

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED

FEB 10 2000

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC: 96-45

In the Matter of)
)
Silver Star Communications)
)
Petition for Waiver of Section 54.307(b))
of the Commission's Rules)

To: Chief, Common Carrier Bureau

PETITION FOR LIMITED WAIVER

Silver Star Communications ("Silver Star") pursuant to Section 1.3 of the Commission's Rules,¹ hereby respectfully seeks limited waiver of the requirement set forth in Section 54.307(b) of the Commission's Rules,² that information be submitted to the Universal Service Fund ("USF) Administrator on or before July 31. Silver Star requests that the Commission direct the Universal Service Administrative Corporation ("USAC") to accept Silver's Star's 1999 submission, filed with USAC on December 17, 1999, and distribute Universal Service funding effective upon the release of an Order granting the instant petition. In support hereof, Silver Star submits the following:

I. Background

Silver Star is a rural telephone company which has provided local exchange service in the Freedom and Alpine exchanges in western Wyoming since 1948. In 1995, the Wyoming legislature enacted the Wyoming Telecommunications Act ("Wyoming Act") which allowed competitive entry into exchanges of companies serving more than 30,000 access lines in the state. On February 27,

1 47 C.F.R. § 1.3.
2 47 C.F.R. § 54.307(b).

No. of Copies rec'd 2
List A B C D E

1996, Silver Star applied to the Wyoming Public Service Commission (“Wyoming Commission”) for a concurrent Certificate of Public Convenience and Necessity (“CPCN”) to provide competitive local exchange service in Afton, Wyoming, an area adjacent to Silver Star’s incumbent local exchange areas. The Wyoming Commission denied Silver Star’s application on December 4, 1996, because Union Telephone Company, pursuant to the Wyoming Act, vetoed Silver Star’s competitive entry.³

Silver Star petitioned the FCC for an Order preempting the Wyoming Commission’s Denial Order and the Wyoming statute which afforded protection from competition to LECs serving less than 30,000 access lines.⁴ US West and several other Wyoming telephone companies intervened and opposed Silver Star’s preemption petition. On September 24, 1997, the FCC granted Silver Star’s preemption petition.⁵

The Wyoming Commission granted Silver Star a concurrent CPCN on March 27, 1998 (Docket No. 7006-TA-96-24). Silver Star commenced installing facilities in Afton and initiated service to Afton customers in October, 1998.

3 Under the Wyoming Act, a company serving an exchange with less than 30,000 access lines can veto competitive entry. W.S. §37-15-201(C)(i)-(iv). In 1996, US West was in the process of selling the Afton exchange assets to Union Telephone Company (“Union”). Subsequently, Union decided not to purchase the Afton exchange.

4 *Id.*

5 In the Matter of Silver Star Telephone Company, Inc., Petition for Preemption and Declaratory Ruling, *Memorandum Opinion and Order*, 12 FCC Rcd 15639 (1997); *recon. denied*, *Memorandum Opinion and Order*, 13 FCC Rcd 16356 (1998). The FCC’s preemption was recently affirmed by the 10th Circuit Court of Appeals. RT Communications, Inc.; Union Telephone Company, Petitioners, vs. Federal Communications Commission; United States of America, Respondents, Silver Star Telephone Co., Inc., Intervenor, Nos. 98-9541, 98-9542, United States Court of Appeals, Tenth Circuit, January 13, 2000.

On November 12, 1998, Silver Star filed its application requesting designation by the Wyoming Commission as an eligible telecommunications carrier (“ETC”) in Afton. On January 7, 1999, the Wyoming Commission issued a Notice of Application containing a protest deadline of February 12, 1999. On February 4, 1999, US West intervened and requested a hearing, which was held April 20, 1999 in Cheyenne, Wyoming. On May 28, 1999, the Wyoming Commission conducted public deliberations with regard to Silver Star’s application, and issued its Order on September 13, 1999, granting Silver Star’s ETC application, ten months after the application was filed.⁶

Absent the delays occasioned by the necessity of obtaining Commission preemption of the Wyoming statute, Silver Star would have been able to file its application for ETC status as much as two years earlier.⁷ When that delay is added to the 10 months it took to obtain ETC designation, the cumulative effect is a substantial denial of the support for universal service intended by the Act and the rules.

Silver Star notified USAC on December 17, 1999 of its ETC status and submitted its number of working loops for the July 31 and December 30, 1999 filings.⁸ USAC responded by letter dated December 20, 1999, informing Silver Star that it was required to notify the administrator by July

6 See Attachment 1.

7 Silver Star waited until it was actually providing service to apply for ETC status, but is aware that the issue is before the Commission as to whether ETC status can be granted on the basis of a carrier’s intention to officer service. See *Western Wireless Corporation Petitions for Preemption of an Order of the South Dakota Public Utilities Commission, Public Notice*, 14 FCC Rcd 11561 (1999).

8 The number of Silver Star’s working loops as of December 1998 totaled 403; its number of working loops as of June 1999 totaled 793.

31 in order to receive universal service support for the following year, and that, absent a waiver of Section 54.307(b), [USAC] “does not have the authority to grant [Silver Star’s] request for support.”⁹

II. Limited Waiver of the July 31 Deadline Is Warranted and Appropriate.

A. Waiver Is Consistent With Universal Service Policy of Competitive Neutrality

Throughout the proceedings in CC Docket 96-45 to implement Section 254 of the 1996 Communications Act, the Commission has emphasized the importance of effective portability of support to achieve competitive neutrality.¹⁰ In response to concerns from competitive carriers, the *High Cost Methodology Order* revised the Part 54 rules to provide for filing of quarterly updates by competitive local exchange carrier (“CLEC”) ETCs, but, at least as interpreted by USAC, did not provide for a newly eligible CLEC to establish initial qualification except through a filing in July of its data for the previous December.¹¹

In the case of CLECs such as Silver Star, the effect of this interpretation of the rule is to continue, contrary to its purpose, a competitive advantage to the incumbent local exchange carrier (“ILEC”). While the delay of up to two years between investment and receipt of support is mitigated for existing carriers by the ability to submit quarterly updates, a carrier which becomes eligible shortly after July 31 of each year will be substantially disadvantaged compared to the

9 See Attachment 2.

10 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) (“*High-Cost Methodology Order*”).

11 *High-Cost Methodology Order* at ¶ 92.

incumbent with which it competes.

In Silver Star's case, it began investing funds to construct facilities in August 1998, and began serving customers in competition with US West and applied for ETC status in October 1998.

Under USAC's interpretation of the rule, Silver Star will not be able to submit qualifying data to USAC until July 31, 2000 and will not receive support until January 1, 2001, a period of twenty eight months, while U S West can receive additional support in three to six months from the time it makes investment.¹²

This disparity in treatment is not only substantial, but it materially affects the ability of Silver Star, a small rural company, to compete effectively with U S West.¹³ As start-up carrier, Silver Star incurred significant up front investment costs to construct outside plant well before it could receive any revenue. Such is the nature of new businesses, of course, and new entrants must ensure that they have sufficient capital to survive an initial period of little or no revenues and operating losses while a business is built. Silver Star does not expect universal service support to eliminate this hurdle to entry. However, where the strict operation of the rule works to exacerbate an already difficult situation, the result is not only not competitively neutral, but an actual discouragement to

12 U S West, like other ILECs, did not experience an initial two year delay in universal service support when the Part 36 expense adjustment rules were adopted, because those rules were phased in as the previous SPF factor was phased out.

13 On January 3, 2000, Silver Star filed a Petition for Reconsideration of certain aspects of the *High-Cost Methodology Order*, requesting that the Commission correct an anomaly in the new USF rules and determine that proxy-driven rules are appropriate for USF support for the state of Wyoming. In its Petition for Reconsideration, Silver Star submits that using proxy-driven cost allocations to Wyoming wire centers more appropriately and more accurately recognizes the long term public policy objectives of the new USF rules in all states qualifying for proxy-driven USF.

competition in rural areas.

B. Waiver Is Consistent With Commission Precedent

The Commission has previously waived Rule Section 54.307(b) for a carrier which did not submit its data by July 31 because “the confusion and volume of new information surrounding universal service’ caused it to overlook the July 31 filing date.”¹⁴ The Commission found special circumstances from the burden upon providers receiving federal universal service support for the first time and the “unique circumstances” affecting the carrier at the time.¹⁵

Silver Star submits that waiver of the July 31 deadline for its 1999 submission of working loop counts to USAC is likewise warranted under the circumstances presented.¹⁶ Silver Star diligently filed its ETC application on November 12, 1998, shortly after initiating operations but did not receive ETC designation from the Wyoming Commission until September 13, 1999. Because it had not received ETC designation by July 31, it was unable make a timely 1999 data submission to USAC.

14 In the Matters of Federal-State Joint Board on Universal Service, Centennial Cellular Corporation’s Request for Waiver of Section 54.307(b) of the Commission’s Rules, *Order*, CC Docket No. 96-45, DA 99-453, released March 4, 1999, at ¶ 2 (“*Centennial*”). The carrier also asserted it was diverted by a strike at the ILEC during July of that year.

15 *Centennial* at ¶ 5.

16 Waiver of a Commission rule is appropriate only if (1) the underlying purpose of the rule will not be served, or would be frustrated, by its application in a particular case, and grant of the waiver is otherwise in the public interest, or (2) unique facts or circumstances render application of the rule inequitable, unduly burdensome or otherwise contrary to the public interest, and there is no reasonable alternative. Northeast Cellular Telephone Co., L.P. v. FCC, 897 F.2d 1164, 1166 (D.C. Cir. 1990); Wait Radio v. FCC, 418 F.2d 1153 (D.C. Cir. 1969).

Silver Star was aware, due to the competitive nature of its operations, of the possibility that US West would seek to become a party to Silver Star's ETC proceeding in Afton. Notwithstanding the likelihood of US West's involvement, and the awareness that proceeding may be delayed somewhat by the addition of US West as a party, Silver Star reasonably expected, based on its knowledge and experience, that the Wyoming Commission would take action on its ETC application within the timeframe necessary for Silver Star to make its USAC submission on or before July 31, 1999. Silver Star submits that its diligence in making all necessary filings, and the extent of unanticipated delay in receiving ETC designation in Wyoming warrants grant of waiver to allow USAC to process Silver Star's 1999 submission and forward immediate USF funding. Absent favorable action on the requested waiver, Silver Star will be forced to wait an additional year, until July 31, 2000, before it can receive any USF funding for the investments it made beginning in 1998. Such a result is contrary to the Commission's Universal Service goals and policies, and the public interest in Afton, Wyoming.

III. Conclusion

Silver Star respectfully requests that the Commission grant waiver as requested herein to allow USAC to accept its 1999 data submission. Silver Star, although a long time USF recipient in its ILEC operations would be one of the first rural CLECs to qualify for support. It was well aware of the July filing date and took every action within its power to obtain ETC certification prior to that date.¹⁷ Waiver of the rule will, therefore, promote the objectives of a competitively neutral

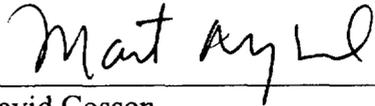
¹⁷ Silver Star does not mean to criticize the Wyoming Commission for the length of the ETC proceeding, but states that in no case was the delay a result of Silver Star's lack of cooperation with the Wyoming Commission.

universal service administration and encourage the introduction of competition in rural areas. As the Commission stated in the *High Cost Methodology Order* “[u]nequal federal funding could discourage competitive entry in high-cost areas and stifle a competitor’s ability to provide service at rates competitive to those of the incumbent.”¹⁸

Silver Star has demonstrated its commitment to provide high quality affordable telecommunications services to the public in Afton, Wyoming by deploying network facilities to compete directly with US West. Further, Silver Star has taken all actions within its control to obtain all regulatory approvals necessary to initiate facilities-based competitive operations in Afton. Because of this substantial harm which the Commission has identified will continue for an extended period, Silver Star respectfully requests expeditious processing of this waiver request.

Respectfully submitted,

SILVER STAR COMMUNICATIONS

By: 

David Cosson
Margaret Nyland

Its Attorneys

Kraskin, Lesse & Cosson, LLP
2120 L Street, NW
Suite 520
Washington, DC 20037
(202) 296-8890

February 16, 2000

¹⁸ *High-Cost Methodology Order* at ¶ 90.

Attachment 1

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF)
SILVER STAR COMMUNICATIONS FOR) DOCKET NO. 70006-TA-98-35
AUTHORITY TO BE DESIGNATED AS AN) (RECORD NO. 4583)
ELIGIBLE TELECOMMUNICATIONS)
CARRIER)

APPEARANCES

DENNIS L. SANDERSON, Attorney at Law,
Afton, Wyoming, for Applicant, Silver Star Communications (Silver Star)

PAUL J. HICKEY, Attorney at Law, Hickey, Mackey, Evans & Walker,
Cheyenne, Wyoming, for Intervenor, U S WEST Communications, Inc. (U S WEST)

HEARD BEFORE

Chairman Steve Ellenbecker
Deputy Chairman Steve Furtney
Commissioner Kristin H. Lee

Chairman Ellenbecker presiding

MEMORANDUM OPINION, FINDINGS, CONCLUSIONS

AND ORDER

(Issued September 13, 1999)

This matter is before the Commission upon the application of Silver Star requesting designation as an eligible telecommunications carrier within the Afton, Wyoming, telephone exchange as well as a waiver to include the Afton exchange in its existing study area.

The Commission, having reviewed the application, its files regarding Silver Star, the transcripts of the public hearing held with regard to this matter, applicable telecommunications law, and being otherwise fully advised in the premises, FINDS and CONCLUDES:

FINDINGS

1. On November 12, 1998, Silver Star filed its application requesting designation as an eligible telecommunications carrier within the Afton, Wyoming, telephone exchange. The Company also requested a waiver to include the Afton exchange in its existing study area.

2. On January 7, 1999, the Commission issued a Notice of Application with regard to this matter. This Notice of Application contained a protest deadline of February 12, 1999.

3. On February 4, 1999, U S WEST filed a Petition to Intervene and Request for Hearing.

4. On March 29, 1999, the Commission issued a procedural order which set this matter for hearing on April 20, 1999, at the Commission's offices located in Cheyenne, Wyoming.

5. On April 20, 1999, the Commission issued a Special Order Authorizing One Commissioner and/or Hearing Examiner to Conduct Public Hearing with regard to this matter.

6. Pursuant to the Commission's procedural order, a public hearing was held with regard to this matter, on April 20, 1999. Silver Star was represented by counsel and presented the testimony of Mr. Ron B. McCue. U S WEST was represented by counsel and presented the testimony of Dr. Barbara Wilcox.

7. Mr. McCue offered testimony indicating that Silver Star meets the criteria for designation as an eligible telecommunications carrier. (Tr., p. 27.) He further testified that Silver Star has received eligible telecommunications carrier status for the other Wyoming exchanges in which it provides local exchange services. (Id., at 27-28.)

8. Mr. McCue stated that the Afton exchange is a high-cost rural service area which contains approximately 155 square miles and approximately 2,417 access lines. (Tr., p. 29.) He further stated that Silver Star plans to serve the Afton exchange through the use of its own facilities and has begun to do so. (Id.) Mr. McCue stated that designation as an eligible telecommunications carrier is crucial to the Company's ability to develop infrastructure and provide affordable essential telecommunications services. (Id., at 30.)

9. Mr. McCue generally described the threshold criteria for designation as an eligible telecommunications carrier as defined by the federal Telecommunications Act of 1996. (Tr., pp. 30-32.) He then testified regarding how Silver Star complies with the established criteria with the exception of providing toll limitation services, in the form of toll control. (Id., at 34-37.) Though the Company does not offer toll control services, Mr. McCue testified that it is the current policy of the Federal Communications Commission (FCC) to require either toll blocking or toll control in order to receive eligible telecommunications status. (Id., at 36-37.) He indicated that Silver Star does provide toll blocking services. (Id., at 38.)

10. Mr. McCue testified that Silver Star has installed facilities within the Afton exchange which are consistent with, if not superior to, the facilities used in its other service territory for which it has received an eligible telecommunications carrier designation. (Tr., p. 39.)

11. Mr. McCue further testified that Silver Star advertises the availability and prices of its local exchange services in the media of general distribution within the Afton exchange. (Tr., p. 40.) Though there are no established advertising guidelines, Mr. McCue indicated that Silver Star would comply with any guidelines subsequently established by either the Commission or the FCC. (Id., at 41.)

12. With regard to Silver Star's request that the Commission notify the FCC that it has no objection to a waiver to allow the Company to include the Afton exchange in its existing study area, Mr. McCue stated that unless a waiver is granted, the Company may not qualify for universal service funding in the Afton exchange. (Tr., p. 43.) He further stated that, absent a waiver, Silver Star may find itself having to comply with differing methodology in determining the level of universal service fund support due to the fact that U S WEST, the incumbent local exchange service provider in the Afton exchange, is a price-cap company. (Id., at 44.) Finally, Mr. McCue stated that the level of support available to U S WEST, by virtue of statewide average pricing, is not adequate to cover the costs associated with serving the Afton exchange. (Id.)

13. Mr. McCue testified that Silver Star must show, among other things, that the Commission does not object to the study area waiver, when it makes application to the FCC. (Tr., pp. 45-46.)

14. Dr. Wilcox, on behalf of U S WEST, testified that her Company does not oppose Silver Star receiving an eligible telecommunications carrier designation so long as it is done in compliance with FCC rules and in a competitively neutral manner. (Tr., p. 119.) She further clarified that competitive neutrality would require that Silver Star receive the same federal universal service support as U S WEST in the Afton exchange. (Id.)

15. Dr. Wilcox offered four specific suggestions for the Commission's consideration. First, she recommended that the Afton exchange be defined as the service territory for Silver Star in terms of its operation as a Competitive Local Exchange Carrier (CLEC). Second, she recommended that the Commission require Silver Star to advertise its basic package of supported services. Third, she recommended that the Commission clarify that the Total Service Long-Run Incremental Cost (TSLRIC) waiver which is currently held by Silver Star is not applicable to Silver Star, the CLEC, in the Afton exchange. Fourth, she recommended that the Commission receive assurance that Silver Star is willing to provide service throughout the Afton exchange. (Tr., pp. 119-120.)

16. With regard to the request for a study area waiver, Dr. Wilcox testified that U S WEST opposes such a request. (Tr., p. 121.) She further stated that U S WEST believes that such a waiver would create a competitive advantage for Silver Star, and that this should not be permitted to occur. (Id.)

17. Dr. Wilcox additionally commented that it would be advisable for the Commission to conclude its General Order 84 and General Order 85 proceedings before ruling on Silver Star's application. (Tr., p. 122.) She stated that many of the competitive issues associated with this application are also being discussed in those two investigatory dockets. (Id.)

18. Dr. Wilcox testified regarding U S WEST's position that Silver Star must be able to meet and assume carrier of last resort responsibilities. (Tr., pp. 134-137.) Specifically, Dr. Wilcox stated that Silver Star cannot be allowed to rely upon U S WEST to provide the underlying facilities to serve customers when no facilities exist. (Id., at 134-135.) Dr. Wilcox stated that, "... carrier-of-last-resort duties are explicitly mandated by the statute and even if they were not expressed in the statute, they would be inherent in the public interest." (Id., at 136.)

19. Dr. Wilcox also testified regarding Silver Star's existing TSLRIC waiver. Specifically, she stated that this waiver creates a competitive advantage for Silver Star insofar as Silver Star would be able to offer service, within the Afton exchange, at prices which are lower than U S WEST. These lower prices would not be based upon costs or efficiency but rather the result of Silver Star having a TSLRIC waiver which U S WEST does not have. (Tr., p. 139.)

20. Dr. Wilcox indicated that under FCC rules, absent a waiver, Silver Star would receive the same federal universal service fund support, per customer, within the Afton exchange that U S WEST receives. (Tr., p. 146.) She further stated that U S WEST believes that this is the correct and competitively fair result. (Id.)

21. At the conclusion of the hearing, Silver Star filed its Memorandum in Support of its Application for Designation as an ETC for the Afton Exchange and Request that no Objection be Made to Silver Star's Request for a Study Area Waiver.

22. On May 20, 1999, U S WEST filed its Post Hearing Brief.

23. On May 28, 1999, the Commission conducted public deliberations with regard to this matter.

CONCLUSIONS

1. Proper public notice of this matter was given in accordance with the provisions of the Wyoming Administrative Procedure Act, W.S. §§ 37-2-201 and 37-2-202, and the Commission's Procedural Rules and Special Regulations.

2. Public hearings were conducted with regard to this matter pursuant to the provisions of W.S. §§ 16-3-107, 16-3-108, and the Commission's Procedural Rules and Special Regulations.

3. Silver Star is a telecommunications company as defined by W.S. § 37-15-103(a)(xi) and, as such, subject to the Commission's jurisdiction pursuant to the provisions of W.S. § 37-15-401.

4. Pursuant to a Notice and Order entered in Docket No. 70006-TA-97-27, on September 26, 1997, Silver Star received designation as an eligible telecommunications carrier for the Company's then existing certificated territory.

5. Pursuant to an Order entered in Docket No. 70006-TA-96-24, on March 27, 1998, Silver Star received a Concurrent Certificate of Public Convenience and Necessity to serve the Afton, Wyoming, telephone exchange.

6. U S WEST, a nonrural local exchange service provider as defined by the federal law, currently holds the original Certificate of Public Convenience and Necessity to serve the Afton, Wyoming, telephone exchange.

7. Pursuant to the provisions of 47 U.S.C. 254, eligible telecommunications carrier status is required in order to receive federal universal service fund support.

8. Pursuant to the provisions of 47 C.F.R. 54, state commissions may designate multiple eligible telecommunications carriers for territories served by nonrural local exchange service providers when the following conditions have been satisfied:

a. An application for eligible telecommunications carrier status is made.

b. The applicant offers services that are supported by federal universal service mechanisms using either its own facilities or a combination of its own facilities and the resale of the services of another carrier, and advertises the availability of its services and charges in a media of general distribution.

c. The applicant does not offer supported services exclusively through the resale of the services of another carrier.

d. The applicant offers: Voice grade access to the public switched network; access to free of charge "local usage"; dual tone multi-frequency signaling or its functional equivalent; single-party service or its functional equivalent; access to emergency services; access to operator services; access to interexchange services; access to directory assistance; and toll limitation for qualifying low income users.

9. The substantial evidence of record, in this proceeding, clearly demonstrates that Silver Star is serving the Afton exchange through the use of its own facilities. Additionally, the substantial evidence of record, in this proceeding, clearly demonstrates that Silver Star is providing the services referenced in paragraph 8(d), above, to customers within the exchange.

10. The Commission concludes that it lacks the authority to impose additional eligibility criteria upon Silver Star in order to receive an eligible telecommunications carrier designation. To this end, the Commission concludes that designating Silver Star as an eligible telecommunications carrier for the Afton exchange is appropriate.

11. The Commission is generally concerned with regard to the competitive issues raised by U S WEST in this proceeding. These issues are, in the Commission's view, important, though not relevant to the issue of designating Silver Star as an eligible telecommunications carrier within the Afton exchange. The Commission notes that there

are several pending dockets in which the competitive issues identified by U S WEST will be evaluated and addressed.

12. With regard to the issue of a study area waiver, the Commission concludes that it has no objection to Silver Star making application for such a waiver with the FCC. To this end, a separate letter, from the Commission, shall be forwarded to the FCC along with a copy of this Order.

IT IS THEREFORE ORDERED THAT:

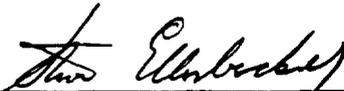
1. Pursuant to the Commission's deliberations held on May 28, 1999, Silver Star Communications shall be, and hereby is, designated as an eligible telecommunications carrier for the Afton, Wyoming, telephone exchange.

2. Commensurate with this designation, Silver Star is hereby directed to advertise the availability and prices of its basic package of supported local exchange services in the media of general distribution within the Afton exchange.

3. This Order is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, this 13th day of September, 1999.

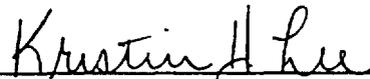
PUBLIC SERVICE COMMISSION OF WYOMING



STEVE ELLENBECKER, Chairman



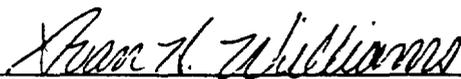
STEVE FURTNEY, Deputy Chairman



KRISTIN H. LEE, Commissioner



ATTEST:



IVAN H. WILLIAMS, Assistant Secretary

Attachment 2

USAC
UNIVERSAL SERVICE
ADMINISTRATIVE CO.

80 South Jefferson Road
Whippany, NJ 07981

December 20, 1999

Mr. Chad Turner
Controller
Silver Star Communications
Post Office Box 226
104101 Highway 89
Freedom, Wyoming 83120

Re: Universal Service Funding for Silver Star Communications

USAC is in receipt of your December 17, 1999 letter requesting high cost support for your competitive local exchange carrier entity providing telecommunications service in US West's Afton exchange beginning January 1, 2000. I regret to inform you that USAC does not have the authority to grant your request for support.

As indicated in your letter, the FCC's rules require competitive eligible telecommunications carriers to notify the administrator by July 31st in order to receive universal service support for the following year. USAC has received other requests from competitive eligible telecommunications carriers after the July 31 date, however, absent a waiver of section 54.307(b), USAC must deny your request. Should you choose to seek a waiver of the Commission's rule, you must make your request directly to the Federal Communications Commission, Office of the Secretary, 445 Twelfth Street, SW, TW-A325, Washington, DC 20554.

If I can be of assistance to you in the interim, or you have additional questions, please contact me via telephone at (973) 884-8085 or via e-mail at jricker@neca.org.

Sincerely,

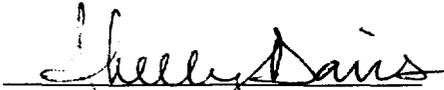


John A. Ricker
Executive Director- Universal Service Programs Support

cc: Ms. Cheryl Parrino, USAC- Chief Executive Officer
Mr. Robert Haga, USAC- Vice President Operations

CERTIFICATE OF SERVICE

I, Shelley Davis, of Kraskin, Lesse & Cosson, LLP, 2120 L Street, NW, Suite 520, Washington, DC 20037, hereby certify that a copy of the foregoing "Petition for Limited Waiver" of Silver Star Communications, was served this 16th day of February, 2000, by hand delivery to the following parties:


Shelley Davis

Lawrence Strickling, Chief
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-C450
Washington, DC 20554

International Transcription Services
1231 20th Street, NW
Washington, DC 20554

* Via U.S. Mail

Irene Flannery, Chief
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW, Room 5-A426
Washington, DC 20554

Sheryl Todd
Accounting Policy Division
Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW Room 5-B540
Washington, DC 20554

Robert Haga *
Vice President Operations
USAC
2120 L Street, NW, 6th Floor
Washington, DC 20037

John A. Ricker *
Executive Director
Universal Service Programs Support
USAC
80 South Jefferson Road
Whippany, NJ 07981