

**Cheryl L. Parrino, LLC**  
**Parrino Strategic Consulting Group**

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July 14, 2015

**VIA ECFS**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, NW  
Washington, DC 20554

**Re: WC Docket No. 10-90: Submission of Notice of Ex Parte Presentation**

Dear Ms. Dortch:

On July 13, 2015, I received a call from Mr. Nick Degani, Wireline Legal Advisor to Commissioner Pai, seeking my reaction to Commissioner Pai's proposal for reforming rate-of-return universal service. I indicated that I have reviewed the proposal and that the Nebraska Companies<sup>1</sup> were pleased to see that Commissioner Pai was recommending a path so that rate-of-return carriers could participate in the Connect America Fund before the end of this year. I did not comment on the proposal for reforming legacy support.

In response to specific questions regarding the model proposal, I indicated that:

- we have supported a plan of at least 10 years; however, given the characteristics of the areas served by the Nebraska companies, ongoing funding will be needed after the term of the plan.;
- ITTA has filed a glide-path proposal that includes periods longer than 5 years;
- the industry group has agreed to two opt-in opportunities for model-based support; one at the end of this year and one at some later date. I indicated that the Nebraska companies are not recommending any major revisions to the A-CAM and would encourage the

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<sup>1</sup>The Nebraska Companies are: Arlington Telephone Company, Blair Telephone Company, Clarks Telecommunications Co., Consolidated Telephone Company, Consolidated Telco, Inc., Consolidated Telecom, Inc., The Curtis Telephone Company, Eastern Nebraska Telephone Company, Great Plains Communications, Inc., Hamilton Telephone Company, Hershey Cooperative Telephone Company, Inc., K & M Telephone Company, Inc., The Nebraska Central Telephone Company, Northeast Nebraska Telephone Company and Rock County Telephone Company.

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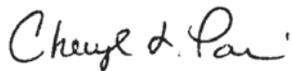
Commission to implement a voluntary option for companies to move to the model by the end of the year.;

- the industry as a whole has agreed that CAF reserves should be allocated to those that flash cut to the model in Year 1 and that if CAF reserves are insufficient to fully fund model-based support, CAF reserves should be focused on study areas that have lower percentages of 10/1 broadband build-out.;
- the industry as a whole has also agreed that the build-out obligation should take into consideration the additional available funding and the carriers' current build-out status. ITTA supports and has proposed a specific method for determining the build-out obligation, and the larger group is still reviewing that methodology.
- the industry group understands that the FCC will not be modifying the Form 477 and is working on an expedited challenge process that would utilize that data.

In general, I mentioned that the Nebraska companies were working cooperatively with ITTA and the other associations to reach consensus on as many reform issues as possible. I also mentioned that we have been engaged in the Commission process for rate-of-return reform and are committed to continue to work with the Commission, its staff and the industry to accomplish reform by the end of this year.

This letter is being filed pursuant to Section 1.1206(b) of the Commission's rules.

Sincerely,



Cheryl L. Parrino

CLP:\071415 Degani

cc: Mr. Nick Degani