February 6, 2015

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, S.W.
Washington, DC  20554

Re:   In the Matter of Universal Service Contribution Methodology; US Link, Inc. Request for Review of a Universal Service Administrator Decision, WC Docket No. 06-122

Dear Ms. Dortch:

On February 4, 2015, Sara Cole, Regulatory Counsel of TDS Metrocom, LLC (“TDS”), and the undersigned met with Chin Yoo and Theodore Burmeister of the Wireline Competition Bureau. The purpose of the meeting was to discuss the September 30, 2013 appeal of a USAC Audit Decision filed by TDS’s affiliate US Link, Inc.

TDS’s arguments were consistent with US Link’s appeal. To support its intrastate classification, US Link provided USAC with private line end point information that showed each private line was physically located within a state. USAC’s conclusion that the revenue in question should have been reported as interstate because US Link provided no documentation to demonstrate that the traffic carried over the lines was intrastate wrongly assumes that carriers have an obligation to verify the intrastate use of private lines. Nothing in the Commission’s Rules, FCC decisions, or Form 499 instructions supports USAC’s default interstate use assumption. Instead of making up a rule that defaults physically intrastate private lines to the interstate jurisdiction, USAC must seek guidance from the Commission, as it has done in similar audits where it claimed documentation was missing.

Even though US Link was under no obligation to obtain customer use certifications, as part of the audit, US Link collected and provided USAC with an adequate sample of customer certifications confirming
that the circuits were correctly classified. Given that US Link had no advance notice that customer use certifications would be required, and some of its 2010 intrastate private line customers were no longer customers at the time of the audit, these certifications were a sufficient sample to confirm that the circuits were correctly classified.

Finally, even if USAC’s interpretation of the ten percent rule were correct, the ten percent rule applies only to incumbent local exchange carriers (“ILECs”) and is therefore inapplicable to US Link. If the Commission would like to adopt a new requirement that contributors collect customer user certifications to support jurisdictional classification of physically intrastate private lines, it should do so through a notice-and-comment rulemaking. Although TDS does not agree that the Commission can impose new record-keeping requirements through revisions to the Form 499-A instructions, if the Commission nevertheless does so, any such revisions should be applied prospectively.

Please contact the undersigned if you have any questions.

Respectively submitted,

/s/ Tamar E. Finn

Tamar E. Finn

cc:   (via e-mail)
    Chin Yoo
    Theodore Burmeister