



February 6, 2013

Ex Parte Letter

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S. W.
Washington, D. C. 20554

Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337

Dear Ms. Dortch:

On January 29, 2013, the Wireline Competition Bureau (“the Bureau”) released a Public Notice announcing the High Cost Loop Support Benchmarks for 2013. In conjunction with the Notice, the Bureau released an Excel file containing the capex and opex benchmarks to be used by the National Exchange Carrier Association in calculating 2013 High Cost Loop Support (“HCLS”). According to the Notice, the 2013 benchmarks were calculated using the same coefficients as the 2012 benchmarks in compliance with the *HCLS Benchmarks Implementation Order*.

Alexicon Telecommunications Consulting (“Alexicon”) recalculated the 2013 benchmarks using the 2012 coefficients previously released by the Bureau and the 2012-1 High Cost Loop Data which is publicly available from the National Exchange Carrier Association. Alexicon was unable to reconcile the Bureau calculated 2013 benchmarks for 25 of the 738 study areas. The following list of study area benchmarks could not be reconciled:

SAC	Study Area Name	ST	SAC	Study Area Name	ST
290575	TENNESSEE TEL CO	TN	351297	HEART OF IOWA COMM.	IA
330859	CENTRAL STATE TEL CO	WI	391668	KENNEBEC TEL CO	SD
330954	STOCKBRIDGE & SHERWD	WI	411746	BLUE VALLEY TELE-COM	KS
613015	MATANUSKA TEL ASSOC	AK	493403	SACRED WIND	NM
260418	SOUTH CENTRAL RURAL	KY	310669	ALLENDALE TEL CO	MI
502288	ALL WEST COMM-UT	UT	270429	EAST ASCENSION TEL	LA
300597	THE CHILLICOTHE TEL	OH	411808	MOUNDRIDGE TEL CO	KS
472295	SILVER STAR TEL- ID	ID	431980	CHICKASAW TEL CO	OK
613001	ARCTIC SLOPE TEL	AK	512296	TRI COUNTY TEL ASSN	WY
341049	MADISON TEL CO	IL	371532	CONSOLIDATED TEL CO	NE
411826	RURAL TEL SERVICE CO	KS	482242	INTERBEL TEL COOP	MT
371597	WAUNETA TEL CO	NE	442073	BORDER TO BORDER	TX
371553	GLENWOOD TEL MEMBER	NE			

Differences in the benchmarks may affect the amount of HCLS received by all carriers due to possible changes in the number of capped study areas and the amount of capped HCLS redistributed to uncapped areas.

In addition, the 2012 HCLS benchmark calculations provided by the Bureau in April 2012 were accompanied by the independent variable data for all study areas used in the 2012 HCLS quantile regression analysis ("QRA"). The release of the independent variable data allowed for recalculation of the QRA coefficients as well as the capex and opex benchmarks for all study areas. However, there are 14 study areas in the 2013 HCLS benchmark calculations that were not included in the 2012 QRA and therefore, the proper calculation of benchmarks for those study areas cannot be validated. The independent variable information used to calculate the capex and opex benchmarks for the following 14 study areas has not been released:

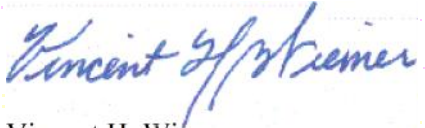
SAC	Study Area Name	ST	SAC	Study Area Name	ST
170179	LAUREL HIGHLAND TEL	PA	361373	CONSOLIDATED TEL CO	MN
170215	YUKON - WALTZ TEL CO	PA	361494	UPSALA COOP TEL ASSN	MN
310777	ACE-MI OLD MISSION	MI	391642	ALLIANCE-BALTIC	SD
330968	WAUNAKEE TEL CO	WI	391688	WESTERN TEL CO.	SD
351271	PANORA COMM COOP	IA	421876	FARBER TEL CO	MO
351284	RIVER VALLEY-RUTHVEN	IA	432141	SANTA ROSA TEL COOP	OK
351324	VILLISCA FARMERS TEL	IA	533336	OREGON TEL CORP-MTE	OR

Based on these unexplained differences and lack of transparency in calculations, Alexicon requests the public provision of the following information:

1. Detailed source data, process descriptions, calculations and all other relevant information used by the Wireline Competition Bureau to calculate the 2013 capex and opex benchmarks;
2. The independent variable data for the fourteen study areas included in the 2013 benchmark calculations that were not included in the 2012 quantile regression analysis.

We would be happy to discuss our findings with the Bureau in more detail if it would aid the process. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS. Please contact the undersigned with any questions.

Sincerely,



Vincent H. Wiemer
Principal