NTCA

The Voice of Rural Telecommunications

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

October 2, 2001

The Honorable Michael K. Powell, Chairman
Federal Communications Commission
445 12th Street, SW, Room 8B201
Washington, DC 20554

Re: Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, CC Docket Nos. 00-256, 96-45, 98-77, 98-166

Dear Chairman Powell:

I am writing to urge you to issue a comprehensive further notice instead of an order in the above matter at your October 11th Open Meeting.

NTCA represents 550 rural incumbent local exchange carriers. All of these companies provide interstate access services and rely heavily on access revenues. All are small companies that serve some of the most remote and rural areas in our country. Any Commission decision on access reform will have a significant impact on the companies' continued ability to provide critical telecommunications services to their communities.

We believe that a further notice in this proceeding is needed to allow for additional comment. Further uncertainty will result if the Commission proceeds with a decision that does not adequately address access reform in conjunction with unresolved issues related to universal service, rate of return and optional incentive regulation. Intervening events suggests that the Commission should issue a further notice so that it can take account of changed circumstances and new matters that may not have been included in the Notice of Proposed Rulemaking. The public should have the opportunity to comment on new proposals that originate from the Commission.

The benefits of additional public comment far outweigh any burdens that may result from a further notice. The interstate access revenues at stake in this proceeding are roughly $2.3 out of $28.6 billion based on year 2000 data. The impact and potential benefit of any rate reduction is relatively small for interexchange carriers when compared to the impact and potential harm to rural carriers. An incorrect decision will affect more than half of the revenues of most of the small carriers providing access services throughout rural America.

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NTCA therefore respectfully urges the Commission to issue a further notice instead of an order on October 11, 2001.

Sincerely,

Michael E. Brunner
Chief Executive Officer

MEB:rhb

cc: Commissioner Kathleen Q. Abernathy, FCC
Commissioner Michael J. Copps, FCC
Commissioner Kevin J. Martin, FCC