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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

February 11, 1999

Ms. Magalie R. Salas, Secretary
Federal Communications Commission
455 12th Street SW, TW-A325
Washington, D.C. 20554

Re: Ex Parte Notice
CC Docket No. 98-147
CC Docket No. 96-98
CC Docket 96-45
CC Docket 80-286/
CC Docket 98-77
CC Docket 98-166

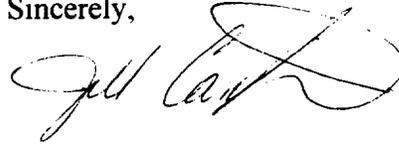
Dear Ms. Salas:

On Wednesday, February 10, 1999, the National Telephone Cooperative Association's (NTCA's) Industry Committee met with FCC Chairman, William Kennard, and his Chief of Staff, Kathy Brown, to discuss the concerns of rural incumbent local exchange carriers. Also present at the meeting were NTCA's Vice-President of Legal and Industry, L. Marie Guillory, and six members of NTCA's staff.

The Industry Committee told the Chairman of their advanced services deployment plans and discussed related issues including the proposed separate subsidiary option for the provision of advanced services. Members told the Chairman that creating a separate subsidiary was not a viable option for their companies. Committee members also discussed their provision of Internet service to residents in and outside of their service areas and to schools and libraries. Members discussed the resolution of reciprocal compensation issues and their concerns both as incumbent LECs and as Internet service providers. Committee members were most concerned about the current uncertainty in the industry. Members said they had trouble obtaining capital and making long term investments given the fact that it is unclear how issues regarding universal service, separations, access reform and rate of return prescription will be decided. The Committee suggested that the Chairman seriously consider a well-reasoned, comprehensive approach to resolving the unsettled issues. Committee members also brought up the request of the Iowa Telecommunications and Technology Commission that the Iowa Communications Network (ICN) be classified as a common carrier. The Committee members were opposed to ICN being eligible for universal service support.

In accordance with the FCC's rules, an original and two copies of this letter are being filed with the Secretary's office. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jill Canfield".

Jill Canfield
Regulatory Counsel

cc: William Kennard
Kathryn Brown