

EX PARTE

EX PARTE OR LATE FILED



UNITED STATES
TELEPHONE
ASSOCIATION

RECEIVED
MAY 30 '97
FEDERAL COMMUNICATIONS
COMMISSION
OFFICE OF THE SECRETARY

May 30, 1997

Mr. William F. Caton, Secretary
Federal Communications Commission
1919 M Street NW - Room 222
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

**RE: Ex Parte Meeting
CC Docket 96-149**

Dear Mr. Caton:

Today, Mary McDermott and Todd Colquitt of USTA met with Ken Ackerman and John Hays of the Accounting and Audits Division of the FCC's Common Carrier Bureau. The topic of discussion was the Commission's recently released Second Report and Order in the above-referenced proceeding. Specifically, the group sought to verify the extent to which the Commission's previous requirements for independent incumbent local exchange carriers offering long distance service had been modified by the aforementioned Order. In particular, the group discussed the extent to which the Order affected the application of cost allocation and affiliate transaction rules to independent incumbent local exchange carriers offering long distance service through affiliates. The group also discussed the impact of the Order on the Commission's definition of "affiliate."

In accordance with Section 1.1206(a)(1) of the Commission's rules, two copies of this notice are being submitted today. Please include it in the public record of this proceeding.

Sincerely,

Mary McDermott /MTC

Mary McDermott
Vice President, Legal and Regulatory Affairs

cc: Ken Ackerman
John Hays

No. of Copies res'd
List ABCDE *OT 1*