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**WTA Applauds FCC for Implementing Interim Cap  
on CETCs to Stem Growth in USF**

**Washington, D.C. (May 1, 2008)** – The Western Telecommunications Alliance (WTA) today expressed support for action taken by the Federal Communications Commission (FCC) to curtail the rapid growth in the Universal Service Fund (USF). On May 1, 2008, the FCC voted 3-2 to cap USF payments for competitive eligible telecommunications carriers (CETCs). In the last seven years, CETC support has grown from \$1.5 million per year in 2000 to over \$1 billion in 2007. Last year, the Federal-State Joint Board on Universal Service (Joint Board) recommended to the FCC a temporary cap on USF support for CETCs to address this growth.

“About a year ago, the Joint Board recommended temporarily capping CETC support to stabilize the growth of USF, and I’m pleased the FCC addressed this issue by voting to do so,” said Kelly Worthington, WTA’s Executive President.

The policy behind universal service is to ensure that all Americans have access to similar telecommunications services at comparable rates whether they live in urban, suburban, or rural America. USF was created for this purpose. Rural America deserves high-quality wireline, wireless, and broadband services. However, using scarce USF dollars to support multiple wireless carriers providing the same services in the same geographical rural areas was not the intent of USF. A cap, as implemented by the FCC, will discourage the practice of multiple wireless CETCs drawing USF support for the same geographical areas.

“WTA looks forward to working with the FCC and Congress to reform USF so that it remains stable into the future,” added Worthington. “This interim cap is a good first step towards bringing about long-term USF reform.”

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*Western Telecommunications Alliance represents over 250 rural telecommunications companies in 24 states west of the Mississippi River. Most members serve fewer than 3,000 customers overall and fewer than 500 customers per exchange. WTA aims to unite a diverse industry to deliver influence in the western states and in Washington, D.C. 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](mailto:Kelly@w-t-a.org); or visit [www.w-t-a.org](http://www.w-t-a.org).*