



Karen T. Reidy  
Attorney  
Federal Policy and Advocacy

1133 19<sup>th</sup> Street, NW  
Washington, DC 20036  
Telephone 202 736 6489  
Fax 202 736 6359  
karen.reidv@mci.com

December 15, 2005

**Via Electronic Filing**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, SW, TW-B204  
Washington, DC 20554

**Ex Parte Notice**

**Re: MCI Petitions for Waiver of 47 C.F.R. § 54.802(a) and § 54.809(c);  
CC Docket No. 96-45**

Dear Ms. Dortch:

On December 15, 2005 Jeffrey Sporn, Teresa Grettenberg and I from MCI met with Thomas Navin, Bureau Chief, Jeremy Marcus, Legal Counsel to the Bureau Chief, and Gina Spade, Assistant Division Chief, all of the Wireline Competition Bureau and Anthony Dale, Acting Deputy Director, of the Office of Legislative Affairs. During the meeting MCI discussed its pending petitions for waiver of sections 54.809(c) and 54.802(a) of Commission's rules which were filed in the above-referenced docket on July 21, 2004 and January 7, 2005, respectively. In particular, we discussed the significance of the waivers to MCI and its customers and the steps MCI has taken to ensure that all future filings are submitted on time. The filings at issue relate to the interstate access support ("IAS") MCImetro Access Transmission Services, Inc. receives for New York.

During the time MCI missed the deadlines for submitting its annual certification and quarterly line count data for IAS support it was in the midst of its transition from bankruptcy and experiencing considerable work force reductions with an inability to re-staff personnel. Upon awareness of its omission MCI submitted the requisite filings to The Universal Service Company ("USAC") and filed related petitions for waiver with this Commission. The filing of the certification was within a few weeks of the deadline and one of the line counts submissions was less than a quarter late.

As the Commission has recognized in granting a similar waiver request for Citizens Communications and Frontier Communications, "considerations of hardship and equity – as well as [a] longstanding history of

submitting timely data – weigh in favor of granting the requested waiver.”<sup>1</sup> The impact to MCI of not receiving the waivers is significant. MCI will lose approximately \$ 1.5 million in IAS support unless the above reference petitions are granted. Specifically, MCI’s IAS support for the quarters in which the line count submission deadlines were missed amounts to \$628, 695. MCI’s IAS support for the third quarter 2004 through the second quarter 2005, the quarters for which the 2004 certification applies, amounts to \$865,695. MCI continued to serve the relevant customers, with no interruption or increase in price, during the time at issue. However, if MCI is not permitted to recoup this support it would have served some of the customers at a loss and it may affect its future ability to market prospective customers in these areas.

Moreover, as a result of this event, MCI at the executive level has re-evaluated its process and implemented the following new procedures, which include Executive oversight, to ensure that its future filings are timely.

- Automatic Notification: Automatic notification, which provides a quarterly reminder of the filing deadlines, is now embedded in the computer systems of personnel tasked with submitting these documents to USAC.
- Advanced Internal Deadline: MCI’s internal deadline for the filing is 45 days in advance of the actual deadline.
- Multiple Organizational Involvement: Two additional internal organizations are copied on the advanced filing made to USAC to serve as an early check that the filings are being made on time. In particular, they have an expectation of receiving a copy of the filing 45 days in advance of the deadline. Therefore, in the event they do not receive a copy of the filing by this internal deadline, they have sufficient time to investigate and ensure that the filings are made by the official deadline.
- Finally, three additional internal organizations – Revenue Reporting, Accounting and Financial Planning – are set with expectations to receive these payments to provide immediate notification of the problem in the event all other systems fail.

Pursuant to Commission rules, this *ex parte* notice is being filed through the Commission’s Electronic Comment Filing System procedures. Please do not hesitate to contact me at 202-736-6489 should you have any questions regarding this filing.

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<sup>1</sup> Order, *In the Matter of Federal-State Joint Board on Universal Service Citizens Communications and Frontier Communications Petition for Waiver of Section 54.802(a) of the Commission’s Rules*, CC Docket No. 96-45, DA 05-2829, para. 7 (rel. Oct. 27, 2005).

Respectfully submitted,

/s/ Karen Reidy

cc: Thomas Navin  
Anthony Dale  
Jeremy Marcus  
Gina Spade