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February 10, 2012

Via Electronic Filing

Renee Jenkins, Secretary of the Commission
Attn: Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215-3793

Re: In the Matter of the Commission's Investigation into Intrastate Carrier Access Reform Pursuant to S.B. 162; Case No. 10-2387-TP-COI

Dear Secretary Jenkins:

Enclosed for electronic filing in the above-captioned docket please find the Additional Supplemental Comments of the Small Local Exchange Carriers Group.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

THOMAS, LONG, NIESEN & KENNARD

By


Norman J. Kennard

NJK:tlt
Attachment
cc: Per Certificate of Service

In the Matter of the Commission's)
Investigation into Intrastate Carrier Access) Case No. 10-2387-TP-COI
Reform Pursuant to S.B. 162)

¹ SLECs participating in this filing are the following: Arcadia Telephone Company, Arthur Mutual Telephone Company, Ayersville Telephone Company, Bascom Mutual Telephone Company, Benton Ridge Telephone Company, Buckland Telephone Company, Champaign Telephone Company, Chillicothe Telephone, Columbus Grove Telephone Company, Conneaut Telephone Company, Continental Telephone Company, Doylestown Telephone Company, Farmers Mutual Telephone Company, Fort Jennings Telephone Company, Germantown Independent Telephone Company, Glandorf Telephone Company, Kalida Telephone Company, Inc., Little Miami Communications Corporation, McClure Telephone Company, Middle Point Home Telephone Company, Minford Telephone Company, New Knoxville Telephone Company, Nova Telephone Company, Oakwood Telephone Company, Orwell Telephone Company, Ottoville Mutual Telephone Company, Pattersonville Telephone Company, Ridgeville Telephone Company, Sherwood Mutual Telephone Association, Sycamore Telephone Company, Telephone Service Company, Vanlue Telephone Company, Vaughnsville Company, and Wabash Mutual Telephone Company.

In 2010, the Ohio General Assembly enacted Substitute Senate Bill 162, which established the statutory framework pursuant to which Ohio was to restructure intrastate access rates. By requiring revenue neutrality² and authorizing the creation of explicit support mechanisms to accomplish access reform,³ the General Assembly balanced the state's interest in restructuring intrastate access rates against the potentially devastating financial impact of restructuring on the backs of rural customers.⁴

In accord with this statutory mandate, this Commission, its Staff and the industry have expended substantial time and effort developing the Access Restructuring Plan ("ARP") and Access Restructuring Fund ("ARF"). First developed by the Staff, the ARP has much merit and industry support. The PUCO also has the benefit of having pending before it a fully developed record, including discovery, upon which to make a landmark state decision that is best constructed to carry out the specific state interests identified by the Ohio General Assembly in 2010. The ARP ensures that all beneficiaries of the local network contribute to the recovery of its costs while sustaining the ability of the small, rural incumbent carriers to continue to provide universal access to basic and advanced services at affordable rates.

The FCC has, in the meantime, undertaken action which partially, but not completely, preempts this Commission's intrastate rate setting authority. On November 18, 2011, the FCC issued its Report and Order and Further Notice of Proposed Rulemaking in *In the Matter of*

² R.C. 4927.15(B).

³ R.C. 4927.15(C).

⁴ As this Commission previously recognized in earlier access proceedings, "[m]odifications to access charges requires us to balance what can be conflicting, but important, interests, such as promoting competition, establishing reasonable rates, maintaining affordable rates for all, and avoiding rate shocks for consumers." *In the Matter of the Commission's Investigation Into the Modification of Intrastate Access Charges*, PUCO Case No. 00-127-TP-COI, Opinion and Order entered January 1, 2001 at 13. As this Commission also continued to recognize from the inception of this current investigation through the latest January 18, 2011 Entry, intrastate access charges "comprise a significant portion of the revenue received by small incumbent local exchange carriers (ILECs)[,]" and loss of carrier access support has eroded "a significant pillar of their financial support." November 3, 2010 Entry at 1, January 18, 2012 Entry at 1.

Connect America Fund et al., WC Docket No. 10-90 et al.⁵ The FCC Order and new regulations were published in the Federal Register on November 29, 2011,⁶ and became effective (with certain exceptions not relevant here) on December 29, 2011. Numerous appeals have been filed.⁷ Multiple petitions for reconsideration and clarification were also filed and remain pending at the FCC.

The November 18th FCC Order establishes the goal of transitioning *all* intercarrier compensation to “bill and keep” over a multi-year glide path. Under this regimen, the FCC appears to have determined that end user customers will ultimately pay all network costs and interconnecting carriers will not pay anything for call origination or termination, including for intrastate calls. The first phase of rate reductions brings intrastate access rates into parity with interstate rates in two equal steps beginning July 1, 2012 and ending July 1, 2013. Once at parity, additional reductions are scheduled until a state of no intercarrier compensation is achieved. Limited recovery of eligible revenues lost through restructuring will be made available through establishment of a federal support mechanism that is capped and transitional. Substantial increases to retail end-use customers are promoted as the primary means to recover

⁵ In the Matter of *Connect America Fund*; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund, CC Docket Nos. 01-92 & 96-45; GN Docket No. 09-51; WC Docket Nos. 10-90, 07-135, 05-337, and 03-109; WT Docket No. 10-208; FCC 11-161 (rel. Nov. 18, 2011) (“FCC Order”), available at: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-11-161A1.doc.

⁶ 76 Federal Register 73830 (November 29, 2011). Available at: <http://www.gpo.gov/fdsys/pkg/FR-2011-11-29/pdf/2011-30378.pdf>.

⁷ Second Circuit: Vermont PSB, Docket No. 11-5088; Third Circuit: Pennsylvania Public Utility Commission, Docket No. 11-4324; Fourth Circuit: NTCA, Docket No. 11-2352; NASUCA, Docket No. 11-2347; Core Communications, Docket No. 11-2346; Fifth Circuit: Cellular South d/b/a/ C Spire Wireless, Docket No. 11-60840; Sixth Circuit: Public Utilities Commission of Ohio Docket No. 11-4358; Eighth Circuit: Choctaw Telephone, Docket No. 11-3666; Tenth Circuit: Direct Communications Cedar Valley, Docket No. 11-9581; D.C. Circuit: AT&T, Docket No. 11-1473; Halo Wireless, Docket No. 11-1474, Notice of appeal, Docket No. 11-1475; Transcom Enhanced Services, Docket No. 11-1476. On January 20, 2011, NARUC also filed an appeal in the D.C. Circuit. On January 24, 2012, the Rural Independent Competitive Alliance (RICA) and over 100 rural carriers participating as the Rural Broadband Alliance (RBA) also filed an appeal in the D.C. Circuit. On December 14, 2011, appeals were consolidated before the 10th Circuit Court of Appeals in Denver, Colorado.

lost revenues. Unlike the FCC, the Ohio General Assembly explicitly rejected the notion that restructuring should be revenue neutral.⁸

The PUCO was an active and full participant in the proceeding before the FCC leading up to the November 18th FCC Order, advising the FCC to moderate its positions, maintain (freeze) USF funding for the rural carriers and recognize that state initiatives to reform intrastate access rates should not be preempted. As it noted to the FCC on the topic of withdrawing (or diminishing) high cost funding:

Although the Ohio Commission understands the FCC's intent to encourage ILECs to "invest and expend funds more efficiently and effectively" with the "modest reduction," it is the Ohio Commission's belief that the proposal will not achieve the desired effect. There is no reason to believe that reducing needed support will make an ILEC more efficient than it currently is. Rather, the reduction may have the unintended consequence of causing undue financial hardship for rural carriers and their customers while making only a diminutive impact on the overall amount of the funds to be repurposed to the CAF.⁹

The FCC disregarded these suggestions and moved beyond even the recommendations of the ABC Plan advocates, notably on the topic of bill and keep, where the PUCO took the position that:

In the Ohio Commission's estimation, such an outcome will have stifling effect on the FCC's goal of increasing broadband deployment as carriers will be apprehensive to invest in and extend their facilities if they do not believe that they will be able to adequately recover their costs. As an alternative to bill-and-keep, the Ohio Commission recommends that the FCC consider a flat-rate pricing arrangement.¹⁰

It is, indeed, unfortunate that the FCC did not listen to these concerns. The Commission has since appealed the FCC's November 18th Order, in particular raising the preemption issue.¹¹ The SLECs appreciate and laud that effort.

⁸ FCC Order, ¶ 848.

⁹ *In re Connect America Fund*, *supra*, Comments Submitted on behalf of the Public Utilities Commission of Ohio dated April 18, 2011 at 14-15.

¹⁰ *Id.* at 47-48.

¹¹ *Public Utilities Commission of Ohio v. FCC*, Sixth Circuit, No. 11-4358, Filed December 8, 2011.

The PUCO's appeal from the FCC's usurpation of its traditional role, however, certainly is not undertaken as an empty gesture simply to protect power and relevance, but in order to actively use that traditional power in the best interests of Ohio and Ohioans. As set forth herein, the PUCO has not been preempted from devising and administering the transition to intrastate rate parity. It is true that, unless successful on appeal, the Ohio Commission cannot stop the continuing reduction of intercarrier compensation to zero, but it can and should control the terms and conditions of initial step to parity.

As the SLECs previously advised the Commission, the FCC Order does not preempt Ohio from acting on the ARP as drafted.¹² In terms of both mandating intrastate access rate parity and providing state-specific support, this Staff's proposed ARP complements and even advances the FCC's goals. However, the time frames established by the FCC are very short. In order to best accomplish the state-specific goals set forth in SB 162 while remaining consistent with the mandates of the FCC, this Commission must act decisively and promptly to implement its proposals prior to July 1, 2012. *Further delay, therefore, must be avoided.*

II. IMPACT OF THE FCC ORDER

A. The FCC Has Not Preempted States From Pursuing Intrastate Access Restructuring Or Establishing Explicit State Support Mechanisms

1. PUCO Jurisdiction over Intrastate Access Rates

In establishing a national framework for terminating intrastate and interstate switched access traffic, the FCC conducted its legal analysis under a standard of preemption that is similar to the "judicial conflict preemption doctrine."¹³ Under this doctrine, rather than exercising unnecessarily broad and express preemptive powers, the FCC justified its action on the basis of

¹² SLEC Letter dated December 7, 2011, and enclosed memorandum, copies of which are attached.

¹³ FCC Order, ¶ 767.

preempting state action where “state regulation is inconsistent with the requirements of section 251, *or* when the state regulation substantially prevents implementation of the requirements of section 251 or the purposes of sections 251 through 261 of the Act.”¹⁴ The FCC Order recognizes that “section 251(d)(3) instructs the Commission *not to preempt state regulations that are consistent with and promote federal rules and policies*, but it does not protect state regulations that frustrate the Act’s policies or our implementation of the statute’s requirements.”¹⁵ Thus, state action on intrastate rates, if not conflicting with and frustrating the goals of the FCC Order, are not preempted. Significantly relevant to the conclusion of non-preemption is the FCC’s express recognition that “states are free to lower intrastate access rates more quickly than specified by our reform[.]”¹⁶

2. PUCO’s Jurisdiction over Explicit State Support Mechanisms

The FCC’s legal analysis of its proposed federal recovery mechanism followed a similar “conflict or frustrate” preemption standard. Section 254(f) of the Telecommunications Act of 1996 (“TCA-96”) explicitly authorizes state commissions to act to ensure universal service so long as a state mechanism did not rely on or burden federal support mechanisms.¹⁷ Noting Congress’ reservation to the states of this authority to “preserve and advance universal service” under Section 254(f), the FCC Order preserved the states’ ability to require additional

¹⁴ FCC Order, ¶ 767 (citing BellSouth Telecommunications, inc. Request for Declaratory Ruling that State Commissions May Not Regulate Broadband Internet Access Services by Requiring BellSouth to Provide Wholesale or Retail Broadband Services to Competitive LEC UNE Voice Customers, WC Docket No. 03-251, Memorandum Opinion and Order and Notice of Inquiry, 20 FCC Rcd 6830 at 6839, ¶ 19 (2005)) (emphasis in original).

¹⁵ FCC Order, ¶ 767 (emphasis added).

¹⁶ FCC Order, ¶ 915, note 1808. In allowing further state action, the FCC cautioned that “doing so would not increase the ARC or ICC-replacement CAF support available to carriers in such states.”

¹⁷ 47 USC § 254 (f) (“A State may adopt regulations not inconsistent with the Commission’s rules to preserve and advance universal service. Every telecommunications carrier that provides intrastate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, in a manner determined by the State to the preservation and advancement of universal service in that State. A State may adopt regulations to provide for additional definitions and standards to preserve and advance universal service within that State only to the extent that such regulations adopt additional specific, predictable, and sufficient mechanisms to support such definitions or standards that do not rely on or burden Federal universal service support mechanisms.”).

accountability and oversight standards “so long as those additional reporting requirements do not create burdens that thwart achievement of the universal service reforms set forth in this Order.”¹⁸

In establishing a local rate floor specifically, the FCC again invoked the intent of Section 254 that “obligates states to share in the responsibility of ensuring universal service.”¹⁹ More directly, in explicitly recognizing that states retained jurisdiction to maintain just and reasonable rates that carriers charge their end-users,²⁰ the FCC provided partial, transitional support through the CAF, it also expressly noted that “[t]o the extent additional subsidies are necessary, such subsidies will come from the Connect America Fund, *and/or state universal service funds*.”²¹

The FCC also declined to eliminate state mandated obligations to serve,²² encouraging states to review the impact of decreased federal funding on the carrier of last resort obligation (“COLR”).²³ In the event that COLR responsibility was not removed, the FCC affirmed that “states could consider providing state support directly to the incumbent LEC to continue providing voice service in [high cost areas].”²⁴

Thus, so long as the Staff’s ARP is complementary to, and not inconsistent with, the FCC’s goals, this Commission is not preempted from proceeding to a substantive conclusion addressing wholly intrastate matters in its pending investigation.

¹⁸ FCC Order, ¶ 574.

¹⁹ FCC Order, ¶ 235.

²⁰ FCC Order, ¶ 776.

²¹ FCC Order, ¶ 737 (emphasis added).

²² FCC Order, ¶ 82, citing ABC Plan Proponents Attach.1 at 13.

²³ FCC Order, ¶ 82 (“Carriers must therefore continue to satisfy state voice requirements.”).

²⁴ FCC Order, ¶ 83.

B. The FCC And PUCO Staff Proposals To Restructure Intrastate Access Rates And Establish Explicit Support Mechanisms Are Complementary

1. Intrastate Access Rates

Under the FCC's Order, all rate of return ("ROR") carriers'²⁵ interstate switched access rate elements, including all originating and terminating rates, and all intrastate terminating rates are capped as of December 29, 2011.²⁶ Carriers are required to reduce the difference between those rates and their tariffed intrastate terminating switched end office and transport rates, and originating and terminating dedicated transport, in two equal tranches of 50% each effective July 1, 2012, and July 1, 2013, respectively.²⁷ Beginning July 1, 2014, and continuing through July 1, 2020, ROR carriers then embark on a series of further annual decreases to reduce terminating switched end office rates to \$0.005 by July 1, 2016, to \$0.0007 by July 1, 2019, and ultimately to bill and keep (zero) by July 1, 2020 (transport rates remain unchanged from their July 1, 2013 levels).²⁸ Under the FCC Order, intrastate terminating switched end office and transport rates, and originating and terminating dedicated transport rates are reduced. Originating switched end office and transport rates are *not* included and carriers are not required to reduce originating access rates.²⁹

The Staff ARP is more aggressive in achieving parity, both in terms of timing and the inclusion of originating access. The ARP calls for the implementation of intrastate access rates that are in complete parity with interstate rates within 120 days of the effective date of the PUCO Order adopting the ARP. The ARP, therefore, exceeds the objective targeted by the FCC of

²⁵ The SLECs are all regulated on the federal side as ROR carriers.

²⁶ For price cap carriers, the FCC capped *all* interstate and intrastate originating and terminating switched access rates. FCC Order, ¶ 801.

²⁷ FCC Order, ¶ 801.

²⁸ Price cap carriers achieve bill and keep by July 1, 2017 for switched end office and reciprocal compensation rates, and by July 1, 2018 for all other terminating traffic. FCC Order, ¶ 801.

²⁹ FCC Order, ¶¶ 777-78. In the Order, the FCC stated its intention to issue a notice of proposed rulemaking on the subject. In the Further Notice of Proposed Rulemaking (FNPRM) section, the FCC indicates that originating charges ultimately also will be eliminated. FCC Order, ¶ 1298.

bringing all intrastate switched access rates to parity by a July 1, 2013 deadline. Further, the ARP calls for parity in *both* originating and terminating access, much broader than the FCC's current focus on terminating access only. Once interstate parity is achieved, all carriers, including the SLECs, can then conform to the FCC's continuing glide path to bill and keep, continuing to maintain consistency with the FCC's proposed rate plan (unless, of course, the state Commission Constitutional appeals are successful).

2. Explicit Intrastate Support Mechanisms

The November 18th FCC Order fundamentally alters the current federal support mechanisms. Among many other changes not specifically detailed here, the FCC Order establishes a new Connect America Fund ("CAF")³⁰ that, for ROR carriers, is capped at \$2 billion³¹ and will shift from supporting traditional voice to new platform broadband services. CAF receipts are reduced by 5% per year. The FCC Order also establishes a new Access Recovery Charge ("ARC") to be assessed on end-users, similar to the SLC, to mitigate the impact of lost access revenues. At the same time, however, the FCC adopts a Residential Rate Ceiling that prevents carriers from assessing an ARC upon any residential consumer whose total monthly rate for local telephone service, inclusive of various related fees, is at or above \$30.00, and limiting the amount of ARC that can be collected.³²

A new "urban rate" is also established, which limits high-cost support where local end-user rates plus state regulated fees (specifically, state SLCs (excluding federal SLCs), state universal service fees, and mandatory extended area service charges) are below an urban rate

³⁰ FCC Order, ¶ 20.

³¹ FCC Order, ¶ 195.

³² FCC Order, ¶¶ 36-37, 849, 852-53, 908-16. The Order establishes business ARC limitations as well.

floor (representing the national average of local rates plus such state regulated fees).³³ The urban rate is initially set at \$10.00 for the period July 1, 2012 through June 30, 2013, raised to \$14.00 for the period July 1, 2013 through June 30, 2014, and is thereafter to be established by the Wireline Competition Bureau commencing July 1, 2014 and in each subsequent calendar year following that Bureau's updated annual survey of voice rates.³⁴

Receipt of the new support also obligates carriers to provide broadband with speeds of at least 4 Mbps downstream/1 Mbps upstream and with sufficient latency to allow for real-time applications and services such as VoIP and usage capacity reasonably comparable to residential terrestrial fixed broadband offerings in urban areas upon reasonable customer request.³⁵ For ROR carriers, high cost support is phased out over three years where unsubsidized competitor(s) (defined as a facilities-based provider of residential terrestrial fixed voice and broadband service) offer the minimum broadband requirements to 100% of residential and business customers in the ILEC's study area.³⁶

The proposed Ohio ARF does not conflict with the FCC's plan. The ARF is a free standing, state-administered fund supporting universal service in Ohio. It is derived from intrastate Ohio revenues only. Implementation of the ARF would not increase the federal ARC or the ICC-replacement CAF support available to carriers in Ohio. In fact, the ARF would reduce the recipient LECs' entitlement from CAF.

The SLECs will provide documentation to the PUCO demonstrating that recovery of access revenues provided through the ARF will not be duplicated in the federal support

³³ FCC Order, ¶¶ 234-47. Under this urban rate floor approach, a carrier's HCLS and CAF Phase I support will be reduced, on a dollar-for-dollar basis, to the extent that a carrier's local rates (plus state regulated fees) do not meet the urban rate floor. *Id.*, ¶ 239.

³⁴ FCC Order, ¶ 239.

³⁵ FCC Order, ¶ 26, 206

³⁶ FCC Order, ¶¶ 103, 280-84. The method for determining overlap is part of the ongoing FNPRM.

mechanisms established in the FCC Order. The FCC expressly provided a mechanism to ensure that “double recovery” from the state jurisdiction will be precluded. Specifically, the FCC requires ILECs seeking recovery of lost revenues:

To certify as part of their tariff filings to both the FCC and to any state commission exercising jurisdiction over the incumbent LEC’s intrastate costs that the incumbent LEC is not seeking duplicative recovery in the state jurisdiction for any Eligible Recovery subject to the recovery mechanism. To monitor and ensure that this does not occur we require carriers participating in the recovery mechanism, whether ARC and/or CAF, to file data annually.³⁷

The PUCO also has the tools to monitor the SLECs’ compliance. The FCC envisions the continuation of state access tariffs³⁸ during the transition and expressly encourages that “state commissions should monitor compliance with our rate transition; review how carriers reduce rates to ensure consistency with the uniform framework; and guard against attempts to raise capped intercarrier compensation rates,” specifically “to ensure carriers are not taking actions that could enable a windfall and/or double recovery, as well as unanticipated types of gamesmanship.”³⁹ “Rate-of-return carriers will be required to submit to the states the data used in these calculations, allowing state regulators to monitor implementation of the recovery mechanism.”⁴⁰ Further, “states could require carriers to provide additional information and/or refile intrastate access tariffs that do not follow the framework or rules adopted in this Order.”⁴¹

A major difference in terms of impact between the ARP and the FCC Order is whether revenue losses are recovered primarily through local rate increases to rural customers, as the FCC envisions given the fiscal constraints of the federal USF system, or more equitably by *all users* of the SLECs’ local networks, including other carriers, as is achieved under the ARF. This

³⁷ FCC Order, ¶ 862, note 1664.

³⁸ FCC Order, ¶812.

³⁹ FCC Order, ¶ 813.

⁴⁰ FCC Order, ¶ 898.

⁴¹ *Id.*

state policy is neither preempted by nor in conflict with the FCC's actions and does not unjustifiably burden rural customers. Thus, the independent explicit state support mechanism is complementary to and neither duplicative of nor inconsistent with the federal mechanism.

One final note on state legislation being considered under which an ILEC would be permitted to eliminate its COLR obligation;⁴² the SLECs would agree that ARF support should cease for that incumbent carrier. Only to the extent a carrier continues to ensure continued ubiquitous availability of affordable basic local and advanced services to all customers would that carrier continue to be eligible for explicit state support.⁴³

C. Benefits Of The ARP

The ARP satisfies sound public policy. Much has been written at this docket regarding the benefits of adopting the ARP and the SLECs do not repeat their positions articulated to the Commission on those. Clearly, however, the ARP is superior to the FCC's plan for the transition to parity.

Most significantly, the state ARP preserves this Commission's substantive exercise of jurisdiction and control over local matters, not just with respect to access rates and intercarrier relations, but more importantly with regard to local rates. The FCC plan design is heavily dependent upon recovery of lost access revenues from local service customers. The FCC effectively mandates cumulative end user impacts ranging from surcharges (by application of the ARC) to local rate increases (through imposition of the urban rate floor and limitations on the availability of external support).

The ARF, on the other hand, does not establish end user surcharges or mandate local rate increases. Indeed, as the SLECs previously addressed, by broadly defining contributing carriers

⁴² SB 271, introduced in Senate on December 15, 2011.

⁴³ The Commission should modify the definition of "Eligible ILEC" in the ARP to make this clear.

to encompass carriers that benefit from use of the local network⁴⁴ and requiring that contributions be made on an industry-wide basis, the overall impact on the industry is neutral. Access customers receive the benefit of access reductions, leveling the competitive playing field among various providers by satisfying concerns that the current process for application of access charges unfairly targets a limited scope of carriers.

With contributions to the ARF more broadly assessed, all carriers accessing the local network contribute to its costs. Those carriers currently paying access rates will enjoy expense savings, a portion of which will flow back to Ohio consumers via ARF contributions. Because these carriers will have no net increase in expenses, however, there is no need for customer surcharges for contributing carriers to be made whole. They remain whole while the unfair impact to the competitive landscape about which they complained is leveled. The access customers do not unduly benefit from reduced intrastate access expenses because their support of the local network and affordable rural rates continues through explicit contributions to the ARF. Further, by addressing both originating and terminating traffic, the state ARP achieves complete intrastate and interstate access parity well in advance of the FCC's mandated time frame, which delays action on originating traffic.

Also significant to the SLECs, by immediately bringing intrastate rates to parity with interstate rates, the PUCO ARP removes the incentive of carriers to engage in rate arbitrage that disguises or strips information from call messages that would correctly identify the jurisdiction of the call.⁴⁵ Attempts to disguise traffic on the basis of jurisdiction (interstate) or operating platform (e.g., "VoIP-PSTN" traffic) are no longer meaningful, rendering arbitrage moot.

⁴⁴ See definition of "contributing carriers" in the November 3, 2010 Entry, Appendix A as modified by the SLEC Group, SLEC December 20, 2010 Comments at 11-16; SLEC January 19, 2011 Reply Comments at 35-38.

⁴⁵ While the FCC has addressed called party number manipulation and other forms of misreporting, it has not removed either the incentive nor means to misreport traffic to obtain a lower rate.

Moreover, implementation of access reductions across the board without regard to technology is competitively fair and easily implemented since it grants *all* interexchange carriers the same rate, without any requirement that they demonstrate that the traffic they carry terminates or originates in Internet protocol. The FCC, in its November 18th Order, created a new category of calling, which it labeled “VoIP-PSTN traffic,” and declared that all VoIP-PSTN traffic will be immediately compensated at the interstate access rate (both originating and terminating).⁴⁶ The FCC directed the phase down described above for the rest of the industry, creating a disparate playing field and further arbitrage opportunity. Implementation of immediate parity for all carriers avoids this irrational result.

In sum, the ARF provides independent state funding as an explicit means of support in lieu of the implicit support previously provided through intrastate access rates. This funding does not increase the federal support available to carriers in Ohio, but lessens the burden of access restructuring on Ohio’s local ratepayers in a way not available under the FCC’s proposal. The ARF also comports with Section 254(f) of TCA-96 as recognized by the FCC by adopting “additional specific, predictable, and sufficient mechanisms” to support universal service and “do[es] not rely on or burden Federal universal service support mechanisms.”⁴⁷ Both the access reduction and revenue replacement mechanisms are consistent with and promote the federal scheme under the FCC Order; neither is preempted, and both should be promptly adopted.

⁴⁶ FCC Order, ¶ 944; See also the final regulation at 47 C.F.R. § 51.701(b)(3).

⁴⁷ Section 254(f) of the Act, 47 U.S.C. § 254(f).

III. THE TIME FOR STATE ACTION IS NOW

As proposed in the initial entry, the ARF will commence 120 days from the effective date of the Commission Order adopting it,⁴⁸ with continuing contributions⁴⁹ and disbursements⁵⁰ made on a monthly basis thereafter. Within the first 45 days following the Commission's Order, eligible ILECs are required to submit the rate and demand data necessary to size the fund, and contributing carriers are to report their intrastate retail telecommunications services revenues providing the basis for the assessment. The Commission, then, is to inform each eligible ILEC of its individual calculation. Tariff filings implementing access rate reductions are to be filed no later than 45 days in advance of commencement of the ARF.

With the FCC Order, *the time frame is increasingly tight for the PUCO to act*. The first rate change under the federal plan is scheduled to become effective on July 1, 2012, after which point the FCC has seized the initiative, leaving the Ohio ARP with little or no remaining significance. The SLECs encourage the PUCO not to let this happen.

There are numerous tasks to complete in order for the fund to be up and running in time for the July 1, 2012 deadline, but they *can be accomplished* within the originally envisioned 120 days. Significant among these, the Commission must either solicit proposals to employ a third party administrator of the ARF, seek an interim and immediate contract with a third party administrator on a sole source contract basis due to the immediate need for these specialized services,⁵¹ or handle the fund internally within the Commission Staff until a third party

⁴⁸ November 3, 2010 Entry, Appendix A at ¶ 13.

⁴⁹ November 3, 2010 Entry, Appendix A at ¶¶ 8 and 14.

⁵⁰ November 3, 2010 Entry, Appendix A at ¶ 4.

⁵¹ Sole-source contracts are justifiable for contracts for specialized services. *State ex rel. Doria v. Ferguson*, 145 Ohio St. 12 (1945).

administrator can be established.⁵² The SLECs recommend, as least for the first year, the Commission chose one of the later two options.

The SLECs also suggest that the Commission consider shortening the time frame for the submission of contributors' and recipients' data. The Appendices C and D data for the 2010 calendar year has already been filed by all carriers initially affected by the ARP.⁵³ Incrementally, the PUCO has only to reach out to the interconnected VoIP carriers.⁵⁴ Thus, the SLECs believe it is reasonable to reduce the time frame for the submission of data from 45 days to 15 days from the Order's entry date. If the Commission then uses the next 45 days to calculate each individual carrier's calculation, there is no reason tariffs implementing the intrastate access rate decreases to parity can not be filed on 30 days' notice.

These considerations establish April 2, 2012, as the latest possible date for Commission entry of a final order. With the final receipt of additional supplemental reply comments in this proceeding on February 24, 2012, an April 2, 2012 target date for entry of a final PUCO Order is feasible. The Commission should strive for this objective.

IV. CONCLUSION

The SLEC Group appreciates the substantial effort this Commission and its Staff have expended since 2010 to implement the restructuring of intrastate access rates in a manner that balances the risks and benefits to all carriers doing business in the state as well as their

⁵² As the SLECs provided in their Comments and Replies, three third party administrators currently assist other state commissions in the administration of explicit funds and would likely be readily available to assist this Commission on short notice: GVNW Consulting, Inc., Solix, Inc., and Rolka Loube Saltzer Associates. See SLEC Comments at 5-7, Reply Comments at 8-10.

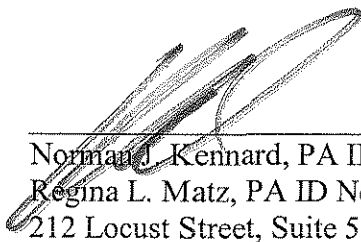
⁵³ See carrier responses to November 3, 2010 Entry.

⁵⁴ As the SLECs previously noted, it would be prudent for this Commission to require VoIP providers to register with it. The FCC's web site identifies, by state, the carriers submitting Form 499-A (Federal USF) to the Universal Service Administrative Company ("USAC"). <http://fjallfoss.fcc.gov/cgb/form499/499a.cfm>. A minor, administrative requirement that interconnected VoIP providers register with the PUCO is justified under the Ohio Revised Code as "necessary for the protection, welfare, and safety of the public." R.C. 4927.03(A). See SLEC Comments at 11-17; SLEC Reply Comments at 35-38.

customers. The SLECs believe that the Commission has achieved this balance in the Staff's proposed ARP. Notwithstanding the intervening entry by the FCC of its pronouncement on intercarrier compensation, access restructuring, and universal service, the path remains clear for this Commission to continue to do the will of the state of Ohio while remaining in concert with the overriding national goals of the FCC.

This Commission should proceed promptly with the implementation of the ARP as modified herein, as well as in the prior comments and replies submitted by Ohio's Small Local Exchange Carrier Group.

THOMAS, LONG, NIESEN & KENNARD

A handwritten signature in dark ink, appearing to read "Norman J. Kennard", is written over a horizontal line.

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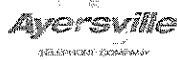
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Attorneys for the
Small Local Exchange Carriers

Date: February 10, 2012



December 7, 2011

Renee Jenkins, Secretary of the Commission
Attn: Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215-3793

**Re: In the Matter of the Commission's investigation into Intrastate Carrier
Access Reform Pursuant to S.B. 612: Case No. 10-2387-TP-COI**

Dear Secretary Jenkins,

The Small Local Exchange Carriers (SLECs) listed in Attachment A, consisting of 34 companies serving as the incumbent local exchange carrier and carrier-of-last-resort provider, respectfully submit this letter and enclosed Memorandum concerning the Public Utilities Commission of Ohio's (PUCO) Access Restructure Plan (ARP) and whether the Commission can proceed forward and implement the Plan's Access Restructuring Fund (ARF).

In March 2010, the SLECs presented the Consumer Affordability and Network Infrastructure Fund (CANI), a proactive proposal to reduce intrastate access charges to parity with interstate rates and create an equitable state-specific cost support mechanism consistent with Substitute Senate Bill 162. The goal was to continue Ohio's policy of providing widely available, affordable telecommunications service to rural consumers while ultimately ensuring the availability of affordable broadband services.

On November 3, 2010, this Commission opened an Investigation into Carrier Access Reform Pursuant to SB 162 at Case No. 10-2387-TP-COI. The SLEC members, which are small rural incumbent local exchange carriers serving fewer than 50,000 access lines, continued their advocacy for intrastate access and universal service reform by participating in this pending Investigation as the Small Local Exchange Carriers. With its November 3 Entry, the Commission Staff set forth a comprehensive and progressive Access Restructuring Plan and accompanying Access Restructuring Fund for intrastate access charge restructuring that Ohio's small carriers believe accomplishes the goals of both SB 162 and the CANI proposal. As this Commission recognized, intrastate access charges comprise a significant portion of the SLEC revenue stream and play a critical financial role for rural companies in assisting with network cost recovery and in fulfilling carrier of last resort obligations. The loss of this revenue source would erode "a significant pillar of their financial support."

Some parties have urged this Commission to defer any state action until the FCC issued its expected comprehensive order on intercarrier compensation, universal service, and access restructuring. This Commission chose, instead, to develop a state-specific record inviting initial and reply comments by all interested entities, the conduct of discovery, and a further round of comments and replies. With the filings concluding in July 2011, the Commission finally has before it a complete record supporting further intrastate action.

On November 18, 2011, the FCC released its much anticipated Report and Order and Further Notice of Proposed Rulemaking in the long-pending USF and ICC Reform Proceeding *In the Matter of Connect America Fund et al.*, WC Docket No. 10-90 (FCC ICC/USF Order). The FCC's ICC/USF Order is lengthy and complex and interested parties across the nation are reviewing it to determine its full scope. Although the FCC has acted, appeals have already been filed.

While our own review of the FCC's ICC/USF Order continues, we believe that the FCC has not precluded this Commission from continuing to act with respect to the state-specific interests laid out in the ARP and may decide the record as developed in the pending Investigation. We enclose an analysis of the FCC's Order identifying a path for this Commission to proceed. The SLECs fully expect those who opposed the PUCO's proposed ARP, including the state-funded ARF, to strongly oppose continued state action on claimed grounds of FCC preemption. Given the FCC's analysis of state's rights, however, we believe that the Public Utilities Commission of Ohio may, and should, continue to act to the benefit of Ohio's rural consumers.

The SLEC members represent only a small fraction of access lines in Ohio – 96,000 of the voice access lines, 2.5% of all ILEC access lines, and a mere 0.6% of all 15.658 million ILEC, CLEC, and wireless lines/numbers. Their projected share of the proposed ARF is equally very small. Despite their relatively small size, the rural SLECs are a significant part of the state's economy playing a pivotal role in Ohio's rural communities, providing service(s) where competitors will not, continuing to invest in and maintain their rural networks, and providing rural jobs. Current revenue streams are critical to retaining the ability to continue those roles – and to pay for long-term loans provided by the Rural Utility Services.

December 7, 2011

Page 3

Revenue and company sustainability is threatened not only by persistent reductions in access minutes and lines, but also by aggressive negative conduct – including arbitrage, phantom traffic, and most recently, call termination problems – that have seriously impacted service to rural consumers. For these reasons, continued timely state action will allow the Ohio Commission to enact reform that addresses these sordid behaviors while furthering the PUCO's and FCC's shared intercarrier compensation and universal service goals.

The PUCO's proposed ARP can and should remain a current goal of this Commission. The SLECs commend the Commission for persevering to do what is right for Ohio – ensuring Ohio's ability to compete, attract and retain jobs, and encourage investment in rural areas. The SLECs welcome the further opportunity to work with the Commission on these very critical rural Ohio issues.

Sincerely,

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Mike Conrad

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On behalf of the Ohio Small Local Exchange Carriers (Attachment A)

cc: service list
Enclosure

Attachment A
Ohio's Small Local Exchange Carriers

Arcadia Telephone Company	Arthur Mutual Telephone Company
Ayersville Telephone Company	Bascom Mutual Telephone Company
Benton Ridge Telephone Company	Buckland Telephone Company
Champaign Telephone Company	Chillicothe Telephone Company
Columbus Grove Telephone Company	Conneaut Telephone Company
Continental Telephone Company	Doylestown Telephone Company
Farmers Mutual Telephone Company	Fort Jennings Telephone Company
Germantown Independent Communications Corp.	Glandorf Telephone Company
Kalida Telephone Company	Little Miami Communications Corp.
McClure Telephone Company	Middle Point Home Telephone Company
Minford Telephone Company	New Knoxville Telephone Company
Nova Telephone Company	Oakwood Telephone Company
Orwell Telephone Company	Ottoville Telephone Company
Pattersonville Telephone Company	Ridgeville Telephone Company
Sherwood Mutual Telephone Association	Sycamore Telephone Company
Telephone Service Company	Vanlue Telephone Company
Vaughnsville Telephone Company	Wabash Mutual Telephone Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing SLECs letter and Memorandum was served by electronic mail to the persons listed below, this 7th day of December, 2011.

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MEMORANDUM

DECEMBER 2, 2011

I. Background

On November 18, 2011, the Federal Communications Commission ("FCC") released its Report and Order and Further Notice of Proposed Rulemaking in *In the Matter of Connect America Fund et al.*, WC Docket No. 10-90.¹ The FCC ICC/USF Order establishes an overarching goal of transitioning all intercarrier compensation to "bill and keep" over a transition period, the first phase of which is bring intrastate access rates into parity with interstate rates in two equal steps, with step one occurring on July 1, 2012, and step two scheduled for July 1, 2013. Once at parity, additional reductions are scheduled until bill and keep is achieved as the end result. The Order sets forth a time table applicable separately to price cap and rate-of-return carriers. Limited recovery of eligible revenues lost to restructuring will be made available through establishment of a federal support mechanism that is capped and transitional. Much, or most, expected lost revenue recovery will likely come directly from end-users depending on each carrier's specific circumstances. The new regulations associated with the changes were published in the Federal Register on November 29, 2011,² and become effective on December 29, 2011.³

¹ *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report And Order And Further Notice Of Proposed Rulemaking released November 18, 2011 ("FCC ICC/USF Order" or "Order"). http://transition.fcc.gov/Daily_Releases/Daily_Business/2011/db1122/FCC-11-161A1.pdf.

² Federal Register Vol. 76, No. 229, (Tuesday, November 29, 2011) ("November 29th Federal Register"). <http://www.gpo.gov/fdsys/pkg/FR-2011-11-29/pdf/2011-30378.pdf>.

³ Except for §§ 1.21001(b) through (d); 1.21002(c) and (d); 1.21004(a); 51.907(b)(1), (c)(1), and (d) through (h); 51.909(b)(1), and (c) through (k); 51.911(b) and (c); 51.915(e)(5) and (f)(7); 51.917(e)(6) and (f)(3); 51.919; 54.304; 54.312(b)(3); 54.313(a)(7) through (a)(11); 54.313(b) through (h); 54.314; 54.320(b); 54.1003; 54.1004(a), (c), and (d); 54.1005(a) and (b); 54.1006(a) through (e); 54.1007(a) and (b); 54.1008(d) and (e); 54.1009(a) through (c); 54.1010; 61.3(bbb)(2); and 69.3(e)(12), which contain information collection requirements that are not effective until approved by the Office of Management and Budget. The FCC has stated that it will publish a document in the Federal Register announcing the effective date for those sections.

II. Issue and Short Answer

The question addressed in this memorandum is whether states may continue to proceed with state-specific restructuring notwithstanding the national framework of the FCC ICC/USF Order. Our legal conclusion is that the FCC has left open the possibility of continued state action that does not conflict with the FCC's structure. We believe that the Ohio Access Reduction Plan ("ARP") as proposed by the Ohio Public Utilities Commission ("PUCO") Staff is not preempted and the PUCO may implement it. There are two aspects to the question: access rates and state universal service funding mechanisms.

III. Analysis

A. Access Rates

The FCC conducted its legal analysis under a standard of preemption that is similar to the "judicial conflict preemption doctrine,"⁴ in determining to "explicitly supersede the traditional access charge regime and, subject to the transition mechanism [outlined] below, regulat[ing] terminating access traffic in accordance with the section 251(b)(5) framework."⁵ Under this doctrine, rather than exercising unnecessarily broad preemptive powers, the FCC justified its action in establishing a national transition mechanism for both interstate and intrastate access rates on the basis of preempting state action where "state regulation is inconsistent with the requirements of section 251, *or* when the state regulation substantially prevents implementation of the requirements of section 251 or the purposes of sections 251 through 261 of the Act."⁶

The FCC ICC/USF Order recognizes that "section 251(d)(3) instructs the Commission *not to preempt state regulations that are consistent with and promote federal rules and policies*, but it does not protect state regulations that frustrate the Act's policies or our implementation of the statute's requirements."⁷ The FCC Order also expressly allows that "states are free to lower intrastate access rates more quickly than specified by our reform[.]"⁸

Thus, to the extent that the PUCO ARP is consistent with and promotes the federal transition schedule of intrastate access charges to the interstate level, it is not preempted. The ARP calls for the implementation of intrastate access rates that are in complete parity with interstate rates within 120 days of the effective date of the PUCO Order adopting the ARP, therefore, does not frustrate any purpose

⁴ FCC ICC/USF Order, ¶ 767.

⁵ FCC ICC/USF Order, ¶ 764.

⁶ FCC ICC/USF Order, ¶ 767 (citing *BellSouth Telecommunications, inc. Request for Declaratory Ruling that State Commissions May Not Regulate Broadband Internet Access Services by Requiring BellSouth to Provide Wholesale or Retail Broadband Services to Competitive LEC UNE Voice Customers*, WC Docket No. 03-251, Memorandum Opinion and Order and Notice of Inquiry, 20 FCC Rcd 6830 at 6839, ¶ 19 (2005)) (emphasis in original).

⁷ FCC ICC/USF Order, ¶ 767 (emphasis added).

⁸ FCC ICC/USF Order, ¶ 915, note 1808. In allowing further state action, the FCC cautioned that "doing so would not increase the ARC or ICC-replacement CAF support available to carriers in such states[.]" a topic discussed next in this Memorandum.

expressed in the FCC ICC/USF Order. Indeed the ARP furthers the objective expressed by the FCC, as the FCC's Order expressly recognizes.

B. USF Funding

The FCC's legal analysis of its proposed federal recovery mechanism follows a similar preemption standard. Section 254(f) of the Telecommunications Act of 1996 authorizes state commissions to act to ensure universal service so long as a state mechanism does not rely on or burden federal support mechanisms.⁹ Noting Congress' reservation to the states the authority to "preserve and advance universal service, so long as not inconsistent with the Commission's universal service rules" under Section 254(f) of the Act, the FCC ICC/USF Order also preserved for states the ability to require additional accountability and oversight standards "so long as those additional reporting requirements do not create burdens that thwart achievement of the universal service reforms set forth in this Order."¹⁰ Further, in establishing a specified local rate floor as a limitation on the receipt of federal high-cost support, the FCC also invoked the intent of Section 254 that "obligates states to share in the responsibility of ensuring universal service."¹¹

While the FCC declined to adopt the proposal advanced by supporters of the ABC Plan¹² to preempt state mandated obligations to serve,¹³ it did encourage states to review the impact of decreased federal funding on the carrier of last resort obligation ("COLR"). In acknowledging by way of example how states could address financial support for incumbents' continued COLR responsibilities, the FCC affirmed that "states could consider providing state support directly to the incumbent LEC to continue providing voice service in areas where the incumbent is no longer receiving federal high-cost universal service support[.]"¹⁴ This readily supports the conclusion that the Ohio Commission could proceed with establishment of the ARF as a state mechanism designed to continue financial support previously provided implicitly through intrastate access rates, as the Commission acknowledged in its November 3, 2010 Entry establishing the current Investigation.¹⁵

⁹ 47 USC § 254 (f) ("A State may adopt regulations not inconsistent with the Commission's rules to preserve and advance universal service. Every telecommunications carrier that provides intrastate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, in a manner determined by the State to the preservation and advancement of universal service in that State. A State may adopt regulations to provide for additional definitions and standards to preserve and advance universal service within that State only to the extent that such regulations adopt additional specific, predictable, and sufficient mechanisms to support such definitions or standards that do not rely on or burden Federal universal service support mechanisms.")

¹⁰ FCC ICC/USF Order, ¶ 574.

¹¹ FCC ICC/USF Order, ¶ 235.

¹² Letter from Robert W. Quinn, Jr., AT&T, Steve Davis, CenturyLink, Michael T. Skrivan, FairPoint, Kathleen Q. Abernathy, Frontier, Kathleen Grillo, Verizon, and Michael D. Rhoda, Windstream, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-90 *et al.*, (filed July 29, 2011) (ABC Plan).

¹³ FCC ICC/USF Order, ¶ 82, citing ABC Plan Proponents Attach.1 at 13.

¹⁴ FCC ICC/USF Order, ¶ 83.

¹⁵ In the Matter of the Commission's Investigation into Intrastate Carrier Access Reform Pursuant to S.B. 162, Case No. 10-2387-TP-COI, Entry dated November 3, 2010, at 1 (intrastate access charges "comprise a significant portion of the revenue received by small incumbent local exchange carriers (ILECs) as well as three mid-size ILECs[.]" and loss of carrier access support has eroded "a significant pillar of their financial support.").

The Access Reduction Fund (“ARF”), as proposed by the PUCO Staff, is a free standing, state-administered fund supportive of universal service in Ohio, which is derived on a state basis from intrastate Ohio revenues only. Implementation of the ARF would not increase the ARC or ICC-replacement CAF support available to carriers in Ohio, and, in fact, would reduce the recipient LECs’ entitlement from CAF and may reduce, but certainly will not increase, the ARC.

Therefore, the ARF component of the Ohio Plan adopts “additional specific, predictable, and sufficient mechanisms” to support universal service and “do[es] not rely on or burden Federal universal service support mechanisms.”¹⁶ Thus we conclude that implementation of the ARF as designed by the PUCO Staff is permitted under the FCC ICC/USF Order and Section 254(f).

IV. Conclusion

The Ohio Public Utilities Commission may implement the proposed ARP so long as the implementation of the plan does not conflict with the FCC’s goals. Based upon our review of the Plan, we conclude that the proposed ARP is not inconsistent or in conflict with and, in fact furthers, the federal objectives expressed in the FCC ICC/USF Order. The ARP may be implemented.

Moreover, given the FCC’s sensitivity to states’ rights¹⁷ and its explicit acknowledgement that states may lower intrastate access rates more quickly than proposed by the FCC, it is highly unlikely that the FCC would oppose on any basis the narrowly-tailored ARP, as it is fully state-funded and does not conflict with federal USF and intercarrier compensation goals. Rather, state action that implements intrastate access reductions to parity with interstate rates no later than July 1, 2013, without hindering further reductions and ultimately achievement of bill and keep by July 1, 2017, 2018, or 2020 depending on the element and carrier,¹⁸ will in fact promote the FCC’s goals. Further, if lost revenue support is implemented on a state-funded basis, that mechanism will not “rely on or burden Federal universal service support mechanisms,” thus preserving the state’s rights to ensure universal service under the federal Act while co-existing with the federal recovery mechanisms established by the FCC in the ICC/USF Order.

¹⁶ Section 254(f) of the Act, 47 U.S.C. §254(f).

¹⁷ The FCC repeatedly recognizes the continued role of states over matters such as interconnection and arbitration, filing and monitoring of state access tariffs, determination of the LEC “edge” for interconnection purposes, and COLR obligations. *See e.g.* FCC ICC/USF Order, ¶¶ 790, 82.

¹⁸ FCC ICC/USF Order, ¶ 801 (figure 9).



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Summary: Correspondence The Small Local Exchange Carriers' letter and enclosed Memorandum concerning the Public Utilities Commission of Ohio's Access Restructure Plan (ARP) and whether the Commission can proceed forward and implement the Plan's Access Restructuring Fund (ARF). electronically filed by Ms. Teresa L Thomas on behalf of Small Local Exchange Carriers Group

Confirmation Number: f5c62325-5f12-4cdf-9e84-54dab9ab4ccc

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Comments of the Small Local Exchange Carriers Group was served by electronic mail to the persons listed below, this 10th day of February, 2012.

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Summary: Comments Additional Supplemental Comments of the Small Local Exchange Carriers Group electronically filed by Ms. Teresa L Thomas on behalf of Small Local Exchange Carriers Group