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Leonard J. Cali
Vice President
Federal Government Affairs

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

September 13, 2000

Suite 1000
1120 20th Street, NW
Washington, DC 20036
202 457-2120
FAX 202 263-2794
lcali@att.com

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Notice of Ex Parte Presentation:

Funding Mechanism of the Universal Service Fund, CC Docket No. 96-45;
Policy and Rules Concerning the Interstate, Interexchange Marketplace,
Implementation of Section 254(g) of the Communications Act of 1934, as
amended, CC Docket No. 96-61; Deployment Of Wireline Services Offerings
Advanced Telecommunications Capability, CC Docket No. 98-147;
Implementation of the Local Competition Provisions of the Telecommunications
Act of 1996, CC Docket No. 96-98; In the Matter of the Application for Consent
to Transfer Control of Licenses and Section 214 Authorizations from MediaOne
Group, Inc., Transferor, to AT&T Corp., Transferee, CS Docket No. 99-251;
Annual Assessment of the Status of Competition in Markets for the Delivery of
Video Programming, CS Docket No. 00-132

Dear Ms. Salas:

Yesterday, C. Michael Armstrong, AT&T Chairman of the Board and Chief Executive Officer, James W. Cicconi, AT&T General Counsel and Executive Vice President, and I met with Commissioner Susan Ness, Mark Schneider, Senior Legal Advisor to Commissioner Ness, and Jordan Goldstein, Legal Advisor to Commissioner Ness. We discussed a number of issues that touch upon matters related to

the referenced proceedings. Specifically, we discussed the competitive marketplace distortions introduced by the assessment of a carrier's universal service fund contributions based on prior year revenues, and by interexchange geographic rate averaging requirements. In addition, we discussed the importance of ensuring that ILECs provide nondiscriminatory access to the unbundled network element platform for use by CLECs in providing both voice and data services over a single loop. We also discussed AT&T's concern that the Commission's cable ownership and attribution rules are arbitrary and overly restrictive. Our comments on these issues were consistent with AT&T's written submissions in the referenced proceedings.

For each of the referenced proceedings, two copies of this Notice are being submitted in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

A handwritten signature in black ink, appearing to read "R. J. Loh". The signature is fluid and cursive, with the first name "R." and last name "Loh" clearly distinguishable.

cc: Commissioner Susan Ness
Mark Schneider
Jordan Goldstein