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June 9, 2000

EX PARTE – Via Electronic Filing

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, SW
Washington, DC 20554

Re: Coalition for Affordable Local and Long Distance Service Proposal –
CC Dockets 96-262, 94-1, 96-45, 99-249

Dear Ms. Salas:

On June 7, 2000, I spoke with Aaron Goldschmidt of the Competitive Pricing Division, Common Carrier Bureau, and on June 8, 2000, I spoke with Jack Zinman, Legal Counsel, Common Carrier Bureau regarding technical and conforming corrections to the Memorandum Opinion and Order adopted May 31, 2000 in the above-captioned dockets. The points discussed are included in the attached list.

In accordance with FCC rules, a copy of this letter is being filed in each of the above-captioned dockets.

Sincerely,



John T. Nakahata

Counsel to the Coalition for Affordable Local and
Long Distance

JTN/krs

Attachment

cc: Mr. Aaron Goldschmidt, Competitive Pricing Division, Common Carrier Bureau
Mr. Jack Zinman, Legal Counsel, Common Carrier Bureau

Technical and Conforming Items

In the body of the Memorandum Opinion & Order:

Paragraph 72 uses the multiline business PICC rate as of December 31, 1999 in the calculation of the MLB PICC cap. Was this meant to be June 30, 2000, rather than December 31, 1999? Rule 69.152 (k)(1)(ii)(A) uses June 30, 2000.

Paragraph 79 states, “We estimate the average primary residential SLC will be \$4.93 in July 2001, \$5.63 in July 2002, \$5.82 in July 2003, and \$5.83 after full implementation and transition of the proposal in July 2004 if the caps are fully implemented not counting voluntary reductions due to competition or any modifications to the proposed caps which might occur as a result of the cost review proceeding prior to the SLC increasing to \$5.00.” The phrase “prior to the SLC increasing to \$5.00” is inconsistent with other descriptions in the order, especially paragraph 83. We believe the Commission may have meant the cost review proceeding that occurs to verify the SLC caps.

Paragraph 118, second to last sentence: The word “jointly” may be confusing.

Paragraphs 142, 146, 163, 176 and 177 refer to the .0095 target rate as available to “primarily rural” or “entirely rural” companies. While this is an accurate characterization of these companies using a dictionary definition of rural, this may be confusing because of the statutory term “rural telephone company”. It might be clearer to refer to .0095 companies as “companies with very low teledensity.”

Paragraph 156 states, “We also permit any price cap company with reductions per line at the holding company level....” This is inconsistent with the rules and descriptions elsewhere in the item. The words “per line” probably were meant to be dropped.

Paragraph 228: The description of data to be submitted differs slightly from Ru13 54.802(b).

Part 54 rules:

Rule 54.801(a) has a clause that states “other than those offered for sale prior to July 1, 2000”. Was this meant to be July 1, 2000, which opens a prospective window, or January 1, 2000, as contained in the rules as proposed?

Part 61 rules:

Rule 61.3(d) – The part of the first sentence is garbled. We suggest simply saying “Price Cap CMT Revenue per month, as defined in 61.3(cc), as of July 1, 2000 ...[continue as in original]”

Rule 61.3(e)(2) – This description does not appear to match the discussion in the order.

Rule 61.3(aa) – Cross-reference to a non-existent section. Suggest cross-referencing to 61.41.

Rule 61.3(gg) – This definition is unnecessary in these rules. We suggest “[Removed and reserved].”

Rule 61.45(b)(1)(i) -- We do not believe that it is necessary to keep a PCI for the CMT basket. With the exception of special access surcharge and line ports in excess of basic, which are frozen through June 30, 2005, all CMT rate elements are determined with respect to Average Price Cap CMT Revenue per Line Month, which performs the same functions as a PCI with respect to these elements. Delete “for the CMT basket as described in § 61.42(d)(i).”

Rule 61.45(b)(1)(i) – We believe references to (g/2) can be stricken from the formula. The g/2 reductions are captured in 61.45(i)(1)(B)(ii.), so deleting g/2 here will have no substantive effect.

Rule 61.45(b)(1)(i) – In the second to last sentence of the definition of “X”, add the words “for annual filings only,”

Rule 61.45(b)(1)(i) – In the definition of “w”, add the word “interexchange” in parenthetical, and then delete the subsequent term “w_{ix}” and associated definition.

Rule 61.45(d)(2) – The paragraph refers to “§ 61.45(d)(1)(iv)”; however, that subparagraph is now removed and reserved.

61.45(i)(1)(A) – Because there is no need for a PCI in the CMT basket (see Rule 61.45(b)(1)(i) above), delete the word “CMT” from the first sentence.

61.48(m)(1)(i) – The second to last sentence contains the phrase “the dollar impact of PCI reductions associated with the CMT, traffic sensitive and trunking baskets’ X-factor of 6.5% shall be targeted to reducing....” This may be confusing because there is no need for a PCI for the CMT basket, and because the formula for calculating the dollars of targeted reductions is articulated differently. We suggest substituting “the Targeted Revenue Differential, as defined in 61.45(i), shall be targeted to reduce...” for the above-quoted language.

Part 69 Rules

Rule 69.4(1) – Delete “(as defined in § 54.802(c).”

Rule 69.4(1)(i) – Delete. Should be “Removed and Reserved.”