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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

May 20, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, SW, Room TWB-204
Washington, D.C. 20554

Re: Notice of Ex Parte contact:
In the matter of Access Charge Reform, CC Docket No. 96-262; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Price Cap Performance Review for LECs, CC Docket No. 94-1; MCI Telecommunications Corp. Emergency Petition for Prescription, CC Docket No. 97-250; Consumer Federation of America Petition for Rulemaking, RM-9210

Dear Ms. Roman Salas:

Yesterday, Joel Lubin and I, both of AT&T, discussed with Commissioner Susan Ness, Linda Kinney, Legal Assistant to the Commissioner, and Christopher Brown, Intern with the Commissioner's office, matters related to the referenced proceedings. In particular, we urged that the Commission proceed as quickly as possible with comprehensive access and universal service reform, and not defer the restructuring of access rates scheduled to become effective this July. We also discussed AT&T's view that universal service funding should be determined on the basis of efficient forward-looking costs, and that a geographically deaveraged subsidy based on embedded costs would be excessive and least subject to competitive pressure. In addition, we urged that the Commission refrain from prejudging the outcome of its high cost fund proceeding by increasing the high cost fund on an interim basis, and instead adjust the high cost fund only upon comprehensive universal service reform. The arguments and views that were presented are reflected in AT&T's written submissions in the referenced proceedings.

Two copies of this Notice are being submitted for each referenced proceeding in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

Leonard J. Cali (gs)

cc: Commissioner Susan Ness
Linda Kinney
Christopher Brown

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