CTIA
Building The Wireless Future™
Cellular Telecommunications & Internet Association

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Senior Vice President for
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September 30, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
12th Street Lobby, TW-A325
Washington, DC 20554

Re: *Ex Parte Presentation*
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,
95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch:

On September 27, 2002, the Cellular Telecommunications & Internet Association ("CTIA") represented by Michael Altschul, Senior Vice President for Policy and Administration and Diane Cornell, Vice President for Regulatory Policy, met with William Maher, Chief, Carol Mattey, Deputy Bureau Chief, Eric Einhorn, Acting Chief of the Telecommunications Access Policy Division, Jessica Rosenworcel, Legal Counsel to the Bureau Chief, and Paul Garnett, Attorney Advisor of the Wireline Competition Bureau and Wayne Leighton, Economist in the Wireless Telecommunications Bureau.

At the meeting, CTIA reiterated its position that the existing revenue-based Universal Service Fund ("USF") assessment system should be retained as the most fair and equitable manner of collecting USF funds. The meeting began with the presentation of an interstate traffic study containing information from six wireless service providers. As detailed in the attached study, the percentage of interstate traffic carried by the six wireless service providers ranged from 10 percent to 28.5 percent.

Based on these studies, CTIA acknowledged that it would be appropriate to re-examine the wireless safe-harbor proxy. Under such a scenario, carriers could report traffic data on a quarterly basis to allow for adjustments in the proxy as necessary. CTIA also noted that this system, unlike a connection-based fee, would comport with Section 254(d) of the 1996 Act. Furthermore, preservation of the revenue-based USF collection system would also prevent disproportionate harm to no-use, low-use and low-income wireless service users.

Finally, CTIA urged the Commission to continue to allow carrier flexibility in the recovery of USF contributions. Wireless service providers currently offer a wide array of

service offerings, and any attempt to mandate a "one size fits all" approach for carrier recovery would likely only reduce carrier flexibility and reduce customer offerings.

The attached presentation was discussed at the meeting. Pursuant to Section 1.1206 of the Commission's rules, this letter is being filed with your office. If you have any questions regarding this submission, please contact the undersigned.

Sincerely,

Michael Altschul

Attachment

cc: William Maher
Carol Mattey
Eric Einhorn
Jessica Rosenworcel
Paul Garnett
Walter Leighton