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March 3, 2004

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

RE: International Settlements Policy Reform (IB Docket No. 02-324)
International Settlement Rates (IB Docket No. 96-261)

Dear Ms. Dortch:

On March 2nd, 2004, Peter Cowhey, a consultant to AT&T, spoke separately with International Bureau Chief Donald Abelson and Legal Advisor Sheryl Wilkerson from Chairman Powell's office to discuss the above-referenced proceeding, focusing on the treatment of mobile termination rates in foreign countries.

Dr. Cowhey concurred with the findings of foreign regulatory authorities that there is a problem with mobile termination on the networks of operators under calling party pay systems. He proposed that the Commission undertake a further Notice to resolve key unresolved empirical issues in the current proceeding, including the proper way to understand costs for mobile termination systems under calling party pays. This would permit a better cost-benefit analysis of possible policy responses. The further Notice should not presuppose any policy response in the Notice but explore a full range of options in light of a cost-benefit analysis of each option.

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 black ink, appearing to read "D. W. Schoenberger".

copy to:
Donald Abelson
Sheryl Wilkerson