

February 7, 2007

Oregon Public Utility Commission
Attention: Filing Center
550 Capitol Street N.E., Suite 215
PO Box 2148
Salem, OR 97308-2148

Re: Docket UM 1280
Embarq's Response to RCC and USCC Joint Reply to Embarq's Request
to Withdraw

Dear Filing Center:

This is a response to RCC/USCC's reply to Embarq's request to withdraw. RCC and USCC do not oppose Embarq's withdrawal. Nevertheless, RCC/USCC makes some questionable assertions in their response to which Embarq feels compelled to reply. Specifically, Embarq disagrees with RCC/USCC's opinion about whether it is appropriate to disaggregate IAS in Oregon.

The OPUC decision in UM 1217, which RCC/USCC cites in its response, addresses reporting requirements, not disaggregation. Specifically, the Commission stated in UM 1217:

The parties agree that those receiving only low-income support should not be subject to the reporting requirement regarding network build out plans, and we decline to adopt that requirement for those carriers. However, as to carriers that receive IAS and ICLS funds, we conclude that because that support is recovered from the USF, the same requirements apply to carriers receiving that support as to carriers receiving traditional high-cost support.¹

¹ Order No. 06-292, at p. 17.

The fact that the OPUC decided that IAS and ICLS should not be handled differently from other high-cost support for ETC reporting purposes does not mandate, nor is it instructive on, whether IAS should be disaggregated. Contrary to RCC/USCC's assumptions, the Commission would not run afoul of its decision in UM 1217 by not requiring disaggregation of IAS.

Moreover, the FCC's rules in 47 C.F.R. § 54.315, which address disaggregation, exclude any mention of IAS. Section 54.315 applies only to Local Switching Support (§ 54.301), Long Term Support (§ 54.303), Sale or transfer or exchanges (§ 54.305), Interstate Common Line Support, or ICLS (Subpart K), and High Cost Loop Support (Subpart F). If it was the FCC's intent that IAS must be disaggregated along with traditional high cost support, it would have made it explicit in § 54.315.

Moreover, § 54.807(c) of the FCC's rules provides for disaggregation of IAS. Embarq's IAS is already disaggregated in Oregon, based upon the same assignment of Embarq's wire centers as used for its UNE pricing zones, in accordance with § 54.807(c).

Because Embarq's IAS is already disaggregated in compliance with FCC Rules, and because Embarq does not receive any other universal service support payments that are disaggregated under 47 U.S.C. § 54.315, the decisions to be made in this proceeding should have no impact on Embarq, hence Embarq's request to withdraw from this proceeding.

Sincerely yours,

William E. Hendricks

c. Service List

Certificate of Service
Docket UM 1280

I hereby certify that I have, this day, served a true and correct copy of the foregoing upon all parties of record by US Mail to the following:

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Dated February 7, 2007

Ronda K. Snyder _____