

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

In the Matter of)	
)	
MADISON TELEPHONE COMPANY AND)	C Docket No. 96-45
)	DA 01-566
GALLATIN RIVER COMMUNICATIONS, LLC)	
)	
Joint Petition for Waiver of the Definition of)	
“Study Area” in the Appendix-Glossary of Part 36)	

**COMMENTS
OF THE
NATIONAL TELEPHONE COOPERATIVE ASSOCIATION**

The National Telephone Cooperative Association (“NTCA”) submits the following comments in response to the Commission’s Public Notice released on March 2, 2001, inviting comments on the above-captioned Petition for Waiver.¹ NTCA is a national association of more than 500 local exchange carriers that provide telecommunications services to end users and interexchange carriers throughout rural America. Madison Telephone Company (“Madison”) and Gallatin River Communications, LLC (“Gallatin River”) are also “rural telephone companies as defined in the Telecommunications Act of 1996 (“the Act”).²

Madison is set to purchase two telephone exchanges in Illinois from Gallatin River. The new exchanges are in close proximity to Madison’s current exchanges. Transferring the exchanges to Madison from Gallatin River will allow the company to provide services in a more efficient manner that benefits consumers. The Illinois Commerce Commission (“ICC”) has yet

¹ *In the Matter of Madison Telephone Company, and Gallatin River Communications, LLC, Joint Petition for Waiver of the Definition of “Study Area” in the Appendix-Glossary of Part 36*, CC Docket No. 96-45, DA 01-566 (rel. March 2, 2001).

² 47 U.S.C. 153(37).

to rule on the proposed transfer of exchanges. However, Madison and Gallatin River do not anticipate any objections from the ICC based on its ruling in previous actions.³

In accordance with Section 1.3 of the Commission's Rules, Madison and Gallatin River have filed a joint petition seeking waivers to allow the exchanges in Gallatin River's study area to be included in Madison's study area. Madison and Gallatin River argue that (1) the ICC will not object to the transfer, (2) the transfer will not affect the Universal Service Fund (USF), and (3) will be in the public's interest.⁴

NTCA fully supports the petition submitted by the two Illinois carriers. The Commission's study area freeze should be waived. Part 36 of the Commission's Rules "freezes" the definition of "study area" to the boundaries that were in existence on November 15, 1984. In enacting the freeze, the Commission expressed concern that LECs would set up high cost exchanges within their service territories as separate study areas to maximize high cost support.⁵ Recognizing that a freeze may not be appropriate in all circumstances, the Commission established a three-prong test for deciding whether study area waivers should be granted. The Commission may approve waiver requests if (1) it determines that the change will not affect adversely the USF support program, (2) that the state commission having regulatory authority does not object to the change, and (3) that the public interest supports grant of the waiver.⁶

As previously stated by the petitioners, the transaction will not adversely affect the USF. Section 54.305 of the Commission's rules limits support for carriers that acquire exchanges from

³ See Petition at 2.

⁴ *Id.*

⁵ *In the Matter of MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board*, CC Docket Nos. 78-72 and 80-286, 49 Fed. Reg. 48325, 48337 (Dec. 12, 1984).

unaffiliated carriers to the same per-line level of USF support available prior to the transfer. The exchanges acquired by the petitioners will not receive any additional support before the transfer because Gallatin receives no high cost, local switch or long term support from the USF today.

The petitioners have laid the groundwork to successfully meet the second prong. They have abided by ICC policy by serving a copy of their petition to the ICC in order to inform the agency of their intentions. In addition, Madison seeks ICC approval on the Certificate of Exchange Service Authority to provide local exchange and exchange access services.⁷ The ICC decision on the approval of the transfer is currently pending.

The third prong, that the public interest will be served, is met. Transferring the exchanges from Gallatin River to Madison will provide customers with more efficient services. Madison intends to consolidate the operation of the transferred exchanges with its current operations, and expand and enhance the quality of services to the former Gallatin River customers.⁸

⁶ *In the Matter of US WEST Communications, Inc. and Eagle Telecommunications, Inc., Joint Petition for Waiver of the Definition of "Study Area" Contained in Part 36, Memorandum and Opinion and Order*, 10 FCC Rcd 1771, 1772 (1995).

⁷ Petition at 4.

⁸ Petition at 6.

For all of the above-mentioned reasons, NTCA supports the petition and respectfully submits that the public interest would be served best by the Commission's expeditious approval of the requested waiver.

Respectfully Submitted,

NATIONAL TELEPHONE COOPERATIVE
ASSOCIATION

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March 22, 2001

CERTIFICATE OF SERVICE

I, Gail C. Malloy, certify that a copy of the foregoing Comments of the National Telephone Cooperative Association in CC Docket No. 96-45, DA 01-566 was served on this 22nd day of March 2001 by first-class, U.S. Mail, postage prepaid, to the following persons

/s/ Gail C. Malloy

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