EX PARTE OR LATE FILED

BELLSOUTH

W. W. (Whit) Jordan
Executive Director-Federal Regulatory

DOCKET FILE COPY ORIGINAL

Suite 900
1133 21st Street, N.W.
Washington, D.C. 20036
202 463-4114
Fax: 202 463-4198

RECEIVED

MAR 1 6 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

March 16, 1995

Ex Parte

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: CC Docket No. 94-1

Dear Mr. Caton:

Today Bob Blau and the undersigned representing BellSouth met with Jim Coltharp from Commissioner Barrett's office. The attached information was discussed during this meeting.

Please call me if you have any questions.

Sincerely,

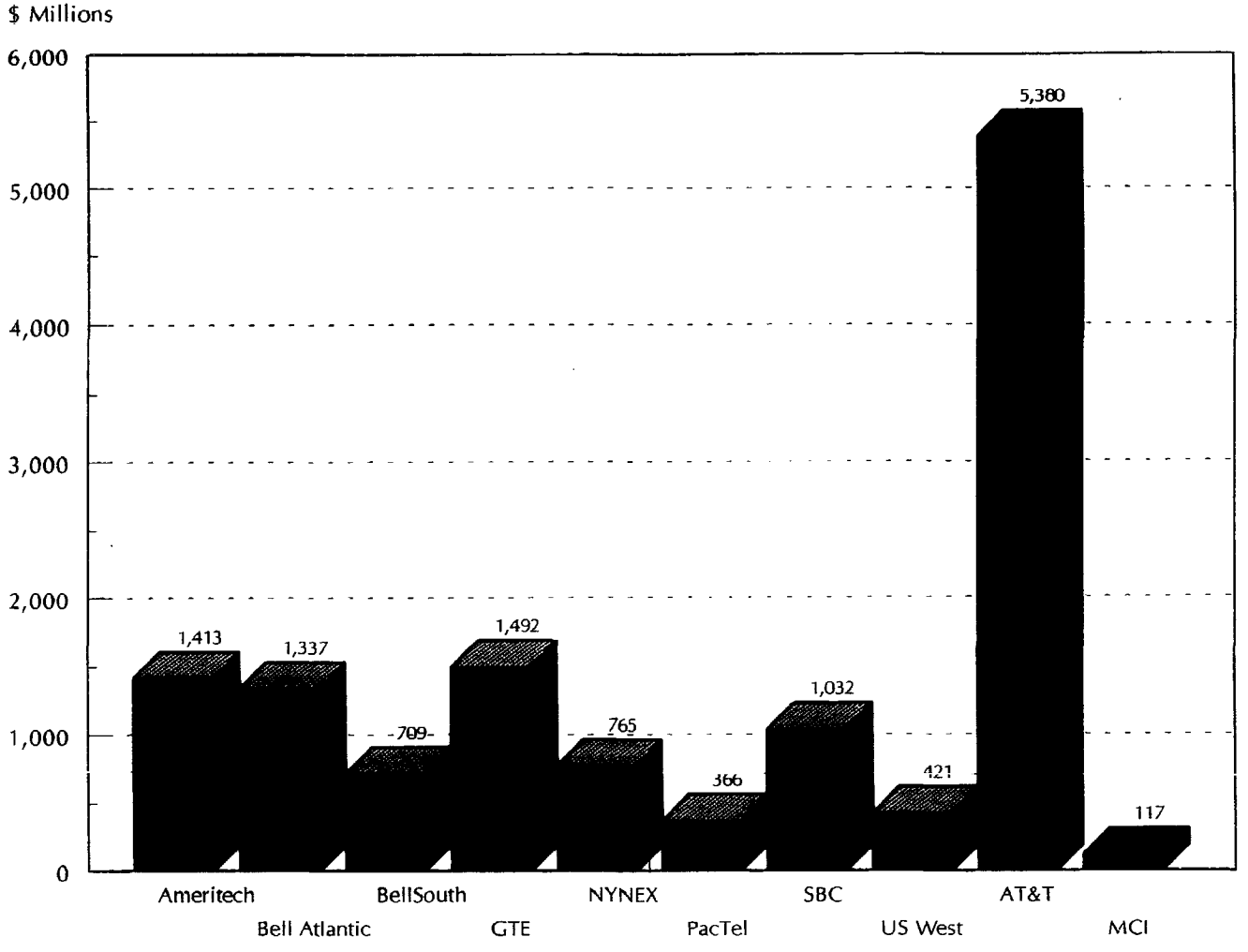
W.W. Jordan

Attachment:

cc: Jim Coltharp

No. of Copies rec'd 0
List A B C D E

Free Cash Flow for Leading Telecom Companies (1993; $ Millions)



Source: Value Line
Note: Free cash flow equals operating cash flow and deferred taxes less capital expenditures.

Free Cash Flow -- Local Exchange Carriers

($ MILLIONS)

	1993	1990	1988	Avg. Annual Growth 1988-93
Ameritech Corp.				
Cash Flow	3,505.20	3,028.30	2,948.30	3.52%
Capital Expenditures	2,092.40	2,116.00	1,868.60	2.29%
Free Cash Flow	1412.80	912.30	1079.70	5.53%
Bell Atlantic Corp.				
Cash Flow	3,854.70	3,710.70	3,672.00	0.98%
Capital Expenditures	2,517.40	2,521.90	2,455.30	0.50%
Free Cash Flow	1337.30	1188.80	1216.70	1.91%
BellSouth Corp.				
Cash Flow	4,194.60	4,237.30	4,253.30	-0.28%
Capital Expenditures	3,485.90	3,190.70	3,207.30	1.68%
Free Cash Flow	708.70	1046.60	1046.00	-7.49%
GTE Corp.				
Cash Flow	5,385.00	5,150.00	3,891.41	6.71%
Capital Expenditures	3,893.00	3,453.00	3,087.01	4.75%
Free Cash Flow	1492.00	1697.00	804.40	13.15%
Nynex Corp.				
Cash Flow	3,482.50	3,366.90	3,400.30	0.48%
Capital Expenditures	2,717.20	2,493.20	2,783.60	-0.48%
Free Cash Flow	765.30	873.70	616.70	4.41%
Pacific Telesis				
Cash Flow	2,857.00	2,960.00	2,915.00	-0.40%
Capital Expenditures	2,491.00	1,937.00	1,500.00	10.68%
Free Cash Flow	366.00	1023.00	1415.00	-23.70%
SBC Communications				
Cash Flow	3,252.60	2,746.30	2,679.40	3.95%
Capital Expenditures	2,221.10	1,778.40	1,221.80	12.70%
Free Cash Flow	1031.50	967.90	1457.60	-6.68%
U S West Inc.				
Cash Flow	2,870.10	3,235.10	2,955.60	-0.59%
Capital Expenditures	2,449.20	2,558.90	2,278.70	1.45%
Free Cash Flow	420.90	676.20	676.90	-9.07%
RHCs and GTE Combined				
Cash Flow	29401.70	28434.60	26715.31	1.93%
Capital Expenditures	21867.20	20049.10	18402.31	3.51%
Free Cash Flow	7534.50	8385.50	8313.00	-1.95%

Source: Value Line; cash flow includes operating cash flow plus deferred taxes

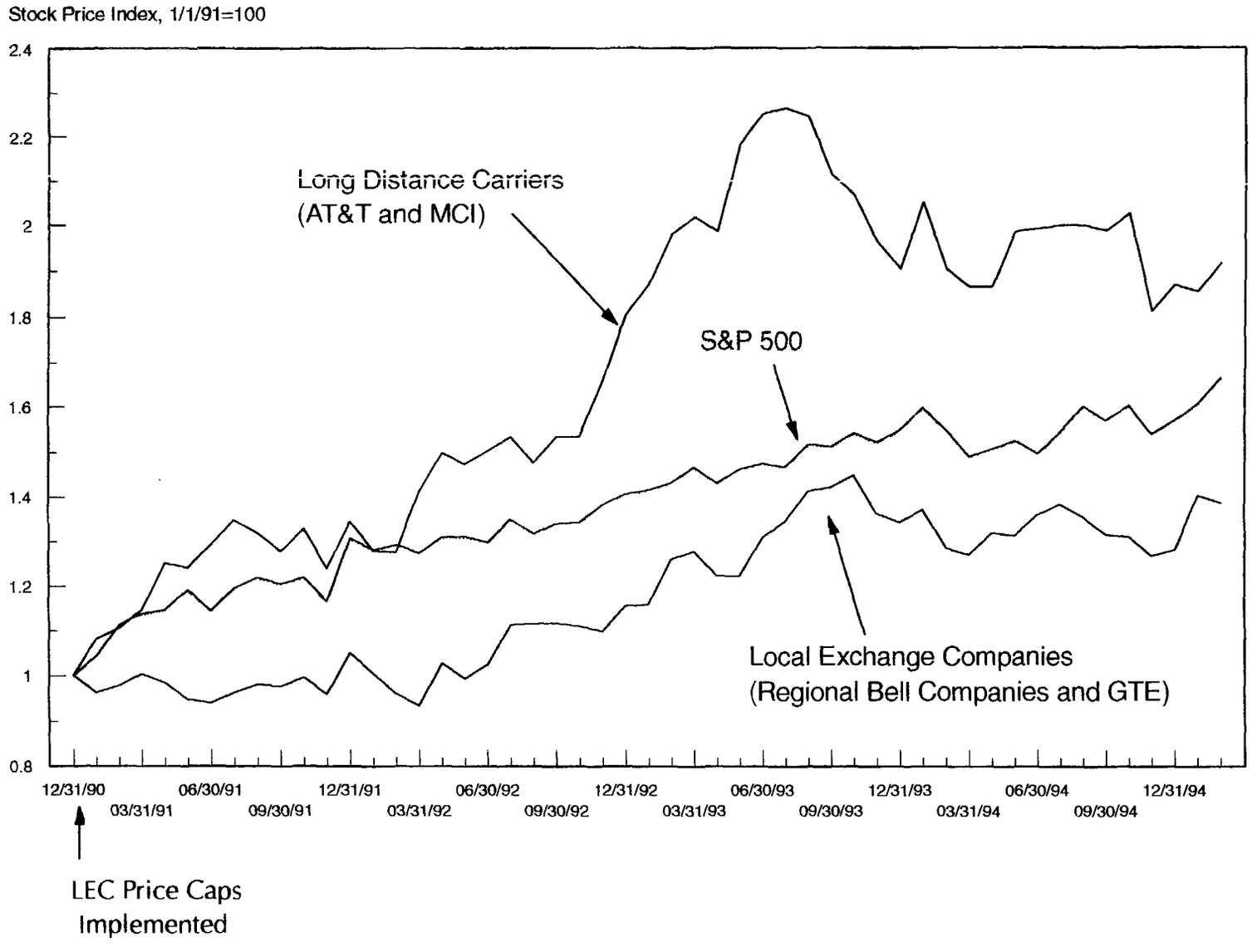
Free Cash Flow -- Long Distance Carriers

($ MILLIONS)

AT&T	1993	1990	1988	Avg. Annual Growth 1988-93
Cash Flow	9,081.00	6,802.00	7,101.00	5.04%
Capital Expenditures	3,701.00	4,443.00	4,028.00	-1.68%
Free Cash Flow	5380.00	2359.00	3073.00	11.85%
MCI Communications				
Cash Flow	1,850.00	1,403.00	962.00	13.97%
Capital Expenditures	1,733.00	1,274.00	796.00	16.84%
Free Cash Flow	117.00	129.00	166.00	-6.76%
AT&T and MCI Combined				
Cash Flow	10931.00	8205.00	8063.00	6.28%
Capital Expenditures	5434.00	5717.00	4824.00	2.41%
Free Cash Flow	5497.00	2488.00	3239.00	11.16%

Source: Value Line; cash flow includes operating cash flow plus deferred taxes

Trends in Telecom Stock Prices
Since Implementation of LEC Price Cap Plan



Source: One Source; indices are based on market weighted monthly averages.

Performance of Telecom Stock Prices Since Implementation of LEC Price Cap Plan

Price Per Share	Ameritech	Bell Atlantic	BellSouth	GTE	Nynex	Pacific Telesis	SBC	U S West	LEC Weighted Average
Mar 3, 1995	42.125	52.125	57.250	33.125	39.125	29.375	41.000	38.375	42.512
Dec 31, 1990	27.234	43.056	43.916	23.227	28.058	21.456	23.325	30.887	31.371
% Change	*35.35%*	*17.40%*	*23.29%*	*29.88%*	*28.29%*	*26.96%*	*43.11%*	*19.51%*	*26.21%*

Price Per Share	AT&T	MCI	IXC Weighted Average
Mar 3, 1995	51.250	19.750	46.744
Dec 31, 1990	26.905	9.833	24.075
% Change	*47.50%*	*50.21%*	*48.50%*

Index	S&P 500
Mar 3, 1995	485.406
Dec 31, 1990	293.409
% Change	*39.55%*

Source: OneSource; weighted averages are based on market values of outstanding shares for individual companies