DOCKET FILE COPY ORIGINAL

AT&T

Robert W. Quinn, Jr.
Federal Government Affairs
Vice President

Suite 1000
1120 20th Slreet NW
Washington DC 20036
2024573851
FAX 202 457 2545

RECEIVED

NOV - 8 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

November 7.2002

Via Electronic Filing
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: *Federal-Slate Joint Board on Universal Service,* CC Docket No. 96-45; *1998 Biennial Regulatory Review – Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Service, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms,* CC Docket 98-171; *Telecommunications Services for Individuals with Hearing Speech Disabilities and the Americans with Disabilities Act of 1990,* CC Docket No. 90-571; *Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size.* CC Docket No. 92-237, NSD File No. L-00-72; *Number Resource Optimization,* CC Docket No. 99-200; and *Telephone Number Portability,* CC Docket No. 95-116

Dear Ms. Dortch:

On Wednesday November 6,2002, I spoke with Chnstopher Libertelli, Chairman Powell's Legal Adviser, to discuss issues related to the aforementioned proceeding. I urged Mr. Libertelli and Chairman Powell to consider the telephone number assessment mechanism proposal that AT&T submitted into this proceeding earlier this month. I also explained that if the Commission were to adopt an interim mechanism that maintains assessment based upon carrier interstate revenues, that mechanism must address the six month revenue lag, uncollectibles, unbillable revenues as well as permit carriers to recover their administrative costs associated with administering this program.

I explained that the unbillables issue arises in situations where carriers are unable to bill a USF connectivity fee on certain interstate revenues upon which they are assessed. I also provided examples of those situations, most notably for AT&T's consumer business, where an incumbent local change carrier performs the billing function associated with certain interstate revenues. In circumstances where the end user customer is not pre-subscribed to AT&T (and

No. of Copies rec'd 0
List ABCDE

perhaps receives a collect or third party billed call), the local carrier frequently bills those calls on the local bill, but the issue arises when the local carrier refuses to add a line item to assess the USF connectivity fee. Another example arises with independent incumbent local exchange carriers for whom AT&T provides long distance service where the independent carrier refuses to include a line item for USF connectivity. In both of those circumstances, AT&T is assessed by USAC on those interstate revenues but is unable to collect that contribution from the specific customer. For business customers, the unbillable issue usually arises in circumstances where an individual customer asserts that, because of contract language or some other reason, AT&T cannot bill the customer the USF connectivity charge. If the Commission maintains a revenue mechanism, even for an interim period of time, it must address all of these circumstances. AT&T noted that the collect-and-remit methodology described in its September 13, 2002 ex parte presentation can be easily adopted by the Commission on April 1,2003 regardless of the approach selected by the Commission.

The positions expressed in the meeting were consistent with those contained in the Comments Reply Comments and ex parte filings previously made in the aforementioned docket. One electronic copy of this Notice is being submitted for the referenced proceedings in accordance with the Commission's rules.

Sincerely,

Robert W. Quinn Jr.

cc: Christopher Libertelli