



August 21, 2012

***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 No. 01-92; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109; Universal Service Reform – Mobility Fund, WT Docket No. 10-208***

Dear Ms. Dortch:

On Friday, August 17, 2012, the undersigned, on behalf of the National Telecommunications Cooperative Association (“NTCA”), spoke separately via telephone with each of Christine Kurth, Policy Director and Wireline Counsel to Commissioner Robert McDowell; Priscilla Argeris, Legal Advisor to Commissioner Jessica Rosenworcel; and Nicholas Degani, Wireline Legal Advisor to Commissioner Ajit Pai.

NTCA discussed ongoing concerns relating to the transparency, accuracy, and predictability of regression analysis-based caps on universal service fund (“USF”) support. NTCA raised the need to address these issues consistent with the Applications for Review filed by NTCA and many others. *See* Application for Review of NTCA, *et al.*, WC Docket No. 10-90 (filed May 25, 2012). NTCA further asserted that the Commission’s broadband policy objectives can only be achieved through clear and well-tested “business rules” that provide sufficient support and enable company managers to predict with a reasonable degree of certainty what investments and operations will be recoverable (or unrecoverable) through USF support prospectively. NTCA explained that many of the necessary and appropriate changes can be achieved in short order without affecting USF “budgetary” objectives or creating any technical or administrative concerns, and expressed commitment to working with the Commission to address these issues.

Marlene H. Dortch

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Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President – Policy

cc: Christine Kurth  
Priscilla Argeris  
Nicholas Degani