

EX PARTE OR LATE FILED

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
 Accent Communications, Inc., Armour)
 Independent Telephone Company,)
 Bridgewater-Canistota Independent)
 Telephone Company, James Valley)
 Cooperative Telephone Company, RC)
 Communications, Inc., and Roberts)
 County Telephone Cooperative)
 Association - Request to Remove)
 Universal Service Caps)
)
 Alpine Communications, L.C., Arapahoe)
 Telephone Company, Great Plains)
 Communications, Inc., Kennebec)
 Telephone Company, Inc., The Nebraska)
 Central Telephone Company, and Western)
 Telephone Company - Request to Remove)
 Universal Service Caps)
)
 Maine Telephone Company, Northland)
 Telephone Company of Maine, Inc.,)
 Sidney Telephone Company and Standish)
 Telephone Company - Request to Remove)
 Universal Service Caps)
)
 Petition for Removal of Caps on High)
 Cost Loop Support filed by Sunflower)
 Telephone Company, Inc. and Bluestem)
 Telephone Company; S&T Telephone)
 Cooperative Association, Inc. and S&T)
 Communications of Dighton, Inc.; Golden)
 Belt Telephone Association, Inc.;)
 Northeast Missouri Rural Telephone)
 Company and Modern Telecommunications)
 Company)
)
 Interstate Telecommunications)
 Cooperative, Inc. and Intrastate)
 Telephone Company, Inc.; Hanson)
 Communications, Inc. and Fort Randall)
 Telephone Company and Mt. Rushmore)

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Telephone Company; Midstate Telephone)
Company and Heartland Communications,)
Inc.; Mobridge Telecommunications)
Company; Hanson County Telephone, Inc.)
and Hanson Communications, Inc. dba)
McCook Telecom; Splitrock Telecom)
Cooperative, Inc. and Splitrock)
Properties, Inc. - Petition for Removal)
of Individual Caps on High Cost Loop)
Support)

To: Magalie Roman Salas, Secretary

MEMORANDUM OF ORAL EX PARTE PRESENTATION

Pursuant to Section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206 (1999), this memorandum summarizes an oral ex parte presentation in the captioned proceedings, made to Katherine Schroder, Gary Seigel and Adrian Wright, Common Carrier Bureau, on April 5, 2000. The presentation was made by Mark Benton and Lyal Stoll (representing Midstate Communications, Inc.¹), Rod Bowar (representing Kennebec Telephone Company, Inc.) who participated via telephone, Doug Eidahl (representing Accent Communications, Inc. and James Valley Cooperative Telephone Company), and Pat Morse (representing Armour Independent

¹ A Petition for Removal of Individual Caps on High Cost Loop Support was filed on November 15, 1999 on behalf of Midstate Telephone Company and Heartland Communications, Inc., which shared a study area. On January 1, 2000, Midstate Telephone Company merged with Heartland Communications, Inc. The surviving telephone company, Midstate Telephone Company, changed its name to Midstate Communications, Inc.

Telephone Company and Bridgewater-Canistota Independent Telephone Company; Maine Telephone Company, Northland Telephone Company of Maine, Inc., Sidney Telephone Company and Standish Telephone Company; and Sunflower Telephone Company, Inc. and Bluestem Telephone Company). (The 12 aforementioned rural local exchange carriers are referred to herein as the "Rural LECs.") Also present was Susan Bahr, Law Offices of Susan Bahr, PC.

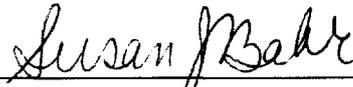
The presentation concerned the captioned requests for the FCC to remove the universal service caps imposed on the Rural LECs as the result of their acquisition of exchanges several years ago. In September 1999, the FCC removed the universal service caps for other telephone companies that were involved in acquisitions of exchanges that were contemporaneous to, or part of the same, transactions in which the Rural LECs participated.

Petitions for Waiver and Reconsideration Concerning Sections 36.611, Memorandum Opinion and Order on Reconsideration, AAD 93-93, 95-72, 95-30, 97-21, 97-23, 97-117, 98-44, 98-53, DA 99-1845, released Sept. 9, 1999 [hereinafter USF Cap Removal Order]. The Rural LECs filed the captioned requests in October and November 1999, asking the FCC to grant them similar treatment and remove their caps. The Rural LECs asked the FCC to make its decision effective as of January 1, 2000, if the FCC's decision on the Rural LECs' requests were released after January 1, 2000. This

date is the same as the date on which the caps were removed for the LECs involved in the USF Cap Removal Order. Furthermore, in comments filed in this proceeding, several parties suggested that the FCC should raise the overall universal service cap. In their reply comments, the Rural LECs asked the FCC to consider their requests to remove individual universal service caps separate from a decision on whether the overall cap should be lifted, if the FCC were to consider lifting that cap at all.

Pursuant to Section 1.1206, this memorandum and nine copies are being submitted to the Secretary, and copies are being sent to Katherine Schroder, Gary Seigel and Adrian Wright.

Respectfully submitted,



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April 6, 2000