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**WTA Responds to Recommendations
of Federal-State Joint Board on Universal Service**

Washington, DC (May 2, 2007) – Western Telecommunications Alliance (WTA) today expressed support for the Federal-State Joint Board on Universal Service (Joint Board) for making a recommendation to the Federal Communications Commission (FCC) that addresses the growth problem that threatens the sustainability of the Universal Service Fund (USF). On May 1, the Joint Board recommended placing an interim, emergency cap on the amount of high-cost support that competitive eligible telecommunications carriers (CETCs) may receive. In the last six years, CETC support has grown from \$15 million per year to approximately \$1 billion with projections for 2007 reaching at least \$1.28 billion.

“The Joint Board’s interim proposal correctly targets the source of the growth, which is the CETCs,” said Rob Stephens, WTA’s President. “A cap on funds received by CETCs will give the FCC time to work on long-term reforms of USF.”

The policy behind universal service is to ensure all Americans have affordable access to a core set of telecommunications services. Rural telephone companies are poised to make sure those living in the most rural and insular parts of the country have access to broadband. The explosion in USF disbursements threatens the program’s sustainability and with it, the telecommunications network in rural America.

“We are also encouraged that the Joint Board has indicated that the identical support rule is an outdated method of distributing scarce USF dollars,” added Stephens. “Eliminating the identical support rule is an idea whose time has come and something for which WTA has been advocating for many years.”

WTA looks forward to working with the FCC to reach a long-term decision on an effective reform of USF that continues to allow for its member companies to meet the goals and objectives of the Communications Act.

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Western Telecommunications Alliance represents over 250 rural telecommunications companies in 24 states west of the Mississippi River. Most members serve less than 3,000 customers overall, and less than 500 customers per exchange. WTA aims to unite a diverse industry to deliver influence in the western states and in Washington, DC that reflects its members’ importance in providing high quality telecommunications services to rural America. For more information about WTA, contact Kelly Worthington, Executive Vice President at (406) 443-6377; kelly@w-t-a.org; or visit www.w-t-a.org.