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March 23, 2001

RECEIVED

MAR 23 2001

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: *Common Carrier Bureau Seeks Comment of the Requests for Emergency Temporary Relief of the Minnesota CLEC Consortium and the Rural Independent Competitive Alliance Enjoining AT&T Corp for Discontinuing Pending Final Decision, DA 00-1067, May 15, 2000; Common Carrier Bureau Seeks Additional Comments on Issues Related to CLEC Access Charge Reform, CC Docket No. 96-262, December 7, 2000.*
Ex Parte Meeting

Dear Ms. Salas:

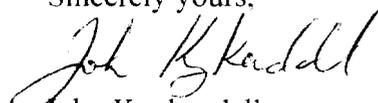
On March 22, 2001, Steve Kraskin of Kraskin, Lesse & Cosson, LLP and Brad Welp of Heart of Iowa Communications, Inc. met with Kyle Dixon of the Office of Chairman Michael Powell to discuss the Rural Independent Competitive Alliance's ("RICA's") pending Emergency Petition for Relief filed February 18, 2000 and comments filed in response to the Commission's Request for additional comments on issues related to CLEC access charge reform (*Public Notice*, DA 00-2751, rel. Dec. 12, 2000).

The discussion included informing Mr. Dixon of RICA's concern that the Emergency Petition has not yet been acted upon by the Commission and that the Commission's delay perpetuates the harm that was referenced in the petition as well as discouraging competition in rural markets. The discussion also included informing Mr. Dixon of the need for a benchmark approach to CLEC interstate access charges as well as an explanation of RICA's proposal for a rural benchmark (see attached summary).

In addition, the RICA representatives provided Mr. Dixon with a copy of a letter sent by AT&T to a RICA member dated March 13, 2001 (see attached letter).

Please contact me if there are any questions regarding this matter.

Sincerely yours,


John Kuykendall

cc: Kyle Dixon

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RURAL INDEPENDENT COMPETITIVE ALLIANCE

March 2001

RICA is composed of Competitive Local Exchange Carriers (CLECs) affiliated with rural telephone companies.

- RICA members bring modern communications and information services to rural areas previously neglected by large incumbent carriers.
- RICA members concentrate on facilities-based competition to assure the most efficient and effective technology is deployed.

Expansion, or even continuation of these public benefits is not possible if interexchange carriers such are allowed to unilaterally withdraw long distance service from rural CLEC subscribers if they determine that the CLEC's access rates are above the level of the large incumbents.

- RICA members compete with large incumbent LECs whose prices benefit from both averaging with urban areas and from a lack of current investment in rural areas.
- RICA members have generally priced access at levels comparable to their affiliated rural telephone companies. Larger companies with which they compete have lower access rates because of their ability to spread the higher cost of serving rural areas with their lower cost urban base.

Discontinuance of service by interexchange carriers violates the Communications Act in the following ways:

- is contrary to the requirement to obtain authority under Section 214(a) to discontinue service;
- is contrary to its duty to interconnect in Sections 201(a) and 251(a);
- is unjustly discriminatory in violation of Section 202(a); and
- is inconsistent with its own tariffs in violation of Section 203(c).

To maintain the *status quo* pending the resolution of the FCC's rulemaking proceeding regarding access charge reform, RICA filed a Request for Emergency Relief on February 18, 2000. The period for public comment ended June 29, 2000. The Commission has yet to act on RICA's Emergency Petition. The FCC's failure to act has caused irreparable harm:

- it has permitted AT&T to continue to discontinue service;
- it has permitted both AT&T and Sprint to continue to refuse to pay for services rendered; and
- it has prompted several RICA members to postpone or cancel plans of expansion into other rural communities.

To ensure that rural CLECs are able to survive and grow, a “rural benchmark” approach to CLEC access rates must be adopted

- Although market solutions are preferable to regulation, a benchmark approach to CLEC access rates is necessary.
- The benchmark approach must contain a separate “rural benchmark” due to the higher costs incurred when serving rural areas.
- RICA has provided the FCC with a proposed “rural benchmark” that both ensures that CLECs operating in rural areas are able to provide quality telecommunications services to areas traditionally poorly served by the large ILEC and ensures that a small CLEC located in a major urban area would not receive the exemption.
- RICA has proposed the average NECA rate as the “rural benchmark”

RICA urges the adoption of its proposed “rural benchmark” for CLEC access rates and an emphatic declaration that interexchange carriers must interconnect with all CLECs

Board Members the Rural Independent Competitive Alliance

Gerry Anderson, President
Mid-Rivers Telephone Cooperative
Circle, Montana

Richard K. Veach
High Plains Telecommunications, Inc.
Ulysses, Kansas

Rick Vergin, Vice President
CTC Telecom, Inc.
Dallas, Wisconsin

Terry Wegener
Forest City Telecom, Inc.
Lake Mills, Iowa

Gene South, Secretary/Treasurer
Lakedale Link
Annandale, Minnesota

Jimmy White
XIT Communications
Dalhart, Texas

Ron McCue
Silver Star Communications
Freedom, Wyoming

Karen Zimmerman
Cumby Telephone Cooperative, Inc.
Cumby, Texas

Bill Rohde
Mark Twain Communications Company
Hurdland, Missouri

Ron Strecker
Panhandle Telecommunication Systems, Inc.
Guymon, Oklahoma

David L. Schmidt
Heart of Iowa Communications, Inc.
Union, Iowa

Paul Schuetzler
Consolidated Communications Network
Dickenson, North Dakota

MAR 19 2001



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CLEC Business Development and Management

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March 13, 2001

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]

AT&T Corp. ("AT&T") has learned that [REDACTED] has started or may soon start operating as a competitive local exchange carrier in one or more markets. In connection with [REDACTED] provision of local exchange services, [REDACTED] customers may want access to AT&T's long distance network.

Before authorizing [REDACTED] to pre-subscribe its local customers to AT&T's services or otherwise reach AT&T's network, AT&T must issue an Access Service Request ("ASR") to [REDACTED]. AT&T will not issue an ASR to [REDACTED] unless and until AT&T and [REDACTED] sign a satisfactory written agreement for switched access services and [REDACTED] has completed AT&T's access supplier set-up process, including establishing Customer Account Record Exchange ("CARE") and bill processing capabilities. Absent an ASR, AT&T will not pay any originating or terminating switched access charges for which [REDACTED] may attempt to bill AT&T.

In order to begin our discussions on a switched access services agreement, please sign the enclosed Confidentiality and Pre-Negotiation Agreement and return it to me. AT&T's participation and willingness to engage in discussions with [REDACTED] about a switched access services agreement are not to be considered an order, acceptance or purchase of originating and/or terminating switched access services from [REDACTED].

Unless and until a satisfactory switched access services agreement is signed and [REDACTED] meets the requirements for the issuance of an ASR, [REDACTED] should not route any traffic to AT&T's network, including, but not limited to, 0+, 1+, 500+, 700+, 8YY+, 900- or AT&T-associated 10-10-XXX traffic, and should not complete any calls terminating from AT&T's network that are intended for [REDACTED] local exchange customers. Moreover, do not presubscribe any of [REDACTED] local exchange customers to AT&T's interexchange services unless and until AT&T provides [REDACTED] with authorization to do so.

I look forward to reaching closure on a switched access agreement with [REDACTED] once the Confidentiality and Pre-Negotiation Agreement is signed. In the meantime, please call me if you have any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Debbie H. Joyce".

Debbie H. Joyce

cc: Brian Moore
William Taggart