

**BELLSOUTH**

DOCKET FILE COPY ORIGINAL

**Robert T. Blau, Ph.D, CFA**  
Vice President - Executive and  
Federal Regulatory Affairs

**EX PARTE OR LATE FILED**

Suite 900  
1133-21st Street, N.W.  
Washington, D.C. 20036-3351  
202 463-4108  
Fax: 202 463-4631

April 30, 1997

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
Washington, DC 20554

**RECEIVED**

**APR 30 1997**

Federal Communications Commission  
Office of Secretary

Re: Ex Parte in CC Dockets 96-45 and 96-262

Dear Mr. Caton:

This is to inform you that on April 30, 1997, the undersigned sent data and a chart regarding the above-referenced proceeding to Greg Rosston of the Office of Plans and Policy.

The purpose was to provide a corrected chart and corrected data for part of the submission made on April 28, 1997. Attached are the spreadsheets, chart, and diskette with the corrected version of the access charge reform scenarios.

Pursuant to Section 1.1206(a)(2) of the Commission's rules, two copies of this notice are being filed with the FCC. Please associate this notification with the above-referenced proceeding.

Sincerely,



Robert T. Blau

Attachment

cc: Gregory Rosston  
Tom Boasberg  
Jim Casserly  
Jim Coltharp  
Dan Gonzales  
Gina Keeney  
Richard Metzger  
John Nakahata  
Jim Schlichting

**Robert T. Blau, Ph.D, CFA**  
Vice President - Executive and  
Federal Regulatory Affairs

Suite 900  
1133-21st Street, N.W.  
Washington, D.C. 20036-3351  
202 463-4108  
Fax: 202 463-4631

April 30, 1997

Mr. Gregory Rosston  
Office of Plans and Policy  
Federal Communications Commission  
1919 M Street, N.W., Room 822  
Washington, DC 20554

Re: CC Dockets 96-45 and 96-262

Dear Mr. Rosston:

On April 28, 1997, I provided you an analysis of an access charge/universal service scenario in response to your request. One of the charts (pages 90 and 91) attached to that analysis contained incorrect data. The correct pages are attached along with a revised disk. There are no other pages in the original submission that are affected by this change.

Please call me if you have any questions.

Sincerely,



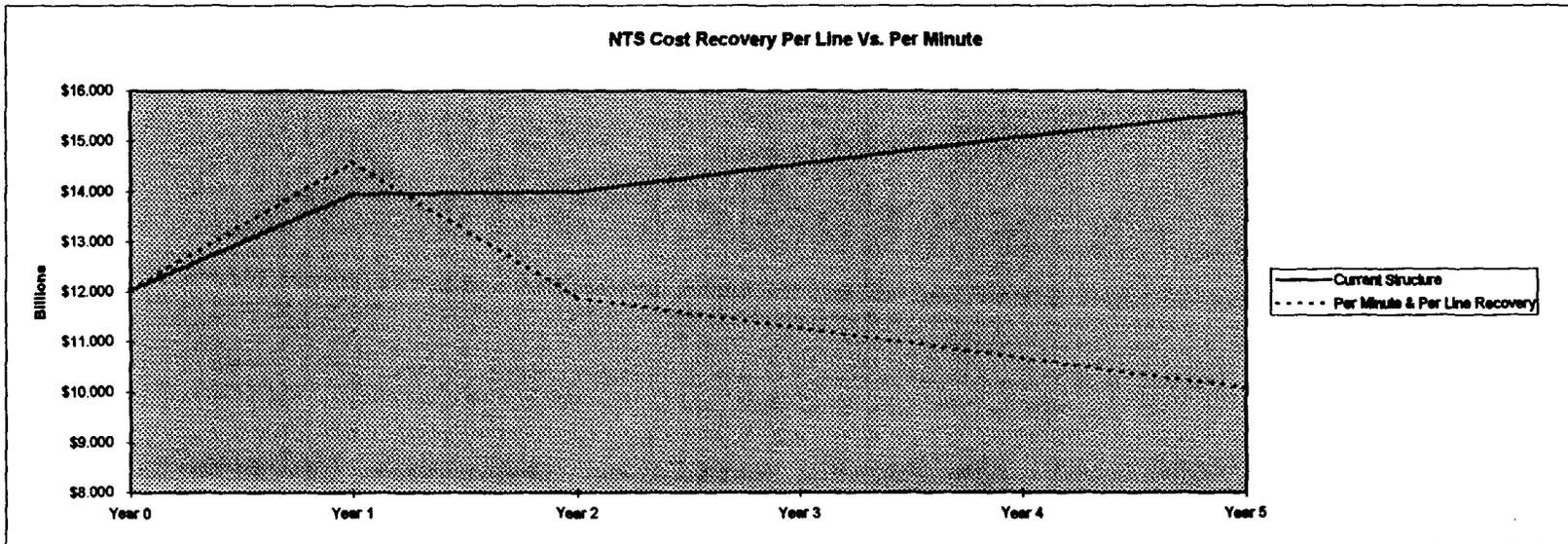
Robert T. Blau

Attachment

cc: Tom Boasberg  
Jim Casserly  
Jim Coltharp  
Dan Gonzalez  
Gina Keeney  
Richard Metzger  
John Nakahata  
Jim Schlichting

**Access Reform Analysis**  
**IXC Savings**  
**Network NTS Cost Recovery on a Per Line Basis**

**Simulation - Off, Competition - Off**  
**Base USF Phase 1: \$ 4.5B - Phases 2+: \$ 7.0B**



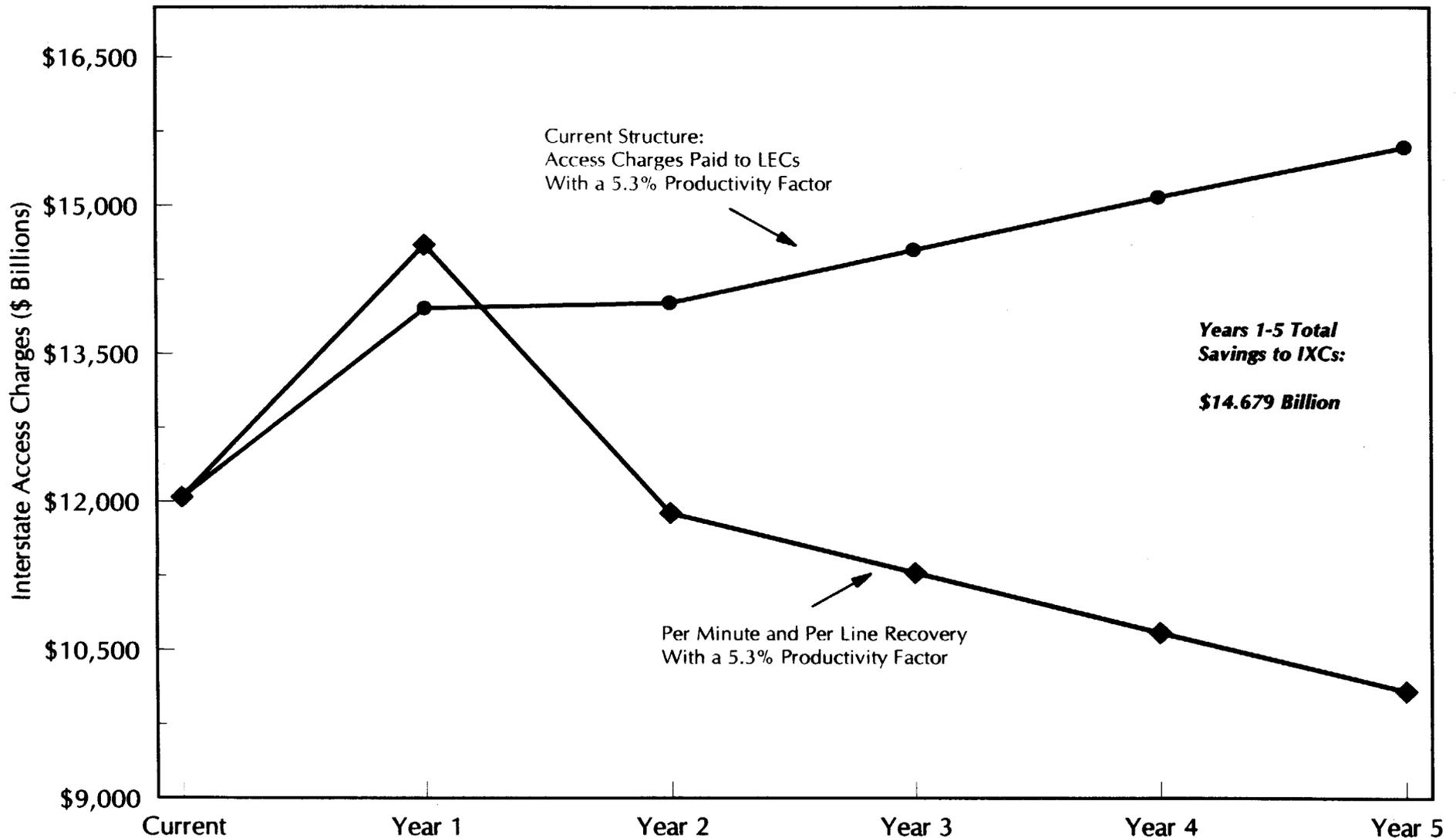
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Sum Year 1-5
<b>Price Cap Assumptions</b>							
Inflation	2.70%	2.70%	2.70%	2.70%	2.70%	2.70%	
Productivity	5.30%	5.30%	5.30%	5.30%	5.30%	5.30%	
g - Factor	10.67%	4.37%	4.24%	3.56%	3.10%	3.10%	
Non CCL Price Change	-2.60%	-2.60%	-2.60%	-2.60%	-2.60%	-2.60%	
CCL Price Change	-7.53%	-4.68%	-4.62%	-4.30%	-4.09%	-4.09%	
<b>Growth Rates</b>							
Line	11.47%	3.90%	3.67%	3.82%	3.98%	3.98%	
Minutes	23.36%	8.44%	8.07%	7.52%	7.21%	7.21%	
<b>Demand</b>							
Interstate Minutes (Billions)	408.54	503.97	546.51	590.61	635.03	680.81	
Average Lines per Month (Millions)	142.94	159.33	165.55	171.64	178.20	185.30	

**Access Reform Analysis**  
**IXC Savings**  
**Network NTS Cost Recovery on a Per Line Basis**

**Stimulation - Off, Competition - Off**  
**Base USF Phase 1: \$ 4.5B - Phases 2+: \$ 7.0B**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Sum Year 1-5
<b>Existing Structure Revenue</b>							
End User Common Line	\$ 6.968	\$ 7.768	\$ 8.071	\$ 8.367	\$ 8.687	\$ 9.033	
EUCL per MOU	\$ 0.017057	\$ 0.015413	\$ 0.014768	\$ 0.014167	\$ 0.013680	\$ 0.013269	
CL per MOU	\$ 0.024831	\$ 0.022961	\$ 0.021886	\$ 0.020875	\$ 0.019976	\$ 0.019160	
∆CL per Minute	\$ 0.0078	\$ 0.0063	\$ 0.0068	\$ 0.0064	\$ 0.0060	\$ 0.0057	
Traffic Sensitive	\$ 0.0181	\$ 0.0176	\$ 0.0171	\$ 0.0167	\$ 0.0163	\$ 0.0158	
Existing USF, LifeLine, Link-up Payments	\$ 0.9310	\$ 0.9310	\$ 0.9310	\$ 0.9310	\$ 0.9310	\$ 0.9310	
Access Price per Minute	\$ 0.0272	\$ 0.0258	\$ 0.0239	\$ 0.0231	\$ 0.0223	\$ 0.0215	
Interstate IXC Payments	\$ 12.043	\$ 13.956	\$ 14.013	\$ 14.552	\$ 15.085	\$ 15.588	\$ 73.195
<b>Proposed Structure Revenue</b>							
Usage	\$ 7.555	\$ 5.232	\$ 5.356	\$ 5.719	\$ 5.905		
Service Related TIC	\$ 0.965	\$ 1.003	\$ 1.040	\$ 1.080	\$ 1.123		
Per Line	\$ 3.561	\$ 3.118	\$ 2.585	\$ 1.782	\$ 1.156		
High Cost/LifeLine Fund	\$ 1.484	\$ 1.515	\$ 1.304	\$ 1.121	\$ 0.937		
Education/Health Fund	\$ 1.035	\$ 1.014	\$ 0.993	\$ 0.974	\$ 0.960		
Interstate IXC Payments	\$ 12.043	\$ 14.600	\$ 11.883	\$ 11.278	\$ 10.675	\$ 10.081	\$ 58.516
<b>Savings to IXCs ( Billions )</b>	\$	\$ (0.643)	\$ 2.130	\$ 3.275	\$ 4.411	\$ 5.507	\$ 14.679

## Recovering LECs Non-traffic Sensitive Network Costs Thru Per Line Charges Will Reduce IXC's Access Costs by \$14.7 B over the next 5 years



DOCUMENT OFF-LINE

This page has been substituted for one of the following:

- o An oversize page or document (such as a map) which was too large to be scanned into the RIPS system.
- o Microfilm, microform, certain photographs or videotape.
- ✓ Other materials which, for one reason or another, could not be scanned into the RIPS system.

The actual document, page(s) or materials may be reviewed by contacting an Information Technician. Please note the applicable docket or rulemaking number, document type and any other relevant information about the document in order to ensure speedy retrieval by the Information Technician.

Diskette