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**Bruce K. Cox**  
Government Affairs Vice President

FEB 25 1997

Federal Communications Commission  
Office of Secretary

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February 25, 1997

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

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FEB 25 1997  
SECRETARY'S OFFICE

Re: Ex Parte - CC Docket 96-262 et. al.  
Access Charge Reform

Dear Mr. Caton:

On Monday, February 24, 1997, Mr. Gerry Salemme, Mr. Joel Lubin and I met with Commissioner Rachelle B. Chong, Mr. Daniel Gonzalez, Legal Advisor to Commissioner Chong, Mr. Anthony Dale and Ms. Gail McGuire, Interns, to discuss AT&T's previous filed comments in the above captioned proceeding. The attached sheet was distributed and discussed during the meeting.

Because the meeting was held late in the day, two (2) copies of this Notice are being submitted on the next business day to the Secretary of the FCC, in accordance with Section 1.1206(a)(2) of the Commission's rules.

Sincerely,

*Bruce K. Cox*

Attachment

cc: Commissioner Chong  
Mr. Gonzalez  
Mr. Dale  
Ms. McGuire

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List ABCDE

## ACCESS REFORM

### REALLOCATION:

RETAIL EXPENSE..... \$ 840 million

GSF and COMPUTER RELATED EXPENSES..... \$ 124 million

### REMOVING THE SLC CAP:

CCL REDUCTION..... \$ 640 million

### COST OF CAPITAL ADJUSTMENTS:

AT 11.25%..... \$ 1300 million

AT 10.00%..... \$ 1900 million

### PRODUCTIVITY FACTOR :

INCREASE X-FACTOR TO 9.0%..... \$ 600 million

EQUAL ACCESS AND NETWORK RECONFIGURATION..... \$ 110 million