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May 15, 2008

Ms. Marlene Dortch
Secretary
Federal Communications Commission
The Portals
445 12th Street SW
Washington DC 20554

Re: WC Docket. 05-337, High-Cost Universal Service Support; CC Docket 96-45, Federal-State Joint Board on Universal Service

Dear Ms. Dortch:

On May 14, 2008, Cathy Carpino and the undersigned, both of AT&T, met with Jennifer McKee, Nick Alexander, Katie King, Ted Burmeister, Gary Seigel, and Jenny Prime, of the Wireline Competition Bureau. The purpose of the meeting was to discuss issues associated with implementation of the interim cap on CETC USF support.

AT&T urged the Commission to operationalize the CETC cap as quickly as possible in order to minimize the uncertainty now faced by CETCs. Many states require CETCs to make build-out commitments and USF certifications beginning in June and it is difficult for CETCs to respond to these requests before the state cap amounts are determined. In setting the statewide cap amounts, AT&T encouraged the FCC to use March 2008 line counts for all CETCs, including AT&T and Alltel, in order to ensure that other CETCs do not experience immediate unintended reductions in their support. AT&T also suggested that the Commission publish both the statewide cap amounts and the quarterly reduction factors per state to help CETCs manage in the new capped environment.

In accordance with section 1.1206 of the Commission's rules, a copy of this notice is being filed in each of the above referenced dockets. If you have any questions, please do not hesitate to contact me directly.

Sincerely,

Mary L. Henze

cc: J. McKee N. Alexander
K. King T. Burmeister
G. Seigel J. Prime