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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA FEDERAL EXPRESS

November 11, 1997

Diane Law, Esq.
Common Carrier Bureau
Universal Service Branch
Federal Communications Commission
1919 M Street, NW
Washington, DC 20054

RE: CC Docket No. 96-45
In re Federal-State Joint Board on Universal Service

Dear Diane:

As you know, wireless telecommunications carriers will soon begin remitting payments to the universal service fund. However, at this late date, many significant issues remain unresolved. Pursuant to our discussions, this letter serves as a more formal summary of PCIA members' outstanding questions. On behalf of our members, I urgently request a definitive and timely response to the following questions:

1. For what funds are universal service contributions being collected as of January 1, 1998?
2. What is the percentage rate to be used for the universal service fund calculations? Wireless carriers have no way to assess the financial impact of their universal service contribution without knowing what rate USAC will use to calculate the contributions.
3. To the extent that the Commission has indicated that up to \$2.5 billion may be raised for the schools and libraries fund in 1998, once the percentage rate is set, will it remain constant throughout 1998 or will it vary?
4. Similarly, to the extent that other funds must be raised, will those percentage rates remain constant or will they fluctuate?
5. Once the percentage rate is applied to the 6-month eligible revenue data (as collected on the Form 457 worksheets filed by carriers on September 2, 1997), does that figure comprise the quarterly required contribution, or should that amount be halved?

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6. On what date or dates in 1998 must carriers remit their payments to the universal service fund?
7. In what period does the contribution obligation arise?
Commission staff have indicated that carriers will receive an invoice in late December 1997 for payment remittance in 1998. However, carriers require, and the FCC should provide, written clarification of the period for which the contribution obligation arises. At this time, we understand that the FCC considers payments required to be made in 1998 to be a "1998 obligation," albeit that payment amounts are based upon 1997 revenues solely for administrative purposes. Please confirm.

Relatedly, I am currently compiling data to meet your request for a proposal to modify the Commission's Form 457 (Universal Service Worksheet). As we discussed, I intend to deliver this to you within the next few weeks. Secondly, I want to formalize my recent request to work with you to hold a public tutorial session with the wireless industry sometime in February 1998. It is PCIA's hope that this setting will provide an opportunity to relay definitive information well in advance of the March 31, 1998 universal service filing; the goal being to minimize confusion.

In the meantime, Diane, I cannot overemphasize the need for solid, authoritative answers to the questions raised in this letter. I will contact you shortly to establish a time frame for response. Thank you for your assistance.

Sincerely yours,



Angela E. Giancarlo, Esq.
Industry Affairs Manager

cc: Magalie Roman Salas, Esq.
Secretary
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