

June 9, 2006

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Notice of Ex Parte Presentation - USF Contribution Methodology*
Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-116, 98-170

Dear Ms. Dortch:

On June 8, 2006, representatives from Cingular Wireless LLC (“Cingular”) met with Michelle Carey, senior legal advisor to Chairman Kevin Martin, and Jennifer Holtz, an intern in the Chairman’s office. Cingular was represented by Ben Almond and the undersigned. The topic of the meeting was the above-referenced proceedings to reform the Commission’s methodology by which carriers report their revenues and contribute to the universal service fund, numbering and number portability administration, and the Telecommunications Relay Service. In the meeting, Cingular responded to recent reports that the Commission is considering an order that would raise the wireless safe harbor percentage from its current level of 28.5%.

Cingular pointed out that the Commission specifically relied upon data submitted by the wireless industry the last time it adjusted the safe harbor, and urged the Commission not to adjust the safe harbor without first allowing for the submission of such data again. Press accounts have suggested that the Commission might set the safe harbor at 37.1%, which appears to coincide with data in a PowerPoint presentation submitted by TracFone summarizing TNS Telecoms’ bill harvesting study.¹ Neither TracFone nor TNS proffered that study for the purpose of modifying the wireless safe harbor, and – as TracFone readily admits – the TNS study is inherently unreliable. TracFone states that the errors are likely to understate interstate usage, but Cingular believes the study’s assumptions would just as likely overstate it. Neither TracFone nor TNS asserts the study’s sample size is statistically significant, and several data points are subject to

¹ Letter from Mitchell F. Brecher, TracFone counsel (CC Docket No. 96-45) filed Feb. 23, 2005, attaching a PowerPoint presentation by TNS Telecoms “Wireless Provider Bill Analysis, 3rd Quarter, 2004” (“TracFone TNS Ex Parte”).

