

July 3, 2002

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VIA E-MAIL AND FACSIMILE

Ms. Carole Washburn
Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
1300 South Evergreen Park Dr. S.W.
Olympia, WA 98504-7250

Re: Docket No. UT-013058

Dear Ms. Washburn:

The purpose of this letter is to advise the Commission of United States Cellular Corporation's (USCC) position on the issue of disaggregation and targeting of federal universal service support pending in Docket No. UT-013058. USCC participated in a meeting held on June 21, 2002, between the Commission Staff, impacted rural telephone companies and USCC. As a result of that meeting, as USCC understands it, Staff now supports allowing for the disaggregation of federal universal service support at the exchange level based upon a commitment from rural telecommunications carriers that they could, and would, disaggregate at this level. While USCC prefers the existing disaggregation methodology, which it has used for the past two years to obtain federal universal service support as an eligible telecommunications carrier, it does not object to Staff's revised view. The Staff has left open the question of whether disaggregation should be pursued at below the exchange level in the future. USCC endorses that view and wishes to reserve its right to re-open the disaggregation issue in the future should circumstances warrant it.

Please give me a call if you have any questions or comments. Thank you.

Sincerely,

GRAHAM & DUNN PC

Judith A. Endejan

JAE/ned

cc: Jim Jenkins
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