ALTS

ASSOCIATION FOR LOCAL TELECOMMUNICATIONS SERVICES

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Jonathan Askin
General Counsel

May 2, 2000

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Magalie Roman Salas
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: In the Matter of Access Charge Reform, CC Docket No. 96-262; Price Cap Performance Review for Local Exchange Carriers, CC Docket No. 94-1; Low-Volume Long Distance Users, CC Docket No. 99-249; Federal-State Joint Board On Universal Service, CC Docket No. 96-45

Dear Secretary Salas,

Pursuant to Section 1.1206(a) of the Commission's Rules, 47 C.F.R. 1.1206(a), this letter is to provide notice of an *ex parte* meeting by John Windhausen and Jonathan Askin of the Association for Local Telecommunications Services, on May 1, 2000. The ALTS representatives met with Rebecca Beynon, Legal Advisor to Commissioner Furchtgott-Roth. During the meeting, the ALTS primarily discussed the proposal by the Coalition for Affordable Local and Long Distance Services ("CALLS"). ALTS expressed the opinion that the CALLS Proposal disregards the interests of relevant stakeholders, is anticompetitive, and cannot be adopted without substantial modification. ALTS distributed the attached chart which summarizes the difference between the CALLS proposal and an alternative proposal put forth by ALTS and Time Warner Telecom in their comments in the above-referenced proceeding.

Should you have any questions about this matter, please call me at 969-2597. An original and one copy of this letter is being submitted to you for inclusion in the public record.

Sincerely,

Jonathan Askin

cc: Rebecca Beynon

No. of Copies rec'd 0+4
List A B C D E

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CALLS vs. ALTS/TIME WARNER TELECOM ACCESS REFORM PLANS

	CALLS PLAN	ALTS/TWTC PLAN
Residential Subscriber Line Charges (SLC) and Pre-Subscribed Interexchange Carrier Charge (PICC)	Combines SLC and PICC with an increase in the SLC to $4.35.	Combines SLC and PICC with an increase in the SLC to $4.35.
Elimination of Implicit Subsidies	CCLC eliminated Multi-line Business PICC reduced by $50 million	CCLC eliminated Multi-line business PICC reduced by $350 million
Funding of Subsidy Elimination	$650 million USF SLC cap increases each year to a maximum of $6.50 by July 2003.	$300 million USF and targeting of productivity gains No further SLC increases beyond $4.35.
Universal Service Fund	Establishes $650 million USF.	Establishes $300 million USF. Fund size to be re-evaluated as part of SLC cost studies.
Lower Long-Distance Bills	Per-minute access charges reduced by $2.1 billion. Per-minute target rate of $.0055 for BOCs/GTE and $.0065 for other price-cap companies. Full productivity gains targeted at per-minute rates.	Per-minute access charges reduced by $1.3 billion, or nearly $400 million more than under current price-cap rules. Same target rates. Full productivity gains targeted at per-minute rates following elimination of implicit common-line subsidies.

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