



Sandwich Isles
Communications, Inc.

A Waimana Company

DOCKET FILE COPY ORIGINAL

September 28, 2001

RECEIVED

OCT - 1 2001

FCC MAIL ROOM

Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
Room TW-B204
445 12th Street, S.W.
Washington, D.C. 20554

Re: CC Docket Nos. 00-256, 96-45, 98-77, 98-166 – MAG Proceeding

Dear Ms. Salas:

Sandwich Isles Communications, Inc., a rural ILEC serving remote areas of Hawaii known as the Hawaiian Home Lands, is concerned about steps the Commission may take to resolve rural access reform issues. For example, we believe that the ability to pool rural America's access revenues and costs at the current authorized rate of return must be maintained. This is essential not only for rate stability, but also for the financial viability of the carriers serving rural consumers. We do not concede that interexchange carriers are entitled to a "free ride" on the local loop. And we are disappointed that not all long distance calling plans are being offered to rural consumers.

Access reform requires sorting through many complex issues to achieve a careful balancing of consumer and carrier interests. If the MAG plan, which was offered up as a "holistic" approach to resolve rural issues, cannot be implemented in its entirety, then it would be appropriate for the Commission to issue a Further Notice of Proposed Rulemaking (FNPRM) to further consider the needs of rural consumers and the carriers serving them.

Universal service is an important mandate of the Telecom Act. Recent events must further strengthen our resolve to accomplish that mandate. Deploying infrastructure in rural America is a costly endeavor for those carriers interested in serving these areas. The Commission must adopt regulatory policy for rural America that will encourage continued investment, maintain affordable prices, and ensure comparable telecommunications services for all rural consumers.

Very truly yours,

Alan W. Pedersen
VP – Regulatory Affairs

No. of Copies rec'd 014
List ABCDE

c: Commissioners Powell, Abernathy, Martin, and Copps