



December 23, 2013

**EX PARTE**

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

Re: Rural Call Completion, Docket No. WC 13-39

Dear Ms. Dortch:

On December 19, 2013, the undersigned of COMPTEL, J.G. Harrington of Dow Lohnes on behalf of Midcontinent Communications, and Nancy Lubamersky of TelePacific Communications, met with Lisa Gelb, Bill Dever, Carol Simpson, and Greg Kwan of WCB regarding the Report and Order and Further Notice of Proposed Rulemaking released November 8, 2013 in the Rural Call Completion proceeding (“Report and Order”). Mr. Kwan and Ms. Lubamersky participated in the meeting via conference call.

I expressed concern that the Commission had changed the small carrier exemption from the data retention and reporting requirements from carriers with 100,000 subscribers (proposed rule 64.2107(a)) to carriers with 100,000 subscriber lines (adopted rule 64.2101(c)) without notice to the industry or an opportunity to comment on this significant difference. Similarly, I expressed concern that the Report and Order does not explain the reason for the change. Indeed, it states that COMPTEL and others supported a 100,000 line exemption when what actually was supported in the record was an exemption based on 100,000 subscribers.

If the Commission had sought comment on the 100,000 subscriber line exemption, COMPTEL would have explained that its members, most of which are small and medium-sized businesses themselves, generally serve small and medium-sized businesses that purchase multi-line services. Indeed, some of our members that serve less than 100,000 customers actually provide service for over 100,000 subscriber lines because those customers purchase multi-line services. We are aware of at least four COMPTEL members that would not have had to report under the proposed rule because they have less than 100,000 subscribers, but they will now need to do so pursuant to the Commission’s Report and Order because they serve more than 100,000 lines. If the Commission had sought comment on the subscriber line exemption that actually was adopted, COMPTEL and its members would have had the opportunity to explain that the

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Commission should adjust upward the number of lines served by a provider to be considered for the small provider exemption. A 100,000 line exemption is far too small, especially given that the Commission also significantly narrowed the safe harbor in the Report and Order to require data retention and reporting for one year prior to the use of the safe harbor.

I also explained that the Commission discussed that 95% of lines would be covered with the 100,000 subscriber line exemption, but that the Commission should reconsider whether its policy objectives could be met if less than 95% of lines were reported on. For example, we estimate that the top ten voice providers alone cover 89% of all lines. In contrast, the burden for small providers to comply with the Report and Order is significant, especially given that this burden will begin in 2014, when they also will be expected to comply with the special access mandatory data request and with the Form 477 reporting changes also being implemented next year.

In turn, Mr. Harrington and Ms. Lubamersky explained the particular hardships that their companies' face to comply with the new data retention and reporting, and they discussed the Report and Order's waiver provisions outlined in paragraphs 95 to 97, in particular. They noted the significant financial implications for compliance, including the staff resources that would be required, with Mr. Harrington explaining that Midcontinent would need to hire a new regulatory compliance staffer because current staff has no additional capacity to take on new assignments.

We appreciate the staff meeting with us. If you have any questions or need additional information, kindly contact the undersigned.

Respectfully submitted,

*/s/ Angie Kronenberg*

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cc: Lisa Gelb  
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