
Forwarded message #1

Date: Thu Feb 16, 1984 4:20 pm EST
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**COURTESY COPY

Subject: FCC

On February 15, the FCC released its written order on further reconsideration of the access charge issue. There were no surprises. On February 17, we expect the Commission to release another order which will tell the Bell Operating Companies how to file their access tariffs. We cannot be specific about the numbers until the FCC approves the tariffs, but offer the following observations on the cost of unequal access:

1. We probably will pay about 45% more than the \$234 per line we pay today for access. This will be calculated by multiplying AT&T's per-minute access cost times 9000 minutes times 45%. This flat rate will be paid until we begin to get equal access, at which time we will pay the same usage-sensitive rate as AT&T.
2. Call termination to all phones in a LATA is included in this estimated access charge. This should help us reduce our leased line expense.
3. Access charges for the closed end of WATS will consist of a \$6 surcharge added to a business line rate. Today we pay only the business line rate.
4. If the tariffs go into effect as scheduled, we will begin paying these rates on April 3, and they will stay in effect until May 31, 1985. On June 1, 1985, they will increase to account for inflation, but could be reduced "in light of the transition plan we (the FCC) adopt for end user (i.e. residential) charges."
5. The BOC's must give the OCC's six months notice of the availability of equal access. An OCC declining equal access will save only the difference between line side and trunk side local switching (.32 cents per minute in the October BOC filing). The OCC must pay all the other costs associated with equal access.

In a related development, the U.S. Court of Appeals this morning (February 16) heard oral arguments on whether the FCC's order should be stayed for the necessary period to permit the Court to rule on appeals from the order.

If anyone would like a copy of the order, please contact my assistant, Debi Spielman, at (202) 887-2189.

Let me remind those of you who are reading this on February 17 that you could have received the information on your personal computer yesterday, had you

been signed up for MCI Mail. Save both of us time and money and enter the digital world! Call (800) MCI-2255 for information.

/signed/