

PUBLIC NOTICE



FEDERAL COMMUNICATIONS COMMISSION

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RURAL TELEPHONE COMPANIES SEEK REMOVAL OF INDIVIDUAL CAPS PLACED ON HIGH COST LOOP SUPPORT

PLEADING CYCLE ESTABLISHED

CC Docket No. 96-45

Release Date: January 24, 2000

Comment Date: February 14, 2000

Reply Comment Date: March 6, 2000

In October and November 1999, 26 rural telephone companies (collectively, "petitioners") filed separate requests for the removal of the caps on the high-cost universal service support drawn in their study areas.¹

¹ Accent Communications, Inc., Armour Independent Telephone Company, Bridgewater-Canistota Independent Telephone Company, James Valley Cooperative Telephone Company, RC Communications, Inc., Roberts County Telephone Cooperative Association, *Request to Remove Universal Service Caps*, CC Docket No. 96-45, (October 25, 1999); Accipiter Communications, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 96-35, CC Docket No. 96-45, (November 3, 1999); Alenco Communications, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45, (October 15, 1999); Alpine Communications, L.C., Arapahoe Telephone Company, Great Plains Communications, Inc., Kennebec Telephone Company, Inc., The Nebraska Central Telephone Company, and Western Telephone Company, *Request to Remove Universal Service Caps*, CC Docket No. 96-45, (October 25, 1999); Brazos Telecommunications, Inc. and Brazos Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 94-112, CC Docket No. 96-45, (November 5, 1999); Cap Rock Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45, (October 22, 1999); Cass County Telephone Company, *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-62, CC Docket No. 96-45, (November 22, 1999); Central Texas Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45, (October 12, 1999); Columbine Telephone Company, Inc. and Silver Star Telephone Company, Inc., *Request to Remove Universal Service Caps*, CC Docket No. 96-45, (October 22, 1999); Dickey Rural Telephone Cooperative, Dickey Rural Communications, Inc., Gilby Telephone Company, Griggs County Telephone Company, Moore & Liberty Telephone Company, North Dakota Telephone Company, Northwest Communications Cooperative, Red River Telecom, Inc., Turtle Mountain Communications, Inc., United Telephone Mutual Aid Cooperative, and York Telephone Company, *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-72, CC Docket No. 96-45, (November 5, 1999); Ganado Telephone Co., Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45,

In the early 1990's, large, low-cost incumbent local exchange carriers (LECs) sold substantial numbers of high-cost exchanges to smaller incumbent LECs, including the petitioners. The Commission has been concerned about the potential adverse impact study area waivers associated with exchange sales would have on the high-cost support mechanism. To monitor this impact, the Common Carrier Bureau (Bureau) conditioned the grant of study area waivers for the acquisition of new exchanges on imposition of a cap on the amount of high-cost support the acquiring carrier could draw for the new study area.

Petitioners contend that their requests are consistent with the conclusions in the Bureau's September 9, 1999 Order, which eliminated the caps placed on the high-cost support received by certain requesting carriers.² Further, many petitioners propose that, in order to avoid the

(October 26, 1999); Guadalupe Valley Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45, (October 7, 1999); Interstate Telecommunications Cooperative, Inc. and Interstate Telephone Company, Inc., Hanson Communications, Inc., Fort Randall Telephone Company, and Mt. Rushmore Telephone Company, Midstate Telephone Company and Heartland Communications, Inc., Mobridge Telecommunications Company, Hanson County Telephone, Inc. and Hanson Communications, Inc. dba McCook Telecom, Splitrock Telecom Cooperative, Inc. and Splitrock Properties, Inc., *Petition for Removal of Individual Caps on High Cost Loop Support*, CC Docket No. 96-45, (November 17, 1999); Lincolnville Telephone Company and Tidewater Telecom, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 96-70, CC Docket No. 96-45, (November 2, 1999); Maine Telephone Company, Northland Telephone Company of Maine, Inc., Sidney Telephone Company, and Standish Telephone Company, *Request to Remove Universal Service Caps*, CC Docket No. 96-45, (October 28, 1999); Mid-Maine Telecom, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 96-70, CC Docket No. 96-45, (October 8, 1999); Oregon-Idaho Utilities, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 93-20, CC Docket No. 96-45, (October 7, 1999); Ozark Telephone Company, *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-62, CC Docket No. 96-45, (November 1, 1999); Peoples Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-139, CC Docket No. 96-45, (October 26, 1999); Pioneer Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 94-108, CC Docket No. 96-45, (November 5, 1999); Roosevelt County Rural Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-82, CC Docket No. 96-45, (November 1, 1999); San Carlos Apache Telecommunications Utility, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 96-52, CC Docket No. 96-45, (October 20, 1999); Santa Rosa Telephone Cooperative, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 94-111, CC Docket No. 96-45, (November 5, 1999); Sunflower Telephone Company, Inc. and Bluestem Telephone Company, S&T Telephone Cooperative Association, Inc. and S&T Communications of Dighton, Inc., Golden Belt Telephone Association, Inc., Northeast Missouri Rural Telephone Company and Modern Telecommunications Company, *Petition for Removal of Individual Caps on High Cost Loop Support*, CC Docket No. 96-45, (November 4, 1999); West River Cooperative Telephone Company and State Line Telecommunications, Inc., *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 95-124, CC Docket No. 96-45, (November 12, 1999); Winnebago Cooperative Telephone Association, *Request for Removal of Waiver Condition Consistent with Commission Policy*, AAD 94-95, CC Docket No. 96-45, (October 25, 1999).

² Petitions for Waiver and Reconsideration Concerning Sections 36.611, 36.612, 61.41(c)(2), 69.605(c), 69.3(e)(11) and the Definition of "Study Area" Contained in Part 36 Appendix-Glossary of the Commission's Rules

administrative burden of repeatedly applying this new policy to a multitude of almost identical requests, the Commission clarify that its policy of removing individual universal service caps that have been in effect for three or more years is applicable to all similarly-situated companies.

In addition, on October 7, 1999, Vermont Telephone Company, Inc. (VTel), filed a Motion for Leave to File Amendment to Expedited Request for Modification of Waiver Conditions.³ VTel requests leave to file an amendment to its March 12, 1999, Expedited Request for Modification of Waiver Conditions (Expedited Request). In the Expedited Request, VTel asks the Bureau to modify and correct its capped high-cost universal service support.⁴ VTel states that the relief granted in the Bureau's *September 9 Order* significantly affects the relief sought in its Expedited Request, and VTel seeks to amend its Expedited Request to take into account the Bureau's *September 9 Order*. In the amendment to the Expedited Request, VTel requests that the Bureau grant the Expedited Request for universal service support payments for 1999 and also remove its cap entirely beginning January 1, 2000. VTel contends that grant of this motion is in the public interest because VTel's amendment will assist the Bureau in considering the Expedited Request in a more efficient manner.

Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 C.F.R. §§ 1.415, 1.419, interested parties may file comments on or before **February 14, 2000**, and reply comments on or before **March 6, 2000**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24,121 (1998). Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit electronic comments by Internet e-mail. To receive filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address.>" A sample form and directions will be sent in reply. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each

Filed by Copper Valley Telephone, Inc., et. al., *Memorandum Opinion and Order*, AAD Nos. 93-93, 95-30, 95-72, 97-21, 97-23, 97-117, 98-44, 98-53, DA 99-1845 (Com. Car. Bur. Sept. 9, 1999) (*September 9 Order*).

³ Champlain Valley Telecom, Inc., Northland Telephone Company of Vermont and Vermont Telephone Company, Inc., *Amendment to Expedited Request for Modification of Waiver Conditions*, CC Docket No. 96-45, (October 12, 1999) (Vermont Telephone Request).

⁴ *Champlain Valley Telecom, Inc. et. al.*, 11 FCC Rcd 7111 (Com. Car. Bur. 1996).

additional docket or rulemaking number. All filings must be sent to the Commission's Secretary, Magalie Roman Salas, Office of the Secretary, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554.

Parties also must send three paper copies of their filing to Sheryl Todd, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-B540, Washington, D.C. 20554. In addition, commenters must send diskette copies to the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, N.W., Washington, D.C. 20037.

Pursuant to section 1.1206 of the Commission's Rules, 47 C.F.R. § 1.1206, this proceeding will be conducted as a permit-but-disclose proceeding in which *ex parte* communications are permitted subject to disclosure.

For further information, contact Adrian Wright, Accounting Policy Division, Common Carrier Bureau at (202) 418-7400, TTY (202) 418-0484.