

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

In the Matter of)	
)	
Federal-State Joint Board on)	
Universal Service)	CC Docket No. 96-45
)	
Petition for Forbearance from)	
Enforcement of Sections 54.709 and)	
54.711 of the Commission's Rules)	
)	
by Operator Communications, Inc.)	
d/b/a Oncor Communications, Inc.)	

Reply

The National Exchange Carrier Association, Inc. (NECA) submits this reply to comments in the matter captioned above.¹

As administrator of the Commission's interstate Telecommunications Relay Services (TRS) Fund, NECA supports the view of the Universal Service Administrative Company (USAC) that increased expenses of USAC's data collection processes that are attributable only to universal service support mechanisms (USSM), should be borne by USAC and not the administrators of other funds.²

Telecommunications industry revenue data collected by USAC are used for a variety of purposes. In addition to administration of the Commission's USSM, these

¹ In the Matter of Federal-State Joint Board on Universal Service, *Further Notice of Proposed Rulemaking and Order*, CC Docket No. 96-45 (rel. Oct. 12, 2000) (FNPRM).

² FNPRM, *USAC Comments*, note 48.

data are used for administration of the TRS Fund, North American Numbering Plan, and local number portability.³

The instant FNPRM proposes changes in the revenue collection process that are intended to improve USSM only.⁴ USAC "believes it would be appropriate to require it to be responsible for any additional costs associated with the added data collections."⁵ USAC's language recognizes that additional costs of USSM should be borne only by USSM, and not the other programs.

The expenses USAC describes were not anticipated in the Joint Administrator proposal, and are extraordinary costs as "might need to be incurred" in connection with meeting its responsibilities.⁶ Further, Commission rules governing TRS fund administration state that the TRS Fund may be used only to recover expenses directly attributable to TRS.⁷

³ See In the Matter of 1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, CC Docket No. 98-171, *Joint Submission of Program Administrators* (filed Oct. 12, 1999) (*Joint Submission*), p. 4. See also In the Matter of 1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, CC Docket No. 98-171, *Order*, 65 Fed. Reg. 10093 (2000).

⁴ FNPRM, *USAC Comments*, note 48.

⁵ *Id.*

⁶ *Joint Submission*, p. 4.

⁷ "The TRS Fund administrator shall make payments only to eligible TRS providers . . . and after disbursement to the administrator for reasonable expenses incurred by it in connection with TRS Fund administration." 47 C.F.R. § 64.604(c)(5)(iii)(E). "The administrator is required to keep the TRS Fund separate from all other funds administered . . ." 47 C.F.R. § 64.604(c)(5)(iii)(H).

Accordingly, NECA agrees that, in the event the Commission modifies its rules governing the data collection process to improve USSM administration, the additional USSM-related expenses should be borne only by the affected USSM programs.

Respectfully submitted,

NATIONAL EXCHANGE CARRIER
ASSOCIATION, Inc.

By:


Regina McNeil
Its Attorney

Joe A. Douglas
Senior Regulatory Manager
80 South Jefferson Road
Whippany, New Jersey 07981
973-884-8000

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Certificate of Service

I hereby certify that a copy of the Reply was served this 14th day of December 2000, by electronic delivery or first class mail, to the persons listed below.

By: 
Shawn O'Brien

The following parties were served:

Magalie Roman Salas*
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
TW-4325
Washington, D.C. 20554

Jay C. Keithley
Richard Juhnke
Norina T. Moy
SPRINT CORPORATION
401 9th St., N.W., Suite 400
Washington, DC 20004

Sheryl Todd**
Federal Communications Commission
445 12th Street, S.W.
Room 5-B540
Washington, D.C. 20554

Russell M. Blau
Tamar E. Finn
SWIDLER BERLIN SHEREFF
FIREDMAN, LLP
Counsel for NETWORK OPERATOR
SERVICES, INC.
3000 K Street, N.W., Suite 300
Washington, DC 20007-5116

International Transcription Services
(ITS)***
1231 20th Street, N.W.
Washington, D.C. 20037

Andrea D. Williams
Michael F. Altschul
Randall S. Coleman
CELLULAR TELECOMMUNICATIONS
INDUSTRY ASSOCIATION
1250 Connecticut Avenue, N.W., Suite 800
Washington, DC 20036

Mark C. Rosenblum
Judy Sello
AT&T Corporation
Room 1135L2
295 North Maple Avenue
Basking Ridge, New Jersey 07920

John H. Harwood II
Matthew A. Brill
Russell P. Hanser
WILMER, CUTLER & PICKERING
Counsel for Qwest Corporation
2445 M Street, N.W.
Washington, DC 20037-1420

Alan Buzacott
WORLDCOM, INC.
1801 Pennsylvania Ave., NW
Washington, DC 20006

Robert B. McKenna
QWEST CORPORATION
1801 California Street, Suite 5100
Denver, CO 80202

Joseph DiBella
Verizon
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

Lawrence E. Sarjeant
Linda L. Kent
Keith Townsend
John W. Hunter
Julie E. Roncs
UNITED STATES TELECOM
ASSOCIATION
1401 H Street, N.W., Suite 600
Washington, DC 20005

Mitchell F. Brecher
Debra A. McGuire
GREENBERG TRAURIG, LLP
Attorneys for OPERATOR
COMMUNICATIONS, INC.
d/b/a ONCOR COMMUNICATIONS, INC.
800 Connecticut Avenue, NW
Washington, DC 20006

Cheryl L. Parrino
D. Scott Barash
Robert W. Haga
UNIVERSAL SERVICE
ADMINISTRATIVE COMPANY
2120 L Street, NW, Suite 600
Washington, DC 20037

Margot Smiley Humphrey
Holland & Knight
2000 K. Street, Ste. 200
Washington, D.C. 20006

L. Marie Guillory
Jill Canfield
NTCA
4121 Wilson Boulevard
Tenth Floor
Arlington, VA 22203

Stuart Polikoff
Stephen Pastorkovich
OPASTCO
21 Dupont Circle, N.W.
Suite 700
Washington, D.C. 20036

*delivery through ECFS

** three paper copies w/ diskette

*** paper copy w/ diskette