

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
Federal-State Joint Board on) CC Docket No. 96-45 /
Universal Service)
)

COMMENTS OF WORLDCOM, INC

WorldCom, Inc. ("WorldCom") hereby submits its comments in response to the Public Notice released on September 11, 2001, in the above-captioned docket.¹

I. INTRODUCTION

In the Public Notice, the Common Carrier Bureau ("Bureau") seeks comment on several issues regarding the use of updated 2000 line count data in its universal service cost model. The Bureau seeks comment on whether it should apportion the new total line counts among service types and among wire centers using the same methodology it has used in the past. WorldCom believes that it would be better if the Commission were to require the incumbent local exchange carriers ("ILECs") to provide line counts by service type. If the Bureau does not require the ILECs to do so, then WorldCom has no objection to using the 2002 line counts data in the existing methodology to determine the total number of lines, to allocate the lines among types of service, and to apportion special access lines among wire centers. Similarly, WorldCom agrees that General Support Facilities ("GSF") investment from the year 2000 ARMIS report should be used to

¹Common Carrier Bureau Seeks Comment on Updating Line Counts and Other Limited Information Used in Calculating High-Cost Universal Service Support for Non-Rural Carriers for 2002, CC Docket No. 96-45, DA 00-2107, (rel September 11, 2001) (Public Notice).

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determine GSF investment in the model. Use of this updated data will more closely tie the model's results to the forward-looking levels of these inputs.

The Bureau also seeks comment on whether it should update various traffic parameters to determine the portion of the switch that is allocated to supported services. Currently, the model uses 1997 and 1998 traffic parameters from ARMIS and the National Exchange Carrier Association ("NECA"). The Bureau seeks comment on whether it should use more recent traffic parameter data, and whether it should use solely NECA data for this purpose.

II. THE BUREAU SHOULD NOT RELY SOLELY ON NECA DATA

The Bureau should not rely solely on NECA data to apportion switch costs to supported services. Currently, the Commission uses the most recent dial equipment minutes ("DEM") data from ARMIS to size the network built by the Synthesis Model ("SM"), and then uses the split of DEM minutes between state, interstate, and local minutes that is provided by NECA to determine the portion of total minutes that are used by supported services. The Commission should continue to use this methodology.

Because of reporting requirements, the DEM data provided by NECA is one year older than the data in ARMIS. Thus, if the Commission were to rely solely on NECA data, it would ignore the growth in minutes that occur each year, and lose the economies of scale that result from the increase in minutes. The Commission should continue to use the more recent ARMIS data to determine the overall size of the network needed, and use the NECA data solely to apportion the DEM among the types of minutes. This would ensure that the minutes of use and the cost data discussed above were of the same vintage.

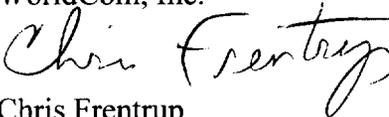
In any case, use of NECA data for minutes of use would not free the Commission from reliance on ARMIS data on demand. The SM also uses other demand data that are available only from ARMIS - local call attempts, intraLATA toll messages, intrastate interLATA messages, and interstate interLATA messages. Using NECA rather than ARMIS DEM data would not allow the Commission to rely on only one source for demand data.

III. CONCLUSION

For the reasons stated herein, the Bureau should use the updated line count data, along with its existing methodology to allocate total lines among the service types and wire centers. However, it should not rely solely on NECA data to determine the network usage data used to allocate the investment in the switch to supported services.

Respectfully submitted,

WorldCom, Inc.

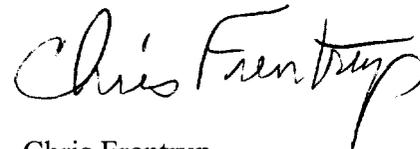


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October 4, 2001

STATEMENT OF VERIFICATION

I have read the foregoing and, to the best of my knowledge, information, and belief, there is good ground to support it, and it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on October 4, 2001.

A handwritten signature in black ink that reads "Chris Frentrup". The signature is written in a cursive style with a large initial "C" and a long, sweeping tail on the "p".

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CERTIFICATE OF SERVICE

I, Elizabeth Bryant, do hereby certify that on this 4th day of October, 2001, I caused a copy of the foregoing Comments of WorldCom, Inc. to be served upon each of the parties listed on the attached Service List by U.S. First Class mail, postage prepaid.

A handwritten signature in cursive script that reads "Elizabeth Bryant". The signature is written in black ink and is positioned above the printed name.

Elizabeth Bryant

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