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Via Electronic Filing

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

Re: Federal-State 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 No. 98-171; Telecommunications Services for Individuals with Hearing and
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;
Telephone Number Portability, CC Docket No. 95-116; Truth-in-Billing and Billing
Format, CC Docket No. 98-170

Dear Ms. Dortch:

On Monday, July 21, 2003, Robert Quinn, Joel Lubin, and the undersigned met with Dan Gonzalez, Legal Advisor to Commissioner Martin, to discuss universal service reform. In particular, we discussed the projected monthly federal USF line charge if the Commission were to adopt a telephone number-based assessment methodology and the impact on a low volume user if the only change in the USF assessment mechanism was to assess both interstate and intrastate revenues. The attached charts served as the basis of our discussion.

One electronic copy of this Notice is being submitted to the Secretary of the FCC in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

A handwritten signature in cursive script that reads "Amy L. Alvarez".

**Projected Federal USF Charge Per Assigned Number and Number Equivalents
[Baseline Version --- With New Numbers and Assumptions]**

TYPE OF NUMBERS	Numbers or Equivalents
ILEC ASSIGNED NUMBERS (including Payphones)*	297,433,000
CLEC ASSIGNED NUMBERS*	29,892,000
CELLULAR/PCS ASSIGNED NUMBERS*	141,776,000
PAGING ASSIGNED NUMBERS*	14,111,000
800 Numbers- Assigned	7,382,721
888 Numbers - Assigned	6,798,231
877 Numbers - Assigned	6,188,553
866 Numbers - Assigned	3,114,223
TOTAL TOLL-FREE ASSIGNED NUMBERS***	23,483,728
SPECIAL ACCESS, PRIVATE LINE, and ADSL Number Equivalents Based on Tiers [From FCC Staff Study] **	56,400,000
GRAND TOTAL ASSIGNED NUMBERS & EQUIVALENTS	563,095,728
PROJECTED FEDERAL USF FUNDING REQUIREMENT****	\$ 6,651,000,000
TOTAL OTHER NUMBERS (Intermediate, Reserved, Aging, Administrative, and Available): *	748,211,000
Expected Annual Collection from "OTHER NUMBERS" @ \$0.00/Number/Month	\$ -
Minimum Contribution That Would Result If All Filers Contributes Atleast 1% Of their Interstate/International Revenues *****	\$ -
Projected Average Monthly Rate Per "Assigned" Number/Equivalents	\$ 0.98

NOTES:

* Assigned Number: That has been assigned to a carrier and in-use by end-user customers. There are another 96.952 Million Numbers which were assigned for "Administrative and Others" purposes. In addition, there were 651.259 million assigned but "available" numbers as of 12/31/2002. Source: TABLE 1, Numbering Resource Utilization in the United States as of December 31, 2002, Released July,2003. By Craig Stoup (202-418-0989) and John Vu of FCC's Wireline Competition Bureau.
** Toll Free Numbers (as of July 2002) Are From SOCC Table 5:11. Per Craig Stoup of FCC, they are not included in the above assigned number counts. Numbers associated with 411, 911, and 976 services are also not included in the above.
*** Special Access, Private Line, and ADSL Number Equivalents (Based on Tiers) Are From The Page 9 of FCC Staff Study Released on February 26, 2003. Numbers Included Here Are From The 2004 Column.
**** Table 15-11, Current Service Budget Authority By Function, Category, and Program. Current Service Estimates at 339, Budget of the United States, 2004.
***** Source: FCC Staff Study Released February 26, 2003, Page 19, Paragraph 2.

Sample Bill --Current USF Assessment --
On Interstate Revenue Only (@ 9.5%)

Low Volume Customer

Sample Bill --Proposed USF Assessment
On Intrastate & Interstate Revenue (@ 3.2%)

	Acct 908-555-1234
JULY 2003	
SUMMARY	
Current Charges	
\$12.47	Local Basic Revenue
4.93	Feature Revenue
5.65	Subscriber Line Charge
0.30	Local Number Portability Charge
0.56	Universal Service Fee
1.06	911, Touch-Tone Service, Other Charges
2.81	Intrastate IntraLATA Toll
2.50	State and Federal Taxes
Amount Owed to Local Phone Co. \$30.28	

	Acct 908-555-1234
JULY 2003	
SUMMARY	
Current Charges	
\$12.47	Local Basic Revenue
4.93	Feature Revenue
5.65	Subscriber Line Charge
0.30	Local Number Portability Charge
0.87	Universal Service Fee
1.06	911, Touch-Tone Service, Other Charges
2.81	Intrastate IntraLATA Toll
2.50	State and Federal Taxes
Amount Owed to Local Phone Co. \$30.50	