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Ronan Telephone Company Consumer Advisory Committee [redacted]
P.O. Box 61
Roan, Montana 59864

EX PARTE OR LATE FILED

Corwin "Corky" Clairmont, Chair
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February 15, 2001

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable Michael Powell
Chairman
Federal Communications Commission
445 Twelfth Street, S. W., 8-B201
Washington, D.C. 20554

The Honorable Susan Ness
Federal Communications Commission
445 Twelfth Street, S. W., 8-B115
Washington, D.C. 20554

The Honorable Harold Furchtgott-Roth
Federal Communications Commission
445 Twelfth Street, S. W., 8-A302
Washington, D.C. 20554

The Honorable Gloria Tristani
Federal Communications Commission
445 Twelfth Street, S. W., 8-C302
Washington, D.C. 20554

RE: Written Ex Parte Presentation/Request for Clarification
CC Docket Nos. 96-45, 96-98, 98-77, 98-166, and 99-68

Ronan Telephone Company, Ronan, Montana
Telecommunications Reciprocal Compensation Symmetry Rule, 47 C.F.R. 51.711

Dear Chairman Powell and Commissioners Ness, Furchtgott-Roth and Tristani:

The Ronan Telephone Company Consumer Advisory Committee is an independent community based organization that meets periodically to review and discuss telecommunications issues affecting our community. Ronan is located in a sparsely populated rural area in Northwest Montana, and is located on the Flathead Indian Reservation. The Flathead Reservation is the home of the Confederated Salish and Kootenai Tribes. The residents here are mostly modest to low income families. We try to represent fairly the resident's concerns when advising the Ronan Telephone Company (RTC) on pertinent consumer issues. In the recent past, we have filed comments and testified before the Montana Public Service Commission.

Our Committee recently met and discussed the symmetry rule (47 C.F.R. §51.711) in the context of rural competition. Specifically, we believe that it is not appropriate that all reciprocal compensation rates should be the same. It is necessary and in the consumer's best interest that a state Commission be given flexibility and discretion to implement reciprocal compensation arrangements which are appropriate and consistent with the plain language of the Act.[1]

A meeting was held at the FCC offices with Ronan Telephone Company, on January 19, 2001 to request an informal staff opinion regarding the exemption of rural telephone companies from the FCC symmetry rule (47 C.F.R. Sec. 51.711). We are writing to express our support for the request. We have reviewed this issue and strongly believe that such a ruling is consistent with the Telecommunications Act, in the best interests of rural consumers, and necessary to protect universal service.

Specifically, an exemption from the presumption of symmetrical reciprocal compensation rates is necessary to assure the appropriate application of Section 252(d)(2), allowing state Commissions to determine "each carrier's costs" individually and exercise their discretion case by case; and to protect against inappropriate cherry picking of rural company customers to the detriment of the remaining rural ratepayers (See Illustration I - Map of RTC Study Area). Such a ruling is appropriate and consistent with your explanation in Paragraph 1088 of Order No. 96-325 (the August, 1996 Local Competition Order, published at 11 FCC.Rcd. 15499). It is our understanding that this paragraph of your 1996 order was intended to hold the rural telephone companies exempt from the symmetry rule.

RTC is a test case for the appropriate application of the pro-competition and universal service protection provisions of the Act, as rural wireline competition develops. Not only do we support the informal staff opinion requested by RTC, it is also supported by the Organization for the Protection and Advancement of Small Telecommunications Companies (OPASTCO).[2] OPASTCO is the national trade association of independent small rural telephone companies. OPASTCO has recognized that forcing symmetrical reciprocal compensation rates in rural areas (where the costs of an incumbent and a new entrant are unlikely to be similar) will ultimately cause rural telephone rates to escalate as apparent subsidized rural cherry picking occurs.

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[1] 47 U.S.C. §252(d)(2) which requires rates to be based on "each carrier's costs".

[2] Letter from OPASTCO Chairman, Robert Miles, to the Ronan Telephone Co. President, Jay Wilson Preston, dated January 17, 2001.

In summary, the Ronan Telephone Consumer Advisory Committee joins Ronan Telephone Company and the Organization for the Protection and Advancement of Small Telephone Companies in requesting an informal staff opinion, clarifying that rural companies, which hold the Section 251(f)(1) rural exemption, are exempt from rule 51.711. We would appreciate it if a staff opinion could be issued timely to clarify this issue.

Sincerely,

Corwin "Corky" Clairmont, Chairman
Ronan Telephone Company Consumer Advisory Committee

cc: Senator Max Baucus
Senator Conrad Burn
Congressman Dennis Rehberg
Ms. Magalie Roman Salas, Secretary, Federal Communications Commission

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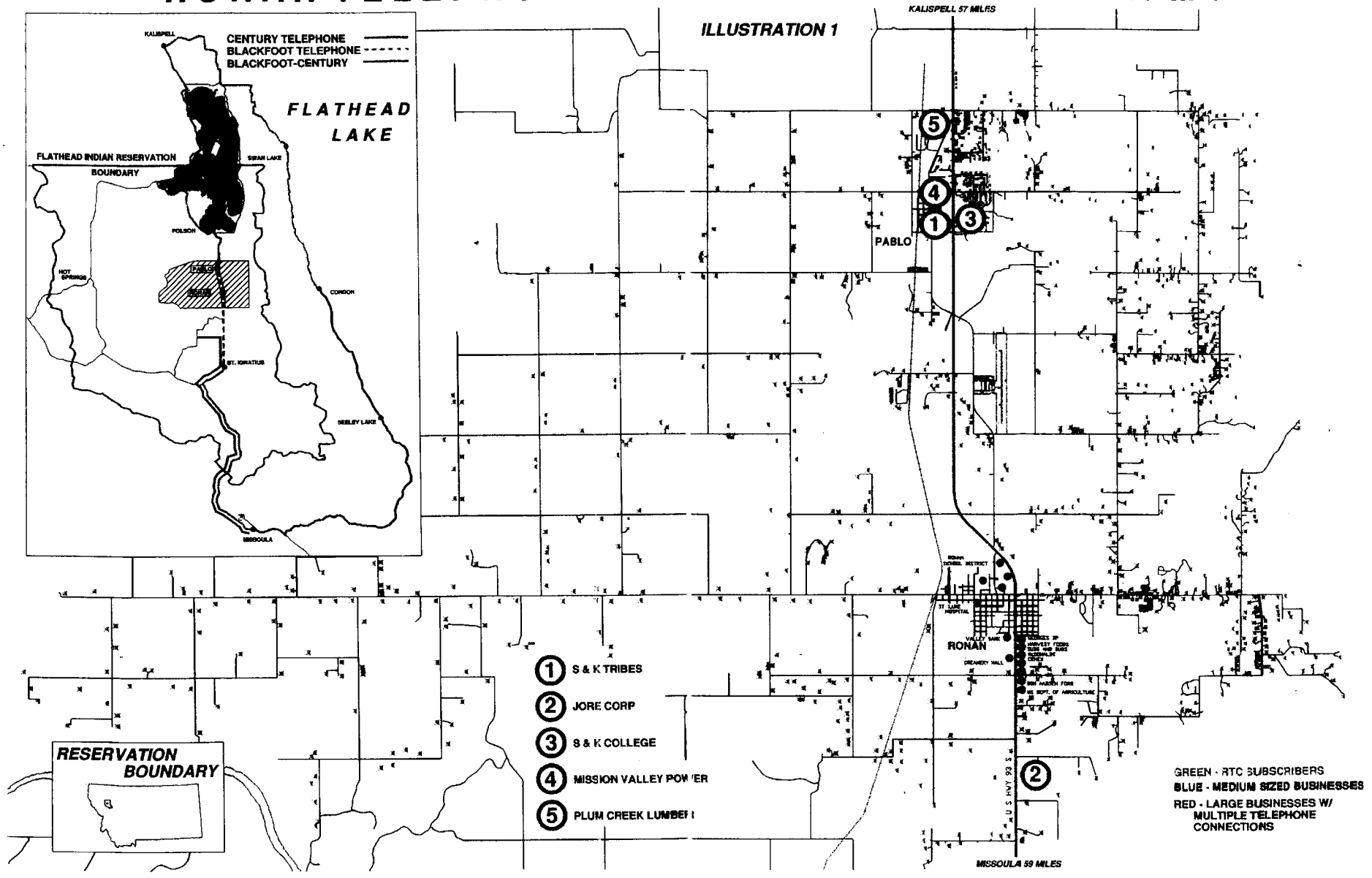
RONAN TELEPHONE SERVICE AREA - RONAN MT

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