through purchase, merger or transfer, the telecommunications operations or customer base of a telecommunications provider during the calendar year, it must report all telecommunications revenues associated with such operations or customer base including revenues billed in the calendar year prior to the date of acquisition.

Gross revenues also should include any surcharges on telecommunications services that are billed to the customer and either retained by the filer or remitted to a non-government third party under contract. Gross revenues should exclude taxes and any surcharges that are not recorded on the company books as revenues but which instead are remitted to government bodies. Note that any charge included on the customer bill and represented to recover or collect contributions to federal or state universal service support mechanisms must be shown separately on Line (403). Other surcharges treated as revenues should be included in the revenue categories on which the surcharges were levied.

For international services, gross revenues consist of gross revenues billed by U.S. telecommunications providers with no allowances for settlement payments. International settlement receipts for foreign-billed service should not be included in revenues.

If you have any revenues for Lines (303-314) and (403-420), you may not omit the dollar amounts from column (a) even if 100% of the revenues are for interstate or international service.

3. Columns (b), (c), (d), and (e) interstate & international

Columns (b), (c), (d), and (e) are provided to identify the part of gross revenues that arise from interstate and international service for each entry on lines (303) through (314) and Lines (403) through (417). Intrastate telecommunications means communications or transmission between points within the same State, Territory, or possession of the United States, or the District of Columbia. Interstate and international telecommunications means communications or transmission between a point in one state, territory, possession of the United States or the District of Columbia and a point outside that state, territory, possession of the United States or the District of Columbia. Revenues from services offered under interstate tariffs, such as revenues from federal subscriber line charges and from federally tariffed local number portability surcharges, should be identified as interstate revenues.

For example, if a prepaid calling card provider collects a fixed amount of revenue per minute of traffic, and 65 percent of minutes are interstate, then interstate revenues would include 65 percent of the per-minute revenues. Similarly, if a local exchange carrier bills local measured service charges for calls that originate in one state and terminate in another, these billings should be classified as interstate even though the charges are covered by a state tariff and the revenues are included in a local service account. Note that under the Commission's rules, if over ten percent of the traffic carried over a private or WATS line is interstate, then the revenues and costs generated by the entire line are classified as interstate.[21] In general, flat-rated unbundled network access elements should be classified according to the regulatory agency that has primary jurisdiction over the contracts. Amounts billed to customers to recover federal universal service contribution obligations should be attributed as either interstate or international revenues, as appropriate, but may not be reported as intrastate revenues.

Note: Where possible, filers should report their amount of total revenues that are interstate and international by using information from their books of account and other internal data reporting systems. Where a filer can determine the precise amount of revenues that it has billed for interstate and international services, it should enter those amounts in columns (d) and (e), respectively.

In many cases, interstate and international revenues cannot be determined directly from corporate books of account or subsidiary records. Filers, that cannot so derive interstate and international revenues or that cannot derive the line-by-line revenue breakdowns, may provide on the Worksheet good-faith estimates of these figures. In such

[21] *See* 47 C.F.R. § 36.154(a).

cases, the filer should enter the good-faith estimates of the percentage of interstate and the percentage of international revenues in columns (b) and (c), respectively. A reporting entity may not submit a good-faith estimate lower than one percent unless the correct figure should be $0. Information supporting good-faith estimates must be made available to either the FCC or to the administrators upon request. Using the good-faith estimate, calculate the amount of interstate revenues as the amount in column (a) times the percentage in column (b), and calculate the amount of international revenues as the amount in column (a) times the percentage in column (c). For convenience, calculated interstate and international revenue amounts that are greater than one thousand dollars may be rounded to the nearest thousand dollars. Please enter zero dollars in columns (d) and (e) if, and only if, there were no interstate revenues for the line for the reporting period.

Note for common carriers providing international telecommunications services: except in very limited circumstances, such as receipts from foreign carriers for calls that are reoriginated and reported as U.S. billed traffic, the total revenues identified as international on Line 419(e) should match the total U.S. billed revenues that will be reported on July 31 of each year pursuant to 47 C.F.R. § 43.61. International private line circuits connect a U.S. point to a foreign point. Circuits within the United States that connect a customer to an international circuit should be reported as interstate. Circuits that connect foreign points should be reported on Line (418).

Note that under interim guidelines,[22] the FCC provides the following safe harbor percentages of interstate revenues associated with Line (309), Line (409) and Line (410):

- 15% of cellular and broadband PCS telecommunications revenues billed between January 1, 2002 and September 30, 2002
- 28.5% of cellular and broadband PCS telecommunications revenues billed between October 1, 2002 and December 31, 2002
- 12% of paging revenues
- 1% of analog SMR dispatch revenues

These safe harbor percentages may not be applied to universal service pass-through charges, fixed local service revenues, or toll service charges. All filers must report the actual amount of interstate and international revenues for these services. For example, toll charges for itemized calls appearing on mobile telephone customer bills should be reported as intrastate, interstate or international based on the origination and termination points of the calls.

Wireless telecommunications providers that choose to avail themselves of these safe harbor percentages for interstate revenues may assume that the FCC will not find it necessary to review or question the data underlying their reported percentages. Beginning with revenues reported for October 1, 2002 through December 31, 2002, all affiliated wireless telecommunications providers must make a single election, each quarter, whether to report actual revenues or to use the revised safe harbor within the same safe harbor category.[23] So, for example, if in a

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22 *Federal-State Joint Board on Universal Service*, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking, CC Docket No. 96-45, 13 FCC Rcd 21252, 21258-60 (1998); *Federal-State Joint Board on Universal Service, 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, Telecommunications Services for Individuals with Hearing and Speech Disabilities, and the Americans With Disabilities Act of 1990, Administration of the North American Numbering Plan and North American Numbering Plan Cost Recovery Contribution Factor and Fund Size, Number Resource Optimization, Telephone Number Portability, Truth-in-Billing and Billing Format*, Report and Order and Second Further Notice of Proposed Rulemaking, CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170, FCC 02-329 (rel. Dec. 13, 2002) (*Contribution Methodology Order*).

23 *See Federal-State Joint Board on Universal Service*, Order and Order on Reconsideration, CC Docket No. 96-45, FCC 03-20 (rel. Jan. 30, 2003). Note: Wireless telecommunications providers are "affiliated" for purposes of making the single election whether to report actual interstate telecommunications revenues or use the applicable

calendar quarter a wireless telecommunications provider reports actual interstate revenues for its cellular and broadband PCS telecommunications services, all of its affiliated legal entities must also report actual interstate telecommunications revenues for cellular and broadband PCS offerings. The same wireless telecommunications provider and all affiliates, however, could use the safe harbor for paging services. Annual revenues reported on the Form 499-A should reflect the filer's reporting of revenues in each quarter on Form 499-Q.

4. Explanation of revenue categories

The revenue detail provided on Lines (303) through (314) and Lines (403) through (418) should total to total gross revenues reported on Line (419). This section explains the detailed revenue categories.

Filers are instructed to report revenues from other universal service contributors on lines (303) through (314). Filers are instructed to report all other revenues on lines (403) through (418). In many cases, the line-item categories are duplicated in the two sections. Carriers that are required to use the Uniform System of Accounts (USOA) prescribed in Part 32 of the Commission's rules should base their responses on their USOA account data and supplemental records, dividing revenues into those received from universal service contributors and those received from end users and other non-contributors. All filers should report revenues based on the following descriptions.

Fixed local service revenue categories

Fixed local services connect a specific point to one or more other points. These services can be provided using either wireline or fixed wireless technologies and can be used for either local exchange service, private communications, or access to toll services.

Line (303) and Line (404) -- Monthly service, local calling, connection charges, vertical features, and other local exchange services should include the basic local service revenues except for local private line revenues, access revenues, and revenues from providing mobile or cellular services. This line should include charges for optional extended area service, dialing features, local directory assistance, added exchange services such as automatic number identification (ANI) or teleconferencing, local number portability (LNP) surcharges, connection charges, charges for connecting with mobile service and local exchange revenue settlements. Revenues for services provided to carriers should be divided between Line (303a) – provided as unbundled network elements (UNEs) -- and Line (303b) -- provided under tariffs or arrangements other than unbundled network elements (for example, resale). Line (303b) should include Presubscribed Interexchange Carrier Charge (PICC) charges levied on carriers. Line (404) should include charges identified on customer bills as subscriber line charges, but that are not provided under a tariff filed by the reporting entity or its underlying carrier.

Line (304) – Line (304) should include per-minute charges for originating or terminating calls. This line also would include revenues to the local exchange carrier for messages between a cellular customer and another station within the mobile service area. The line should include any other gross charges to other carriers for the origination or termination of toll or non-toll traffic. Do not deduct or net payments to carriers for origination or termination of traffic on their networks. Revenues for originating and terminating minutes should be divided between Line (304a) -- provided under state or federal access and Line (304b) tariffs -- provided as unbundled network elements or other contract arrangements. Do not include international settlement or settlement-like receipts or transiting fees for foreign-billed service.

Line (405) – Line 405 should include charges to end users specified in access tariffs, such as tariffed subscriber line charges and PICC charges levied by a local exchange carrier on customers that are not presubscribed to an

interim wireless safe harbor if one entity (1) directly or indirectly controls or has the power to control another, (2) is directly or indirectly controlled by another, (3) is directly or indirectly controlled by a third party or parties that also controls or has the power to control another, or (4) has an "identity of interest" with another contributor. *See also* 47 C.F.R. § 1.2110(c)(5).

interexchange carrier (*i.e.*, a no-PIC customer). However, Line 405 should not include charges to end users for special access services (which are reported on line 406). Telecommunications providers that do not have subscriber line charge tariffs on file with the Commission or with a state utility commission or who are not reselling such tariffed charges, should report $0 on Line (405).

Line (305) and Line (406) -- Local private line and special access service should include revenues from providing local services that involve dedicated circuits, private switching arrangements, and/or predefined transmission paths. Line (406) should include revenues from special access lines resold to end users unless the service is bundled with, and charged as part of a toll service.

Line (306) and Line (407) -- Line (306) should include revenues received from carriers as payphone compensation for originating toll calls. Line (407) should include revenues received from customers paid directly to the payphone service provider, including all coin-in-the-box revenues. Do not deduct commission payments to premises' owners.

Line (307) and Line (408) -- Other local telecommunications service revenues should include local telecommunications service revenues that reasonably would not be included with one of the other fixed local service revenues categories. Line (307) should include charges for physical collocation of equipment pursuant to 47 U.S.C. § 251(c)(6).

Line (308) -- Universal service support revenues should include all amounts that filers receive as universal service support from either states or the federal government. Line (308) should include as revenues Lifeline Assistance reimbursement for the waived portion of subscriber line or presubscribed interexchange carrier charges or credits for subsidized services provided to schools, libraries, and rural health care providers. Line (308) should include amounts received as cash as well as amounts received as credit against contribution obligations. Line (308) should not include any amounts charged to customers to recover universal service or similar contributions.

Mobile service

Mobile services are wireless communications between mobile wireless equipment, such as cellular phones, and other points.

Line (309), Line (409), and Line (410) -- Data reported on these lines should contain mobile service revenues other than toll charges to mobile service customers. Charges associated with customer premises equipment should not be included on these lines. A single category – Line (309) -- is provided for all mobile service provided to resellers. Line (309) should include revenues received from another carrier for roaming service provided to customers of that carrier. For services provided to end users, Line (409) should contain monthly charges, activation fees, and service order processing charges, etc. Line (410) should contain message charges, including any roaming charges assessed on customers for calls placed out of customers' home areas. End-user prepaid wireless service revenues attributable to activation and daily or monthly access charges should be reported on Line (409). End-user prepaid wireless service revenues attributable to airtime should be reported on Line (410). Toll charges to mobile service customers should be included in the Lines (413) or (414), as appropriate.

Toll service revenue categories

Toll services are telecommunications services, wireline or wireless, that enable customers to communicate outside of local exchange calling areas. Toll service revenues include intrastate, interstate, and international long distance services.

Line (411) -- This line should include revenues from prepaid calling cards provided either to customers or to retail establishments. Gross billed revenues should represent the amounts actually paid by customers and not the amounts paid by distributors or retailers, and should not be reduced or adjusted for discounts provided to distributors or retail establishments. All prepaid card revenues are classified as end-user revenues.

Line (412) -- International calls that traverse the United States but both originate and terminate in foreign points are excluded from the universal service contribution base regardless of whether the service is provided to resellers or to end users. These revenues should be segregated from other toll revenues by showing them on Line (412). Telecommunications providers should not report international settlement revenues from traditional settlement transiting traffic on the Worksheet.

Line (310) and Line (413) -- Operator and toll calls with alternative billing arrangements should include all calling card or credit card calls, person-to-person calls, and calls with alternative billing arrangements such as third-number billing, collect calls, and country-direct type calls that either originate or terminate in a U.S. point. These lines should include all charges from toll or long distance directory assistance. Lines (310) and (413) should include revenues from all calls placed from all coin and coinless, public and semi-public, accommodation and prison telephones, except that calls that are paid for via prepaid calling cards should be included on line (411) and calls paid for by coins deposited in the phone should be included on line (407).

Line (311) and Line (414) -- Ordinary long distance and other switched toll services should include amounts from account 5100 -- long distance message revenues-- except for amounts reported on Lines (310), (407), (411), (412) or (413). Line (311) and Line (414) should include ordinary message telephone service (MTS), WATS, toll-free, 900, "WATS-like," and similar switched services. This category includes most toll calls placed for a fee and should include flat monthly charges billed to customers, such as account maintenance charges, PICC pass-through charges, package plans giving fixed amounts of toll minutes, and monthly minimums.

Line (312) and Line (415) -- Long distance private line service should include revenues from dedicated circuits, private switching arrangements, and/or predefined transmission paths, extending beyond the basic service area. Line (312) and Line (415) should include frame relay and similar services where the customer is provided a dedicated amount of capacity between points in different basic service areas. This category should include revenues from the resale of special access services if they are included as part of a toll private line service.

Line (313) and Line (416) -- Satellite services should contain revenues from providing space segment service and earth station link-up capacity used for providing telecommunications or telecommunications services via satellite. Revenues derived from the lease of bare transponder capacity should not be included on lines (313) and (416).

Line (314) and Line (417) -- All other long distance services should include all other revenues from providing long distance communications services. Line (314) and Line (417) should include toll teleconferencing. Line (314) and Line (417) should include switched data, frame relay and similar services where the customer is provided a toll network service rather than dedicated capacity between two points.

Other revenue categories

Line (403) -- Itemized charges levied by the reporting entity in order to recover contributions to state and federal universal service support mechanisms should be classified as end-user billed revenues and should be reported on Line (403). Any charge that is identified on a bill as recovering contributions to the universal service support mechanisms must be shown on Line (403) and should be identified as either interstate or international revenues, as appropriate.

Line (418) -- Other revenues that should not be reported in the contribution bases. Line (418) should include all non-telecommunications service revenues on the reporting entity's books as well as some revenues that are derived from telecommunications-related functions but that should not be included in the universal service or other fund contribution bases. For example, information services offering a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications are not included in the universal service or other fund contribution bases. Information services do not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service. Information services also are called enhanced services because they are offered over common carrier transmission facilities used in interstate communications and employ computer processing applications that act on the format, content, code, protocol, or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. For example, call moderation and call transcription services are information services. These services are exempt from contribution requirements and should be reported on line (418). Line (418) should include revenues from published directory and carrier billing and collection services. Line (418) should include revenues from the sale, lease, installation, maintenance, or insurance of customer premises equipment (CPE), inside wiring charges, inside wiring maintenance insurance. Line (418) should include the sale or lease of transmission equipment, such as dark fiber, that is not provided as part of a telecommunications service. Line (418) should include revenues from providing open video systems (OVS), cable leased access, and direct broadcast satellite (DBS) services. Line (418) should include late payment charges and charges (penalties) imposed by the company for customer checks returned for non-payment. Line (418) should include revenues from telecommunications services provided in a foreign country where the traffic does not transit the United States or where the carrier is providing service as a foreign carrier, i.e. a carrier licensed in that country.

Line (419) -- Gross billed revenues from all sources should equal the sum of revenues by type of service reported on Lines (303) through (314) and Lines (403) through (418).

Line (420) -- Universal service contribution base. Enter the subtotal of Lines (403) through (411) and Lines (413) through (417). The totals on this line represent end-user revenues for the purpose of determining contributions to universal service support mechanisms. Note that these lines contain end-user revenues from carriers and telecommunications service providers that are exempt (*e.g.*, carriers that meet the universal service *de minimis* exception, or that provide "international only" service) from contributing to universal service support mechanisms. Since these universal service exempt entities generally do contribute directly to the TRS, local number portability, and NANPA mechanisms, revenues from these entities need not be included in contribution bases for those mechanisms. Thus, underlying carriers may, if they elect to, identify these amounts on Line (511).

Notes for carriers that use the USOA

The revenue accounts in the current USOA generally correspond to revenue lines in Block 3 and Block 4. For example, revenue amounts recorded in accounts 5001, 5002, 5050, 5060 and 5069 should be reported on Line 303 or Line 404, as appropriate. Similarly, revenues recorded in account 5280 should be reported on Line 407. There are some exceptions. For example, monthly and connection revenues from mobile services provided to end users in account 5004 should be reported on Line 409. Per-minute revenues from end users in account 5004 should be reported on Line 410. However, revenues in account 5004 from exchanging traffic with mobile service carriers should be reported on Line 304. Similarly, state per-minute access revenues recorded in account 5084 should be reported on Line 304; state special access revenues recorded in account 5084 should be reported on Line 305 and Line 406, as appropriate; and, state subscriber line charge revenues recorded in account 5084 should be reported on Line 405.

The Commission recently adopted changes to the USOA.[24] The change in account structure will not change which revenues should be reported on which Form 499 lines. Once carriers implement the new account structure, most revenues classified in account 5001 -- basic area revenues, will continue to be reported on Line (303) or Line (404). However, local exchange carrier revenues from mobile carriers for calls between wireless and wireline customers will continue to be reported on Line (304) and revenues from mobile services will continue to be reported on Line (309), Line (409) or Line (410), as appropriate. Revenues classified in account 5200,

24 *See 2000 Biennial Regulatory Review – Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2,* CC Docket No. 00-199, Report and Order in CC Docket Nos. 00-199, 97-212, and 80-286 and Further Notice of Proposed Rulemaking in CC Docket Nos. 00-199, 99-301, and 80-286, 16 FCC Rcd 19911 (2001).

miscellaneous revenues, will be divided into several lines for reporting purposes. For example, account 5200 includes revenues derived from UNEs, which will continue to be reported on Line (303) and reciprocal compensation, which will continue to be reported on Line (304).

Some types of incidental regulated revenues contained in account 5200, miscellaneous revenues will continue to be reported on Lines 403 through 408. These include collection overages and non-refundable prepaid amounts that are not used by the customer. Note that late payment charges, bad check penalties imposed by the company, enhanced services, billing and collection, customer premises equipment sale, lease or insurance, and published directory revenues should continue to be reported on Line (418).

Revenues recorded in account 5100, long distance network service revenues, will continue to be reported on Line (310) through Line (314) and Line (411) through Line (417), as appropriate.

G. Block 5: Additional Revenue Breakouts

Lines (501-502) -- Copy the Filer 499 ID from Line (101) into Line (501). Copy the legal name of the reporting entity from Line (102) into Line (502).

Lines (503-510) -- In these lines, filers should identify the percentages of their revenues by LNPA region. Filers that have certified that they are exempt from contributing to the shared costs of local number portability need not provide these breakdowns. Carriers should calculate or estimate the percentage of revenues that they billed in each region based on the amount of service they actually provided in the parts of the United States listed for each region. The percentages in column (a) should add to 100% unless the filer did not provide any services for resale by other contributors to the federal universal service support mechanisms. The percentages in column (b) should add to 100% unless the filer did not provide any telecommunications services to end users or non-contributing carriers. Carriers do not need to complete column (a) if they have some end-user revenues in each of the regions in which they have carrier operations.

Line (511) -- see instructions for Line (420) in Section III-C-4.

H. Block 6: Certification.

Lines (601-602) -- Copy the Filer 499 ID from Line (101) into Line (601). Copy the legal name of the reporting entity from Line (102) into Line (602).

Line (603) -- In this line, filers may certify that they are exempt from one or more contribution requirement(s) by checking the box next to the mechanism(s) from which they are exempt. As explained above, the Form 499 Telecommunications Reporting Worksheet enables telecommunications carriers and service providers to satisfy a number of requirements in one consolidated form. Not all entities that file the Telecommunications Reporting Worksheet must contribute to all of the support and cost-recovery mechanisms (universal service, local number portability, TRS, and NANPA). For example, certain telecommunications providers that are not telecommunications carriers must contribute to the universal service support mechanisms, but not to the TRS, local number portability, and NANPA mechanisms. Section IV-A provides summary information on which filers must contribute and which filers are exempt from particular contribution requirements. Filers that certify that they are exempt from one or more mechanism(s) should use the space provided on Line 603 to explain the exemption.

Note: It is not necessary for a filer to certify that it is *de minimis* for universal service purposes because the universal service administrator can determine whether a filer meets the contribution threshold from other information provided on the form. If, however, a reseller qualifies for the *de minimis* exemption, it must notify its underlying carriers that it is not contributing directly to universal service, so that it may be treated as an end user when the underlying carriers file Form 499.

Line (604) -- Filers may use the box in Line (604) to request nondisclosure of the revenue information contained on the Telecommunications Reporting Worksheet. By checking this box, the officer of the company signing the Worksheet certifies that the information contained on the Worksheet is privileged or confidential commercial or financial information and that disclosure of such information would likely cause substantial harm to the competitive position of the company filing the Worksheet. This box may be checked in lieu of submitting a separate request for confidentiality pursuant to section 0.459 of the Commission's rules.[25] All decisions regarding disclosure of company-specific information will be made by the Commission. The Commission regularly makes publicly available the names (and Block 1 and 2-B contact information) of the entities that file the Telecommunications Reporting Worksheet and information on which filers contribute to which funding mechanisms, including entities that checked the boxes in Line (603).

Lines (605-608) -- An officer of the reporting entity must examine the data provided in the Telecommunications Reporting Worksheet and certify that the information provided therein is accurate and complete. Officers of entities making consolidated filings should refer to Section II-B, above and must certify that they comply with the conditions listed in Section II-B. An officer is a person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, vice president for finance, comptroller, treasurer, or a comparable position. If the reporting entity is a sole proprietorship, the owner must sign the certification. The signature on Line 605 must be in ink.

A person who willfully makes false statements on the Worksheet can be punished by fine or imprisonment under title 18 of the United States Code.[26]

Line (609) -- Indicate whether this filing is an original filing for the year, due on April 1, a registration filing for a new service provider, a filing with revised registration information or a filing with revised revenue information. See Sections II-C and II-E, above, for information on the obligation to file revisions.

IV. Calculation of Contributions

A. Contribution Requirements

Most filers must contribute to the universal service, TRS, NANPA, and LNPA funding mechanisms. This section provides a short summary to assist carriers and service providers in determining whether they must contribute to one or more of the mechanisms. Filers should consult the Commission's rules and orders to determine whether they must contribute to one or more of the mechanisms.

Federal universal service support mechanisms. Entities that provide interstate telecommunications to the public for a fee must contribute to the universal service support mechanisms. *See* 47 C.F.R. § 54.706.

Telecommunications Relay Services. Every common carrier providing interstate telecommunications services shall contribute to the TRS Fund. *See* 47 C.F.R. § 64.604.

North American Numbering Plan Administration. All telecommunications carriers in the United States shall contribute to meet the costs of establishing numbering administration. *See* 47 C.F.R. § 52.17.

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25 47 C.F.R. § 0.459. *See also Examination of Current Policy Concerning the Treatment of Confidential Information Submitted to the Commission*, GC Docket No. 96-55, Report and Order, 13 FCC Rcd 24816 (1998) (listing the showings required in a request that information be withheld and stating that the Commission may defer action on such requests until a formal request for public inspection has been made).

26 *See* 18 U.S.C. § 1001.

Shared Costs of Local Number Portability. The shared costs of long-term number portability attributable to a regional database shall be recovered from all telecommunications carriers providing telecommunications service in that region. *See* 47 C.F.R. § 52.32.

Figure 3 summarizes which telecommunications carriers and service providers must file for particular purposes.

Figure 3: Which telecommunications providers must contribute for which purposes[27]

Type of filer	Universal Service	TRS	NANPA	LNPA
De minimis payphone aggregators that do not also have telecommunications carrier revenues		X		
Other payphone aggregators that do not also have telecommunications carrier revenues	X	X		
Telecommunications providers with no telecommunications service revenues and that are *de minimis*				
Telecommunications providers with no telecommunications service revenues and that are not *de minimis*	X			
Telecommunications carriers that provide services only to other universal service contributors			X	X
Telecommunications carriers that provide only international services		X	X	X
Telecommunications carriers that provide only intrastate services			X	X
Satellite carriers providing interstate telecommunications services	X	X	X	X
De minimis telecommunications carriers providing interstate telecommunications		X	X	X
All other telecommunications carriers providing interstate telecommunications	X	X	X	X

27 This chart is provided for informational purposes only. It is not intended to be exhaustive, nor is it intended to serve as legal guidance or precedent. Filers are instructed to consult the Commission's rules and orders to determine whether they must contribute to one or more of the mechanisms. *See* 47 C.F.R. §§ 52.17, 52.32, 54.706, 64.604.

B. Contribution Bases

Filers do not calculate, in this Worksheet, the amounts that they must contribute. The administrators will use the revenue information on the Worksheet to calculate a funding base and individual contributions for each support mechanism. Individual contributions are determined by the use of "factors" -- factors reflect the total funding requirement of a particular mechanism divided by the total contribution base for that mechanism. Information on the contribution bases and individual filer contributions are shown in Figure 4.

Figure 4: Contribution bases

Support Mechanism		Funding Basis
Universal service low income and high cost; Universal service schools and libraries and rural health care	 less	Line (420)(d) + Line 420(e) * revenues corresponding to actual contributions**
TRS (Filers with end-user revenues must pay a minimum of $25)	 plus less	Line (420)(d) + Line 420(e) Line (412)(e) Line (511)(b)
NANPA (Filers with end-user revenues must pay a minimum of $25. Filers with no end-user revenues must pay $25.)	 plus less	Line (420)(a) Line (412)(a) Line (511)(a)
LNPA - by region (Filers with no end-user revenues must pay $100)	 plus less times	Line (420)(a) Line (412)(a) Line (511)(a) percentage of end-user revenues shown on lines (503) through (509)

* Starting in April 2003 actual monthly billings for universal service are based on projected collected revenue information filed on the quarterly FCC Form 499-Q. Historical amounts reported on Line (116)(b) and (c) on the Form 499-Q correspond to Line (420)(d) and (e), respectively. The Form 499 Q provides instructions for projecting revenues, and for removing uncollectible amounts from gross billed revenue projections. The amounts filed on the Form 499-A are used to review and true-up Form 499-Q filings and associated contributions.

** Line 420(e) is excluded if the total of amounts on Line 420(d) for the filing entity consolidated with all affiliates is less than 12% of the total of Line 420(d) + Line 420(e) for the filing entity consolidated with all affiliates. See 47 C.F.R. §54.706(c). For the second quarter of 2002 through the first quarter of 2003, the contribution base for an individual filer will be the subject interstate and international revenues from two quarters prior, less the universal service contributions actually made in that prior quarter.[28] Starting in the second quarter April 2003, the contribution base for an individual filer will be the projected collected interstate and international revenues for the quarter, reduced by an imputed amount of universal service support pass-through charges, based on the actual factor for the quarter.[29]

28 *See First Further Notice*, 17 FCC Rcd 3752 (2002).

29 *See Contribution Methodology Order*, FCC 02-329 (rel. Dec. 13, 2002).

V. Reminders

- Is the filer affiliated with another telecommunications provider? Each legal entity must file separately unless they qualify for filing on a consolidated basis. *See* Section II-B above. Each affiliate or subsidiary must show the same holding company name on Line (106).

- Provide data for all lines that apply. Show a zero for services for which the filer had no revenues for the filing period. Be sure to include on Line (112) all names by which the filer is known to customers, including the names of agents or billers if those names appear on customer bills.

- Telecommunications providers that are required to contribute to universal service support mechanisms must also file quarterly FCC Form 499-Q on February 1, May 1, August 1 and November 1.

- Wherever possible, revenue information should be taken from the telecommunications providers' financial records.

- The Worksheet must be signed by an officer of the reporting entity. An officer is a person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, comptroller, treasurer, or a comparable position.

- Do not mail the Worksheet to the FCC. See Section II-C for filing instructions.

- Remember -- you must refile parts of the Worksheet if the Agent for Service of Process or FCC Registration information changes during the year.

- Note that Form 499 is one of several forms that telecommunications carriers and other providers of interstate telecommunications may need to file. Information concerning common filing requirements for such providers may be found on the Commission's web site, at www.fcc.gov/ccb/filing.html.

If you have questions about the Worksheet or the instructions, you may contact:

Form 499 Telecommunications Reporting	Form499@neca.org
Worksheet Information	(973) 560-4460
Wireline Competition Bureau	
Industry Analysis and Technology Division	(202) 418-0940
TTY	(202) 418-0484

If you have questions regarding contribution amounts, billing procedures or the mechanisms, you may contact:

Universal Service Administration	(202) 776-0200
TRS Administration	(973) 884-8173
NANPA Billing and Collection Agent	(973) 884-8173
Local Number Portability Administrators	(877) 245-5277

- FEDERAL COMMUNICATIONS COMMISSION -

EXHIBIT 13

USAC

USAC and USF Timeline

USAC Key Milestones

February 8, 1996 - Telecommunications Act of 1996 signed into law.

Summer 1997 - The **Universal Service Administrative Company (USAC)** is created by the National Exchange Carrier Association, Inc. (NECA) at the direction of the FCC. USAC was created to collect data from all telecommunications providers to determine the amount of contributions to be paid into the fund and to administer the disbursements for High Cost and Low Income support. The FCC also adopted rules to create two additional corporations: the Schools and Libraries Corporation (SLC) and the Rural Health Care Corporation (RHCC) to be responsible for administering funds providing support to the Schools and Libraries and Rural Health Care programs.

September 17, 1997 - USAC is incorporated.

November 20, 1998 - The FCC directed that SLC and RHCC be merged into USAC, effective January 1, 1999.

December 31, 1998 - Merger with the Schools and Libraries Corporation and the Rural Health Care Corporation.

January 1, 1999 - USAC became the designated administrator of the USF and has been responsible for the administration of the High Cost, Low Income, Rural Health Care, and Schools and Libraries programs.

Last modified on 1/6/2006

CERTIFICATE OF SERVICE

The undersigned Administrative Assistant of the law offices of Nelson Mullins Riley & Scarborough, L.L.P., attorneys for the Plaintiffs, hereby certifies that a copy of the "Request For Review" was mailed to the following party via First Class mail, postage pre-paid, on March 31, 2006.

David Capozzi,
Acting General Counsel
Universal Service Administrative Company
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Washington, D.C. 20036

Genet Teferi