

OPASTCO 411

VITAL INFORMATION FOR OPASTCO MEMBERS ABOUT
THEIR INDUSTRY AND THEIR ORGANIZATION



OPASTCO

ORGANIZATION FOR THE PROMOTION
AND ADVANCEMENT OF SMALL
TELECOMMUNICATIONS COMPANIES

OPASTCO, WTA Oppose Altering LNP Interval for Rural ILECs

On March 24, OPASTCO and the Western Telecommunications Alliance (WTA) filed joint comments on the FCC's Notice of Proposed Rulemaking (NPRM) on reducing the amount of time that carriers would have to port numbers from one carrier to another. The NPRM tentatively concludes that the interval should be reduced from four days to 48 hours for both wireline-to-wireline and intermodal ports. OPASTCO and WTA oppose this proposed change and illustrate why the current four business-day interval should be maintained.

The associations explain that the NPRM neglects to consider the unique operating conditions of rural incumbent local exchange carriers (ILECs). Most rural ILECs serve sparsely populated markets. Hence, they experience few, if any, port requests of any kind.

OPASTCO and WTA also state that most rural ILECs do not currently possess automated porting systems, due to the small amount of requests received. In order to support a shorter porting interval, rural ILECs would need to change internal operating software, business practices, and implement mechanized systems and automated interfaces with other carriers. Clearly, the additional investment in these systems, and personnel, training and other costs that would be incurred to support the relatively few ports that rural carriers can anticipate, would not pass any rational cost-benefit test and could create an economic hardship for rural carriers. This, in turn, could hinder other planned network upgrades.

To view the comments, visit <http://www.opastco.org/doclibrary/1499/032408-OPASTCO-LNPComments.pdf>.

For more information, contact Steve Pastorkovich, OPASTCO's director of business development and senior policy analyst, at 202/659-5990 or sfp@opastco.org.

Comments on Eliminating Identical Support Rule, Joint Board Long-Term Recommendation, Reverse Auctions NPRMs Now Due Apr. 17

The FCC recently extended the deadline for filing comments on eliminating the identical support rule, implementing the Federal-State Joint Board on Universal Service's long-term recommendation on Universal Service Fund (USF) reform, and imposing reverse auctions to allocate High-Cost program support (411, Jan. 31).

Comments are now due April 17. Reply comments are due May 19.

For more information, visit http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-08-674A1.pdf.

FCC Reports on Broadband Deployment Statistics

The FCC recently reported on broadband deployment statistics collected as of June 30, 2007. The report explains that during the first half of 2007, the number of advanced service lines offering at least 200 Kbps in both directions increased 16 percent, from 59.8 million to 69.6 million, compared to a 17 percent increase during the second half of 2006. Of the 69.6 million connections deployed, 53.9 percent are cable modem service, 34.1 percent are ADSL, 1.9 percent are fiber to the premises, and 10 percent are satellite, terrestrial wireless or mobile wireless

MARCH 25, 2008

OPASTCO NEWS

"REINVENTING THE REVENUE STREAM" WEBINAR SET FOR MARCH 31

On March 31 at 12:00 p.m., EDT, OPASTCO and Light Reading will co-host a Webinar entitled "Reinventing the Revenue Stream." The Webinar will address challenges that small rural carriers face in making the transition to next-generation broadband and all-IP networks. Strategies to ensure that service revenue does not migrate to third-party, over-the-top providers will be discussed. The presentation will consider solutions that participants can implement at their own companies.

Participants must register at the Light Reading Website in order to access the Webinar. To register, visit http://www.lightreading.com/webinar.asp?doc_id=28761&promo=27068.

Please note that there is no need to dial-in to a conference number, as audio will play through your computer's speakers (Internet Explorer with RealPlayer or Windows Media is sufficient). There is no need to download any additional software or applications to participate; if pop-up blockers are in use, the "Ctrl" key should be held during log-in (it may be necessary to do so twice).

QUEBEC REGISTRATION NOW AVAILABLE ONLINE

Online registration for OPASTCO's 45th Annual Summer Convention, which will be held from July 12-16 in Quebec City, is now available.

Exhibitor registration for the Tradeshow, which will be held on July 15 from 12:30 to 3:30 p.m., is also available online.

services. To view the report, visit http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-280906A1.pdf.

In their statements on the report, FCC Chairman Kevin Martin said that the Commission has removed many regulatory obstacles that discourage investment and slow deployment. Commissioner Michael Copps said that governments and service providers must work together to meet the challenge of improving deployment. Commissioner Jonathan Adelstein said that future reports should explore deployment problems in rural areas, address marketplace competitiveness, and analyze case studies to compile best practices for service providers to follow. Commissioner Deborah Taylor Tate cited OPASTCO and NTCA surveys as evidence that broadband availability is increasing in rural areas. Tate said that multiple industries will make \$50 billion in investments to improve deployment in 2008 and 2009. Commissioner Robert McDowell said that future reports should analyze data using a variety of methodologies.

FCC Assesses USF Lifeline Program Effectiveness

The FCC recently reported on the effectiveness of the Universal Service Fund's (USF) Lifeline program. The Commission published take rates for households with income levels of \$9,999 or less; \$10,000 to \$19,999; \$20,000 to \$29,999; \$30,000 to \$39,999; and \$40,000 or more. The report compared penetration rates for these income groups before the Lifeline program was instituted in 1998 to rates afterwards. The Commission determined that penetration rate increases were greater, on average, in states with Lifeline programs than in states without them. Between March 1997 and March 2007, households with incomes below \$10,000 in states with Lifeline programs witnessed increases at double the rates of states without programs. The report said that Lifeline was one of several factors contributing to the difference.

To view the report, visit http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-280982A1.pdf.

FCC Reports on Telephone Penetration Rates

The FCC recently reported that by November 2007, telephone subscribership rates in the U.S. had risen to 94.9 percent, an increase of 1.5 percent from November 2006 levels. The report breaks down penetration levels by state, age, ethnicity, household size, income and labor force status.

To view the report, visit http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-280980A1.pdf.

FCC Reports on CLEC Marketplace

The FCC recently reported on the marketplace for competitive local exchange carriers (CLECs). The Commission explained that as of June 30, 2007, CLECs offered service to 28.7 million customers, which is about 18 percent of all switched access lines. Among CLEC lines, 40 percent were delivered using unbundled network element (UNE) loops leased from other carriers, 38 percent were delivered using CLECs' own local loop facilities, and 22 percent were delivered via resale arrangements with unaffiliated carriers. Of those delivered using their own facilities, 7.7 million were delivered over coaxial cable connections.

Incumbent local exchange carriers (ILECs) reported leasing 12 percent fewer UNE loops with switching to unaffiliated carriers than six months earlier, and about three percent fewer UNE loops without switching.

To view the report, visit http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-280943A1.pdf.

Optional tours available for Quebec include the Discover Quebec Historical Tour, the Antique and Art Walking Tour, the Typical Dinner at the Sugar Shack, Quebec's Countryside Charms Tour, the Island of Orleans Tour, the Amerindians Tradition Tour, the Shopping in Quartier Petit-Champlain Tour, and the Whale Watching Excursion.

For registration information, visit <http://www.opastco.org/site/meetings/summer/>.

IP POSSIBILITIES HOTEL SOLD OUT, ALTERNATE HOTELS AVAILABLE

The 2008 IP Possibilities Conference, co-produced by OPASTCO and NTCA, will be held April 7-11 at Sheraton Chicago Hotel and Towers in Chicago, Ill.

Although the Sheraton Chicago Hotel and Towers is now sold out, alternate hotels are available. They include Embassy Suites at 312/836-5900, the Fairmont Chicago at 312/565-8000, the Intercontinental Chicago at 312/944-4100, and the Westin at 312/943-9200.

To register for the event or to view a list of planned sessions, visit the IP Possibilities Website at <http://www.buildipnow.com>.

L&R CONFERENCE ONLINE REGISTRATION NOW AVAILABLE

OPASTCO and WTA's Joint L&R Conference will be held in Washington, D.C., from May 19-21. Join fellow rural carriers as they make themselves heard to policymakers and share the rural perspective on the telecom industry.

To register for the event online, visit <http://www.opastco.org/site/meetings/legislative>.

REMINDER: INDY AWARDS ENTRIES DUE FRIDAY

OPASTCO is pleased to announce the 2008 Indy Awards Competition. The Indy Awards represent an excellent opportunity for carriers to receive feedback on their recent marketing and public relations initiatives from other marketing professionals around the industry.

For more information, visit <http://www.opastco.org/site/about/awards/indy>.