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MSS*Group, Inc.

Expense Management Services

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May 12, 2000

OFFICE OF THE CHAIRMAN

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MAY 22 2000

Honorable William E. Kennard
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: Ex Parte contact in CC Docket Nos. 96-262, 94-1, 99-249 and 96-45

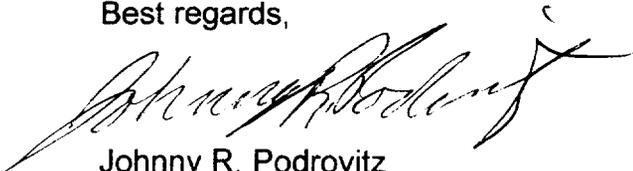
Dear Chairman Kennard:

I am writing about a particular aspect of the pending CALLS proposal. Specifically, MSS*Group, Inc. objects to retention of the Multi-Line Business PICC (MLB PICC) as a charge levied by long distance carriers. MSS*Group, Inc. does not object to retention, for the time being, of the MLB PICC, provided that Local Exchange Carriers (LECs) bill the MLB PICC directly.

The weighted average MLB PICC found in ILEC tariffs is about \$2.50 per line per month. The MLB PICC levied by major long distance carriers; however, is about \$4.00 per line per month. The long distance carriers claim that the PICCs they charge recover only their costs, even though their mark-up exceeds fifty-five percent. Business users should not be required to bear this dead weight loss any longer.

To avoid the mark-up and the associated dead-weight economic loss, the pending CALLS proposal should be amended to include a LEC billed Multi-Line Business Super SLC. The MLB Super SLC would be an amount equal to the sum of what would have been the MLB SLC and the ILEC billed MLB PICC. This suggestion would not reduce the subsidy to residential loops by even one penny, and would have no adverse revenue impact on any signatory to the CALLS plan if their representations about the MLB PICC are truthful.

Best regards,



Johnny R. Podrovitz
President & CEO

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cc: Secretary, Federal Communications Commission