



VIA ELECTRONIC DELIVERY

September 7, 2010

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Ex Parte Communication, CC Docket 96-45, WC Docket 05-337,
WC Docket No. 06-122, GN Docket 10-127

Dear Ms. Dortch:

On September 3, 2010, representatives of the National Association of State Utility Consumer Advocates (“NASUCA”) had a telephone conversation with staff of the Federal Communications Commission (“FCC”) Wireline Competition Bureau Telecommunications Access Policy Division (“TAP”) and the Wireless Telecommunications Bureau (“WTB”). FCC staff on the call included Vickie Robinson, Deputy Division Chief of the TAP, and Nicholas Degani, Erica Myers, Chin Yoo, and Claudia Fox, Attorney Advisors to TAP. Joseph Levin, Industry Economist from the WTB also participated on the call. NASUCA representatives included David Bergmann, Chair of Telecommunications Committee, with the Office of the Ohio Consumers’ Counsel; Regina Costa and Christine Mailloux, with The Utility Reform Network (California); Polly Hamilton, with the Nevada Bureau of Consumer Protection; Karol Krohn, with the Indiana Office of Utility Consumer Counsellor; Earl Poucher, with the Florida Office of Public Counsel; Barrett Sheridan, with the Pennsylvania Office of Consumer Advocate; and Chris White, with the New Jersey Division of Ratepayer Advocate.

The conversation centered around the universal service fund (“USF”) contribution mechanism. NASUCA reiterated its long-held opposition to a change to a numbers-based or connections-based contribution mechanism; among the reasons for the opposition are the lack of need for a change; the impact of the change on low-use customers; the costs of the change to a new mechanism; and the difficulty of designing a new mechanism that is equitable. Given the numerous requests for exemption from or

special treatment under a numbers- or connections-based mechanism, such a mechanism would likely be as complicated and subject to claims of arbitrage as the current mechanism. The same problems would be present with a hybrid mechanism, but would be even more complex.

For the current mechanism, NASUCA generally approved of the use of safe harbor amounts for various services, and noted that entities seeking to use a different percentage allocator should bear the burden of proof and, perhaps, should require prior approval for its use. NASUCA pointed out that to the extent that the arguments of some that certain services (such as VoIP or broadband) are entirely interstate are accepted, then it logically follows that 100% of the revenues from those services should be counted in the interstate jurisdiction for USF purposes.

As to broadband, the NASUCA representatives noted the current discussion of whether broadband can be supported by the USF, especially with the uncertainty of the classification of broadband as Title I or Title II services. NASUCA noted that if there is to be support for broadband, broadband revenues should support broadband deployment, and disagreed with the arguments that assessing broadband will inhibit subscription to the service. NASUCA noted that studies show that the price of broadband is not a key reason why consumers with access to the service do not subscribe. In any event, NASUCA noted the inequity of requiring only voice services to support the deployment of broadband.

All discussion was consistent with NASUCA's many filings over the years in the above-listed dockets.

Respectfully submitted,

/s/ David C. Bergmann

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