

RURAL TELECOMMUNICATIONS GROUP*the voice of rural wireless telecommunications providers*

1000 Vermont Avenue, 10th Floor
Washington, D.C. 20005

MEMORANDUM

To: Magalie Roman Salas, Secretary
Federal Communications Commission

From: Gregory W. Whiteaker, Regulatory Counsel

Date: July 6, 1999

Re: Oral *Ex Parte* Presentation-July 2, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

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

On Friday, July 2, 1999, Caressa D. Bennet, Gregory W. Whiteaker, and Edward D. Kania of Bennet & Bennet, PLLC, representing the Rural Telecommunications Group ("RTG"), participated in a telephone conference call with Stephen Weingarten, Chief of the Commercial Wireless Division and members of the Federal Communications Commission's ("FCC's" or "Commission's") Commercial Wireless Division concerning issues relating to the above proceedings. Also participating in the call were RTG members Colorado Valley Telephone Cooperative, represented by Mark Rutherford, General Manager; and Leaco Rural Telephone Cooperative, represented by John Smith, General Manager. Joe Levin and Marty Leiberman of the Commercial Wireless Division also participated in the call.

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. Pursuant to rule Section 1.1206(b)(2), one original and one copy of this memorandum are being herewith submitted to the Secretary of the Commission summarizing additional data and arguments presented at the meeting.

Docket 94-102 ("E911")

RTG, through its counsel and members, expressed concern as to the lack of guidance from the FCC on the issue of cost recovery methodology for implementing Emergency 911 ("E911") services. RTG stated that the FCC has authorized states to develop cost-recovery methodologies for provider implementation of E911 services but has provided limited guidance as to the scope of this cost-recovery. Consequently, states are devising insufficient, inconsistent rules which do not adequately address the policy concerns behind cost recovery. RTG therefore urged the Commission to provide more concrete guidance to states on this issue.

Mr. Weingarten stated that the Commission was concerned with state implementation of E911 cost recovery rules and would consider issuing guidelines which states can use as a framework for their rules development. Mr. Weingarten also stated that, to assist the Commission, RTG members should consider providing the Commission with additional anecdotal information on providers' experiences in working with state regulators on this issue.

Docket No. 98-205 ("Spectrum Cap")

The RTG members informed Mr. Weingarten that the Commercial Mobile Radio Service (CMRS) spectrum cap significantly hampers rural providers' ability to provide multiple advanced telecommunications services to rural areas. There are limited numbers of carriers willing to provide service to rural geographic areas. Consequently, rural Americans cannot receive advanced telecommunications services unless these carriers have sufficient spectrum to provide multiple services. Because the spectrum cap limits the total spectrum that these carriers can hold, the cap limits the number of spectrum-intensive services which can be offered. Therefore, rural Americans are often unable to receive advanced services. This frustrates the intent of Section 706 of the Telecommunications Act of 1996, which requires the Commission to encourage the spread to advanced telecommunications services to rural America. In addition, many rural wireless providers are using CMRS spectrum to provide wireless local exchange service in competition to wireline local exchange service. In these situations, the spectrum cap hinders their ability to compete. Consequently, RTG urged the Commission to either eliminate the spectrum cap or significantly raise the amount of spectrum which can be acquired by an entity.

Mr. Weingarten inquired as to RTG's position on the cellular cross-ownership rules. The members reiterated the position which they took in their spectrum cap comments and reply comments.