

Before the
FEDERAL COMMUNICATIONS COMMISSION
 Washington, D.C. 20554

In the Matter of)	
)	
Federal State Joint Board)	
on Universal Service)	CC Docket No. 96-45
)	
Forward-Looking Mechanism)	
for High Cost Support for)	CC Docket No. 97-160
Non-Rural LECs)	

ORDER

Adopted: May 22, 1998

Released: May 22, 1998

By the Chief, Accounting Policy Division

1. In the *Universal Service Order*, the Commission determined that federal universal service high cost support should be based on forward-looking economic cost.¹ On May 4, 1998, the Common Carrier Bureau issued a Public Notice seeking comment to augment the record on certain issues relating to the creation of a federal forward-looking economic cost mechanism for non-rural carriers, including the appropriate input values for that mechanism and the level of the revenue benchmark.² The Public Notice provided that comments from interested parties would be due on May 26, 1998, and reply comments would be due on June 9, 1998. In this Order the Accounting Policy Division extends the deadline for filing comments until June 1, 1998, and the deadline for filing reply comments until June 12, 1998.

¹ Federal State Joint Board on Universal Service, *Report & Order*, CC Docket No. 96-45, 12 FCC Rcd 8776, 8899 paras. 224-25, (1997) (*Universal Service Order*), as corrected by Federal State Joint Board on Universal Service, CC Docket 96-45, *Errata*, FCC 97-157 (rel. June 4, 1997), *appeal pending*, *Texas Office of Public Utility Counsel v. FCC*, No. 97-60421 (5th Cir. filed June 25, 1997); *see also Recommended Decision*, 12 FCC Rcd at 232 para. 270.

² Common Carrier Bureau Requests Further Comment on Selected Issues Regarding the Forward-Looking Economic Cost Mechanism for Universal Service Support, Public Notice, DA 98-848 (rel. May 4, 1998). (*May 4 Public Notice*).

2. The United States Telephone Association (USTA) has filed a petition for extension of the deadline for filing comments in response to the *May 4 Public Notice*.³ USTA requests that the deadline for filing comments be extended to June 26, 1998, and the deadline for filing reply comments be extended to July 23, 1998.⁴ USTA argues that more time is needed to update data and analyze input values, in particular, because the Bureau has established overlapping and simultaneous comments cycles in related proceedings that extend over a holiday weekend.⁵

3. As a matter of Commission policy, requests for extension of time are not routinely granted.⁶ USTA has argued convincingly, however, that the May 26, 1998 deadline does not provide USTA and its non-rural carrier members with sufficient time to adequately update data to develop their recommendations regarding the appropriate input values for the federal mechanism and the level of the revenue benchmark. Given the importance and complexity of these proceedings, we conclude that the public interest would be served by extending the deadline for filing comments in response to the *May 4 Public Notice*.

4. The length of the extension, however, must not impede the Commission's ability to meet its deadline for implementing high cost support for non-rural carriers based on forward-looking costs. The Commission already has received comment with regard to input values in response to a Further Notice of Proposed Rulemaking,⁷ released July 18, 1997, and a "Data Request",⁸ released July 9, 1997. After additional comments on appropriate input values have been submitted, a significant amount of work for the Commission will remain to be completed before the implementation of the new support mechanisms for non-rural carriers. The Commission must select the complete federal mechanism, including all input values, so that carriers have sufficient time to make any necessary changes to their tariffs. The Commission must then review any changes to incumbent local exchange carriers' interstate access tariffs so that they can go into effect on January 1, 1999. Therefore, we conclude that

³ United States Telephone Association, Petition for Extension of Time, filed May 19, 1998.

⁴ *Id.* at 2-3.

⁵ *Id.* at 2.

⁶ 47 C.F.R. § 1.46(a).

⁷ Federal-State Joint Board on Universal Service, Forward-Looking Mechanism for High Cost Support for Non-Rural LECs, *Further Notice of Proposed Rulemaking*, CC Docket Nos. 96-45, 97-160, 12 FCC Rcd 18,514 (rel. July 18, 1997) (*Further Notice*).

⁸ Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Order*, DA 97-1433 (rel. July 9, 1997) (*Data Request*).

we cannot grant USTA's request to extend the deadline for comments and reply comments in response to the *May 4 Public Notice* to June 26, 1998, and July 23, 1998, respectively.

5. We find that granting a short additional extension until June 1, 1998, for filing comments and July 12, 1998 for filing reply comments will provide a reasonable opportunity for USTA and its non-rural members that are filing comments in related proceedings to augment their comments on the appropriate input values for that mechanism and the level of the revenue benchmark. Because other interested parties may also be filing comments in the related proceedings, and because the public interest will best be served by a general extension of the deadline, this extended deadline applies to all interested parties.

6. Accordingly, IT IS ORDERED, pursuant to the authority contained in section 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. section 154(i), and sections 0.91, 0.291, and 1.46 of the Commission's Rules, 47 C.F.R. sections 0.91, 0.291, and 1.46, that the deadline for filing comments on issues regarding the forward-looking economic cost mechanism IS EXTENDED to and including June 1, 1998, and the deadline for filing reply comments on issues regarding the forward-looking economic cost mechanism IS EXTENDED to and including June 12, 1998.

7. IT IS FURTHER ORDERED, pursuant to the authority contained in section 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. section 154(i), and sections 0.91, 0.291, and 1.46 of the Commission's Rules, 47 C.F.R. sections 0.91, 0.291, and 1.46, that the requests for extension filed by USTA IS GRANTED to the extent indicated herein and otherwise IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION



Lisa S. Gelb
Chief, Accounting Policy Division