Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
	)	
Federal-State Joint Board on Universal Service Seeks Comment On Certain of the Commission's Rules Relating to High-Cost Universal Service Support	)	

REPLY COMMENTS OF
ALEXICON TELECOMMUNICATIONS CONSULTING

I. INTRODUCTION AND SUMMARY

Alexicon Telecommunications Consulting (Alexicon) hereby submits its reply comments in response to the Federal-State Joint Board on Universal Service's (Joint Board) Public Notice, released August 16, 2004.[1] The Public Notice sought comment on issues relating to the high-cost universal service support mechanisms for rural carriers and the appropriate rural mechanism to succeed the five-year plan adopted in the Federal Communication Commission's (FCC, Commission) Rural Task Force Order.[2]

Alexicon provides management, financial and regulatory consulting services to small and rural independent telecommunications providers in twelve states. Alexicon's

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[1] *Federal-State Joint Board on Universal Service Seeks Comment on Certain of the Commission's Rules Relating to High-Cost Universal Service Support*, CC Docket No. 96-45, Public Notice, FCC 04J-2 (rel. Aug. 16, 2004) (Public Notice).

[2] *Federal-State Joint Board on Universal Service,* CC Docket No. 96-45, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking, *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers,* CC Docket No. 00-256, Report and Order, 16 FCC Rcd 11244 (2001) (Rural Task Force Order).

clients range from small, single wire center companies to companies with multiple wire centers.

After reading the comments to this proceeding, Alexicon finds itself in a peculiar position of agreeing with AT&T Corp. ("AT&T") on the issue of postponing a decision to this proceeding until after a decision has been made on other interrelated issues, such as Intercarrier Compensation. While it would be expected that Alexicon might naturally be on opposite sides on many issues, especially Universal Service Funding ("USF"), such is not the case as it pertains to AT&T's recommendation to defer a decision in this docket. AT&T, as well as others,[3] agrees that the USF issues referred to the Joint Board are not isolated issues, but rather form an integral part of other related issues. Because of the importance of these related issues, their interrelatedness, and the lack of finality in order to analyze what, if anything, might be needed to continue to meet the goals of the advancement and preservation of universal service as a result of deciding these other issues, it would be best to consider these issues after the "dust has settled" from these other decisions and therefore continue the current mechanisms until such time.

II. CHANGING THE CURRENT RURAL USF MECHANISMS IN THE FACE OF THE VARIOUS COMPREHENSIVE INTERCARRIER COMPENSATION PROPOSALS AND OTHER INTERRELATED PENDING PROCEEDINGS IS PREMATURE

GCI echoed AT&T's basic position regarding the ICF's proposal and added that the

[3] General Communication, Inc. ("GCI"), John Staurulakis, Inc ("JSI"), Organization for the Protection and Advancement of Small Telecommunications Companies (OPASTCO), Plains Rural Independent Companies ("Plains Companies"), Telcom Consulting Associates ("TCA") and United States Telecom Association ("USTA")

> "overlay between the ICF plan and this proceeding makes it prudent to defer completion of this proceeding pending Commission's resolution of the ICF proposal. It makes little sense to work to harmonize rural and non-rural support for intrastate high cost loop costs, but not to address additional intrastate costs that would be encompassed within universal service if the FCC adopts the ICF plan. The FCC and Joint Board would, in essence, have to repeat any harmonization again, taking into account the additional support"[4].

Alexicon notes that while this citing pertains to the ICF, we certainly disclaim supporting the ICF plan as it is not the only comprehensive proposal dealing with universal service issues. As noted by OPASTCO[5], other groups, such as the Expanded Portland Group and the Alliance for Rational Intercarrier Compensation, also have comprehensive plans, including changes to USF.

It must also be noted that neither at this time nor in this proceeding is Alexicon agreeing with, disagreeing with or even commenting on the specifics of any of these comprehensive intercarrier compensation proposals. Alexicon will appropriately document its position in that proceeding. The point we are making is that there are other proceedings and comprehensive proposals that, if adopted by the FCC, would radically change the current USF mechanisms and therefore potentially moot any changes that this Joint Board might recommend to the FCC.

If the Joint Board were able to accurately "anticipate and reflect on the interrelatedness of various related proceedings when making its recommendations to the Commission in this proceeding"[6], Alexicon's concerns would indeed be mitigated. Needless to say, such anticipation would prove valuable not only in this docket, but also in a variety of other endeavors as well. A more reasonable and proper method to

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[4] GCI at 5
[5] OPASTCO at 25 and 26 and footnote 44
[6] JSI at 4

accomplish the same outcome would be to wait until these proceedings have concluded and then make decisions on fact rather than conjecture. As the Plains Companies stated it is "premature to consider changes to the universal services support mechanism for rural carriers at this time."[7]

IV. CONCLUSION

The current rules will not automatically terminate on June 30, 2006, but rather will continue in place until such time as they are changed. The FCC acknowledges this by stating, "We would expect the Commission to consult with the Joint Board before allowing the [RTF] plan to remain in effect longer than five years."[8] While it would be neat and tidy to revisit the recommendations of the RTF after the stated 5-year window, "[m]uch has changed since 2002[9]. GCI stated, "the Commission and Joint Board should recognize that there is only a limited amount of regulatory change that industry participants and consumers can assimilate at any one time.[10]"

If for no other reason than such a diverse group agrees with each other, the current USF mechanisms should continue until pending interrelated and comprehensive proceedings are resolved.

Respectfully Submitted,

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[7] Plains Companies at 2
[8] *Federal-State Joint Board on Universal Service,* CC Docket No. 96-45, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking, *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers,* CC Docket No. 00-256, Report and Order, 16 FCC Rcd 11244 (2001) (Rural Task Force Order), para 167.
[9] AT&T at 3
[10] GCI at 5

Alexicon Telecommunications Consulting

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Alexicon Telecommunications Consulting
2055 Angelo Drive, Suite 201
Colorado Springs, CO 80918

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