

**Resolution on Recent Initiatives to Consider
Universal Service Policies**

WHEREAS, MFS Communications Company, Inc. (MFS) on November 1, 1993 filed a petition with the Federal Communications Commission (FCC) for a Notice of Inquiry (NOI) and en banc hearing on an accelerated basis to determine future policies for continuing to promote universal telephone service in a competitive market environment; and

WHEREAS, Issues relating to universal service have been raised in other proceedings pending before the FCC including the FCC staff paper on access charge reform, the National Association of Regulatory Utility Commissioners (NARUC) petition for a NOI concerning access issues, the United States Telephone Association (USTA) petition for a rulemaking on access charge reform, Ameritech's petition for a declaratory ruling regarding its Customers First Plan, and revisions to the Universal Service Fund (USF) before the Joint Board; and

WHEREAS, The Administration through the National Telecommunications and Information Administration (NTIA) has stated principles for telecommunications and information policy in "The National Information Infrastructure: The Administration's Agenda for Action" (NII); and

WHEREAS, The NII encompasses the goal of continuing and expanding the concept of universal service for the next generation and NTIA has initiated forums to explore the issues relating to universal service; and

WHEREAS, The NARUC has initiated a project to examine the evolving definition of universal service through a collaborative process among representatives of interested parties; and

WHEREAS, State policymakers are considering and investigating issues related to universal service within their individual States; and

WHEREAS, MFS' position statement included in its petition articulates its views as to how universal service should be defined, what specific types of subsidy mechanisms should be adopted to promote those goals, and how the subsidy programs should be funded and administered; and

WHEREAS, MFS indicates its position statement is intended as a framework to begin discussion of these issues and fully anticipates other parties will offer divergent views on some issues and identify other issues not addressed in MFS' statement; and

WHEREAS, The NARUC has identified several issues related to

universal service which MFS has not addressed, including, but not limited to, the following:

- Whether universal service policies should promote universal affordability of some services and universal availability of other services;
- What measures of universality (e.g., percent of subscribers) should be used to determine whether universal service policies have been met;
- How privacy issues may affect universal service policies;
- How universal service policies should balance costs against economic and social benefits of services; and
- How the various policymakers can best coordinate their efforts in developing and implementing universal service policies, to ensure nationwide implementation while minimizing overlap or duplication of subsidies; now, therefore be it

RESOLVED, That the National Association of Regulatory Utility Commissioners, convened at its 105th Annual Convention in New York, New York, supports a comprehensive review of the concept of universal service and issues related to the continuation and expansion of universal service; AND BE IT FURTHER

RESOLVED, That, should the FCC issue a NOI in response to the MFS petition, the NOI should address all universal service and related issues in lieu of a more limited NOI that would focus primarily on those issues raised by MFS; AND BE IT FURTHER

RESOLVED, That the NARUC endorses the use of a collaborative process with the FCC, NTIA, and all interested parties in order to address and refine the concept of and issues relating to universal service; AND BE IT FURTHER

RESOLVED, That the NARUC General Counsel and staff shall take appropriate actions in all applicable forums that are necessary to carry out the objectives of this resolution.