Familian corp

April 28, 1997

SUNSHINE PERIOD

RECEIVED
MAY 6 1997

Commissioner Susan Ness
Federal Communications Commission
1919 M St. NW Room 802
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 FERO, 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

Joyce Gordon
Communications Administrator

P.O. BOX 9082, VAN NUYS, CALIFORNIA 91409
13704 SATICOY STREET, VAN NUYS , CALIFORNIA 91402-6518 • (818) 374-4200 • FAX: (818) 786-5703

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The Salk Institute for Biological Studies

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April 28, 1997

APR 29 2 14 PM '97

OFFICE OF COMMISSIONER

RECEIVED

Commissioner Susan Ness
Federal Communications Commission
1919 M St. NW Room 814
Washington, DC 20544

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

Dear Commissioner Ness:

I 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 FERO, 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 cost 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 business, regardless of whether it is characterized as a "rate rebalancing" or "modification of rate structure". With all due respect, we believe that the imposition of such taxes is the business of the people's 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,

Vernell V. Fultz

Vernell V. Fultz
Telecommunications Administrator
The Salk Institute

Cc: Chairman Reed E. Hundt

Commissioner Rachelle B. Chong

Commissioner James H. Quello

Post Office Box 85800 • San Diego, California 92186-5800 • (619) 453-4100 • Fax (619) 552-8285

AIR PRODUCTS

SUNSHINE PERIOD

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

28 April 1997

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OFFICE OF COMMISSIONER

MAY 6 1997

Commissioner Susan Ness
Federal Communications Commission
1919 M St. NW Room 832
Washington, DC 20554

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

Dear Commissioner Ness:

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 FERO, 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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Sincerely,

Virgil W. Palmer

Virgil W. Palmer
Manager, Computing and Telecommunications
Infrastructure Services

Familian corp

MAY 6 10 37 AM '97

April 28, 1997

JAMES ... MAY 6 1997

SUNSHINE PERIOD

Commissioner James H. Quello
Federal Communications Commission
1919 M St. NW Room 802
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 FERO, 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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Sincerely,

Joyce Gordon

Joyce Gordon
Communications Administrator

P.O. BOX 9082, VAN NUYS, CALIFORNIA 91409
13704 SATICOY STREET, VAN NUYS , CALIFORNIA 91402-6518 • (818) 374-4200 • FAX: (818) 786-5703

Stanislaus County

SUNSHINE PERIOD

DEPARTMENT OF
MANAGEMENT INFORMATION SERVICES

Administration Building
1100 H Street, Rm. 1
Modesto, California 95354-2382
Phone (209) 525-6397
Fax (209) 525-5930

RECEIVED

MAY 6 1997

May 5, 1997

Commissioner James H. Quello
Federal Communications Commission
1919 M Street NW Room 814
Washington, DC 20554

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

Dear Commissioner Quello:

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 FERO, 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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Sincerely,

Charles Wright

Charles Wright, MIS Director

SBC

SBC Communications Inc.

MAY 6 1997

WASHINGTON, D.C.

FAX COVER SHEET

SUNSHINE PERIOD

DATE: May 5, 1997 **TIME:** 4:50 PM

TO: COMMISSIONER JAMES H. QUELLO
MR. JIM COLTHARP

FROM: Todd F. Silbergeld
SBC Communications Inc.
PHONE: 202-326-8888
FAX: 202-408-4806

RE: Courtesy Copy of May 5, 1997 Ex Parte Letter

Total Number of pages including cover sheet: 4

Message

URGENT FAX! PLEASE DELIVER IMMEDIATELY!

Federal Regulatory

Suite 1100
Washington, D.C. 20005
Phone 202 326-8868
Fax 202 408-4806

SBC

May 5, 1997

EX PARTE

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: *In the Matters of Federal-State Joint Board on Universal Service and Access Charge Reform, CC Docket Nos. 96-45 and 96-262*

Dear Mr. Caton:

Please be advised that today the attached letter was delivered on behalf of SBC Communications Inc. and its subsidiaries to Chairman Reed E. Hundt and Commissioners Quello, Ness and Chong.

Please associate this letter and the attachments with the above-referenced rule making dockets. In accordance with Commission procedure, an original and one copy of this document are provided for your use.

Very truly yours,

Attachment

cc: Chairman Reed E. Hundt
Commissioner James H. Quello
Commissioner Rachelle B. Chong
Commissioner Susan Ness
Mr. Boasberg
Mr. Coltharp
Mr. Casserly
Mr. Gonzalez
Ms. Keeney

Phone 202 326-8836
Fax 202 289-3699

May 5, 1997

EX PARTE

The Honorable Reed E. Hundt, Chairman
The Honorable James H. Quello, Commissioner
The Honorable Susan Ness, Commissioner
The Honorable Rachelle B. Chong, Commissioner
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: *In the Matters of Federal-State Joint Board on Universal Service and Access Charge Reform, CC Docket Nos. 96-45 and 96-262*

Dear Mr. Chairman and Commissioners:

AT&T's May 3, 1997 letter to the Chairman regarding its commitment to flow through access charge reductions is a continuation of its strategy to maximize its own benefits at the expense of others. In the past, AT&T threatened to deaverage nationwide toll prices if it didn't get the action it wanted from the Commission. Now that the Telecommunications Act of 1996 has taken that ploy away, AT&T has chosen residential price increases as its new method of "twisting the Commission's arm." The problem is that things just don't add up. Using the Commission to financially harm incumbent local exchange carriers not only damages AT&T's competitors, but it also will damage the major providers of universal service. Both results are completely contrary to the goals of the 1996 Act.

The Commission is obligated to replace implicit universal service support with explicit support. To accomplish this task requires quantifying the current level of universal service support that exists in interstate prices, removing it, and providing explicit funding. This critical task remains to be completed. The interstate access price reductions AT&T is attempting to extort from the Commission will harm universal service because these reductions will cut the implicit support that flows from interstate access charges to preserve and advance universal service.

To suggest that the proposed flat charges cannot exceed the existing flat charges AT&T pays for universal service funding is borderline disingenuous. The existing flat charges are set at a level to recover approximately $1.2 billion for the interstate universal service fund and weighted dial equipment minutes (DEM). In SBC, BellSouth, and Pacific Telesis' interim access reform proposal, the usagebased access charges for carrier common line (CCL), long-term support (LTS), switch line port, and the unallocated share of transport interconnection charge (TIC) would be decreased by almost $6.2 billion and would be recovered with the new flat charge. The flat charge in the interim proposal will obviously exceed the existing flat charge, however, interexchange carriers will also receive $6.2 billion in reduced usage charges. Interstate long distance prices recover the usage charges as well as the current flat charges. The access price restructure proposed by SBC would be revenue-neutral to the interexchange carriers' long distance prices.

The bottom line to AT&T's letter: the price reductions it proposes are revenue-neutral to <u>its firm,</u> but will financially harm its competitors and jeopardize universal service. AT&T has failed to commit to the types of price reductions that could be produced by a competitive long distance market. The Commission must remain focused on its obligation to ensure the preservation and advancement of universal service and cannot be distracted by the saber-rattling tactics of one segment of the industry.

Very truly yours,

Dale Robertson

Dale (Zeke) Robertson
Senior Vice President

Stanislaus County

SUNSHINE PERIOD

DEPARTMENT OF MANAGEMENT INFORMATION SERVICES

Administration Building
1100 H Street, Rm. 1
Modesto, California 95354-2382
Phone (209) 525-6397
Fax (209) 525-5930

RECEIVED

MAY 6 1997

May 5, 1997

Commissioner Susan Ness
Federal Communications Commission
1919 M Street NW Room 814
Washington, DC 20554

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

Dear Commissioner Ness:

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 FERO, 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 rebalancing" or "modification of rate structures". With all due respect, we believe that the imposition of such taxes is the business of the people's representatives, not the 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 address in other ways and not get in the way of these reforms.

Sincerely,

Charles Wright

Charles Wright, MIS Director

Stanislaus County

DEPARTMENT OF MANAGEMENT INFORMATION SERVICES

Administration Building
1100 H Street, Rm. 1
Modesto, California 95354-2382
Phone (209) 525-6397
Fax (209) 525-5930

May 5, 1997

SUNSHINE PERIOD RECEIVED
MAY 6 1997
Federal Communications Commission
Office of Secretary

Commissioner Rachelle B. Chong
Federal Communications Commission
1919 M Street NW Room 814
Washington, DC 20554

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

Dear Commissioner Chong:

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 FERO, 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 rebalancing" or "modification of rate structures". With all due respect, we believe that the imposition of such taxes is the business of the people's representatives, not the 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 address in other ways and not get in the way of these reforms.

Sincerely,

Charles Wright

Charles Wright, MIS Director

Stanislaus County

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MANAGEMENT INFORMATION SERVICES

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May 5, 1997

SUNSHINE PERIOD

RECEIVED
MAY 6 1997
Federal Communications Commission
Office of Secretary

Commissioner Rachelle B. Chong
Federal Communications Commission
1919 M Street NW Room 814
Washington, DC 20554

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

Dear Commissioner Chong:

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 FERO, 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 rebalancing" or "modification of rate structures". With all due respect, we believe that the imposition of such taxes is the business of the people's representatives, not the 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 address in other ways and not get in the way of these reforms.

Sincerely,

Charles Wright

Charles Wright, MIS Director

SUNSHINE PERIOD

RECEIVED
OFFICE OF
COMMISSIONER

April 28, 1997

APR 29 '97

Commissioner Susan Ness
Federal Communications Commission
1919 M St. NW Room 832
Washington, DC 20554

RECEIVED
MAY 5 1997

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

Dear Commissioner Ness:

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 Privetera
Vice President
Information Services & Technologies

HDR, Inc.
Employee-owned

8404 Indian Hills Drive
Omaha, Nebraska
68114-4049

Telephone
402 399-1000

Architecture
Engineering
Project Development

Stevens
Healthcare

MAY 6 1997

SUNSHINE PERIOD

April 24, 1997

Commissioner James H. Quello
Federal Communications Commission
1919 M St. NW Room 802
Washington DC 20554

Dear Commissioner Quello,

In Reference to: Ex Parte contact in CC Docket Nos. 96-45 and 96-262.

It has come to our attention that the FCC is considering a proposal to increase the business line Subscriber Line Charge and to impose a new charge, reportedly called a FERO, of at least $4.50 per line per month to support extending new telecommunications capabilities to schools, libraries and rural health care facilities. Concurrently, while the FCC is considering imposing these new costs on American businesses and adjusted costs to residential telephone users, we understand the Commission will not take the long overdue step of bringing rates closer to the true economic cost of local access services.

We 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 taxes is the business of the people's representatives, not appointed officials. In addition, nationwide educational and health care initiatives should be considered on a comprehensive basis by all interested authorities, not just the telecommunications matter by the FCC.

It is time for the Commission to reform its rules governing access charges, which amount to 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,

Janna L. Harvey

Janna L. Harvey
Director Telecommunications

21601 76th Avenue West
Edmonds, WA 98026
(206) 640-4000