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July 22, 2003

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
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c/o Vistronix, Inc.
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Washington, D.C. 20002

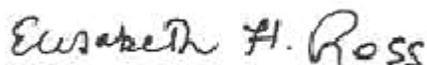
Re: CC Docket No. 96-45

Dear Ms. Dortch:

On July 21, 2003, Joel Shifman, Senior Advisor to the Maine Public Utilities Commission, Peter Bluhm, Director of Regulatory Policy of the Vermont Public Service Board, and I had a teleconference with Chris Libertelli, Chairman Powell's Wireline Competition Legal Advisor, William Maher, Chief, Wireline Competition Bureau, Carol Matthey, Deputy Chief, Wireline Competition Bureau, and William Scher, Assistant Chief, Telecommunications Access Policy Division. Mr. Shifman and Mr. Bluhm discussed issues related to universal service funding for rural states served by non-rural telephone companies. These issues included problems with the model used to calculate support for non-rural telephone companies, and longer term solutions to funding rural states' universal service needs. They also discussed issues raised in "Comments on Joint Board Recommended Decision by Montana Public Service Commission, Montana Consumer Counsel, Vermont Public Service Board, and Vermont Department of Public Service," that were filed in this docket on December 20, 2002.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being electronically filed with your office. If you have any questions concerning this submission, please contact the undersigned.

Sincerely,



Elisabeth H. Ross
Attorney for the Vermont Public Service Board

cc: Chris Libertelli
William Maher
Carol Matthey
William Scher