

Intercarrier  
Compensation &  
Universal Service

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**Consolidated**<sup>®</sup>  
c o m m u n i c a t i o n s

# Who is Consolidated?

- **Approximately 230,000 RLEC access lines in Illinois, Pennsylvania and Texas**
- **Provide voice, data and video**
- **97% DSL Capable**

# Universal Service

- **Elective Price Cap Companies ICLS**
- **ABC Model**
  - Arbitrary ceiling forces technology
  - Cheapest may not be the right technology
  - Stranded Investment
- **4Mbps phase in**
- **Lifeline impacts**

# Intercarrier Compensation

- **Access Rate Mirroring**
- **\$0.0007 Target Rate**
- **Customer Impacts**
- **Benchmark Local Rate**
  - Geographic averaging eliminated?
  - ROR vs. PC
  - ICC and USF