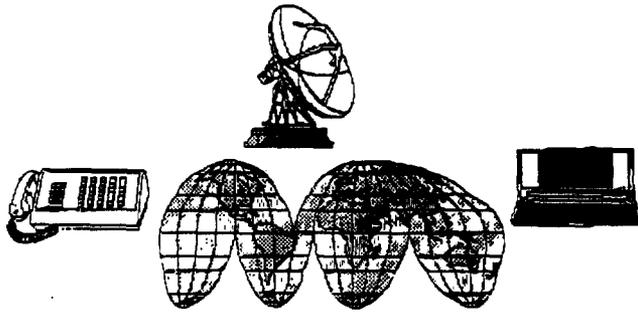
Federal Communications Commission
Office of Secretary

910-2102

FAX

Date: April 28, 1996

Number of pages including cover sheet: 2



DOCKET FILE COPY ORIGINAL

To: Chairman R. Hundt

Phone: 202-418-2801

Fax phone: _____

CC: _____

From: Virgil W. Palmer

Phone: 610-481-3693

Fax phone: 610-706-6681

REMARKS: Urgent For your review Reply ASAP Please comment

Please deliver this fax immediately!

Air Products and Chemicals, Inc.
7201 Hamilton Boulevard
Allentown, PA 18195-1501
Telephone (610) 481-4911

28 April 1997

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APR 30 1997

Federal Communications Commission
Office of Secretary

Chairman Reed E. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262

Dear Chairman Hundt:

We understand that the FCC is considering a proposal to increase the business line Subscriber Line Charge and to impose a new charge, reportedly call a FEROC, of at least \$4.50 per line per month to support extending new telecommunications capabilities to schools, libraries and rural health care facilities. At the same time that it is considering imposing these new costs on American businesses, we are told that the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

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Virgil W. Palmer
Manager, Computing and Telecommunications
Infrastructure Services

EX PARTE OR LATE FILED

April 28, 1997

Chairman Reed F. Hundt
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20554

HDR
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APR 30 1997

Re: Ex parte contact in CC Docket Nos. 96-45 and 96-262 / Federal Communications Commission

Dear Chairman Hundt:

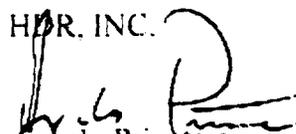
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Sincerely,

HDR, INC.


Angelo PriviteraVice President
Information Services & Technologies



EX PARTE OR LATE FILED

Office of the President

Chairman Reed E. Hundt
Commissioner James E. Quello
Commissioner Rachelle B. Chong
Commissioner Susan Ness
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

RECEIVED

APR 30 1997

Federal Communications Commission
Office of Secretary

April 25, 1997

Reference: Ex Parte Communication in CC Docket No. 96-262

Dear Chairman and Commissioners;

It has come to our attention that the Federal Communication Commission (FCC) may approve large increases in Subscriber Line Charges (SLC) and Pre-Subscribed Line (PSL) surcharges. Universities affected by these increases will in effect underwrite the FCC costs to implement requirements of the Telecommunication Act of 1996 for discounted telecommunication service to K-12 public schools, libraries, and rural health facilities.

Universal telecommunications access for every citizen is an important national goal, and a Universal Service Fund may be needed to accomplish this goal. However, we strongly protest shifting the burden of building this fund to private, non-profit educational institutions.

Private institutions of higher learning already contribute more than their fair share to foster public information access. First, as you know, private institutions such as Florida Institute of Technology decrease the burden on public educational systems and reduce the overall national costs of educating our citizens, by offering high quality education at significant lower cost than possible in the public sector. Second, Florida Tech participates as one of six Florida Area Centers for Excellence in Education, developing improved curricula and educational delivery systems targeting underachieving public K-12 schools. The state and federal funding we receive by no means covers the full costs of our contribution. Finally, we allocate large budgets and other resources to the Government Depository Library System, providing electronic and on-site access to the entire Central Florida region. We are sure that you are familiar with the rigorous standards and cost implications of participating in this program. Our university library closes doors to none of our community neighbors. We serve and share resources with our community. Funding for these services comes from our operating budgets, without public subsidy.

Florida Institute of Technology

150 West University Boulevard, Melbourne, FL 32901-6988 • (407) 768-8000, ext. 7232 • Fax: (407) 984-8461

The impact of the increases in SLC & PSL charges at Florida Tech is estimated to be \$144,000 annually. We cannot afford to absorb this increase without jeopardizing or eliminating these public services.

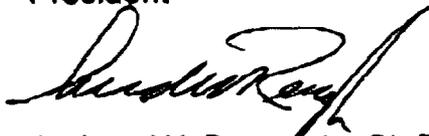
We urge you to look elsewhere than to private, non-profit institutions of higher learning to underwrite universal connectivity.

That seems only fair.

Sincerely,



Lynn Edward Weaver, Ph.D., P.E.
President



Andrew W. Revay, Jr., Ph.D., P.E.
Vice President for Academic Affairs



Celine Alvey, D.P.A.
Associate Vice President for Information Services

cc: Jeri A. Semer, Executive Director, ACUTA
Brian Moir, Attorney
The Honorable Dave Weldon
Senator Patsy Ann Kurth
Senator Charlie Bronson