

G R Evans
Vice President
Federal Regulatory Affairs

NYNEX

May 2, 1997

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Ex Parte

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

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MAY 2 1997

Federal Communications Commission
Office of Secretary

RE: CC Docket 96-45 and 96-262

Dear Mr. Caton:

On April 29, 1997, Mr. F. Gumper and I, representing the NYNEX Telephone Companies, met with Commissioner Chong and Mr. D. Gonzalez, Legal Advisor to the Commissioner. The purpose of this meeting was to discuss the implementation of the education portion of the universal service fund.

The NYNEX representatives proposed that the program commence on July 1, 1997. Actual collection and distribution of funds would commence on January 1, 1998 at an annual rate of \$1.25 billion for the first six months and at an annual rate of \$2.25 billion thereafter, subject to the plan administrator making quarterly reviews and adjustments as deemed appropriate based on the projected needs of the schools and libraries. If the amount expended in any twelve month period from July 1 to June 30 is less than the \$2.25 billion, as we project for the initial July 1, 1997 to June 30, 1998 period, then the difference will be rolled over for use in subsequent years, if needed.

Any questions on the above should be directed to me at either the address or telephone number shown above.

Sincerely,



cc: Commissioner Chong
Mr. D. Gonzalez

