



DOCKET FILE COPY ORIGINAL



August 15, 1997

Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: Universal Service Administration Company
Board of Directors Nomination
CC Docket Nos. 97-21 and 96-45

Dear Chairman Hundt:

Pursuant to the procedures set forth in the Commission's Report and Order and Second Order on Reconsideration in the referenced proceedings, the incumbent local exchange carriers ("ILECs") having annual operating revenues in excess of \$40 million excluding the BOCs and GTE hereby nominate Kevin G. Hess to represent them as a director of the Universal Service Administration Company ("USAC"). Mr. Hess is Vice President of TDS TELECOM, one of the ILECs represented by this group. Biographical information on Mr. Hess is attached.

The nomination of Kevin Hess represents a consensus of the ILECs in this category. All but two of the companies included in this category are members of the United States Telephone Association Mid-Size Company Committee. Because of the Commission's directive for parties to reach a consensus on their nominee to the USAC Board, the USTA Mid-Size Company Committee initiated a discussion among its members and the two non-members, Sprint and Commonwealth Telephone. A process was agreed upon whereby individual company nominations would be submitted and balloting would take place with each company having one vote. Both Sprint and Commonwealth Telephone participated in those discussions and the process. It was unanimously agreed that the USTA Mid-Size Company Department would be the appropriate forum for administrating this process and obtaining consensus.

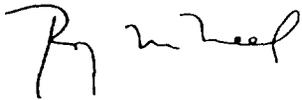
Four nominations were received and one was later withdrawn. Twenty-four of the 28 companies in this category submitted ballots. After discussing the results of the balloting process, the companies have reached a consensus that the nominee receiving the most votes, Kevin Hess, should be forwarded to you as the group's nominee.

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Should you have any questions about the process that was followed or the nomination, please do not hesitate to contact me or John Hunter at 326-7375.

Sincerely,

A handwritten signature in black ink, appearing to read "Roy M. Neel". The signature is written in a cursive style with a large initial "R" and a long horizontal stroke.

Roy M. Neel

cc: William F. Caton
Acting Secretary

Kevin G. Hess
Vice-President - Federal Affairs
TDS TELECOM
301 S. Westfield Road
Madison, WI 53717
(608) 845-4160

CAREER SUMMARY

Vice-President of a mid-size Independent Local Exchange Carrier operating 105 primarily rural companies in 28 states. Has served the local exchange carrier industry for twenty-one years, with experience in state and federal regulatory and legislative matters, access and settlements, and public accounting.

EXPERIENCE

TDS TELECOM

Vice-President - Federal Affairs

January 1997- Present

Responsible for research and development of company policy on regulatory and legislative issues. Promote company policy by working closely with industry organizations, meeting with regulatory bodies and members of Congress, testifying before Congressional committees and state public service commissions, and preparing comments for FCC and state regulatory proceedings. Build and maintain external industry contacts. Increase economic development opportunities for rural communities.

Director - Government & Regulatory Affairs

1993 - 1996

Director - Access & Settlements

1991 - 1993

Manager - State Regulatory Affairs

1984 - 1990

KIESLING ASSOCIATES

1976 - 1984

Provided audit, accounting and tax services to independent local exchange carriers. Assisted clients in the preparation and presentation of rate exhibits and testimony before state public service commissions.

EDUCATION

University of Tennessee - Knoxville, MBA

1996

University of Wisconsin - Madison, BBA - Accounting

1976

Certified Public Accountant (CPA) - State of Wisconsin

1979

ASSOCIATIONS/COMMITTEES

United States Telephone Association

- Regulatory Issues Advisory Committee (member)

- Government Relations Committee (member)

- Mid-Size Company Committee (participant)

Aspen Institute

- Forum on Communications and Society (participant)

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