



NMECG

New Mexico Exchange Carrier Group
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Steven D. Metts
President
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▪ Baca Valley Tele. Co. Inc ▪ Century Tele. Co. Inc ▪ Dell Telephone RTC ▪ ENMR Plateau RTC.▪
▪ La Jicarita RTC ▪ Leaco RTC ▪ Penasco Valley RTC ▪ Roosevelt County RTC ▪ Sacred Wind Communications▪
▪ Tularosa Basin Tele., Co. Inc. ▪ Valley RTC ▪ Western NM Tele., Co. Inc. ▪ Windstream Communications, Inc.▪

August 24, 2011

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

Re: WC Docket Nos. 10-90, 07-135, 05-337 and 03-109, GN Docket No. 09-51 and CC Docket Nos. 01-92 and 96-45; Connect America Fund, a National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-up

Dear Ms. Dortch:

The New Mexico Exchange Carrier Group (NMECG)¹ submits this letter in support of the Universal Service Fund/Intercarrier Compensation/Connect America Fund reform proposal for rural rate-of-return incumbent local exchange carriers (RLECs) offered by the National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and the Western Telecommunications Alliance (WTA) (collectively, the Associations) to the Commission on April 18, 2011, and as modified on July 29, 2011 (the RLEC Plan). This Plan incorporates a balance of mechanisms intended to enable adequate cost recovery for RLECs, while enabling the deployment and maintenance of broadband and broadband-capable networks. These cost recovery mechanisms are aligned with the Commission's interest in constraining growth of high-cost support funds, and are designed to be implemented in complementary fashion with the America's Broadband Connectivity (ABC) Plan filed by large and mid-size carriers, also on July 29, 2011 (collectively, the Consensus Framework). In this regard, the NMECG urges the Commission to refrain from modifying elements of the Consensus Framework, including, but not limited to, reductions in the amount of support; the imposition of any hard cap on high-cost support; or adjustments that would affect adversely RLECs' ability to obtain compensatory resources from an

¹ See Appendix A for list of NMECG's Member Companies

intercarrier compensation restructuring mechanism. The carefully crafted compromises made by the Rural Associations were tuned to meet specific objectives that enable adequate cost and revenue recovery and encourage regulatory certainty. Adjustments to the Consensus Framework that affect those interests adversely could undermine the overall effectiveness of the Consensus Framework, thereby eliminating not only industry confidence in an acceptable reform solution, but also investor confidence that enables the injection of necessary private capital to support networks where no business case can be made.

The NMECG's member companies serve the rural areas of New Mexico where no other provider ventures as the carrier of last resort. The RLEC Plan, as amended by the Consensus Framework, facilitates the ongoing nature of that role, and the NMECG therefore urges the Commission to adopt and implement it without modification. The CenturyLink companies support the Consensus Framework, and will file Joint Comments with the other price cap companies that address the price cap components of the proposal.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S. D. Metts', with a long horizontal flourish extending to the right.

Steven D. Metts

President

New Mexico Exchange Carrier Group

Appendix A

The New Mexico Exchange Carrier Group is comprised of the following incumbent local exchange carriers all which provide service in high-cost rural areas of New Mexico:

Baca Valley Telephone Company
CenturyLink
Dell Telephone Cooperative
ENMR Telephone Cooperative
La Jicarita Rural Telephone Cooperative
Leaco Rural Telephone Cooperative
Penasco Valley Telephone Cooperative
Roosevelt County Rural Telephone Cooperative
Sacred Wind Communications
Tularosa Basin Telephone Company
Valley Telephone Cooperative
Western New Mexico Telephone Company
Windstream Communications