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FCC RELEASES ANNUAL TELECOMMUNICATIONS INDUSTRY REVENUE REPORT

Washington, D.C. – Today, the Federal Communications Commission (FCC) released its annual summary of *Telecommunications Industry Revenues*. The report provides a general overview of the revenues of the U.S. telecommunications industry for 2002.

The industry reported \$292 billion in telecommunications service revenues — a decrease of 3% from 2001's \$302 billion. Industry sector data include:

- The pace of revenue growth for the wireless industry slowed. Wireless industry revenues grew 9% during 2002, from \$75 billion to \$82 billion.
- Revenues of competitive local telephone companies increased 4% during 2002, from \$14.8 billion to \$15.3 billion. These revenues accounted for about 12% of the \$127 billion of local telephone service revenues.
- Total toll service revenues continued to decline during 2002 — from \$99 billion to \$84 billion.
- Revenues for incumbent local exchange carriers decreased to \$115 billion in 2002, down from \$118 billion, or 2% from the previous year.

The report is available for reference in the FCC's Reference Information Center, Courtyard Level, 445 12th Street, SW, Washington, D.C. 20554. Copies may be purchased by calling Qualex International at (202) 863-2893. The report, including spreadsheets containing the statistical tables and figures, can also be downloaded from the **FCC-State Link** Internet site at www.fcc.gov/wcb/stats.

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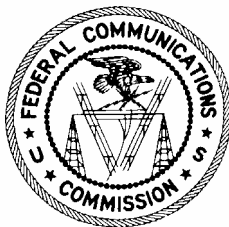
Questions can be directed to the Wireline Competition Bureau's Industry Analysis and Technology Division at (202) 418-0940. Users of TTY equipment, please call (202) 418-0484.

News about the Federal Communications Commission can also be found
on the Commission's web site, www.fcc.gov.

TELECOMMUNICATIONS INDUSTRY REVENUES 2002

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Industry Analysis & Technology Division
Wireline Competition Bureau
March 2004



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Telecommunications Industry Revenues

This report provides an overview of U.S. telecommunications industry revenues and contributions to the Universal Service support mechanisms. The last report was released March 20, 2003.¹ Most of the data for 2002 are taken from April 1, 2003 filings of **annual** Telecommunications Reporting Worksheets (FCC Form 499-A). Revenue data collected on these worksheets are utilized in the Commission's administration of the Universal Service fund (USF), Telecommunications Relay Service (TRS), North American Numbering Plan (NANP) and local number portability (LNP) programs. FCC Form 499-A data also are used to calculate common carrier regulatory fees. Data presented for the first quarter of 2003 through the first quarter of 2004 (projected) are taken from filings of **quarterly** Telecommunications Reporting Worksheets (FCC Form 499-Q).

The industry reported \$292 billion in telecommunications service revenues — a decrease of 3% from 2001's \$302 billion. Industry sector data include:

- The pace of revenue growth for the wireless industry slowed. Wireless industry revenues grew 9% during 2002, from \$75 billion to \$82 billion.
- Revenues of competitive local telephone companies increased 4% during 2002, from \$14.8 billion to \$15.3 billion. These revenues accounted for about 12% of the \$127 billion of local telephone service revenues.
- Total toll service revenues continued to decline during 2002 — from \$99 billion to \$84 billion.
- Revenues for incumbent local exchange carriers decreased to \$115 billion in 2002, down from \$118 billion, or 2% from the previous year.

FCC Form 499-A Filing Requirement

Virtually all providers of telecommunications must file FCC Form 499-A each year.² Telecommunications Reporting Worksheets are not filed directly with the FCC but rather with the Universal Service Administrative Company (USAC), which serves as the data collection

¹ Industry Analysis and Technology Division, Wireline Competition Bureau, Federal Communications Commission, *Telecommunications Industry Revenues: 2001* (rel. March 20, 2003).

² There are certain exceptions. Providers that offer telecommunications for a fee exclusively on a non-carrier basis are not required to file if their total annual contribution to Universal Service would be less than \$10,000. Government entities that purchase telecommunications services in bulk on their own behalf, public safety and local government entities licensed under Subpart B of Part 90 of the Commission's rules, entities providing interstate telecommunications exclusively to government or public safety entities, broadcasters and various non-profit entities are not required to file. Finally, systems integrators that derive less than 5% of their systems integration revenues from the resale of telecommunications and entities that provide services only to themselves or to commonly owned affiliates need not file.

agent. The annual worksheets were due April 1, 2003, but some providers filed late or updated their filing after that date. Information from filings received after October 22, 2003 and from filings that were incomplete has been excluded from year 2002 data.

FCC Form 499-A asks each filer to report total, interstate and international revenues in two broad categories: those billed to Universal Service contributors for resale (carrier's carrier revenues); and, those billed to *de minimis* telecommunications providers and end users (end-user revenues).³ Filers must provide further breakdowns of local, wireless, and toll services. The form also asks each filer to choose the communications business that best describes its operations.⁴

- Competitive Access Provider (CAP) or Competitive Local Exchange Carrier (CLEC)
- Cellular, Personal Communications Service (PCS) and Specialized Mobile Radio (SMR) Wireless Telephony Service Provider
- Incumbent Local Exchange Carrier (ILEC)
- Interexchange Carrier (IXC)
- Local Reseller
- Operator Service Provider (OSP)
- Other Local Service Provider
- Other Mobile Service Provider
- Other Toll Service Provider
- Paging and Messaging Service Provider
- Payphone Provider
- Private Service Provider
- Prepaid Calling Card Provider
- Satellite Service Provider
- Shared-Tenant Service Provider
- Specialized Mobile Radio - Dispatch
- Toll Reseller
- Wireless Data Service Provider

FCC Form 499-A filers are instructed to report amounts actually billed to customers. This means that filers should report revenues net of discounts, but without making adjustments to reflect uncollectible revenues or international settlement payments or receipts.⁵ Most filers should be able to report revenues in this manner using information contained in their corporate

³ Telecommunications providers are considered *de minimis* and thus are not required to contribute to Universal Service (or file FCC Form 499-Q) if their annual contributions to Universal Service would be less than \$10,000. For Universal Service contribution purposes, underlying service providers treat *de minimis* firms as end users.

⁴ The detailed definitions of the filer categories are contained in section III.A of the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A* available at www.fcc.gov/Forms/Form499-A/499a.pdf.

⁵ Filers began to provide some information on uncollectible revenues starting with the February 1, 2003 FCC Form 499-Q filing. Beginning in the second quarter of 2003, contributions have been based on projected collected revenues, rather than billed revenues for a prior period.

books of account. Some service providers, however, have no business or regulatory requirements to record intrastate or international revenues separately from interstate revenues, or to use the detailed revenue categories contained in the worksheets. Many wireless providers therefore use the interim safe harbor percentages to estimate the interstate portion of their revenues.⁶

FCC Form 499-A filings sometimes contain mistakes. Initial examination of the data occasionally reveals carrier types, revenue amounts and/or revenues reported in service categories inconsistent with the known operations of the filer. Some corrections have been made based on supplemental filer information. Nonetheless, disaggregated data are likely to be less accurate than industry totals.

Statistical Tables

Table 1 shows the major components of telecommunications revenues for 2002. This table was created by simply aggregating the revenues in the major classifications designated on FCC Form 499-A.

Tables 2 and 3 provide a look at annual industry revenues over time. Generally, FCC Form 499-A revenue data can be tabulated in two distinct ways: by type of service provided and by type of business. **Table 2** categorizes revenues by type of service and shows, for example, that carriers reported \$81.5 billion in wireless service revenues for 2002. This total includes wireless service revenues from some carriers that are not identified as wireless carriers. In contrast, **Table 3** shows that wireless service providers reported total revenues of \$80.5 billion, including some revenues for fixed local and toll services.

Revenue data shown for 1992 through 1996 were summarized from information filed on TRS worksheets. Revenue data for 1997 and 1998 were derived by combining TRS worksheet and Universal Service worksheet data. Starting with 1999, revenue data were summarized from FCC Form 499-A, which replaced both the TRS and Universal Service worksheets. Because of reporting changes, data for 1997 forward are not entirely consistent with data for prior years. For example, *special access* revenues were included with *other access* revenues prior to 1997 but have been included with *local private line services* since then. Similarly, through 1996, filers reported as *other local and mobile* revenues substantial amounts of customer premises equipment, billing and collection, and other types of revenues that are excluded from contributions to Universal Service. These revenues are now reported as *non-telecommunications* revenues. Both tables contain estimates of non-telecommunications revenues that had been reported in prior years. Based on staff estimates, the 1996 telecommunications revenues reported on TRS Worksheets would have been \$10.5 billion lower if revenues had been reported using current instructions.

⁶ See the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A* section III.C.3. available at www.fcc.gov/Forms/Form499-A/499a.pdf

Some inconsistencies exist in the 1997 - 2002 period. For example, filers were required in 1997 to include inside wiring maintenance revenues as part of local exchange revenues. In 1998, filers were instructed to report these revenues as non-telecommunications service revenues. The local exchange service revenue data in Table 2 would show a greater increase from 1997 to 1998 if the same reporting instructions had been used for each year.

Note also that each year, many filers erroneously report substantial amounts of *switched toll* revenues as *other long distance* revenues. The data are examined and some revenues are reclassified based on staff research. Even so, the *other long distance* category of Table 2 probably continues to contain some *switched toll* revenues, perhaps significant amounts in some years.

Table 2 shows a large increase in non-telecommunications revenues from 2001 to 2002. Much of this increase may stem from a change in reporting. Prior to 2002, each legal entity providing telecommunications was required to file separately. Starting in 2002, entities meeting specific conditions were allowed to file on a consolidated basis. For some companies, the books at the consolidated-entity level include substantial amounts of non-telecommunications revenues for legal entities that do not individually provide telecommunications and therefore would not be required to file on an individual basis. Their revenues, however, must be included when filings are made on a consolidated basis because the revenues are recorded on the consolidated books.

Table 4 illustrates how data from the FCC Form 499-A are used to develop funding bases for the Universal Service fund, North American Numbering Plan, Local Number Portability, and Telecommunications Relay Service contribution mechanisms. Each of the four programs is supported by a slightly different group of telecommunications providers under slightly different rules. As noted above, providers are considered *de minimis* for USF purposes if their annual contribution is expected to be less than \$10,000. While such providers are thus not required to file FCC Form 499-Q, *de minimis* status does not exempt service providers from filing FCC Form 499-A because contributions to TRS, NANP and LNP are required regardless of the expected annual amount. Note also that NANP, LNP, and TRS each draw contributions from a larger pool of providers than does Universal Service. Specifically, all telecommunications carriers in the United States must contribute to meet the costs of NANP (47 C.F.R. §52.17), and all telecommunications carriers that provide service in areas covered by the regional LNP database must contribute to meet the costs of LNP (47 C.F.R. §52.32). Thus, only those providers that are not carriers are not required to contribute. Cost recovery for TRS is slightly different. Every carrier providing interstate services must contribute to the TRS Fund (47 C.F.R. §64.604(c)(5)(iii)(A)). In this case, providers that are not carriers, and carriers that do not provide interstate services are not required to contribute. See Figure 3 of the *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A*, which can be found on the FCC's web site at www.fcc.gov/Forms/Form499-A/499a.pdf.

Revenue data for individual filers are not available to the public. However, Tables 5 through 8 present detailed industry roll-ups by type of revenue and type of filer. **Table 5** provides a detailed breakout of revenues for each of the FCC Form 499-A revenue categories used to report services provided to other filers for resale. **Table 6** displays similar detail for each of the revenue categories

used to report telecommunications service provided to end users. **Table 7** combines data from Tables 5 and 6 with data on non-telecommunications revenues to develop total industry revenues. **Table 8** provides more aggregated revenue information by type of filers. The revenue categories presented in Tables 5 through 7 are explained in the FCC Form 499-A filing instructions.

Table 9 presents an estimate of average revenue per conversation minute. Based on the methodology in Table 9, FCC staff estimated that end users were billed an average of 9 cents for each minute of interstate and international toll calling made during 2002. The average price for each interstate domestic conversation minute was estimated to be 7 cents. These estimates and year-over-year changes in these estimates should be treated with great caution for a number of reasons. For instance, terminating access minutes are used as a proxy for billed conversation minutes. In certain cases, the two measures track each other closely. Subscriber toll-free calls that terminate on dedicated access lines and some other classes of calls generate access minutes that are billed as terminating minutes only. Some calls, however, generate originating access minutes only or bypass ILEC switched facilities on both ends and therefore generate no access minutes. Some subscriber toll-free calls, on the other hand, do not terminate on dedicated access lines and therefore may generate two terminating access minutes per conversation minute. On balance, these factors may result in an upward bias in the revenue per minute estimates. For 2002, revenue per minute estimates may be overstated by as much as 10% to 20%. Given available data, little can be done to counteract these shortfalls in our estimates.

The methodology presented in Table 9 mitigates some problems associated with using terminating access minutes as a proxy for conversation minutes. For example, some conversation minutes do not result in ILEC access minutes because they terminate on the facilities of competitive local exchange carriers. These carriers do not report access minutes. Table 9 presents estimates of these minutes based on competing local exchange carrier shares of local service revenues. These amounts are used to adjust terminating access minutes.

Moreover, the methodology presented in Table 9 adjusts terminating access minute totals to better reflect international traffic. International settlement minutes are reported based on the billing status of calls rather than where the calls actually originate. Thus, some U.S. billed calls actually originate in foreign points and vice versa. However, most U.S. billed calls originate in the United States and generate originating but not terminating access minutes. These minutes are added to the reported totals for terminating access minutes so that terminating access minutes better represent conversation minutes. Similarly, foreign billed minutes, which usually generate terminating access minutes, are removed from the terminating access minute total.

One category of U.S. billed international calls merits special treatment. *Country-direct* and *country-beyond* calls are placed from foreign points, directly with U.S. carriers. Country-direct calls generally originate overseas and terminate in the United States. Such calls are billed by U.S. carriers, generate settlement payments to foreign carriers, and are reported in section 43.61 traffic data reports as U.S. billed calls. Country-beyond calls are similar, but both originate and terminate at foreign points. Country-direct calls result in terminating access minutes. Country-beyond calls generally don't. Unfortunately, section 43.61 data do not separate country-direct from country-beyond calls. This is not a problem for allocating

originating access minutes between interstate and international calls, because neither type of call results in appreciable originating access minutes. In estimating interstate terminating access minutes, however, we chose to subtract country-direct and country-beyond minutes. This means that the number of total interstate terminating minutes, which is used to represent interstate conversation minutes, is biased downward. We did not include country-direct or country-beyond minutes with international conversation minutes because country-beyond revenues are reported separately as *international-to-international service* revenues on FCC Form 499-A and are therefore subtracted when calculating international revenue per minute. Country-direct revenues, however, remain in the revenue base but the corresponding minutes have been removed from the estimate of international conversation minutes. This bias may be offset by the fact that many international-to-international calls generate U.S. billed settlement minutes and are counted as conversation minutes.

An increasing share of switched traffic either originates or terminates on wireless telephones. Some wireless minutes and some wireless revenues are included in the revenue per minute calculations. Terminating access minutes include calls that originate on a wireless telephone and terminate on a wireline telephone, but do not include any calls that terminate on wireless telephones. Switched revenues include all long distance charges that are itemized on wireless customers' bills but do not include any portion of revenues reported as wireless monthly service or airtime charges. Many interstate wireless calls are billed under "bucket of minutes" plans and have no explicit toll charges associated with them. We do not have sufficient data to assess whether inclusion of some wireless toll minutes and some wireless carrier revenues results in an upward or downward bias in the revenue per minute calculations.

End-user switched toll revenue data also are problematic. Through 1996, the figures shown are based on TRS gross revenue data. In order to translate reported gross revenues to end-user revenues, 80% of revenues reported by toll resellers were netted from the total. A second problem is that in some years, filers classified substantial amounts of switched service revenues as (non-switched) *other toll*. While significant effort has been devoted to identifying and reclassifying these amounts, the *other toll* category shows a \$1.3 billion drop from 1997 to 1998, which suggests that the 1997 figure may still contain significant amounts of misreported switched service revenues.

Starting in 1998, many toll carriers used fixed monthly charges to recover account maintenance, ILEC presubscribed interexchange carrier charges (PICCs), and both federal and state Universal Service contributions. Some toll carriers reported some of these surcharges as local service tariffed PICC charges. An attempt was made to identify these amounts and include them with switched toll revenues. Some filers bill customers percentage surcharges to recover Universal Service contributions. While filers must separately identify the Universal Service surcharges on their Universal Service worksheets, it is not possible to identify a precise amount that is attributable to interstate toll service. The Table 9 adjustments to reflect both PICC and Universal Service costs and end-user charges should be taken as approximate.

Table 9 also shows a number of assumptions that were made in order to separate international revenue data from interstate revenue data. Filers did not separately report end-user revenues for international services for years before 1999. For 1999 and 2000, it appears that

many FCC Form 499-A filings understate international revenues and overstate interstate revenues. This could happen if, for example, a filer split revenues between interstate and international service based on a ratio of interstate to international minutes, rather than on actual billings. This would not reduce contribution requirements for the filer but does make the breakout shown in Tables 5, 6, and 7 less reliable. For 2001, carriers reported \$1.5 billion more international revenues in FCC Form 499-A filings than they did in section 43.61 filings. The 43.61 international traffic data appears to be more reliable, but lacks breakouts of carrier's carrier and end-user revenues. Based on staff analysis of the FCC Form 499-A data, a simple methodology is used to convert section 43.61 international traffic revenue data into estimates of international end-user revenues for message telephone service. The same methodology is used in all years.

While the FCC does collect detailed international traffic data, there is no clean match between categories of minutes actually reported and the international service end-user revenue data presented in Table 9. The amounts of international-to-international revenues are estimated for 1996 and earlier. Also, an increasing amount of international traffic is being carried on resold private lines and via other new arrangements. It seems likely that much of this traffic is not being properly reported in traffic data reports. For these reasons, the breakout between interstate revenues per-minute and international revenues per-minute is likely to be significantly less accurate than the combined estimate.

Table 10 presents an estimate of average revenue per conversation minute, net of access and universal service contribution costs. These estimates indicate that access and universal service contribution costs have declined over time, and that revenues per minute net of access and universal service contribution costs have declined over time as well. The table uses the data on minutes developed in Table 9 and therefore has the attendant uncertainties. The analysis also uses international settlement payment data which, while relatively good, include settlements associated with international-to-international traffic. The analysis does not account for special access payments from toll carriers to local exchange carriers. In some cases, toll carriers recover the cost of these services through charges that are reported as switched toll revenues and that therefore are reflected in per-minute revenue estimates.

FCC Form 499-A asks filers to identify the share of their carrier's carrier and end-user telecommunications revenues attributable to different regions of the country. **Table 11** shows total end-user telecommunications revenues by region for local, toll and wireless filers. **Table 12** provides data about the relative magnitude of Universal Service contributions from different classes of telecommunications providers.

Table 13 presents historic data from quarterly filings of FCC Form 499-Q in a manner analogous to Table 8 – showing carrier's carrier revenue and end-user telecommunications revenue by type of filer. The quarterly and annual filings differ in their treatment of international-to-international telecommunications revenues. Since such revenues are reported separately in the annual filing, it is possible to include them as a component of end-user telecommunications revenues in other tables in this report. In the quarterly filing, international-

to-international revenues are instead included as part of non-telecommunications revenues. As a result, they are not included in **Table 13**.

Since the second quarter of 2003, Universal Service contributions have been based on projected collected interstate and international end-user revenues rather than on actual billed revenues from a prior quarter. **Table 14** shows, by type of filer, the amounts of interstate and international end-user revenues that filers reported in FCC Form 499-Q filings that were due November 1, 2003. The filed data includes billed revenues for the third quarters of 2003, the amounts that filers projected billing for the first quarter of 2004, and the portion of those projected revenues that filers expect to collect. For the third quarter, filers provided both carrier's carrier and end-user revenues, and total revenues with breakouts for interstate and international services. Filers made projections only for interstate and international revenues. The table shows the average annualized growth rates and uncollectible rates for interstate and international end-user revenues implied by the filings. Data in the same format will be placed on the FCC's website as new quarterly information becomes available.

Universal Service, Telecommunications Relay Service, North American Numbering Plan Administration and local number portability rules prohibit the fund administrators from releasing company-specific information contained in FCC Form 499-A and FCC Form 499-Q worksheets. Revenue data for individual filers are not available to the public.

Table 1
Total Telecommunications Industry Revenues: 2002
(Dollar Amounts Shown in Millions)

	Carrier's Carrier Revenues 2/	End-User Revenues 1/ 2/	Total
Type of Service:			
Local Service 3/	\$38,412	\$88,712	\$127,123
Wireless Service	5,020	76,501	81,521
Toll Service	16,476	67,222	83,697
Total	59,907	232,434	292,341
Service Revenues Reported as:			
Intrastate	25,770	154,815	180,585
Interstate and International 4/	34,138	77,619	111,756
Total	\$59,907	\$232,434	\$292,341

Note: Detail may not add to totals due to rounding.

- 1/ Data include revenues for *de minimis* filers as well as for other filers who are exempt from universal service contribution requirements.
- 2/ Carrier's carrier revenues are reported on FCC Form 499-A as sales to other universal service contributors for resale. This includes, for example, access services that local exchange carriers provide to toll carriers. Sales to *de minimis* resellers, end-user customers, governments, non-profits and any other non-contributors are treated as end-user revenues. Filers contribute to the universal service funding mechanisms based on their end-user revenues. This table excludes non-telecommunications revenues.
- 3/ Payphone revenues are included with local service revenues in this table. Tables 5 through 8 show detail for payphone providers and payphone services.
- 4/ Revenues from calls that both originate and terminate in foreign points are reported as end-user revenues, but are not included in the universal service contribution base. Tables 5 through 8 show breakouts between interstate and international revenues based on FCC Form 499-A filings. Section 43.61 international traffic data reports appear to provide more reliable data for international revenues but do not provide the type of breakouts found herein.

Source: FCC Form 499-A filings.

Table 2
Telecommunications Industry Revenues by Service
(Dollar Amounts Shown in Millions)

	TRS Data					Universal Service & TRS Data		FCC Form 499-A Data			
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Local Exchange	\$39,235	\$40,176	\$42,245	\$45,194	\$48,717	\$53,771	\$59,245	\$64,940	\$69,947	\$72,346	\$71,320
Pay Telephone 1/						2,182	2,536	2,218	1,932	1,585	1,192
Local Private Line 2/	1,049	1,088	1,138	1,226	1,616	8,282	10,403	12,914	16,864	21,966	23,070
Other Local 3/	7,687	8,002	8,302	10,428	10,543	2,847	2,179	2,501	3,249	3,391	3,418
Subscriber Line Charges 2/	6,502	6,884	7,310	7,597	7,829	8,327	11,052	10,826	11,563	12,127	12,758
Access 2/	22,851	23,948	25,449	26,314	27,812	21,423	18,449	18,105	17,017	15,096	13,955
Universal Service Surcharges on Local Service Bills 4/							103	260	575	1,301	1,410
Additional Revenues from TRS Worksheets						595	595				
Total Local Service	77,324	80,098	84,443	90,759	96,516	97,426	104,563	111,764	121,147	127,812	127,123
Wireless Service	7,285	10,237	14,293	18,759	26,049	32,760	36,240	48,117	61,505	74,006	80,678
Universal Service Surcharges on Wireless Service Bills 4/							345	379	495	681	842
Additional Revenues from TRS Worksheets						189	189				
Total Wireless Service	7,285	10,237	14,293	18,759	26,049	32,950	36,775	48,495	62,000	74,687	81,521
Operator 1/	9,465	10,772	10,539	11,170	10,975	12,002	12,205	10,049	11,406	10,389	7,902
Non-Operator Switched Toll	54,448	60,591	61,468	65,217	73,751	72,059	74,168	78,389	75,183	65,325	54,475
Long Distance Private Line	7,783	8,067	9,043	9,719	10,665	10,504	11,952	13,169	16,189	16,402	15,108
Other Long Distance	4,048	3,095	3,428	3,523	4,299	4,695	3,386	3,656	3,372	3,259	2,445
Universal Service Surcharges on Toll Service Bills 4/							1,810	2,983	3,467	3,927	3,767
Additional Revenues from TRS Worksheets						1,532	1,532				
Total Toll Service	75,744	82,525	84,478	89,629	99,691	100,793	105,055	108,246	109,615	99,301	83,697
Non-Telecommunications Formerly Reported as Other Local and Wireless 3/	(6,944)	(7,518)	(8,324)	(9,071)	(10,474)						
Total Telecommunications 3/	153,409	165,342	174,890	190,076	211,782	231,168	246,392	268,505	292,762	301,799	292,341
Non-Telecommunications 3/	6,944	7,518	8,324	9,071	10,474	25,633	27,944	33,144	42,261	48,036	60,406
Total Reported Revenues	160,353	172,860	183,214	199,147	222,256	256,801	272,019	301,648	335,023	349,835	352,747
Service Reported as:											
Intrastate 3/	82,379	89,409	94,278	103,852	117,375	133,654	142,108	157,212	173,018	183,195	180,585
Interstate and International	71,030	75,933	80,611	86,224	94,407	97,514	104,284	111,293	119,745	118,605	111,756
Total Telecommunications 3/	\$153,409	\$165,342	\$174,890	\$190,076	\$211,782	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341

See notes on next page.

Notes for Table 2.

Note: Detail may not add to totals due to rounding. Some data for prior years have been revised.

- 1/ TRS filers generally reported pay telephone revenues as local service revenues, access revenues or operator toll revenues. The Universal Service and FCC Form 499-A worksheets contain a separate category for payphone coin revenues. Starting in 1997, payphone revenues include payphone compensation received from toll carriers.
- 2/ TRS Worksheet filers generally reported special access revenues as access revenues. Reporting changes implemented with the Universal Service Worksheet explain the increase in local private line revenues and the fall in access revenues shown for 1997. TRS Worksheet filers included subscriber line charges with other access charges. For the years 1992 - 1996, these revenues have been disaggregated by assuming that the end-user access revenues in Table 4.2 of *Statistics of Communications Common Carriers* represents 93% of industry total subscriber line charge revenues. Universal Service Worksheet filers report subscriber line charges in a separate category. The increase from 1997 to 1998 represents PICC charges levied by ILECs as well as \$1.2 billion of PICC pass-through charges levied by toll carriers.
- 3/ Significant amounts of enhanced services, billing and collection, CPE and other non-telecommunications revenues were reported in the TRS mobile and other local service categories through 1996. Universal Service Worksheet filers report these revenues in the non-telecommunications category. For prior years, the amounts of non-telecommunications revenues reported as mobile and other local revenues were estimated as 70% of the amounts that Tier 1 ILECs reported in ARMIS as miscellaneous and nonregulated revenues (currently account 5200 + account 5280) and 10% of amounts reported as mobile service revenue.
- 4/ Charges on end-user bills identified as recovering state or federal universal service contributions are reported separately from local, wireless and toll revenues. Reported amounts are apportioned between local, wireless and toll service based on the proportions of local, wireless and toll intrastate and interstate revenues by type of carrier.

Source: Data for 1992 through 1996 summarized from FCC Form 431 TRS Worksheets. Data for 1997 and 1998 primarily based on FCC Form 457 Universal Service Worksheets, with data from 1997 TRS Worksheets used for service providers not required to file a Universal Service Worksheet. Starting in 1999, data summarized from FCC Form 499-A Telecommunications Reporting Worksheets, which replaced both FCC Form 431 and FCC Form 457.

Table 3
Telecommunications Revenues Reported by Type of Carrier
(Dollar Amounts Shown in Millions)

Service Provider Category 1/	TRS Worksheet Data					Universal Service & TRS Data		FCC Form 499-A Data			
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Incumbent Local Exchange Carriers 2/	\$91,584	\$95,228	\$98,431	\$102,820	\$107,905	\$105,154	\$108,234	\$112,216	\$116,158	\$117,885	\$114,990
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	69	191	281	623	1,011	1,919	3,348	5,652	9,814	12,998	13,043
Local Resellers						206	410	511	879	1,393	1,538
Other Local Exchange Carriers						157	36	171	11	329	406
Private Service Providers						112	147	87	39	15	281
Shared-Tenant Service Providers						87	93	87	202	46	42
Competitors of ILECs	69	191	281	623	1,011	2,481	4,034	6,508	10,945	14,781	15,309
Fixed Local Service Providers	91,835	95,595	99,011	103,792	109,273	107,634	112,268	118,725	127,103	132,666	130,300
Payphone Providers	183	175	300	349	357	933	1,101	1,213	972	836	641
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers 2/	6,718	9,215	13,259	17,208	23,778	29,944	33,139	46,513	59,823	71,887	78,568
Paging & Messaging Service 2/						2,861	3,161	3,232	3,102	2,197	1,473
Specialized Mobile Radio (SMR) Dispatch								186	191	214	206
Wireless Data Service Providers and Other Mobile Service Providers	670	964	938	1,419	2,121	225	731	221	164	110	220
Wireless Service Providers	7,387	10,179	14,197	18,627	25,900	33,030	37,032	50,152	63,280	74,596	80,467
Interexchange Carriers (IXCs)	57,341	61,118	66,381	70,938	79,057	79,080	83,443	87,570	87,311	81,272	68,146
Operator Service Providers (OSPs)	558	695	536	500	461	603	590	337	635	611	554
Prepaid Calling Card Providers				16	238	519	888	866	727	133	460
Satellite Service Providers						1,011	475	280	336	373	406
Toll Resellers	1,293	1,869	2,840	4,220	6,564	8,010	9,885	9,211	10,641	8,797	9,279
Other Toll Carriers	2,186	711	709	773	577	348	710	150	1,758	2,516	2,089
Toll Service Providers	61,378	64,393	70,466	76,447	86,896	89,570	95,992	98,414	101,407	93,702	80,934
Non-Telecommunications Revenues in Prior Year Data 2/	(6,944)	(7,518)	(8,324)	(9,071)	(10,474)						
Other Adjustments 3/	(248)	2,693	(461)	280	187	0	0	0	0	0	0
Total Telecommunications Revenues	\$153,409	\$165,342	\$174,890	\$190,076	\$211,782	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341

1/ Filers are asked to select for themselves a service provider category that best describes their operations. The choices have changed over the years. For example, most satellite service providers identified themselves as other toll carriers in their 1997 FCC Form 431 TRS worksheets because there was no separate category for satellite service providers.

2/ Significant amounts of enhanced service, billing and collection, CPE and other non-telecommunications revenues were reported on TRS worksheets by incumbent local exchange carriers (ILECs) and wireless carriers through 1996. Universal Service Worksheet filers report these revenues in the non-telecommunications category. For prior years, the amounts of non-telecommunications revenues reported as mobile and other local revenues were estimated as 70% of the amounts that Tier 1 ILECs reported in ARMIS as miscellaneous and nonregulated revenues (currently account 5200 + account 5280) and 10% of amounts reported as mobile service revenues.

3/ Other adjustments include some amounts withheld to preserve confidentiality and revisions made after the initial publication of the data.

Source: Data compiled from FCC Form 431, FCC Form 457 and FCC Form 499-A filings.

Table 4
Contribution Base Revenues By Program 1/: 2002
(Dollar Amounts Shown in Millions)

		2002
Revenues subject to universal service contribution		
	Interstate and international end-user revenues	\$77,619
less	revenues for international - to - international services	636
less	international revenues of subject filers that were excluded because interstate toll represented less than 12% of combined interstate and international revenues 2/	1,134
less	interstate and other international revenues for 2,262 filers who are <i>de minimis</i> or otherwise exempt from universal service support requirements	71
equals		\$75,778
Revenues subject to TRS contribution		
	Interstate and international end-user revenues	\$77,619
less	interstate and international revenues for 410 filers who claim to be exempt from interstate telecommunications relay service (TRS) contribution requirements	296
less	interstate and international revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms	222
equals		\$77,101
Revenues subject to NANPA contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$232,434
less	telecommunications revenues for 583 filers who claim to be exempt from North American Numbering Plan Administration (NANPA) contribution requirements	337
less	telecommunications revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms	264
equals		\$231,833
Revenues subject to LNP contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$232,434
less	telecommunications revenues for 584 filers who claim to be exempt from local number portability administration (LNP) contribution requirements	335
less	telecommunications revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms	264
equals		\$231,835

1/ This table shows how contribution bases differ for different programs and provides relative magnitudes, but does not provide the actual amounts used for determining contribution amounts. Amounts shown represent the amounts contained in the FCC Form 499-A database as of November 15, 2002. The universal service administrator continues to receive additional and corrected filings. Exempt amounts were based on revenues and the filer certification statement contained receive additional and corrected filings. Exempt amounts were based on revenues and the filer certification statement contained in the FCC Form 499-A filings. The fund administrators use carrier type, revenue type and additional information requested from filers to review exemption claims (and in some instances, failure to make claims.) The universal service fund administrator bills delinquent filers based on estimated revenues and therefore can include estimated revenue amounts in contribution base amounts. As a result of these factors, actual contribution bases have been based on slightly different amounts than those shown. Note also that universal service contribution factors are set quarterly based on different amounts than those shown. Note also that universal service contribution factors are set quarterly based on FCC Form 499-Q filings. FCC Form 499-A data are used for true-up and auditing purposes. Also note that local number portability contribution amounts are determined by region of the country rather than on a nationwide basis.

2/ International revenues are excluded from the contribution base if the total of amount of interstate revenues for the filing entity consolidated with all affiliates is less than 12% of the total of interstate and international revenues for the filing entity consolidated with all affiliates. See 47 C.F.R. §54.706(c). The threshold was increased from 8% to 12% in 2002. See *Federal-State Joint Board on Universal Service*, et al., CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200, 95-166, 98-170, Further Notice of Proposed Rulemaking and Report and Order, 17 FCC Rcd 3752, 3806, para. 125 (2002).

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2002
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$2,885			\$2,885	\$99	\$6	*	\$105
b Provided under other arrangements	1,110	463		1,573	128	114	*	242
Total Line 303	3,995	463		4,458	226	120	*	347
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	2,753	1,576		4,329	2,569	1,344	5	3,918
b Provided as unbundled network elements or other contract arrangement	1,824	1,704		3,528	85	47	*	132
Total Line 304	4,577	3,280		7,858	2,654	1,391	5	4,050
305 Local private line & special access	992	9,642		10,634	247	1,025	*	1,272
306 Payphone compensation from toll carriers	98	82		180	5	6	*	11
307 Other local telecommunications service revenues	1,296	181		1,477	27	11		38
308 Universal service support revenue received from federal or state sources	380	1,166		1,547	607	1,526	*	2,133
Total fixed local service provided for resale	11,338	14,815		26,152	3,765	4,080	5	7,851
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	56			56	9	1		10
Total mobile service provided for resale	56			56	9	1		10
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	*	*		*	1	*		1
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	98	1		98	12	5	*	17
312 Long distance private line services	32	6		38	11	3		14
313 Satellite services								
314 All other long distance services	1	1		2	17	2		19
Total toll service provided for resale	131	7		138	41	10	*	51
Total service provided for resale (carrier's carrier)	\$11,525	\$14,822		\$26,346	\$3,815	\$4,091	\$6	\$7,912

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$132	\$187	\$4	\$322	*			*
b Provided under other arrangements	63	2		65				
Total Line 303	195	189	4	388	*			*
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	686	549	4	1,239	*			*
b Provided as unbundled network elements or other contract arrangement	384	233	*	616				
Total Line 304	1,069	782	4	1,855	*			*
305 Local private line & special access	569	110	*	679	1	*	*	1
306 Payphone compensation from toll carriers	*	4		4	75	60	2	137
307 Other local telecommunications service revenues	173	265	*	438	5	1	*	6
308 Universal service support revenue received from federal or state sources	4	2		6	*	*		*
Total fixed local service provided for resale	2,011	1,351	8	3,370	81	62	2	144
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
309 Monthly, activation, and message charges except toll	1			1				
Total mobile service provided for resale	1			1				
<i>Toll service</i>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	28	*	*	29	1	*	*	2
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	189	124	26	339	*	*	*	*
312 Long distance private line services	141	397	59	596				
313 Satellite services		*	96	96				
314 All other long distance services	30	16	*	45	*	1	*	1
Total toll service provided for resale	388	537	181	1,105	2	1	*	3
Total service provided for resale (carrier's carrier)	\$2,400	\$1,888	\$188	\$4,476	\$83	\$63	\$2	\$147

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$1	*		\$1				
b Provided under other arrangements	2.4	*		2.7	*			*
Total Line 303	3	*		3	*			*
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff					1	1		1
b Provided as unbundled network elements or other contract arrangement	36	3	*	38				
Total Line 304	36	3	*	38	1	1		1
305 Local private line & special access	15	1		16			*	
306 Payphone compensation from toll carriers	*	*		*	*	*		*
307 Other local telecommunications service revenues	1			1	2	1		3
308 Universal service support revenue received from federal or state sources	14	1	*	14				
Total fixed local service provided for resale	68	4	*	72	2	2	*	4
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	3,896	607	12	4,516	229	77		306
Total mobile service provided for resale	3,896	607	12	4,516	229	77		306
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	*	*		1				
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	343	135	2	480	4	1	*	5
312 Long distance private line services	*	*	*	1				
313 Satellite services					*	*		*
314 All other long distance services	*	*		1				
Total toll service provided for resale	344	136	2	482	4	1	*	5
Total service provided for resale (carrier's carrier)	\$4,308	\$747	\$14	\$5,070	\$236	\$80	*	\$315

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
a Provided as unbundled network elements	\$73	\$22	\$67	\$162	\$3,190	\$215	\$71	\$3,476
b Provided under other arrangements	74	9	*	83	1,376	589	*	1,965
Total Line 303	147	31	67	245	4,566	803	71	5,441
304 Per-minute charges for originating or terminating calls								
a Provided under state or federal access tariff	48	51	4	102	6,057	3,521	12	9,590
b Provided as unbundled network elements or other contract arrangement	40	10	2	51	2,368	1,996	2	4,365
Total Line 304	88	60	5	153	8,425	5,517	13	13,955
305 Local private line & special access	271	88	1	360	2,094	10,866	1	12,961
306 Payphone compensation from toll carriers	7	12	*	19	184	165	2	351
307 Other local telecommunications service revenues	19	1	*	20	1,522	460	*	1,982
308 Universal service support revenue received from federal or state sources	22	*		22	1,027	2,695	*	3,722
Total fixed local service provided for resale	554	193	73	819	17,819	20,506	87	38,412
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
309 Monthly, activation, and message charges except toll	111	20	*	131	4,302	706	12	5,020
Total mobile service provided for resale	111	20	*	131	4,302	706	12	5,020
<i>Toll service</i>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	35	257	947	1,239	66	258	947	1,271
311 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	2,123	4,320	3,522	9,965	2,769	4,585	3,551	10,904
312 Long distance private line services	549	2,145	520	3,214	733	2,551	579	3,863
313 Satellite services	*	80	32	112	*	81	128	209
314 All other long distance services	34	116	12	162	83	136	12	230
Total toll service provided for resale	2,740	6,919	5,033	14,692	3,650	7,611	5,216	16,476
Total service provided for resale (carrier's carrier)	\$3,404	\$7,132	\$5,105	\$15,642	\$25,770	\$28,823	\$5,315	\$59,907

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2002
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$46,782	\$255		\$47,037	\$7,110	\$11	*	\$7,122
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	277	9,547		9,824	70	1,821	*	1,891
Total local exchange (Line 404 + Line 405)	47,059	9,802		56,861	7,180	1,832	*	9,012
406 Local private line and special access service	2,756	3,327		6,083	326	182	*	508
407 Payphone coin revenues	396	1		397	28	*	*	28
408 Other local telecommunications service revenues	1,099	37		1,136	83	3	*	87
Line 403 surcharges on fixed local service 1/	196	911		1,106	32	112		144
Total fixed local service provided to end users	51,506	14,076		65,582	7,649	2,130	*	9,779
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	164	*		165	40	6		46
410 Message charges including roaming, but excluding toll charges	117	7		124	17	4		20
Line 403 surcharges on mobile service 1/	1	*		1	*	*		*
Total mobile service provided to end users	283	8		291	57	9		67
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	3	1		4	*	*	*	1
412 International calls that both originate and terminate in foreign points								
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	139	2		141	6	2	*	8
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	3,327	86	2	3,415	323	37	2	363
415 Long distance private line services	922	1		923	80	7	*	87
416 Satellite services								
417 All other long distance services	45	*		45	9	1	*	11
Line 403 surcharges on toll service 1/	8	7		15	2	2	*	4
Total toll service provided to end users	4,443	97	2	4,542	421	48	3	472
Total telecommunications service provided to end users	\$56,231	\$14,181	\$2	\$70,414	\$8,128	\$2,187	\$3	\$10,318

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$5,077	\$169	\$4	\$5,250	*	*		*
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	58	646	*	704				
Total local exchange (Line 404 + Line 405)	5,135	815	4	5,954	*	*		*
406 Local private line and special access service	941	1,134	*	2,074	1	*	*	1
407 Payphone coin revenues	7	3		10	354	15	*	369
408 Other local telecommunications service revenues	149	7	*	156	1	*	*	1
Line 403 surcharges on fixed local service 1/	18	63	*	82	*	*		*
Total fixed local service provided to end users	6,249	2,022	4	8,275	356	15	*	372
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
409 Monthly and activation charges	10	1	*	11	*	*		*
410 Message charges including roaming, but excluding toll charges	24	4		29				
Line 403 surcharges on mobile service 1/	*	*		1				
Total mobile service provided to end users	34	6	*	40	*	*		*
<i>Toll service</i>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	1	1	*	2	1	1	*	2
412 International calls that both originate and terminate in foreign points			2	2				
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	47	29	5	81	102	17	*	119
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	681	873	168	1,722	*	*	*	*
415 Long distance private line services	129	419	13	561				
416 Satellite services	4	7	*	11				
417 All other long distance services	22	11	5	38		*		*
Line 403 surcharges on toll service 1/	11	87	3	101	*	*		*
Total toll service provided to end users	895	1,427	197	2,518	102	19	*	122
Total telecommunications service provided to end users	\$7,178	\$3,454	\$201	\$10,834	\$459	\$34	\$1	\$494

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<i>Fixed local service</i>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$60	\$2	*	\$62	\$3	*		\$3
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	*	2		2		*		*
Total local exchange (Line 404 + Line 405)	61	3	*	64	3	*		3
406 Local private line and special access service	10	*		10	7	14		21
407 Payphone coin revenues	*	*		*	*	*		*
408 Other local telecommunications service revenues	7	*		7	1	*	*	1
Line 403 surcharges on fixed local service 1/	*	*		*	*	1		1
Total fixed local service provided to end users	78	4	*	81	11	16	*	27
<i>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</i>								
409 Monthly and activation charges	34,726	6,616	139	41,481	1,212	180	2	1,394
410 Message charges including roaming, but excluding toll charges	24,734	5,372	51	30,157	68	40	3	111
Line 403 surcharges on mobile service 1/	219	565	1	785	13	10	*	23
Total mobile service provided to end users	59,680	12,553	190	72,423	1,294	230	4	1,528
<i>Toll service</i>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	11	3	1	15	*	*	*	*
412 International calls that both originate and terminate in foreign points			*	*			*	*
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	15	3	*	19	*	*	*	1
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	724	201	11	936	14	6	*	20
415 Long distance private line services	3	*	*	3	*	2		2
416 Satellite services						4		4
417 All other long distance services	*	3	2	5	*	*		*
Line 403 surcharges on toll service 1/	3	13	*	16	*	1	*	1
Total toll service provided to end users	757	223	14	994	15	13	*	29
Total telecommunications service provided to end users	\$60,515	\$12,780	\$204	\$73,498	\$1,321	\$258	\$5	\$1,584

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 6
Revenues from Telecommunications Service Provided to End Users: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
<u>Fixed local service</u>								
404 Monthly service, local calling, connection charges, vertical features, and other local exchange service charges except for federally tariffed subscriber line charges and PICC charges	\$2,668	\$10	\$7	\$2,684	\$61,701	\$446	\$11	\$62,158
405 PICC charges levied by a local exchange carrier on a no-PIC customer and tariffed subscriber line charges	*	338		338	405	12,353	*	12,758
Total local exchange (Line 404 + Line 405)	2,668	348	7	3,022	62,106	12,800	11	74,916
406 Local private line and special access service	985	427	*	1,412	5,026	5,083	*	10,109
407 Payphone coin revenues	24	10	4	37	808	29	4	841
408 Other local telecommunications service revenues	24	21	2	47	1,364	69	2	1,436
Line 403 surcharges on fixed local service 1/	7	70	*	77	252	1,157	1	1,410
Total fixed local service provided to end users	3,707	875	13	4,595	69,556	19,138	18	88,712
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	1,372	254	1	1,627	37,525	7,057	141	44,723
410 Message charges including roaming, but excluding toll charges	415	79	*	495	25,376	5,506	54	30,935
Line 403 surcharges on mobile service 1/	2	29	*	31	236	606	1	842
Total mobile service provided to end users	1,789	362	1	2,152	63,137	13,168	196	76,501
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	90	144	587	820	105	150	588	843
412 International calls that both originate and terminate in foreign points			633	633			636	636
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	1,738	2,086	960	4,784	2,048	2,139	966	5,153
414 Ordinary long distance (MTS, customer toll-free 800/888/877/866 service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	12,071	19,328	5,717	37,116	17,141	20,531	5,899	43,572
415 Long distance private line services	947	7,437	1,286	9,669	2,081	7,866	1,299	11,245
416 Satellite services	6	111	129	246	10	122	129	261
417 All other long distance services	523	1,054	69	1,646	600	1,070	77	1,746
Line 403 surcharges on toll service 1/	115	3,364	152	3,631	139	3,473	155	3,767
Total toll service provided to end users	15,489	33,525	9,531	58,545	22,122	35,351	9,748	67,222
Total telecommunications service provided to end users	\$20,984	\$34,762	\$9,546	\$65,292	\$154,815	\$67,657	\$9,962	\$232,434

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal contributions.

Table 7
Total Revenues: 2002
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$62,350	\$28,808		\$91,158	\$11,382	\$6,203	\$6	\$17,590
Payphone [Lines 306 and 407]	494	83		576	33	7	*	40
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	339	8		347	66	11		77
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	4,574	104	2	4,679	462	58	4	523
Total telecommunications service revenues	67,756	29,002	2	96,760	11,942	6,279	9	18,230
Total telecommunications service provided for resale (from Table 1.5)	11,525	14,822		26,346	3,815	4,091	6	7,912
Total telecommunications service provided to end users (from Table 1.6)	<u>56,231</u>	<u>14,181</u>	<u>2.2</u>	<u>70,414</u>	<u>8,128</u>	<u>2,187</u>	<u>3</u>	<u>10,318</u>
Total telecommunications service revenues	67,756	29,002	2	96,760	11,942	6,279	9	18,230
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	10,925	---	---	---	2,745
419 Gross billed revenues from all sources	---	---	---	\$107,685	---	---	---	\$20,975

Note: Amounts may not add to totals due to rounding.
* Denotes values greater than \$0 but less than \$500,000.
1/Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	CLECS and Other Fixed Local Competitors				Payphone Providers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$8,253	\$3,366	\$12	\$11,631	\$9	\$2	*	\$10
Payphone [Lines 306 and 407]	7	7		14	429	75	2	506
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	35	6	*	41	*	*		*
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	1,283	1,963	377	3,624	104	20	*	125
Total telecommunications service revenues	9,578	5,342	389	15,309	542	97	2	641
Total telecommunications service provided for resale (from Table 1.5)	2,400	1,888	188	4,476	83	63	2	147
Total telecommunications service provided to end users (from Table 1.6)	<u>7,178</u>	<u>3,454</u>	201	<u>10,834</u>	<u>459</u>	<u>34</u>	<u>1</u>	<u>494</u>
Total telecommunications service revenues	9,578	5,342	389	15,309	542	97	2	641
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	7,846	---	---	---	33
419 Gross billed revenues from all sources	---	---	---	\$23,155	---	---	---	\$674

Note: Amounts may not add to totals due to rounding.
* Denotes values greater than \$0 but less than \$500,000.
1/Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Cellular, PCS and SMR Wireless Telephony				Other Wireless			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$146	\$8	*	\$154	\$14	\$17	*	\$31
Payphone [Lines 306 and 407]	*	*		*	*	*		*
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	63,576	13,160	202	76,938	1,523	307	4	1,834
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	1,101	359	16	1,476	19	14	*	33
Total telecommunications service revenues	64,823	13,527	218	78,568	1,556	338	5	1,899
Total telecommunications service provided for resale (from Table 1.5)	4,308	747	14	5,070	236	80	*	315
Total telecommunications service provided to end users (from Table 1.6)	<u>60,515</u>	<u>12,780</u>	<u>204</u>	<u>73,498</u>	<u>1,321</u>	<u>258</u>	<u>5</u>	<u>1,584</u>
Total telecommunications service revenues	64,823	13,527	218	78,568	1,556	338	5	1,899
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	14,845	---	---	---	897
419 Gross billed revenues from all sources	---	---	---	\$93,413	---	---	---	\$2,796

Note: Amounts may not add to totals due to rounding.
* Denotes values greater than \$0 but less than \$500,000.
1/Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 7
Total Revenues: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A Line	Toll Carriers				Total All Filers			
	Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$4,230	\$1,046	\$82	\$5,357	\$86,382	\$39,450	\$100	\$125,931
Payphone [Lines 306 and 407]	30	23	4	57	992	194	6	1,192
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	1,899	383	2	2,283	67,439	13,874	208	81,521
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	18,229	40,444	14,564	73,237	25,772	42,962	14,964	83,697
Total telecommunications service revenues	24,388	41,895	14,651	80,934	180,585	96,479	15,277	292,341
Total telecommunications service provided for resale (from Table 1.5)	3,404	7,132	5,105	15,642	25,770	28,823	5,315	59,907
Total telecommunications service provided to end users (from Table 1.6)	<u>20,984</u>	<u>34,762</u>	<u>9,546</u>	<u>65,292</u>	<u>154,815</u>	<u>67,657</u>	<u>9,962</u>	<u>232,434</u>
Total telecommunications service revenues	24,388	41,895	14,651	80,934	180,585	96,479	15,277	292,341
418 Enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet access, cable TV program transmission, and non-telecommunications service revenues	---	---	---	23,116	---	---	---	60,406
419 Gross billed revenues from all sources	---	---	---	\$104,050	---	---	---	\$352,747

Note: Amounts may not add to totals due to rounding.
* Denotes values greater than \$0 but less than \$500,000.
1/Includes a proportionate share of amounts reported on Line 403 as surcharges or other amounts on bills identified as recovering state or federal universal service contributions.

Table 8
Revenues by Type of Carrier: 2002
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Telecommunications Services Provided for Resale 1/				Telecommunications Services Provided to End Users 1/			
	Fixed Local	Mobile	Toll	Total	Fixed Local	Mobile	Toll	Total
Regional Bell Operating Companies	\$26,152	\$56	\$138	\$26,346	\$65,582	\$290	\$4,541	\$70,414
Other Incumbent Local Exchange Carriers (ILECs)	7,851	10	51	7,912	9,779	67	472	10,318
Total ILECs	34,003	66	189	34,258	75,361	357	5,014	80,732
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	2,823	*	804	3,627	7,178	34	2,204	9,416
Local Resellers	260	1	72	332	1,005	2	200	1,206
Private Service Providers	5		178	182	5	*	93	98
Shared-Tenant Service Providers	1		*	1	26	*	15	41
Other Local Service Providers	281	—	52	334	61	4	7	72
Total Local Competitors	3,370	1	1,105	4,476	8,275	40	2,518	10,834
Fixed Local Service Providers	37,372	67	1,294	38,734	83,636	397	7,532	91,566
Payphone Service Providers	144		3	147	372	*	122	494
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	72	4,516	482	5,069	81	72,423	994	73,498
Paging & Messaging Service Providers	2	302	5	309	4	1,144	16	1,164
Specialized Mobile Radio (SMR) Dispatch		*		*	*	204	1	206
Wireless Data and Other Mobile Service Providers	2	4		6	22	179	12	214
Wireless Service Providers	76	4,822	487	5,385	108	73,951	1,023	75,082
Interexchange Carriers (IXCs)	598	47	11,608	12,253	4,257	1,025	50,610	55,892
Operator Service Providers (OSPs)	2		36	38	3		514	517
Prepaid Calling Card Providers	*		10	10	*	*	450	450
Satellite Service Providers		7	114	121		12	272	284
Toll Resellers	155	76	1,275	1,506	303	1,102	6,368	7,773
Other Toll Carriers	64	*	1,649	1,714	32	13	330	375
Toll Service Providers	819	131	14,692	15,642	4,595	2,152	58,545	65,292
All Filers	\$38,412	\$5,020	\$16,476	\$59,907	\$88,711	\$76,501	\$67,222	\$232,434

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* under or exempt from federal universal service support mechanisms are reported as end-user service.

Table 8
Revenues by Type of Carrier: 2002
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Universal Service Contribution Base Revenues 1/ 2/	Telecommunications Service Revenues					Other Revenues 3/	Total
		Intrastate	Interstate	International to International	Other International	Total		
Regional Bell Operating Companies	\$14,183	\$67,756	\$29,002		\$2	\$96,760	\$10,924	\$107,685
Other Incumbent Local Exchange Carriers (ILECs)	2,191	11,942	6,279	—	9	18,230	2,745	20,975
Total ILECs	16,374	79,698	35,281		11	114,990	13,669	128,660
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	3,284	8,231	4,557	1	254	13,043	3,472	16,515
Local Resellers	267	1,175	339	1	22	1,538	1,118	2,656
Private Service Providers	74	29	147		105	281	2,905	3,185
Shared-Tenant Service Providers	15	27	10		5	42	46	88
Other Local Service Providers	14	116	289	—	1	406	306	712
Total Local Competitors	3,653	9,578	5,342	2	387	15,309	7,846	23,155
Fixed Local Service Providers	20,027	89,276	40,623	2	398	130,300	21,515	151,815
Payphone Service Providers	35	542	97		2	641	33	674
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	12,983	64,823	13,527	*	218	78,568	14,845	93,413
Paging & Messaging Service Providers	169	1,226	246		1	1,473	550	2,023
Specialized Mobile Radio (SMR) Dispatch	19	188	19		*	206	66	272
Wireless Data and Other Mobile Service Providers	75	143	73	*	3	220	281	500
Wireless Service Providers	13,246	66,379	13,864	1	223	80,467	15,742	96,209
Interexchange Carriers (IXCs)	38,176	20,113	37,262	523	10,247	68,146	15,467	83,613
Operator Service Providers (OSPs)	212	315	188	4	47	554	108	663
Prepaid Calling Card Providers	436	8	37	7	408	460	49	510
Satellite Service Providers	222	15	187	53	151	406	5,625	6,030
Toll Resellers	4,374	3,707	3,734	43	1,795	9,279	1,751	11,030
Other Toll Carriers	256	230	486	3	1,371	2,089	115	2,205
Toll Service Providers	43,675	24,388	41,895	633	14,018	80,934	23,116	104,050
All Filers	\$76,983	\$180,585	\$96,479	\$636	\$14,641	\$292,341	\$60,406	\$352,747

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

- 1/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* under or exempt from federal universal service support mechanisms are reported as end-user service and are subject to contribution requirements.
- 2/ Universal service contribution base revenues consist of all interstate and international end-user telecommunications revenues except for international-to-international revenues reported on Line 412. The totals include revenues from filers who are *de minimis* or otherwise exempt from contributing. This table also includes international revenues that were exempt from contribution because of the 12 percent rule. See Table 4 for details on exempt amounts.
- 3/ Carriers report non-telecommunications service revenues on Line 418. This category includes enhanced services, inside wiring maintenance, billing and collection, customer premises equipment, published directory, dark fiber, Internet, foreign carrier and other non-U.S. telecommunications service revenues.

Table 9
Estimates of Average Revenue per Conversation Minute
(Dollar Amounts and Minutes Shown in Millions)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Interstate operator service revenues 1/	\$7,213	\$7,052	\$6,561	\$6,878	\$6,454	\$7,113	\$6,971	\$5,747	\$6,603	\$5,480	\$3,843
+ Other interstate switched toll revenues 2/	\$32,217	\$36,477	\$38,843	\$42,139	\$47,865	\$42,075	\$42,620	\$45,026	\$38,753	\$32,870	\$26,431
+ International-to-international toll revenues 3/	\$74	\$111	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636
+ Charges on bills identified as USF contributions 4/							\$878	\$2,213	\$2,830	\$2,945	\$2,361
+ PICC pass-through reported as SLC revenues 5/							\$1,208	\$0	\$0	\$0	\$0
- 80% of revenues reported by toll resellers	\$665	\$1,001	\$1,251	\$2,582	\$4,211	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
= Total end-user switched toll revenues	\$38,765	\$42,528	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270
- International-to-international toll revenues 3/	\$74	\$111	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636
= U.S. international and interstate end-user switched toll revenues	\$38,691	\$42,417	\$43,987	\$46,186	\$49,733	\$48,764	\$51,677	\$52,986	\$48,186	\$41,295	\$32,634
End-user international MTS revenues 6/	\$10,382	\$11,564	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,695
- International reoriginating revenues 13/	\$0	\$0	\$0	\$28	\$43	\$248	\$287	\$370	\$430	\$712	\$414
- International-to-international toll revenues 3/	\$48	\$140	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636
= International revenues for U.S. end users	\$10,335	\$11,424	\$12,377	\$14,058	\$14,180	\$14,853	\$13,318	\$13,627	\$13,391	\$9,743	\$8,645
Total end-user switched toll revenues	\$38,765	\$42,528	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270
- End-user international MTS revenues 6/	\$10,382	\$11,564	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,844
= Interstate domestic switched end-user revenues	\$28,383	\$30,965	\$31,610	\$32,100	\$35,509	\$33,664	\$38,071	\$39,507	\$34,364	\$30,840	\$23,427
U.S. billed international minutes	10,294	11,513	13,616	15,889	19,325	22,753	24,250	28,515	29,216	33,280	35,032
- Country-direct/beyond minutes 9/	100	294	350	500	728	1,053	933	1,736	1,935	1,330	1,127
- Reoriginating minutes 13/	0	0	0	5	26	98	532	802	1,412	4,414	2,740
= U.S. billed international minutes excluding country-direct/beyond and reoriginating	10,194	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,165
ILEC originating interstate access minutes 7/	154,375	157,114	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092
+ Estimated CLEC originating minutes 8/	309	432	580	1,218	1,816	4,118	6,452	12,079	18,034	22,947	21,186
- U.S. billed international minutes excluding country-direct/beyond and reoriginating 9/	10,194	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,165
= Domestic originating access minutes	144,490	146,327	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,113
ILEC terminating interstate access minutes 7/	195,374	214,126	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908
+ Estimated CLEC terminating minutes 8/	391	589	856	1,891	3,068	7,141	11,739	20,757	32,092	40,746	37,620
- Country-direct/beyond international settlement minutes 9/	100	294	350	500	728	1,053	933	1,736	1,935	1,330	1,127
- Foreign billed international settlement minutes 10/	5,248	5,678	6,385	7,121	8,291	9,107	10,208	10,765	12,719	13,478	13,575
= Domestic terminating access minutes	190,417	208,743	233,481	256,982	286,849	312,381	335,398	352,721	380,734	371,245	333,826
Conversation minutes 11/											
U.S. interstate and international minutes	200,611	219,962	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	364,991
International conversation minutes 9/	10,194	11,219	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,165
Interstate domestic conversation minutes	190,417	208,743	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826
End-user revenue per											
U.S. interstate and international minute	\$0.19	\$0.19	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09
International conversation minute 12/	\$1.01	\$1.02	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28
Interstate domestic conversation minute	\$0.15	\$0.15	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07

See notes on next page.

Notes for Table 9.

n.a. - not applicable

Note: Some data for prior years have been revised.

- 1/ Starting in 1997, interstate operator service revenues are interstate and international prepaid calling card revenues (currently Table 6, Line 411) plus revenues from interstate and international operator and toll calls with alternative billing arrangements (currently Table 6, Line 413).
- 2/ Starting in 1997, other interstate switched toll revenues are equal to revenues from interstate and international ordinary long distance and other switched toll services (currently Table 6, Line 414).
- 3/ Starting in 1997, amounts shown are revenues from international calls that both originate and terminate at foreign points (currently Table 6, Line 412). International-to-international revenues were not reported separately prior to 1997. Amounts for 1992 through 1996 were estimated using a 50% growth rate. Most international-to-international services are provided to foreign customers. Some international-to-international services, such as call-back service, generate both originating and terminating access minutes.
- 4/ Carriers only report aggregate universal service surcharge revenues. Such revenues are allocated across services based on the share of contribution base revenues generated by each service.
- 5/ PICC charges were introduced in 1998. The reporting instructions for 1998 data were not clear and many toll carriers reported PICC pass-through charges as local revenues rather than as toll revenues. Carrier-by-carrier information was used to identify misclassified amounts to ensure that the amount of toll revenues for 1998 was accurate.
- 6/ Table 2 of *Trends in the U.S. International Telecommunications Industry* contains estimates of international end-user revenues. Preliminary figures are used for year 2000 through 2002. Note that these figures differ significantly from data contained in Table 6 herein. Table 3 in *Trends in the U.S. International Telecommunications Industry* contains data for country-direct/beyond and reoriginated minutes.
- 7/ Based on National Exchange Carrier Association (NECA) filings. Separate data were available for originating and terminating access minutes through 1998. Beginning in 1999, ILEC total interstate access minutes (*Monitoring Report*, Table 8.1) are allocated between originating and terminating based on the originating and terminating shares of carrier common line (CCL) minutes of use reported by carriers subject to price-cap regulation and all local exchange carriers in the NECA pool (see *Trends in Telephone Service*, Table 1.4. The August 2003 edition contains data for 2002.) These figures exclude the minutes of rate of return ILECs.
- 8/ CLEC access minutes are estimated based on the local service competitors share of the local services market. Data taken from Table 8.7 of *Trends in Telephone Service*. The 1992 percentage is based on a trend derived from following year data. The 2002 percentage is preliminary.

Local service competitors' share of	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
local revenues	0.2%	0.3%	0.4%	0.7%	1.0%	2.3%	3.5%	5.8%	8.8%	11.8%	12.1%

- 9/ World total MTS minutes billed in the United States from *Section 43.61 International Telecommunications Data* includes data for all U.S. points, all settlement arrangements and all U.S. carriers. Billing types covered are 1, 11, and 21. (See the *International Data* report for an explanation of billing types.) Starting in 1995, carriers separately reported country-direct/beyond minutes. Most country-direct traffic generates terminating access minutes and generally represents billed end-user revenues from U.S. customers. Country-beyond minutes generally do not result in access minutes and generate revenues that are reported as international-to-international. Some other international-to-international traffic, however, results in access minutes and ordinary U.S. billed minutes of traffic. In the absence of better assumptions, and recognizing the offsetting bias for call-back minutes, the country-beyond/direct minutes are treated as terminating access minutes but are not included as international conversation minutes.
- 10/ World total MTS minutes originating or terminating in the United States but billed in foreign countries are from *Section 43.61 International Telecommunications Data*. Includes data for all U.S. points, all settlement arrangements and all U.S. carriers. Billing types covered are 2, 12, and 22. (See the *International Data* report for an explanation of billing types.) Foreign billed minutes of international traffic generate terminating access minutes.
- 11/ International conversation minutes are estimated as U.S. billed international traffic minutes excluding country-direct/beyond and reoriginating minutes. Domestic conversation minutes are estimated as domestic terminating access minutes. An unknown quantity of conversation minutes result in reported interstate or international switched toll revenues but not in reported interstate access minutes. This may result in an upward bias in the revenue per minute estimates. For 2002, revenue per minute estimates may be overstated by as much as 10% or 20%.
- 12/ International revenue per-minute amounts published herein differ from estimates published in *Trends in the U.S. International Telecommunications Industry*, Table 2, because the latter estimates include revenues and billed minutes associated with calls that originate and terminate at foreign points.
- 13/ Reorigination traffic originates and terminates outside of the United States. U.S. carriers receive settlement like payments for this service which are reported as U.S. billed revenues in 43.61 reports. For FCC Form 499 reporting, these amounts are treated as settlements and not reported as revenues. Reorigination data are taken from Table 3 in *Trends in the U.S. International Telecommunications Industry* and from *Section 43.61 International Telecommunications Data*.

Table 10
Estimates of Access and Universal Service Contribution Costs per Conversation Minute
(Dollar Amounts and Minutes Shown in Millions, Per-Minute Amounts Shown in Dollars and Cents)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Minutes data from Table 9 1/											
ILEC originating interstate access minutes	154,375	157,114	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092
Originating minutes of international traffic	10,194	11,219	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,165
Domestic originating access minutes	144,490	146,327	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,113
ILEC terminating interstate access minutes	195,374	214,126	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908
Terminating minutes of international traffic	5,348	5,972	6,735	7,621	9,019	10,159	11,141	12,501	14,654	14,808	14,702
U.S. Interstate and international conversation minutes	200,611	219,962	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	364,991
International conversation minutes	10,194	11,219	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,165
Interstate domestic conversation minutes	190,417	208,743	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826
End-user revenue per minute data from Table 9											
U.S. interstate and international minute	\$0.19	\$0.19	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09
International conversation minute	\$1.01	\$1.02	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28
Interstate domestic conversation minute	\$0.15	\$0.15	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07
Access cost per interstate 2-ended minute 2/	\$0.069	\$0.067	\$0.068	\$0.065	\$0.061	\$0.056	\$0.039	\$0.033	\$0.024	\$0.018	\$0.016
Originating access minutes	\$0.032	\$0.031	\$0.032	\$0.031	\$0.029	\$0.026	\$0.022	\$0.018	\$0.013	\$0.010	\$0.008
Terminating access minutes	\$0.034	\$0.034	\$0.034	\$0.033	\$0.030	\$0.028	\$0.016	\$0.013	\$0.011	\$0.008	\$0.007
Access cost per average conversation minute 3/											
U.S. interstate and international minutes	\$0.058	\$0.055	\$0.054	\$0.050	\$0.045	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010
International conversation minutes	\$0.050	\$0.049	\$0.049	\$0.047	\$0.043	\$0.039	\$0.030	\$0.026	\$0.019	\$0.014	\$0.012
Interstate domestic conversation minutes	\$0.058	\$0.055	\$0.054	\$0.051	\$0.046	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010
Universal service contributions assessed on a per-line basis (\$millions) 4/	\$728	\$873	\$891	\$907	\$944	\$973	\$0	\$0	\$0	\$0	\$0
Expressed per minute 5/:											
U.S. interstate and international minutes	\$0.004	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.006	\$0.007	\$0.007	\$0.006	\$0.006
International conversation minutes	\$0.004	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.025	\$0.025	\$0.029	\$0.020	\$0.019
Interstate domestic conversation minutes	\$0.004	\$0.004	\$0.004	\$0.003	\$0.003	\$0.003	\$0.005	\$0.005	\$0.005	\$0.005	\$0.005
CLEC access revenues assessed on a per-minute basis (\$millions) 6/						\$26	\$93	\$213	\$369	\$573	\$854
Expressed per conversation minute						\$0.0001	\$0.0003	\$0.0006	\$0.0009	\$0.0014	\$0.0023
International-to-international revenues as % of total international end-user revenues 7/	0.7%	1.0%	1.3%	1.7%	2.6%	3.6%	7.6%	6.6%	7.3%	8.1%	6.6%
Net international settlement payouts (\$millions) 7/	\$3,344	\$3,704	\$4,289	\$4,919	\$5,601	\$5,207	\$4,663	\$4,477	\$4,335	\$2,649	\$2,560
Per U.S. interstate and international minute	\$0.017	\$0.017	\$0.017	\$0.018	\$0.018	\$0.015	\$0.012	\$0.011	\$0.010	\$0.006	\$0.007
Per international conversation minute	\$0.326	\$0.327	\$0.319	\$0.314	\$0.294	\$0.232	\$0.189	\$0.167	\$0.155	\$0.088	\$0.077
PICC charges billed by Tier 1 carriers (\$millions) 8/							\$2,000	\$2,258	\$1,732	\$571	\$134
Expressed per conversation minute							\$0.006	\$0.006	\$0.004	\$0.001	\$0.000
Access and universal service contribution costs 9/ per:											
U.S. interstate and international minute	\$0.078	\$0.076	\$0.075	\$0.072	\$0.066	\$0.059	\$0.050	\$0.046	\$0.038	\$0.027	\$0.026
International conversation minute 10/	\$0.380	\$0.380	\$0.371	\$0.364	\$0.340	\$0.275	\$0.249	\$0.224	\$0.209	\$0.126	\$0.110
Interstate domestic conversation minute	\$0.062	\$0.059	\$0.058	\$0.054	\$0.049	\$0.044	\$0.037	\$0.034	\$0.026	\$0.019	\$0.018
Revenue per-minute net of access and universal service contribution costs, per:											
U.S. interstate and international minute	\$0.115	\$0.117	\$0.104	\$0.098	\$0.096	\$0.087	\$0.094	\$0.094	\$0.081	\$0.077	\$0.064
International conversation minute 10/	\$0.634	\$0.638	\$0.562	\$0.550	\$0.423	\$0.413	\$0.335	\$0.314	\$0.309	\$0.228	\$0.167
Interstate domestic conversation minute	\$0.087	\$0.089	\$0.078	\$0.071	\$0.075	\$0.064	\$0.077	\$0.078	\$0.064	\$0.064	\$0.052
Access and universal service contribution costs as a percentage of revenue per minute											
U.S. interstate and international minutes	40.6%	39.3%	41.8%	42.2%	40.8%	40.3%	34.8%	33.1%	31.7%	25.9%	28.7%
International conversation minutes	37.4%	37.3%	39.8%	39.9%	44.6%	40.0%	42.6%	41.6%	40.3%	35.5%	39.7%
Interstate domestic conversation minutes	41.7%	40.0%	42.6%	43.2%	39.3%	40.7%	32.3%	30.2%	28.7%	23.3%	25.2%

See notes on next page.

Notes for Table 10.

Note: Some data for prior years have been revised. Some 2002 international data are preliminary. See text for additional commentary.

- 1/ The number of conversation minutes is based on the number of access minutes. An unknown quantity of conversation minutes result in reported revenues but do not result in interstate access minutes. Therefore, the analysis may overstate average access and universal service contribution costs per minute. Note that the end-user revenue per-minute data taken from Table 9 includes revenues from universal service pass-through charges levied on end users by filers to recover contribution amounts.
- 2/ Originating and terminating per-minute charges are derived from data in Table 1.2 of *Trends in Telephone Service*. Charges for the year are calculated as charges for the first and second half of each year, weighted by the actual access minutes for the respective halves.
- 3/ Access cost per average conversation minute is calculated as the total cost of originating and terminating access (based on ILEC but not CLEC access minutes and costs per minute shown in the table) divided by conversation minutes. For example, for international minutes, originating access minutes equal the U.S. billed international minutes excluding country-direct/beyond minutes and hubbing minutes. Similarly, terminating access minutes equal the number of foreign billed minutes plus country-direct/beyond minutes. Ideally, country-direct minutes would be treated differently from country-beyond minutes, but Section 43.61 international traffic data reports do not contain that breakout. For simplicity, all CLEC minutes are treated as domestic access minutes.
- 4/ Source: National Exchange Carrier Association (NECA). Through 1997, toll carriers were assessed based on the number of presubscribed lines.
- 5/ Through 1997, universal service contributions per minute were calculated as the assessments based on lines divided by all U.S. conversation minutes. Starting with 1998, the amounts are estimated as the approximate contribution rate for interstate and international revenues times the average per-minute charges.
- 6/ Interstate access per-minute revenues reported on FCC Form 457 and FCC Form 499-A by carriers other than ILECs.
- 7/ *Section 43.61 International Telecommunications Data*. Totals exclude settlement payouts for hubbing service. Net international settlement payouts have been reduced by the ratio of international-to-international service revenues to total international end-user revenues, reflecting the assumption that these revenues cause a proportionate share of net settlement payouts.
- 8/ Since 1998, Tier 1 incumbent local exchange carriers were allowed to recover a portion of interstate expenses through presubscribed interexchange carrier charges (PICCs) on access lines. Where the access line was presubscribed, the PICC was levied on the interexchange carrier (IXC) and the associated revenues were reported as carrier's carrier revenues. The PICC charges shown in the table are based on Tier 1 carrier charges as well as line count information from Tariff Review Plans and from the *Statistics of Communications Common Carriers*. Where consumers did not have a presubscribed IXC, however, the ILEC billed the PICC charge to the customer rather than the IXC. We estimated that 97% of ILEC PICC revenues were collected from IXCs. Note that PICCs on residential and single line business lines were eliminated on July 1, 2000 and that PICC charges largely have been phased out for other lines.
- 9/ Includes tariffed per-minute access charges, net international settlement payouts, universal service contributions and PICC charges but excludes the cost of dedicated access lines.
- 10/ The net cost of settling international traffic consists of the settlement payouts for U.S. billed traffic less the settlement receipts for foreign billed traffic. The minutes of foreign billed traffic are not included as international conversation minutes because U.S. carriers do not bill U.S. customers for this traffic. U.S. carriers incur terminating access charges for these minutes and international transmission costs. The terminating access costs are included in the cost per-minute estimates. *Trends in the U.S. International Telecommunications Industry* shows end-user revenue per minute handled, as compared to end-user revenue per U.S. billed conversation minute shown herein.

Table 11
End-User Telecommunications Service Revenues
By Region of the Country: 2002
(Dollar Amounts Shown in Millions)

	By Type of Revenue			All Filers	Percent of Total
	Fixed Local and Payphone	Wireless	Toll including Satellite		
Southeast: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and U.S. Virgin Islands	\$20,025	\$18,235	\$12,651	\$50,911	21.9 %
Western: Alaska, Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming	11,116	9,160	7,886	28,162	12.1
West Coast: California, Hawaii, Nevada, American Samoa, Guam, Northern Mariana Islands, and Wake Island	10,582	10,595	9,180	30,358	13.1
Mid-Atlantic: Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia	11,645	9,445	10,442	31,532	13.6
Mid-West: Illinois, Indiana, Michigan, Ohio, and Wisconsin	12,610	10,203	9,791	32,604	14.0
Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont	10,806	8,950	8,952	28,708	12.4
Southwest: Arkansas, Kansas, Missouri, Oklahoma, and Texas	11,527	9,907	7,927	29,362	12.6
Filers that did not identify revenues by region 1/	400	6	391	797	0.3
Total	\$88,712	\$76,501	\$67,222	\$232,434	100.0 %

1/ Filers that are exempt from contributing to local number portability administration are not required to provide a breakout by region of the country.

Table 12
Share of Universal Service Contributions 1/
By Principal Type of Contributor
Using Traditional Carrier Categories 2/

Service Provider Category	1997	1998	1999	2000	2001	2002	FCC Form 499-Q November 2003	
							Q3 2003	Q1 2004 Projected
Regional Bell Operating Companies (RBOCs) Including CLEC Affiliates.	11.7 %	14.4 %	14.3 %	16.2 %	18.3 %	19.9 %	19.3 %	19.8 %
Incumbent Local Exchange Carriers (ILECs) Other Than RBOCs	2.6	1.4	1.5	1.7	2.1	2.8	3.6	3.9
Competitive Local Exchange Carriers (CLECs) Local Resellers and Other Local Carriers Other Than RBOCs	0.8	1.3	2.6	2.2	2.7	3.3	3.2	3.3
Total: Fixed Local Service Providers	15.1	17.1	18.5	20.1	23.1	26.0	26.2	27.0
Payphone Providers	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Wireless Service Providers	3.3	5.1	6.6	9.2	12.0	17.2	24.5	26.8
RBOC Toll Service Providers	1.7	1.7	2.0	2.3	3.0	3.4	7.2	6.3
Other Toll Service Providers	79.9	76.0	72.9	68.3	61.9	53.3	42.1	39.8
Total: Toll Service Providers	81.6	77.7	74.9	70.6	64.9	56.7	49.3	46.1
Total All Filers	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

1/ For years 1997 through 2002, the percentages are based on shares of reported subject interstate and international end-user billed revenues. The percentages shown for the third quarter of 2003 are based on historic revenues reported in November 2003 FCC Form 499-Q filings. The percentages shown for the first quarter of 2004 are based on projected collected revenues in the same filings. Calculations exclude revenues for calls that both originate and terminate in foreign points. Calculations for years 1999 through 2002 include revenues for all filers. *De minimis* carriers were exempt from filing FCC Form 457 worksheets and are now exempt from filing FCC Form 499-Q worksheets. However, it is not unusual for *de minimis* companies to file worksheets and over 400 *de minimis* entities filed the FCC Form 499-Q in November 2003.

2/ The FCC Form 499-A asks each filer to identify a single category of communications business that best describes its operations. The service provider categories listed on FCC Form 499-A correspond to traditional breakdowns of the industry.

Source: 1997 and 1998: FCC Form 457 filings; 1999 through 2002: FCC Form 499-A filings; 2003 and 2004: November 2003 FCC Form 499-Q filings.

Table 13
Quarterly Revenues by Type of Carrier: 2003
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-Q	Total Telecommunications Services Provided for Resale 1/				Total Telecommunications Services Provided to End Users 1/				Interstate and International Telecommunications Services Provided to End Users 1/			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Projected By Filers Fourth Quarter
Regional Bell Operating Companies	\$6,449	\$6,443	\$6,539	2/	\$17,639	\$16,402	\$15,968	2/	\$3,521	\$3,466	\$3,637	\$3,499
Other Incumbent Local Exchange Carriers (ILECs)	1,962	2,111	2,017	_____	2,665	2,705	3,084	_____	596	619	748	643
Total ILECs	8,411	8,554	8,556		20,304	19,106	19,052		4,117	4,085	4,384	4,143
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	861	827	796		3,265	2,530	2,597		905	891	941	950
Local Resellers	102	93	82		314	313	334		61	64	74	68
Private Service Providers	21	22	23		21	21	21		18	18	17	18
Shared-Tenant Service Providers	*	*	*		15	14	13		4	4	4	4
Other Local Service Providers	84	84	84	_____	23	24	24	_____	7	9	8	10
Total Local Competitors	1,068	1,027	985		3,637	2,902	2,990		994	986	1,045	1,050
Fixed Local Service Providers	9,478	9,581	9,540		23,941	22,009	22,042		5,111	5,071	5,429	5,193
Payphone Service Providers	38	37	30		123	125	121		10	10	9	10
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	1,066	1,395	1,260		19,324	20,837	21,708		4,380	4,810	5,034	5,031
Paging & Messaging Service Providers	61	42	40		255	252	227		35	33	32	93
Specialized Mobile Radio (SMR) Dispatch	*	*	*		53	55	55		4	14	13	15
Wireless Data and Other Mobile Service Providers	1	*	1		53	53	18		17	16	11	15
Wireless Service Providers	1,128	1,438	1,301		19,684	21,197	22,008		4,436	4,874	5,091	5,154
Interexchange Carriers (IXCs)	3,236	3,299	3,405		12,443	12,215	12,126		8,955	8,366	8,117	7,519
Operator Service Providers (OSPs)	8	7	10		119	122	121		47	48	47	47
Prepaid Calling Card Providers	4	5	6		124	123	164		121	122	143	124
Satellite Service Providers	35	36	31		64	33	30		52	29	26	29
Toll Resellers	1,106	661	697		2,111	2,282	2,713		1,269	1,388	1,820	1,493
Other Toll Carriers	512	470	494		94	112	108		64	83	78	80
Toll Service Providers	4,900	4,479	4,643		14,954	14,886	15,261		10,509	10,037	10,232	9,292
All Filers	\$15,545	\$15,535	\$15,515	2/	\$58,702	\$58,216	\$59,432	2/	\$20,065	\$19,991	\$20,761	\$19,649

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

1/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* or exempt from federal universal service support mechanisms are reported as end-user service. In this table, end-user revenues do not include revenues for services that both originate and terminate in foreign points.

2/ Data for the fourth quarter of 2003 were filed on February 1, 2004. Information from these filings will be released when available. The August 1, 2003 FCC Form 499-Q filings contained projected billed interstate and international revenues for the fourth quarter of 2003.

Table 14
Detailed Revenues by Type of Carrier:
November 2003 FCC Form 499-Q Filings
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-Q	Total Telecommunications Services		Interstate and International Telecommunications Services Provided to End Users 1/				
	Provided for Resale 1/ Third Quarter 2003	Provided to End Users 1/ Third Quarter 2003	Billed Third Quarter 2003	Projected Billed 2/ First Quarter 2004	Annualized Change	Projected Collected 2/ First Quarter 2004	Uncollectible Rate
Regional Bell Operating Companies	\$6,538.6	\$15,968.3	\$3,636.6	\$3,459.2	-4.9 %	\$3,391.1	-2.0 %
Other Incumbent Local Exchange Carriers (ILECs)	<u>2,017.2</u>	<u>3,084.0</u>	<u>747.8</u>	<u>757.8</u>	1.3	<u>743.9</u>	-1.8
Total ILECs	8,555.8	19,052.3	4,384.4	4,217.0	-3.8	4,135.0	-1.9
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	796.4	2,597.4	941.1	998.1	6.1	941.8	-5.6
Local Resellers	81.6	333.7	74.3	76.6	3.0	73.3	-4.2
Private Service Providers	22.6	20.7	17.5	17.4	-0.1	17.4	-0.1
Shared-Tenant Service Providers	*	13.4	3.6	3.5	-2.9	3.2	-7.1
Other Local Service Providers	<u>83.9</u>	<u>24.5</u>	<u>8.4</u>	<u>8.6</u>	1.3	<u>7.9</u>	-8.2
Total Local Competitors	984.6	2,989.8	1,044.9	1,104.1	5.7	1,043.6	-5.5
Fixed Local Service Providers	9,540.4	22,042.0	5,429.3	5,321.0	-2.0	5,178.6	-2.7
Payphone Service Providers	30.3	120.8	8.8	8.6	-3.0	8.1	-5.2
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	1,259.6	21,708.2	5,033.7	5,253.2	4.4	5,098.2	-2.9
Paging & Messaging Service Providers	40.5	226.6	32.4	29.9	-7.7	28.6	-4.2
Specialized Mobile Radio (SMR) Dispatch	*	55.1	13.5	13.1	-2.6	12.7	-3.0
Wireless Data and Other Mobile Service Providers	1.1	18.2	11.1	10.5	-5.4	10.2	-2.6
Wireless Service Providers	1,301.1	22,008.1	5,090.6	5,306.6	4.2	5,149.8	-3.0
Interexchange Carriers (IXCs)	3,405.5	12,126.0	8,117.1	7,407.4	-8.7	7,100.8	-4.1
Operator Service Providers (OSPs)	9.9	121.0	47.1	42.8	-9.0	36.9	-13.8
Prepaid Calling Card Providers	5.6	164.0	143.4	146.4	2.1	145.8	-0.5
Satellite Service Providers	31.3	29.8	26.5	24.5	-7.5	24.4	-0.4
Toll Resellers	696.6	2,713.1	1,820.0	1,570.2	-13.7	1,471.3	-6.3
Other Toll Carriers	494.3	107.7	77.8	71.2	-8.5	64.7	-9.2
Toll Service Providers	4,643.2	15,261.5	10,232.0	9,262.6	-9.5	8,843.9	-4.5
All Filers	\$15,515.1	\$59,432.4	\$20,760.8	\$19,898.8	-4.2 %	\$19,180.4	-3.6 %

Note: Amounts may not add to totals due to rounding.

* Denotes values greater than \$0 but less than \$500,000.

- 1/ Telecommunications service provided for resale consists of services provided to other contributors to federal universal service support mechanisms for resale. Revenues from services provided to firms that are *de minimis* under or exempt from federal universal service support mechanisms are reported as end-user service. In this table, end-user revenues do not include revenues for services that both originate and terminate in foreign points.
- 2/ The universal service contribution base consists of projected collected interstate and international end-user telecommunications revenues except for international-to-international revenues. The totals include some revenues from filers who are *de minimis* or otherwise exempt from contributing. Such filers are exempt from filing the FCC Form 499-Q. However, many exempt entities nonetheless file the quarterly worksheets. This table also includes international revenues that were exempt from contribution because of the 12 percent rule. See Table 4 for details on exempt amounts.

Customer Response

Publication: *Telecommunications Industry Revenues: 2002*

You can help us provide the best possible information to the public by completing this form and returning it to the Industry Analysis & Technology Division of the FCC's Wireline Competition Bureau.

1. Please check the category that best describes you:

- press
- current telecommunications carrier
- potential telecommunications carrier
- business customer evaluating vendors/service options
- consultant, law firm, lobbyist
- other business customer
- academic/student
- residential customer
- FCC employee
- other federal government employee
- state or local government employee
- Other (please specify)

2. Please rate the report: Excellent Good Satisfactory Poor No opinion

- | | | | | | |
|----------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Data accuracy | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
| Data presentation | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
| Timeliness of data | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
| Completeness of data | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
| Text clarity | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
| Completeness of text | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |

3. Overall, how do you rate this report? Excellent Good Satisfactory Poor No opinion

- | | | | | | |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) | (<input type="checkbox"/>) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|

4. How can this report be improved?

5. May we contact you to discuss possible improvements?

Name:

Telephone #:

Questions? Contact Jim Lande or Ken Lynch at 202-418-0940 or email Jim.Lande@FCC.GOV , Kenneth.Lynch@FCC.GOV		
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