



NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION

*The Voice of Rural Telecommunications*

www.ntca.org

September 19, 2011

***Ex Parte Notice***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

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

Dear Ms. Dortch:

On Friday, September 16, 2011, the undersigned from the National Telecommunications Cooperative Association (NTCA), together with Stuart Polikoff of the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and Gerry Duffy and Derrick Owens on behalf of the Western Telecommunications Alliance (WTA) (collectively, the “Rural Representatives”) met with Zachary Katz, chief counsel and senior legal advisor to Chairman Julius Genachowski, Sharon Gillett, chief of the Wireline Competition Bureau, and Carol Matthey, deputy chief of the Wireline Competition Bureau, to discuss matters related to the above-referenced proceedings. Mr. Owens participated in the meeting via telephone.

Specifically, the Rural Representatives discussed near-term reforms proposed in their universal service fund (“USF”) and intercarrier compensation (“ICC”) reform plan, as modified by the “consensus framework” filed thereafter (the “RLEC Plan”). *See* Comments of NTCA, *et al.* (filed April 18, 2011), at 7-38 and Attachments A and C; *see also Ex Parte* filing of NTCA (filed May 26, 2011) and *Ex Parte* filing of USTelecom (filed July 29, 2011). The discussion addressed the corporate operations expense constraints currently under consideration in these proceedings; potential constraints on recovery of capital expenses such as those in the RLEC Plan; potential benchmarks as proposed in the RLEC Plan and the most recent Public Notice released by the Federal Communications Commission (the “Commission”); and the rate-of-return methodology that enables small carriers to deploy and operate broadband-capable networks by allowing these carriers the opportunity to recover such costs and to earn a reasonable return in hard-to-serve rural areas.

NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION

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Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS with your office. If you have any questions, please do not hesitate to contact me at (703) 351-2016 or [mromano@ntca.org](mailto:mromano@ntca.org).

Sincerely,

/s/ Michael R. Romano  
Michael R. Romano

Senior Vice President - Policy

cc: Zac Katz  
Sharon Gillett  
Carol Matthey