

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington D.C. 20554

In the Matter of)
)
Jurisdictional Separations and Referral to the) CC Docket No. 80-286
Federal-State Joint Board)

COMMENTS OF GVNW CONSULTING, INC.

Introduction and Background

GVNW Consulting, Inc. (GVNW) is a management consulting firm that provides a wide variety of consulting services, including regulatory and advocacy support on issues such as universal service, jurisdictional separations, intercarrier compensation reform, and strategic planning for communications carriers in rural America. The purpose of these comments is to respond to the Further Notice of Proposed Rulemaking in the above referenced proceeding which was released on March 27, 2014 (FCC 14-27).

GVNW has participated in many of the earlier proceedings regarding separations reform, often with data illustration impacts of proposed rule changes on rural incumbent local exchange carriers. While the extension of the current freeze does not require a specific price out, GVNW stands ready to evaluate specific changes that the Commission may propose as it further evaluates the long term approach to jurisdictional separations.

GVNW Supports the Proposed Extension

GVNW supports the proposed extension of the separations freeze with the same recommendations for modifications that were included in our 2011 extension freeze comments that were filed on March 28, 2011 in FCC 11-34. The following recommendations fell within the referral to the Joint Board in the 2009 Separations Freeze Extension Order as per paragraph 15 of FCC 11-71 released on May 4, 2011.

1. Consider a longer time frame for the extension order. (We appreciate the Commission's new proposal which does extend the freeze for a longer period than prior extensions.)
2. Allow rural local exchange carriers a one-time option to change their categorization decision.
3. Allow exchange carriers a one-time option to update their separations factors.

Federal State Joint Board on Separations – State Chairs March 31, 2014 Letter

In a March 31, 2014 letter to the Commission the State Chair (John D. Burke) indicated "The State member are prepared to support an extension through June 30, 2017, based upon our understanding that under the Commission's orders on forbearance petitions, the States retain the ability to adopt any reasonable allocation of costs between the intrastate and interstate jurisdiction for State ratemaking and other purposes." GVNW supports retaining this ability, with the understanding that any reasonable reallocation costs between the interstate and intrastate jurisdiction will not result in

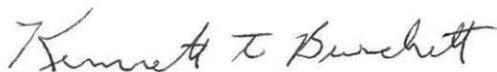
GVNW Consulting, Inc.
Comments in CC Docket No. 80-286 FCC 14-27
April 14, 2014

intrastate costs being reallocated to the interstate jurisdiction unless there is a provision in the interstate jurisdiction to recover these costs.

Update of Categorization and Separations Factors

We support the Commission's proposal to open the filing window to allow rate of return companies that chose to freeze their categorization an opportunity to unfreeze the categorization. We believe the Commission should include in this filing window and opportunity for those companies whose operations have changed significantly to update their frozen separations factors for the three year extension. We recognize that this update of the factors would require adjustments to the eligible recovery base for interstate traffic sensitive cost recovery.

Respectfully Submitted



GVNW Consulting, Inc.

Kenneth T. Burchett
Master Consultant
P.O. Box 2330
Tualatin, OR 97062
Email: kburchett@gvnw.com