

RURAL TELECOMMUNICATIONS GROUP

the voice of rural wireless telecommunications providers

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MEMORANDUM

To: Magalie Roman Salas, Secretary
Federal Communications Commission

From: Gregory W. Whiteaker, Regulatory Counsel

Date: April 15, 1999

Re: Oral *Ex Parte* Presentation-April 14, 1999

In re Inquiry Concerning the Deployment of Advanced
Telecommunications Capability to All Americans in a Reasonable and
Timely Fashion, and Possible Steps to Accelerate Such Deployment
Pursuant to Section 706 of the Telecommunications Act of 1996.
CC Docket No. 98-146

In re Deployment of Wireline Services Offering Advanced
Telecommunications Capability
CC Docket No. 98-147

In Re Revision of the Commission's Rules to Ensure Compatibility
With Enhanced 911 Emergency Calling Systems
CC Docket No. 94-102

In Re Telephone Number Portability
CC Docket No. 95-116

In Re 1998 Biennial Regulatory Review-Spectrum Aggregation
Limits for Wireless Telecommunications Carriers
WT Docket No. 98-205

In Re Interconnection between Local Exchange Carriers and
Commercial Mobile Radio Service Providers
CC Docket No. 95-185
CC Docket No. 96-98

In Re Federal/State Board on Universal Service
CC Docket No. 96-45

In Re Amendment of Parts 0, 1, 13, 22, 24, 36, 27, 80, 87, 90, 95, 97 and 101 of the Commission's Rules to Facilitate the Development and Use of the Universal Licensing System in the Wireless Telecommunications Services."

WT Docket No. 98-20

In Re Assessment and Collection of Regulatory Fees for Fiscal Year 1999
MD Docket No. 98-2000

On Wednesday, April 14, 1999, members of the Rural Telecommunications Group ("RTG") and their counsel met with Commissioner Harold Furchtgott-Roth and members of the Federal Communications Commission's ("FCC's" or "Commission's") Office of Plans and Policy ("OPP"), and Wireless Telecommunications Bureau ("WTB") concerning issues relating to the above proceedings at the 1999 RTG Regulatory Strategy Meeting.

The representatives of RTG discussed arguments contained in RTG's comments and reply comments in the above captioned proceedings as well as general issues pertaining to rural telecommunications providers. This summary of additional data and arguments presented at the meeting is being filed electronically with the Commission.

RTG, through its counsel and members, expressed concerns regarding the ability of rural telecommunications carriers to provide advanced telecommunications services due to the difficulties in acquiring spectrum. Rural providers, which possess limited financial resources, are often unable to acquire licenses because the area which they desire to serve falls within large Major Trading Areas (MTA) and Basic Trading Areas (BTAs) which contain large urban areas, such as Houston or Dallas. Consequently, these providers are effectively shut-out of the spectrum auction process, and their subscribers are denied the ability to obtain these important services. RTG members also stated that the larger entities which eventually acquire these licenses have refused to engage in partitioning deals with rural providers and have also failed to build-out systems to provide coverage to rural areas.

The members stated that the FCC can help ensure the deployment of service to rural areas by auctioning spectrum licenses on a Rural Service Area (RSA) basis. This would allow rural providers to acquire licenses which cover solely rural areas. Rural providers would then possess the spectrum necessary to begin offering advanced services to rural consumers.

RTG informed the Commission that reasonable rates for ILEC/CMRS interconnection must be set. CMRS providers are unable to provide innovative services and pricing plans if local exchange carriers continue to require high per minute interconnection rates.

The members stated that compliance with the Commission's wireless number

portability rules would impose a significant financial burden on rural telecommunications providers without offering a significant benefit to consumers. Even though rural providers are not currently required to provide wireless number portability in their areas, these providers must still port numbers for urban customers who roam into their coverage areas. The members also stated that there is much less consumer demand for wireless number portability than wireline number portability.

RTG members also expressed concerns regarding the requirement that certain Taxpayer Identification Numbers ("TINs") be provided as part of the ULS system.

RTG members questioned the increase in CMRS regulatory fees given the streamlining of regulation and the Commission's reduced regulatory role in those services. These fees should be decreasing and not increasing. The members were concerned that other, non-regulatory costs, were being included in these regulatory fees.