



**NOTICE OF *EX PARTE*  
PRESENTATION; electronic filing**

October 14, 2003

Ms. Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Room TW B204  
Washington, DC 20554

**Re: Federal-State Joint Board on Universal Service, CC Docket 96-45**

Dear Ms. Dortch:

Please be advised that on October 9, 2003, David C. Bergmann, chair of the Telecommunications Committee of the National Association of State Utility Consumer Advocates (“NASUCA”<sup>1</sup>), and Kathleen F. O’Reilly, representing NASUCA, met with Commissioner Martin and Dan Gonzalez, Senior Legal Advisor to Commissioner Martin. On that date, Mr. Bergmann and Ms. O’Reilly also met with Carol Matthey, Eric Einhorn and Paul Garnett of the Wireline Competition Bureau (“WCB”) as a follow up to the meeting of September 30, 2003 between Charles Acquard, NASUCA Executive Director, and Ms. O’Reilly with WCB staff William Maher, Eric Einhorn and Paul Garnett.

As NASUCA representatives Mr. Bergmann and Ms. O’Reilly discussed the unique perspective of our members as representatives of the consumers who both pay for and are the intended beneficiaries of the universal service programs of the 1996 Telecom Act.<sup>2</sup>

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<sup>1</sup> NASUCA is an association of 43 consumer advocates in 40 states and the District of Columbia. NASUCA’s members are designated by the laws of their respective states to represent the interests of utility consumers before state and federal regulators and in the courts. See. E.g., Ohio Rev. Code Chapter 4911.

<sup>2</sup> 47 U.S.C. § 254.

The discussion covered many issues under consideration in this proceeding and was consistent with NASUCA's position as expressed in filed comments and reply comments.

One focus of the discussion was the Federal-State Joint Board's Request for Comment on Certain of the Commission's Rules Relating to High-Cost Universal Service Support and the ETC Designation Process, FCC B03J-1. The issues discussed were those set forth in the bullet-point summary of NASUCA's position provided to WCB staff at the meeting of September 30, and included with the ex parte notice of that meeting. Pending ETC applications were also discussed in both the meetings with Commissioner Martin and WCB staff.

Additionally, the NASUCA representatives discussed various questions raised and positions discussed by invited participants to the *Universal Service Summit II* sponsored by Senators Burns and Dorgan, moderated by Commissioner Rowe, and held on the September 11, 2003. Among the issues discussed was whether there is a need for statutory changes to allow collection of intrastate revenues to support the federal universal service fund.

The NASUCA representatives stressed the need for the FCC to constrain the growth in the universal service fund and to ensure that all interstate services are assessed under the current mechanism before statutory changes are considered. The NASUCA representatives also discussed whether measures such as those recommended by NASUCA should be taken before significant structural changes -- such as the move to a connections-based or numbers-based mechanism -- are considered. The NASUCA representatives also pointed out that the study conducted by Commission Staff of the proposed mechanisms shows that residential consumers are harmed under the proposed mechanisms and shows that the harm is exacerbated under conditions of substantial fund growth, compared to the current revenue-based mechanism.<sup>3</sup>

Sincerely,

David C. Bergmann  
Assistant Consumers' Counsel  
Chair, NASUCA Telecommunications  
Committee

cc: Commissioner Martin, Mr. Gonzalez, Ms. Matthey, Mr. Einhorn, Mr. Garnett

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<sup>3</sup> See NASUCA's Comments filed May 16, 2003.