

**NTCA MEETING WITH MR. BILLY JACK GREGG
CONSUMER ADVOCATE MEMBER OF
THE FEDERAL-STATE JOINT BOARD ON UNIVERSAL SERVICE
CC DOCKET NO. 96-45
October 28, 2003**

Primary Line Issue

- Support should be sufficient to enable the ETC to build the network that delivers the supported services in the service area.
- A limitation of support to one primary line has the potential for retarding deployment of broadband/network of the future.
- Deployment of adequate networks in high cost areas served by rural telcos has been advanced precisely because these carriers have the ability to recover network costs and remain on rate of return.
- Consumer vouchers will likely lead to misuse of support, increased administrative burdens on carriers and regulators and eviscerate Section 254 (e).

Standards for Designating Eligible Telecommunications Carriers (ETCs)

- The Act contemplates a state designation process that takes into account the particular circumstances of rural telephone company service areas. Section 214 (e)(2).
- A default approach creates a presumption that deprives the states of their ability to designate responsibly.
- The proposal to establish \$30, \$20 and >\$20 thresholds sets up an arbitrary system which ignores the link between the goals of Section 254 and the process called for in Section 214 (e).
- The Joint Board should recommend national guidelines for the states to use in designating ETCs.
- NTCA proposes guidelines that take account of the goals of Section 254 and the need to sustain universal service over the long term.