

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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In the Matter of

Federal-State Joint Board on
Universal Service

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC Docket No. 96-45

REPLY COMMENTS OF THE
PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION

The Personal Communications Industry Association ("PCIA")¹ hereby submits these comments in response to the oppositions filed by certain parties in response to PCIA's January 3, 2000, Petition for Reconsideration and/or Clarification of the Federal Communications Commission's Ninth Report and Order and Eighteenth Order on Reconsideration in the above-captioned docket.²

In its Petition for Reconsideration and/or Clarification, PCIA sought resolution on four particular issues in order to enable wireless carriers to meaningfully participate in

¹ PCIA is an international trade association established to represent the interests of both the commercial and private mobile radio service communications industries and the fixed broadband wireless industry. PCIA's Federation of Councils includes: the Paging and Messaging Alliance, the PCS Alliance, the Site Owners and Managers Alliance, the Private Systems Users Alliance, the Mobile Wireless Communications Alliance, and the Wireless Broadband Alliance. As the FCC-appointed frequency coordinator for the 450-512 MHz bands in the Business Radio Service, the 800 MHz and 900 MHz Business Pools, the 800 MHz General Category frequencies for Business Eligibles and conventional SMR systems, and the 929 MHz paging frequencies, PCIA represents and service the interests of tens of thousands of FCC licenses.

² *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Ninth Report and Order and Eighteenth Order on Reconsideration*, FCC 99-306 (rel. Nov. 2, 1999).

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high-cost support mechanisms once they become eligible telecommunications carriers (ETCs) and are able to receive federal universal service funds.³

First, PCIA asked the Commission to reconsider the requirement, with respect to wireless carriers, that states account for the receipt of federal high-cost support and certify that the support is being applied in a manner consistent with Section 254 of the Act. As an alternative, PCIA proposed that the Commission allow wireless carriers to self-certify that they use federal high-cost support in accordance with the statute.

Of the four issues addressed by PCIA in its Petition, this was the only one opposed by any of the commenters. BellSouth noted that "... [a] key component of the Commission's universal service plan is competitive neutrality. To achieve its objective the Commission has sought to insure that no technology or class of carrier is either favored nor disfavored by the universal service rules. Hence, there must be parity with regard to the requirements imposed on wireless and wireline carriers.⁴

PCIA understands the concerns expressed by these commenters and would have absolutely no objection to a self-certification regime for all recipients of federal universal service funding. But, the fact remains that Section 332(c)(3) of the Telecommunications Act of 1996 is clear that states have no authority to regulate the rates of wireless carriers. As noted in PCIA's Petition, any attempt by the Commission to give states the authority to review and approve wireless carrier rates in the name of universal service is directly

³ Petition for Reconsideration and/or Clarification of the Personal Communications Industry Association (Jan. 3, 2000).

⁴ Opposition of BellSouth Corp., at 5. Two other sets of comments echoed this position. *See* Comments/Opposition of US West Communications, Inc., at 5, 7; Comments of the National Rural Telephone Association and the National Telephone Cooperative Association in Opposition to the Petition for Reconsideration Filed by the Personal Communications Industry Association, at 8.

contrary to Section 332(c)(3) of the Act. US West's contention that wireless ETCs have voluntarily waived any protection against Section 254 certification by voluntarily becoming an ETC and receiving universal service support is simply without merit.⁵

The core of PCIA's concern is intensely practical. Wireless carriers simply do not have the necessary resources to comply with extensive accounting mandates that have clearly been crafted for a monopoly wireline industry. The cost to a wireless carrier of implementing new accounting and tracking systems could easily exceed the amounts the carrier receives in federal universal support. For the purpose of regulatory parity, PCIA would suggest lifting this burden from the shoulders of all telecommunications carriers -- wireline and wireless. PCIA hereby reiterates its request that the FCC reconsider this requirement.

Second, PCIA requested clarification from the Commission of what it means, in the context of a wireless carrier, to "capture the subscriber lines of an ILEC or to serve new subscriber lines in the ILEC's service area." Those who commented on this particular issue supported PCIA's clarification request.⁶ As noted in our Petition, PCIA believes that a customer who uses a wireless service as a replacement of wireline or as an alternative to purchasing an additional line should be deemed a capture of an ILEC subscriber line or the serving of a new subscriber line.

Third, PCIA requested that the FCC clarify how it will determine whether a wireless carrier is providing service to a customer within a particular ILEC's service area

⁵ Comments/Opposition of US West Communications, Inc., at 6.

⁶ Comments of the National Rural Telephone Association and the National Telephone Cooperative Association in Opposition to the Petition for Reconsideration Filed by the Personal Communications Industry Association, at 9.

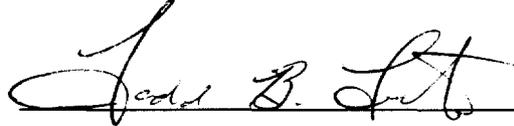
and wire center. After all, an ETC can only obtain high-cost support if it captures the subscriber lines of an ILEC or services new subscriber lines in the ILEC's service area. However, wireless service is not provided based on ILEC service areas and wire centers. Therefore, it is not clear how to determine which ILEC wire center would be used to determine the amount of support for any particular wireless customer. PCIA reiterates its request that the Commission provide clarification on this very important matter.

Fourth, PCIA asked the Commission to clarify or, as necessary, reconsider that a working phone number designates a "working loop" for a wireless carrier. The Commission's rules require a competitive ETC to report the number of working loops it serves in the service area of a non-rural telephone company and the number of working loops it serves in each wire center in the service area to receive non-rural support. Given

the lack of opposition on this point from commenters, PCIA again requests that the Commission provide clarification on, or reconsider, this outstanding issue.

Respectfully submitted,

**PERSONAL COMMUNICATIONS
INDUSTRY ASSOCIATION**

A handwritten signature in black ink, reading "Todd B. Lantor", written over a horizontal line.

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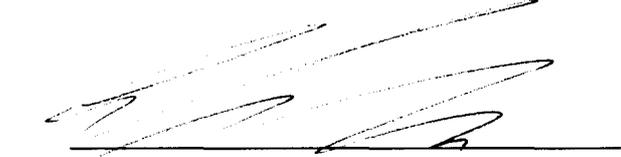
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February 17, 2000

CERTIFICATE OF SERVICE

I, Eddie Gleason, hereby certify that a copy of the Reply Comments of the Personal Communications Industry Association was served via hand delivery* or by mail to the following parties:

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