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Notice of Ex Parte Presentation

June 16, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman-Salas
Secretary
Federal Communications Commission
1919 M Street, N.W., Rm. 222
Washington, D.C. 20554

Re: CC Docket Nos. 94-1, 96-45 and 96-262

Dear Ms. Roman-Salas:

On June 15, 1998, the undersigned and Linda Kent, Associate General Counsel, United States Telephone Association (USTA), attended two meetings with FCC staff to discuss matters concerning the above-referenced proceedings. The first meeting was with Thomas Power, Legal Advisor to Chairman Kennard, and the second meeting was with Kevin Martin, Legal Advisor to Commissioner Furchtgott-Roth and Lorenzo McRae, Intern in Commissioner Furchtgott-Roth's office.

In accordance with Section 1.1206(b)(2) of the Commission's rules, two copies of a summary of the presentations are being submitted to your office for filing in each of the referenced proceedings. Please contact me if you have any questions.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lawrence E. Sarjeant".

Lawrence E. Sarjeant
Vice President Regulatory Affairs & General Counsel

cc: Kevin Martin
Thomas Power

**Summary of Ex Parte Presentation
CC Docket Nos. 94-1, 96-45 and 96-262**

On June 15, 1998, Linda Kent, Associate General Counsel, United States Telephone Association (USTA) and Lawrence E. Sarjeant, Vice President Regulatory Affairs and General Counsel, USTA, had separate meetings with Thomas Power, Legal Advisor to Chairman William Kennard, and Kevin Martin, Legal Advisor to Commissioner Harold Furchtgott-Roth. Also in attendance at the meeting with Kevin Martin was Lorenzo McRae, Intern. The same issues were addressed in each meeting and the points that were made are summarized as follows:

1. As to the implementation of universal service programs, implementation of the fund for high cost support should be the Commission's first priority. Specific to the implementation of the fund for high cost assistance for nonrural companies, it is important that the Commission act expeditiously to implement the program and meet its self-imposed deadline of January 1, 1999.
2. With respect to interstate access charges for price cap ILECs, the Commission should stay the course with respect to the market-based approach to regulating access charges and should move quickly to provide price cap ILECs with access charge pricing flexibility. The Commission should not retrench and move back to a prescriptive approach to access charge regulation. The Commission should not act precipitously in attempting to lower access charges. It is improper for the Commission to link determinations as to the proper rates for access charges to the funding needs of any particular universal service program.