



July 10, 2008

Writer's Direct Dial: 703.755.6730
Facsimile Number: 703.755.6740
Sheba.Chacko@bt.com

Via Electronic Filing
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

EX PARTE NOTICE

RE: *Universal Service Contribution Methodology, WC Dkt 06-112
Federal State Board on Universal Service, CC Dkt 96-45*

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, BT hereby gives notice that on July 9, 2008, Sheba Chacko and Linda Cicco met with Jeremy Marcus, Jennifer McKee and Alexendar Minard of the Wireline Competition Bureau. At that meeting BT reiterated the points it made in its ex parte filing of June 26, 2008 in the above docket. BT also briefly explained that a telephone numbers-based proposal would not unfairly advantage corporate customers. To this end, BT provides further explanation below.

There are 627 million telephone numbers assigned to customers in the US.¹ Roughly 288 million of those are telephone numbers assigned to residential customers.² An additional 25 million are toll free numbers assigned to businesses.³ The remaining 314 million numbers are mostly if not all likely assigned to businesses. A \$0.75 charge per consumer telephone number and a \$1.50 per business telephone number (including toll-free numbers) would collect \$216 million per month from residential customers and \$508 million per month from business customers. This would amount to \$724 million per month and \$8.7 billion annually which would more than support the annual \$6 billion annual USF funding requirement. Furthermore, the USF burden on a low-income consumer consuming \$10 of telecommunications service per

¹ Numbering Resource Utilization in the United States, FCC (Mar 2008).

² Derived from the number of households which is 115 million minus the number of wireless-only households -- 15.8 million -- plus the number of consumer-registered wireless lines which is 188.7 million Household Food Security in the United States, 2006 USDA (Nov 2007); U.S. Wireless Quick Facts and Figures, www.ctia.org; Link Data: North America Mobile Forecast, Yankee Group (Apr 23 2008)

³ Number Resource Utilization in the U.S., FCC (Dec 2007).

month might be lower under a telephone numbers-based proposal. If that consumer had only one telephone number, today that consumer would pay \$1.40 per month on \$10 of telecommunications service but under a telephone number-based proposal, he or she would only pay \$0.75 per month in USF for the same service.

Admittedly the calculation above would need much more verification, but it serves nevertheless to highlight that a numbers-based system would not disadvantage residential customers.

Sincerely,

A handwritten signature in black ink, appearing to read 'SChacko', with a stylized flourish at the end.

Sheba Chacko
Head, Global Operational Regulation and Americas
Regulation - BT Global Services