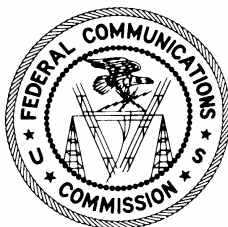


TELECOMMUNICATIONS INDUSTRY REVENUES 2004

Jim Lande
Kenneth Lynch

Industry Analysis & Technology Division
Wireline Competition Bureau
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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 1, 2005.¹ Most of the data for 2004 are taken from April 1, 2005 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. Preliminary 2005 totals presented in Table 1, and 2005 and 2006 shares of universal service contributions by principal type of contributor presented in Table 12, are based on filings of quarterly Telecommunications Reporting Worksheets (FCC Form 499-Q).

In 2004, the industry reported \$292 billion in telecommunications service revenues, a slight increase from 2003's \$291 billion. Industry sector data include:

- The pace of revenue growth for the wireless industry remained strong. Wireless industry revenues grew 10% during 2004, from \$90 billion to \$99 billion. See Table 2.
- Filers reported \$122 billion of local service revenues for 2004, down 2% from \$124 billion in 2003. See Table 2.
- Revenues for incumbent local exchange carriers (ILECs) for all services decreased to \$105 billion in 2004, down 4% from \$109 billion in 2003. See Table 3. These carriers reported \$100 billion of local service revenues in 2004. See Table 7. This is 3% lower than the local service revenues shown in last year's report.
- Non-ILEC providers of local services, including competitive local exchange carriers (CLECs), wireless carriers and toll carriers, reported \$21 billion of local service revenues in 2004. See Table 7. This is 6% higher than the local service revenues shown in last year's report.
- Total toll service revenues continued to decline during 2004 — from \$77 billion to \$71 billion. See Table 2.

The data for 2004 were consistent with recent trends.

- Chart 1 illustrates that overall telecommunications revenues have been relatively constant since 2000. The chart shows how the wireless service share of the industry has grown rapidly while the toll service share of revenues has declined.

¹ Industry Analysis and Technology Division, Wireline Competition Bureau, Federal Communications Commission, *Telecommunications Industry Revenues: 2003* (rel. March 1, 2005).

- Chart 2 illustrates how the share of universal service contributions by principal type of service provider has changed dramatically since 1997. Consistent with changes in revenues, the toll carrier share of contributions declined from over 80% in 1980 to under 40% today.

USF, TRS, NANP and LNP 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.

Chart 1
End-User Telecommunications Revenues

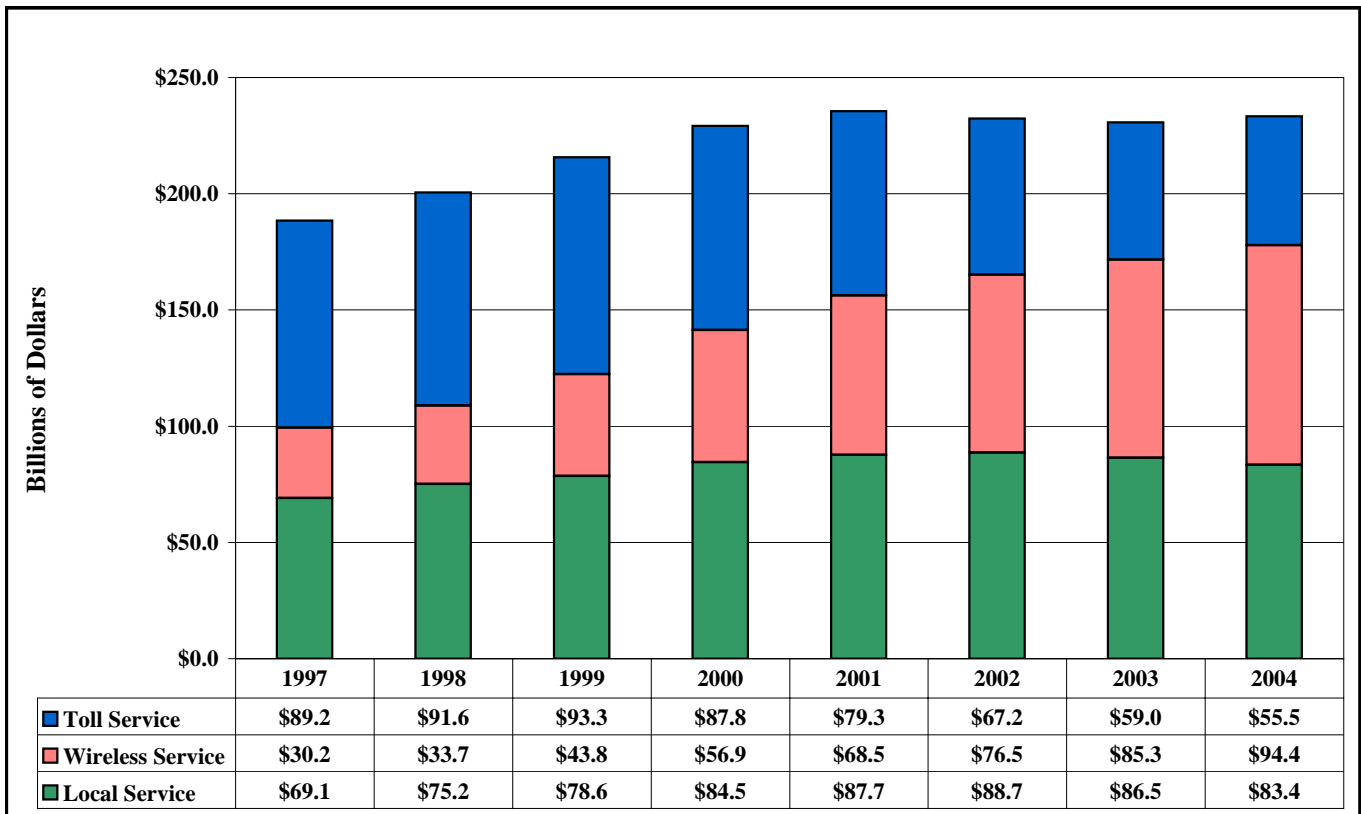
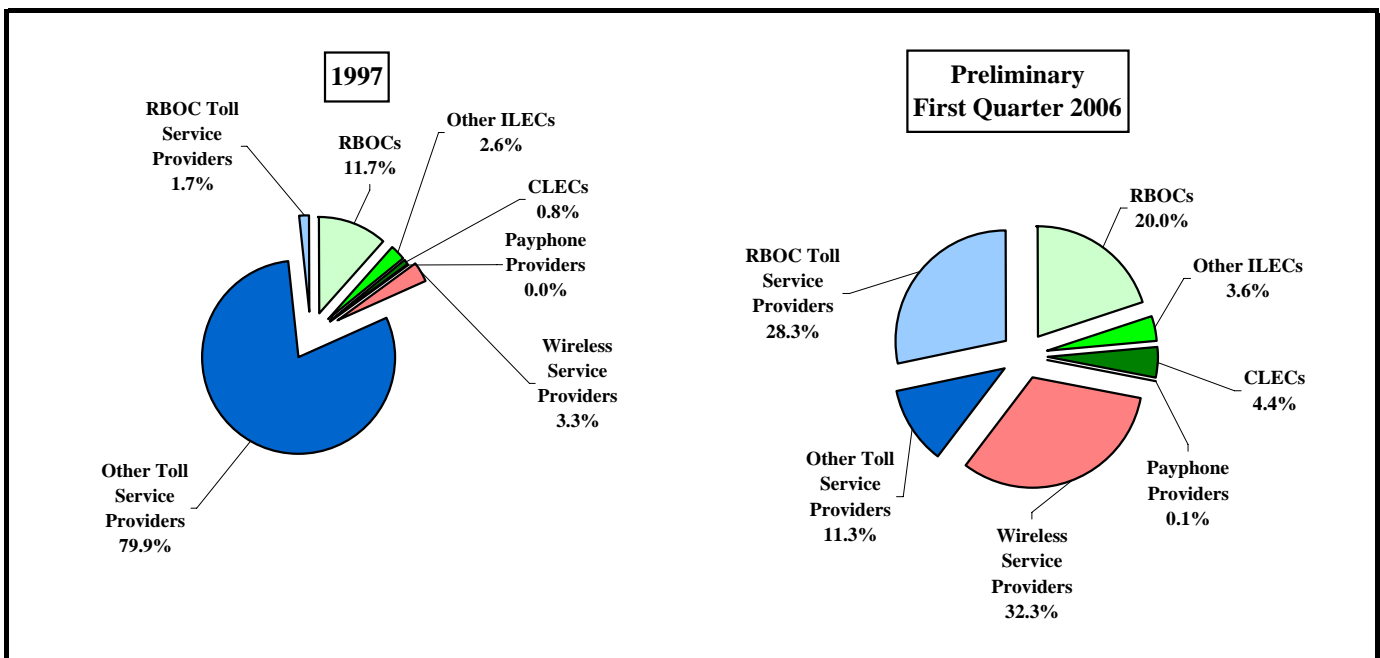


Chart 2
Share of Universal Service Contributions
By Principal Type of Contributor



Note: AT&T and MCI are included as RBOC Toll Service Providers for the first quarter of 2006.

FCC Form 499-A Filing Requirements

Virtually all providers of telecommunications must file FCC Form 499-A each year.² Telecommunications Reporting Worksheets are not filed directly with the Commission but rather with the Universal Service Administrative Company (USAC), which serves as the data collection agent. While the annual worksheets were due April 1, 2005, some providers filed late or submitted revised filings after that date. Year 2004 data do not include information from filings received after October 20, 2005 or information from filings that were incomplete.

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

- All Distance Service Provider
- Coaxial Cable Local Exchange Service Provider
- 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

² There are certain exceptions. Providers that offer telecommunications for a fee exclusively on a non-common 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.

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. Filers identified as All Distance or Coaxial Cable Service Providers have been re-categorized for the purpose of creating summary statistics.

- 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 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. In addition, many wireless providers 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.

Summary Tables

Table 1 shows the major components of telecommunications revenues for 1997 through 2005. This table was created by aggregating the revenues in the major service classifications designated on FCC Form 499-A. FCC Form 499-Q data was used to provide preliminary figures for 2005.

Tables 2 and 3 provide a more detailed 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 \$98.6 billion in wireless service revenues for 2004. This total includes wireless service revenues from some carriers that are not identified as wireless carriers. In

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 from a prior period.

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.

contrast, **Table 3** shows that wireless service providers reported total revenues of \$98.4 billion in 2004, including some revenues for fixed local and toll services.

Revenue data for 1994 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.

There are some inconsistencies as a result of changes in universal service worksheets. 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.

Changes in reporting procedures may have caused some of the large increase in non-telecommunications revenues that occurred in 2002. 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 USF, NANP, LNP and TRS 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 USF. 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.⁷

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, Commission staff estimated that end users were billed an average of 7 cents for each minute of interstate and international toll calling made during 2004. The average price for each interstate domestic conversation minute was estimated to be 6 cents during 2004. 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.

Additionally, since 1999, NECA filings report total access minutes without separating originating and terminating minutes. The totals are allocated based on carrier common line (CCL) minutes reported in access tariff filings by ILECs that are subject to price-cap regulation and in the NECA pool access tariff filings. Further, some toll calls handled over voice over Internet Protocol (VoIP) networks may terminate via local minutes rather than interstate access minutes. On balance, the assumptions underlying the estimates probably result in an upward bias in the revenue per minute estimates. For 2004, the staff estimates that revenue per minute estimates may be overstated by as much as 20%.

⁷ See *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A*, Figure 3 at 31, available at <http://www.fcc.gov/Forms/Form499-A/499a-2005.pdf>.

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 CLECs. These carriers do not report access minutes. Table 9 presents estimates of these minutes based on CLEC 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 do not. 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, staff 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. Staff 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. Staff does 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.

Many LECs also offer service bundles that provide toll calling without generating any separate per-minute toll charges. These carriers allocate a portion of monthly plan revenues as toll charges. Some LECs transfer this toll revenue to affiliated toll carrier books and those toll carriers report the revenues as switched long distance service revenue. Other carriers, however, report all of their monthly service revenues as local exchange service revenues. Where such revenues could be identified, they were reclassified to toll service for the purpose of creating roll-up statistics. Thus, the revenue-per-minute estimates are based on both minute and revenue data that includes LEC bundled service offerings.

End-user switched toll revenue data also are problematic for other reasons. 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 section 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 Commission 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.

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. On the first day of the second month of each quarter, filers report preliminary data for billed revenues from the previous quarter, and project billed and collected universal service contribution base amounts for the upcoming quarter. For example, on November 1, 2005, filers reported data for the third quarter of 2005 and projected revenues for the first quarter of 2006. Far less detail is filed on the quarterly FCC Form 499-Q than on the annual FCC Form 499-A. Revenue detail for the historic quarter includes total, interstate and international U.S. telecommunications revenues, divided into carrier's carrier and end-user categories. For the coming quarter, filers provide only billed and projected collected interstate and international end-user revenues. Roll-ups of the quarterly data are available on the Commission's website at: <http://www.fcc.gov/wcb/iatd/lec.html>.

Table 1
Overview of Telecommunication Industry Revenues 1/
(Dollar Amounts Shown in Millions)

	1997	1998	1999	2000	2001	2002	2003	2004	Preliminary 5/ 2005
Carrier's Carrier Revenues 2/									
Local Service 3/	\$28,289	\$29,374	\$33,156	\$36,621	\$40,108	\$38,412	\$37,742	\$38,546	\$38,986
Wireless Service	2,752	3,060	4,652	5,144	6,180	5,020	4,465	4,164	5,998
Toll Service	11,598	13,448	14,934	21,849	19,999	16,476	18,205	15,703	17,376
Intrastate	16,201	18,892	22,293	25,553	27,848	25,770	24,825	25,852	27,073
Interstate and International 4/	26,438	26,990	30,449	38,060	38,439	34,138	35,587	32,561	35,288
Total	\$42,639	\$45,758	\$52,742	\$63,613	\$66,287	\$59,907	\$60,412	\$58,413	\$62,360
End User Revenues 2/									
Local Service 3/	\$69,137	\$75,189	\$78,608	\$84,526	\$87,704	\$88,712	\$86,474	\$83,407	\$83,341
Wireless Service	30,199	33,714	43,843	56,857	68,507	76,501	85,254	94,404	101,863
Toll Service	89,193	91,607	93,311	87,767	79,302	67,222	58,983	55,511	48,968
Intrastate	117,454	123,216	134,919	147,465	155,347	154,815	150,889	153,265	156,251
Interstate and International 4/	71,076	77,294	80,844	81,685	80,165	77,619	79,822	80,057	77,920
Total	\$188,529	\$200,510	\$215,763	\$229,149	\$235,513	\$232,434	\$230,711	\$233,322	\$234,171
Total Revenues									
Local Service 3/	\$97,426	\$104,563	\$111,764	\$121,147	\$127,812	\$127,123	\$124,216	\$121,953	\$122,327
Wireless Service	32,950	36,775	48,495	62,000	74,687	81,521	89,718	98,568	107,861
Toll Service	100,793	105,055	108,246	109,615	99,301	83,697	77,188	71,214	66,343
Intrastate	133,655	142,108	157,212	173,018	183,195	180,585	175,714	179,117	182,124
Interstate and International 4/	97,514	104,284	111,293	119,745	118,605	111,756	115,409	112,617	113,208
Total	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734	\$296,532

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

- 1/ Data include revenues for *de minimis* filers as well as for other carriers that are exempt from universal service contribution requirements.
- 2/ Carrier's carrier revenues are reported on the 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.
- 3/ Payphone revenues are included with local service revenues in this table.
- 4/ Revenues from calls that both originate and terminate in foreign points are reported as end-user revenues, and are included in this table through 2004, but are not included in the universal service contribution base.
- 5/ Preliminary 2005 data are based on FCC Form 499-Q quarterly filings through November 2005. Companies that do not contribute to universal service are not required to make these filings. The quarterly filings include preliminary data for the just closed quarter and projections for the coming quarter, and therefore are not as accurate as the subsequent annual filings. Also, FCC Form 499-Q filers do not separate revenue by type of service. Therefore, revenue totals by service type for 2005 are based on type of filer rather than on data filed by service.

Source: Data for 1997 and 1998 primarily based on FCC Form 457 Universal Service Worksheets, with data from 1997 FCC Form 431 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 2
Telecommunications Industry Revenues by Service
(Dollar Amounts Shown in Millions)

	TRS Worksheet Data			Universal Service & TRS Data		FCC Form 499-A Data					
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Local Exchange	\$42,245	\$45,194	\$48,717	\$53,771	\$59,245	\$64,940	\$69,947	\$72,346	\$71,320	\$70,606	\$68,238
Pay Telephone 1/				2,182	2,536	2,218	1,932	1,585	1,192	1,063	1,002
Local Private Line 2/	1,138	1,226	1,616	8,282	10,403	12,914	16,864	21,966	23,070	22,415	23,840
Other Local 3/	1,407	3,233	2,674	2,847	2,179	2,501	3,249	3,391	3,418	3,242	2,944
Subscriber Line Charges 2/	7,310	7,597	7,829	8,327	11,052	10,826	11,563	12,127	12,758	12,136	11,715
Access 2/	25,449	26,314	27,812	21,423	18,449	18,105	17,017	15,096	13,955	12,972	12,352
Universal Service Surcharges on Local Service Bills 4/					103	260	575	1,301	1,410	1,783	1,862
Additional Revenues from TRS Worksheets				595	595						
Total Local Service and Payphone	77,548	83,564	88,647	97,426	104,563	111,764	121,147	127,812	127,123	124,216	121,953
Wireless Service	12,863	16,883	23,444	32,760	36,240	48,117	61,505	74,006	80,678	88,023	96,450
Universal Service Surcharges on Wireless Service Bills 4/					345	379	495	681	842	1,696	2,118
Additional Revenues from TRS Worksheets				189	189						
Total Wireless Service 3/	12,863	16,883	23,444	32,950	36,775	48,495	62,000	74,687	81,521	89,718	98,568
Operator 1/	10,539	11,170	10,975	12,002	12,205	10,049	11,406	10,389	7,902	6,567	6,542
Non-Operator Switched Toll	61,468	65,217	73,751	72,059	74,168	78,389	75,183	65,325	54,475	50,178	46,387
Long Distance Private Line	9,043	9,719	10,665	10,504	11,952	13,169	16,189	16,402	15,108	15,316	13,906
Other Long Distance	3,428	3,523	4,299	4,695	3,386	3,656	3,372	3,259	2,445	2,222	1,801
Universal Service Surcharges on Toll Service Bills 4/					1,810	2,983	3,467	3,927	3,767	2,905	2,577
Additional Revenues from TRS Worksheets				1,532	1,532						
Total Toll Service	84,478	89,629	99,691	100,793	105,055	108,246	109,615	99,301	83,697	77,188	71,214
Total Telecommunications 3/	174,890	190,076	211,782	231,168	246,392	268,505	292,762	301,799	292,341	291,122	291,735
Non-Telecommunications 3/	8,324	9,071	10,474	25,633	27,944	33,144	42,261	48,036	60,406	65,186	71,493
Total Reported Revenues	183,214	199,147	222,256	256,801	272,019	301,648	335,023	349,835	352,747	356,308	363,227
Service Reported as:											
Intrastate 3/	102,603	112,923	127,849	133,654	142,108	157,212	173,018	183,195	180,585	175,714	179,129
Interstate and International	80,611	86,224	94,407	97,514	104,284	111,293	119,745	118,605	111,756	115,409	112,605
Total Telecommunications 3/	\$183,214	\$199,147	\$222,256	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734

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. Through 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 (then reported as account 5200 and account 5280, respectively) and 10% of amounts reported as mobile service revenues. These amounts have been removed from Other Local and moved to the Non-Telecommunications category.
- 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 1994 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/				Universal Service & TRS Data		FCC Form 499-A Data					
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Incumbent Local Exchange Carriers 2/	\$91,527	\$95,612	\$100,021	\$105,154	\$108,234	\$112,216	\$116,158	\$117,885	\$114,990	\$109,480	\$105,496
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	281	623	1,011	1,919	3,348	5,652	9,814	12,998	13,043	15,509	15,112
Local Resellers				206	410	511	879	1,393	1,538	721	1,215
Other Local Exchange Carriers				157	36	171	11	329	406	338	245
Private Service Providers				112	147	87	39	15	281	267	532
Shared-Tenant Service Providers				87	93	87	202	46	42	22	22
Competitors of ILECs	281	623	1,011	2,481	4,034	6,508	10,945	14,781	15,309	16,857	17,126
Fixed Local Service Providers	91,807	96,235	101,032	107,634	112,268	118,725	127,103	132,666	130,300	126,337	122,622
Payphone Providers	300	349	357	933	1,101	1,213	972	836	641	523	445
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers 2/	11,933	15,488	21,400	29,944	33,139	46,513	59,823	71,887	78,568	88,168	98,329
Paging & Messaging Service 2/				2,861	3,161	3,232	3,102	2,197	1,473	1,007	872
Specialized Mobile Radio (SMR) Dispatch						186	191	214	206	33	46
Wireless Data Service Providers and Other Mobile Service Providers 2/	845	1,277	1,909	225	731	221	164	110	220	135	218
Wireless Service Providers	12,777	16,765	23,310	33,030	37,032	50,152	63,280	74,596	80,467	89,342	99,465
Interexchange Carriers (IXCs)	66,381	70,938	79,057	79,080	83,443	87,570	87,311	81,272	68,146	61,246	51,589
Operator Service Providers (OSPs)	536	500	461	603	590	337	635	611	554	567	523
Prepaid Calling Card Providers		16	238	519	888	866	727	133	460	812	1,635
Satellite Service Providers				1,011	475	280	336	373	406	663	721
Toll Resellers	2,840	4,220	6,564	8,010	9,885	9,211	10,641	8,797	9,279	9,294	12,192
Other Toll Carriers	709	773	577	348	710	150	1,758	2,516	2,089	2,339	2,543
Toll Service Providers	70,466	76,447	86,896	89,570	95,992	98,414	101,407	93,702	80,934	74,920	69,204
Adjustments 3/	(461)	280	187	0	0	0	0	0	0	0	0
Total Telecommunications Revenues	\$174,890	\$190,076	\$211,782	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734

- 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. Similarly, paging carriers typically identified themselves as other mobile carriers. For 2003 and 2004, some filers identified themselves as all distance carriers. These filers have been reclassified to be consistent with prior classifications.
- 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 (then reported as account 5200 and account 5280, respectively) and 10% of amounts reported as mobile service revenues. These amounts have been removed from incumbent local exchange carrier totals.
- 3/ 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/: 2004
(Dollar Amounts Shown in Millions)

		2004
Revenues subject to universal service contribution		
	Interstate and international end-user revenues	\$80,057
less	revenues for international - to - international services	644
less	international revenues of international-only filers and international revenues that were excluded because of the 12% rule 2/	3,118
less	interstate and other international revenues for 2,606 filers who are <i>de minimis</i> or otherwise exempt from universal service support requirements	66
less	<u>uncollectible contribution base revenues</u>	<u>1,574</u>
equals		\$74,654
Revenues subject to TRS contribution		
	Interstate and international end-user revenues	\$80,057
less	interstate and international revenues for 114 filers who identify themselves as private service providers or as shared tenant service providers and who therefore are exempt from telecommunications relay service (TRS) contribution requirements if they provide no carrier services	438
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 <u>mechanisms</u>	<u>175</u>
equals		\$79,443
Revenues subject to NANPA and LNP contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$233,322
less	telecommunications revenues for 756 filers who identify themselves as private service providers, shared tenant service providers or payphone service providers and who therefore are exempt from North American Numbering Plan Administration (NANPA) and local number portability administration (LNP) contribution requirements if they provide no carrier services	1,099
less	telecommunications revenues for services provided for resale but reported as end user because it <u>was provided to carriers that do not contribute to universal service support mechanisms</u>	<u>398</u>
equals		\$231,824

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 October 20, 2005. The universal service administrator continues to receive additional and corrected filings. Exempt amounts were based on revenues and the filer type information contained in the FCC Form 499-A filings. The fund administrators may use carrier type, revenue type, line 603 exemption certifications and additional information requested from filers to determine which filers must contribute. The universal service fund administrator bills delinquent filers based on estimated revenues and may, in some instances, include estimated revenue amounts in contribution base amounts. 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. As a result of these factors, actual contribution bases have been based on slightly different amounts than those shown.

2/ International revenues are excluded from the contribution base if the total 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). In addition, filers that provide only international services are exempt regardless of services offered by affiliates.

Table 5
Revenues from Telecommunications Service Provided for Resale 1/: 2004
(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								
.1 Provided as unbundled network elements (UNEs)	\$4,217	\$606		\$4,822	\$127	\$6	*	\$134
.2 Provided under other arrangements	567	129		696	111	87	*	198
Total Line 303	4,784	735		5,518	238	93	*	332
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	3,484	2,445		5,929	2,528	1,049	2	3,580
.2 Provided as unbundled network elements or other contract arrangement	583	408		991	78	20	*	98
Total Line 304	4,067	2,853		6,920	2,606	1,069	2	3,677
305 Local private line & special access	681	9,314		9,995	281	1,179	*	1,461
306 Payphone compensation from toll carriers	81	63	38	182	1	1	1	3
307 Other local telecommunications service revenues	1,478	379		1,858	31	3		34
308 Universal service support revenues received from Federal or state sources	936	920		1,855	614	1,758	*	2,372
Total fixed local service provided for resale	12,026	14,264	38	26,328	3,772	4,104	3	7,879
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	58			58	11	2		14
Total mobile service provided for resale	58			58	11	2		14
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	13	*		13	1	*	*	1
311 Ordinary long distance (direct dialed MTS, customer toll-free 800/888 etc. service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	220	*		221	6	2	*	7
312 Long distance private line services	17	2		19	6	5		11
313 Satellite services								
314 All other long distance services	*	1		1	2	2	*	4
Total toll service provided for resale	250	3		253	15	8	*	23
Total service provided for resale (carrier's carrier)	\$12,335	\$14,267	\$38	\$26,640	\$3,798	\$4,114	\$3	\$7,915

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/: 2004
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
<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								
.1 Provided as unbundled network elements (UNEs)	\$121	\$154	\$3	\$278	*	*	*	*
.2 Provided under other arrangements	249	17	*	266				
Total Line 303	370	171	3	544	*	*	*	*
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	538	414	6	958	*	*	*	*
.2 Provided as unbundled network elements or other contract arrangement	233	35	1	269				
Total Line 304	771	449	7	1,226	*	*	*	*
305 Local private line & special access	536	484	*	1,021	1	*	*	1
306 Payphone compensation from toll carriers	2	1	1	4	40	31	19	89
307 Other local telecommunications service revenues	221	13	*	234	3	1	*	3
308 Universal service support revenues received from Federal or state sources	26	9		34	*	*	*	*
Total fixed local service provided for resale	1,926	1,128	11	3,064	43	32	19	94
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	1	*		1				
Total mobile service provided for resale	1	*		1				
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	29	*	*	29	1	*	*	1
311 Ordinary long distance (direct dialed MTS, customer toll-free 800/888 etc. service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	97	65	32	194	*	*	*	1
312 Long distance private line services	157	394	11	562	*			*
313 Satellite services	1	81	12	94				
314 All other long distance services	24	2	1	27	2	*	*	2
Total toll service provided for resale	307	542	56	905	4	1	*	5
Total service provided for resale (carrier's carrier)	\$2,233	\$1,669	\$67	\$3,970	\$47	\$32	\$19	\$99

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/: 2004
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								
.1 Provided as unbundled network elements (UNEs)	*			*	*	*		*
.2 Provided under other arrangements	*	*	*	*	1	0.8		2
Total Line 303	*	*	*	*	1	1		2
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	2	3		6	*	*		*
.2 Provided as unbundled network elements or other contract arrangement	58	7	*	64	*	*		*
Total Line 304	60	10	*	70	*	*		*
305 Local private line & special access	39	*		39		*		*
306 Payphone compensation from toll carriers	*	*	*	*				
307 Other local telecommunications service revenues	1			1	*			*
308 Universal service support revenues received from Federal or state sources	51	149		200	*	*		*
Total fixed local service provided for resale	151	159	*	310	2	1		3
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	3,232	706	4	3,941	103	25	*	128
Total mobile service provided for resale	3,232	706	4	3,941	103	25	*	128
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	20	2	*	22				
311 Ordinary long distance (direct dialed MTS, customer toll-free 800/888 etc. service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	263	113	1	378	1	*	*	1
312 Long distance private line services	*	*	*	*				
313 Satellite services					*	3		3
314 All other long distance services	3	1	*	4				
Total toll service provided for resale	286	117	2	404	1	3	*	4
Total service provided for resale (carrier's carrier)	\$3,668	\$982	\$5	\$4,655	\$106	\$29	*	\$135

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/: 2004
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>								
303 Monthly service, local calling, connection charges, vertical features, and other local exchange service including subscriber line and PICC charges to IXCs								
.1 Provided as unbundled network elements (UNEs)	\$71	\$21	\$3	\$95	\$4,536	\$787	\$6	\$5,329
.2 Provided under other arrangements	10	*		11	939	234	*	1,173
Total Line 303	82	21	3	105	5,475	1,021	6	6,501
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	166	47	15	228	6,719	3,959	23	10,701
.2 Provided as unbundled network elements or other contract arrangement	171	52	6	229	1,123	521	7	1,651
Total Line 304	337	99	21	457	7,842	4,480	30	12,352
305 Local private line & special access	50	180	1	230	1,588	11,158	1	12,747
306 Payphone compensation from toll carriers	11	9	5	25	135	105	64	303
307 Other local telecommunications service revenues	23	3	*	27	1,757	400	*	2,157
308 Universal service support revenues received from Federal or state sources	22	1	*	24	1,648	2,837	*	4,486
Total fixed local service provided for resale	525	313	30	868	18,444	20,001	101	38,546
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	16	5	*	21	3,422	739	4	4,164
Total mobile service provided for resale	16	5	*	21	3,422	739	4	4,164
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	30	40	123	193	93	43	123	259
311 Ordinary long distance (direct dialed MTS, customer toll-free 800/888 etc. service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	2,276	4,265	3,900	10,441	2,863	4,446	3,934	11,242
312 Long distance private line services	772	2,029	190	2,991	953	2,429	201	3,583
313 Satellite services	3	30	105	138	4	114	117	235
314 All other long distance services	44	140	163	347	75	146	164	385
Total toll service provided for resale	3,124	6,505	4,482	14,110	3,986	7,177	4,540	15,703
Total service provided for resale (carrier's carrier)	\$3,665	\$6,823	\$4,512	\$15,000	\$25,852	\$27,916	\$4,645	\$58,413

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: 2004
(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	\$38,853	\$213		\$39,065	\$7,305	\$21	*	\$7,326
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	206	8,159		8,365	60	1,851	*	1,912
Total local exchange (Line 404 + Line 405)	39,059	8,371		47,430	7,365	1,872	*	9,237
406 Local private line and special access service	2,568	4,249		6,816	357	515	*	872
407 Payphone coin revenues (local and long distance)	352	*		353	22	*	*	22
408 Other local telecommunications service revenues	350	7		357	83	4	*	87
Line 403 surcharges on fixed local service 1/	180	1,090		1,270	29	200		229
Total fixed local service provided to end users	42,509	13,717		56,226	7,856	2,591	*	10,448
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	176	8		185	47	9		56
410 Message charges including roaming, but excluding toll charges	77	12		89	21	5		26
Line 403 surcharges on mobile service 1/	1	2		3	*	1		1
Total mobile service provided to end users	255	23		277	68	15		83
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	1	*		1	*	1	1	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	147	1		148	6	1	*	7
414 Ordinary long distance (direct-dialed MTS, customer toll-free 800/888 etc. service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	2,266	89		2,355	226	37	2	265
415 Long distance private line services	985	1		986	73	6	*	79
416 Satellite services					*			*
417 All other long distance services	35	*		36	8	1	*	10
Line 403 surcharges on toll service 1/	7	8		15	2	3	*	4
Total toll service provided to end users	3,441	99		3,541	315	48	3	366
Total telecommunications service provided to end users	46,205	13,839		60,044	8,239	2,654	3	10,897
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	915	139		1,054	94	20	*	114
423 Net universal service contribution base revenues	\$45,290	\$13,700		\$58,990	\$8,145	\$2,635	\$3	\$10,783
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: 2004
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
<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	\$6,044	\$147	\$18	\$6,210	*	*	*	*
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	8	948	*	957	*	*	*	*
Total local exchange (Line 404 + Line 405)	6,053	1,095	18	7,166	*	*	*	*
406 Local private line and special access service	1,128	1,829	5	2,962	3	*		4
407 Payphone coin revenues (local and long distance)	5	2	*	7	246	14	1	260
408 Other local telecommunications service revenues	254	27	23	304	4	*	*	4
Line 403 surcharges on fixed local service 1/	33	229	2	264	*	*		*
Total fixed local service provided to end users	7,473	3,183	48	10,704	253	15	1	268
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	10	3	*	13				
410 Message charges including roaming, but excluding toll charges	1	1		2				
Line 403 surcharges on mobile service 1/	*	*		*				
Total mobile service provided to end users	12	3	*	15				
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	1	1	21	23	*	*	*	*
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	35	28	1	64	55	12	*	67
414 Ordinary long distance (direct-dialed MTS, customer toll-free 800/888 etc. service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	671	757	207	1,635	9	1	*	10
415 Long distance private line services	191	267	43	501	*			*
416 Satellite services	13	31	6	50				
417 All other long distance services	39	18	6	63	*	*	*	*
Line 403 surcharges on toll service 1/	4	94	4	102	*	*		*
Total toll service provided to end users	953	1,195	289	2,437	64	13	*	78
Total telecommunications service provided to end users	8,438	4,381	337	13,156	318	28	1	346
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	243	81	10	333	2	1	*	2
423 Net universal service contribution base revenues	\$8,195	\$4,300	\$328	\$12,823	\$316	\$27	\$1	\$344

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: 2004
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>								
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	\$77	*	*	\$77	\$14	*	*	\$14
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	—	4	—	4	*	1	—	1
Total local exchange (Line 404 + Line 405)	77	4	*	81	14	1	*	15
406 Local private line and special access service	16	*		17	38	*		38
407 Payphone coin revenues (local and long distance)	*	*		*	*	*		*
408 Other local telecommunications service revenues	2			2	14	1		15
Line 403 surcharges on fixed local service 1/	*	*		*	*	*		*
Total fixed local service provided to end users	96	4	*	100	66	3	*	69
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	56,282	15,377	136	71,795	680	88	*	768
410 Message charges including roaming, but excluding toll charges	14,492	4,308	28	18,829	59	32	1	92
Line 403 surcharges on mobile service 1/	342	1,742	*	2,084	2	19	*	21
Total mobile service provided to end users	71,116	21,428	164	92,708	740	140	1	881
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	7	1	2	10	*	*	*	*
412 International calls that both originate and terminate in foreign points			5	5			*	*
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	27	9	*	37	*	*		*
414 Ordinary long distance (direct-dialed MTS, customer toll-free 800/888 etc. service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	526	183	12	721	14	4	*	18
415 Long distance private line services	25	13	1	39	*	30		30
416 Satellite services						3		3
417 All other long distance services	5	15	2	23	*	*	*	*
Line 403 surcharges on toll service 1/	10	21	*	32	*	*	*	*
Total toll service provided to end users	600	243	22	866	15	37	*	52
Total telecommunications service provided to end users	71,812	21,675	187	93,674	821	179	1	1,001
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	1,482	423	3	1,909	8	1	*	9
423 Net universal service contribution base revenues	\$70,330	\$21,252	\$178	\$91,760	\$814	\$178	\$1	\$992

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: 2004
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	\$4,491	\$60	\$8	\$4,558	\$56,785	\$441	\$26	\$57,251
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	58	419	*	477	333	11,382	*	11,715
Total local exchange (Line 404 + Line 405)	4,549	479	8	5,036	57,117	11,822	26	68,966
406 Local private line and special access service	74	304	7	385	4,184	6,897	12	11,093
407 Payphone coin revenues (local and long distance)	30	25	1	56	655	42	1	699
408 Other local telecommunications service revenues	14	3	*	18	721	42	23	787
Line 403 surcharges on fixed local service 1/	20	77	*	98	263	1,597	2	1,862
Total fixed local service provided to end users	4,688	889	15	5,592	62,941	20,402	64	83,407
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	316	46	5	367	57,512	15,531	141	73,183
410 Message charges including roaming, but excluding toll charges	53	11	1	65	14,703	4,369	30	19,103
Line 403 surcharges on mobile service 1/	2	6	*	8	347	1,771	*	2,118
Total mobile service provided to end users	371	62	6	439	72,562	21,670	171	94,404
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	354	402	2,507	3,263	363	405	2,531	3,299
412 International calls that both originate and terminate in foreign points			639	639			644	644
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	739	835	443	2,018	1,009	886	445	2,341
414 Ordinary long distance (direct-dialed MTS, customer toll-free 800/888 etc. service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	9,586	15,673	4,884	30,142	13,297	16,742	5,106	35,145
415 Long distance private line services	1,370	6,249	1,070	8,689	2,644	6,566	1,114	10,323
416 Satellite services	7	96	154	257	20	129	160	310
417 All other long distance services	233	386	122	742	321	420	131	872
Line 403 surcharges on toll service 1/	85	2,211	127	2,423	108	2,338	132	2,577
Total toll service provided to end users	12,373	25,852	9,947	48,173	17,762	27,487	10,262	55,511
Total telecommunications service provided to end users	17,432	26,803	9,969	54,204	153,265	69,559	10,498	233,322
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	723	707	268	1,698	3,467	1,371	281	5,119
423 Net universal service contribution base revenues	\$16,709	\$26,096	\$9,062	\$51,867	\$149,798	\$68,187	\$9,573	\$227,558

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: 2004
(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/]	\$54,102	\$27,918		\$82,020	\$11,605	\$6,694	\$3	\$18,301
Payphone [Lines 306 and 407]	433	63	38	534	23	1	1	25
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	313	23		336	79	18		97
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	3,692	102		3,793	330	56	3	389
Total telecommunications service revenues	58,540	28,106	38	86,684	12,037	6,769	6	18,812
Total telecommunications service provided for resale (from Table 5)	12,335	14,267	38	26,640	3,798	4,114	3	7,915
Total telecommunications service provided to end users (from Table 6)	<u>46,205</u>	<u>13,839</u>		<u>60,044</u>	<u>8,239</u>	<u>2,654</u>	<u>3</u>	<u>10,897</u>
Total telecommunications service revenues	58,540	28,106	38	86,684	12,037	6,769	6	18,812
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	---	---	---	12,725	---	---	---	2,641
419 Gross billed revenues from all sources	---	---	---	99,409	---	---	---	21,454
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				827				178
Total collected revenues from all sources				\$98,582				\$21,275

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: 2004
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/]	\$9,392	\$4,307	\$58	\$13,757	\$12	\$1	*	\$13
Payphone [Lines 306 and 407]	7	4	1	11	285	45	19	349
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	13	4	*	16				
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	1,260	1,736	345	3,342	68	14	1	82
Total telecommunications service revenues	10,671	6,050	404	17,126	365	60	20	445
Total telecommunications service provided for resale (from Table 5)	2,233	1,669	67	3,970	47	32	19	99
Total telecommunications service provided to end users (from Table 6)	<u>8,438</u>	<u>4,381</u>	337	<u>13,156</u>	<u>318</u>	<u>28</u>	1	<u>346</u>
Total telecommunications service revenues	10,671	6,050	404	17,126	365	60	20	445
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	---	---	---	10,704	---	---	---	426
419 Gross billed revenues from all sources	---	---	---	27,829	---	---	---	871
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				479				5
Total collected revenues from all sources				\$27,351				\$866

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: 2004
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/]	\$246	\$164	*	\$410	\$68	\$3	*	\$71
Payphone [Lines 306 and 407]	*	*	*	*	*	*		*
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	74,348	22,133	168	96,649	844	165	1	1,009
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	886	360	24	1,270	15	40	1	55
Total telecommunications service revenues	75,480	22,657	192	98,329	927	208	2	1,136
Total telecommunications service provided for resale (from Table 5)	3,668	982	5	4,655	106	29	*	135
Total telecommunications service provided to end users (from Table 6)	<u>71,812</u>	<u>21,675</u>	<u>187</u>	<u>93,674</u>	<u>821</u>	<u>179</u>	<u>1</u>	<u>1,001</u>
Total telecommunications service revenues	75,480	22,657	192	98,329	927	208	2	1,136
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	---	---	---	25,858	---	---	---	1,947
419 Gross billed revenues from all sources	---	---	---	124,187	---	---	---	3,083
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				2,307				14
Total collected revenues from all sources				\$121,880				\$3,070

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: 2004
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/]	\$5,171	\$1,168	\$40	\$6,378	\$80,595	\$40,255	\$100	\$120,951
Payphone [Lines 306 and 407]	42	34	6	82	790	147	65	1,002
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	387	67	6	460	75,984	22,409	175	98,568
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	15,498	32,357	14,429	62,283	21,748	34,664	14,802	71,214
Total telecommunications service revenues	21,097	33,626	14,481	69,204	179,117	97,475	15,143	291,734
Total telecommunications service provided for resale (from Table 5)	3,665	6,823	4,512	15,000	25,852	27,916	4,645	58,413
Total telecommunications service provided to end users (from Table 6)	<u>17,432</u>	<u>26,803</u>	<u>9,969</u>	<u>54,204</u>	<u>153,265</u>	<u>69,559</u>	<u>10,498</u>	<u>233,322</u>
Total telecommunications service revenues	21,097	33,626	14,481	69,204	179,117	97,475	15,143	291,734
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	---	---	---	17,192	---	---	---	71,493
419 Gross billed revenues from all sources	---	---	---	86,395	---	---	---	363,227
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				2,132				5,941
Total collected revenues from all sources				\$84,263				\$357,286

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 1/: 2004
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Telecommunications Services Provided for Resale 2/				Telecommunications Services Provided to End Users 2/			
	Fixed Local	Mobile	Toll	Total	Fixed Local	Mobile	Toll	Total
Regional Bell Operating Companies	\$26,328	\$58	\$253	\$26,640	\$56,226	\$277	\$3,540	\$60,044
Other Incumbent Local Exchange Carriers (ILECs)	7,879	14	23	7,915	10,447	83	366	10,897
Total ILECs	34,207	72	276	34,555	66,674	361	3,906	70,941
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	2,718	1	660	3,379	9,644	12	2,077	11,733
Local Resellers	116		6	122	931	*	162	1,093
Private Service Providers	46	*	211	257	83	3	190	275
Shared-Tenant Service Providers	2		*	2	14	*	6	20
Other Local Service Providers	182	—	29	211	32	*	2	34
Total Local Competitors	3,064	1	905	3,970	10,704	15	2,437	13,156
Fixed Local Service Providers	37,271	73	1,181	38,525	77,378	376	6,343	84,097
Payphone Service Providers	94		5	98	268		78	346
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	310	3,941	404	4,655	100	92,708	866	93,673
Paging & Messaging Service Providers	*	123	4	127	4	725	16	745
Specialized Mobile Radio (SMR) Dispatch	*	1	*	1	*	44	*	44
Wireless Data and Other Mobile Service Providers	2	5		7	64	112	35	211
Wireless Service Providers	313	4,070	408	4,790	169	93,589	917	94,675
Interexchange Carriers (IXCs)	777	8	11,074	11,859	4,917	284	34,528	39,729
Operator Service Providers (OSPs)	1		26	28	2		493	495
Prepaid Calling Card Providers	3	1	119	123	59	32	1,421	1,512
Satellite Service Providers	1	5	140	145	155	14	407	576
Toll Resellers	37	7	1,928	1,973	438	109	9,673	10,220
Other Toll Carriers	49		822	871	22	*	1,650	1,672
Toll Service Providers	868	21	14,110	15,000	5,592	439	48,173	54,204
All Filers	\$38,546	\$4,164	\$15,703	\$58,413	\$83,407	\$94,404	\$55,511	\$233,321

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

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

1/ Revenues are classified by the primary carrier type of each reporting entity. For example, revenues reported by an RBOC affiliate that identifies itself as an IXC are included in the table as IXC revenues. Many LECs provided both local and long distance services as part of package plans. Most of the revenues for the toll portion of these bundles were reported as toll revenues on FCC Form 499-A filings of LEC toll affiliates. Filers identified as All Distance or Coaxial Cable Service Providers have been re-categorized for the purpose of creating summary statistics

2/ 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.

Table 8
Revenues by Type of Carrier 1/: 2004
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Universal Service Contribution Base Revenues 2/ 3/	Telecommunications Service Revenues					Other Revenues 4/	Total
		Intrastate	Interstate	International to International	Other International	Total		
Regional Bell Operating Companies	\$13,700	\$58,540	\$28,106		\$38	\$86,684	\$12,725	\$99,409
Other Incumbent Local Exchange Carriers (ILECs)	<u>2,638</u>	<u>12,037</u>	<u>6,769</u>	—	6	<u>18,812</u>	<u>2,641</u>	<u>21,453</u>
Total ILECs	16,338	70,577	34,875		44	105,496	15,367	120,862
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	4,150	9,410	5,403	*	299	15,112	5,037	20,149
Local Resellers	249	930	265	*	20	1,215	218	1,433
Private Service Providers	202	109	340	*	83	532	5,048	5,580
Shared-Tenant Service Providers	4	17	3		2	22	43	65
Other Local Service Providers	<u>23</u>	<u>205</u>	<u>39</u>	—	1	<u>245</u>	<u>357</u>	<u>602</u>
Total Local Competitors	4,628	10,671	6,050	*	404	17,126	10,704	27,829
Fixed Local Service Providers	20,966	81,248	40,925	*	449	122,622	26,070	148,692
Payphone Service Providers	28	365	60		20	445	426	870
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	21,430	75,480	22,657	5	187	98,329	25,858	124,187
Paging & Messaging Service Providers	108	735	137		*	872	343	1,215
Specialized Mobile Radio (SMR) Dispatch	1	44	1		*	46	80	126
Wireless Data and Other Mobile Service Providers	70	147	70	*	1	218	1,524	1,742
Wireless Service Providers	21,609	76,407	22,864	5	188	99,465	27,805	127,270
Interexchange Carriers (IXCs)	26,007	15,752	27,314	463	8,060	51,589	12,888	64,477
Operator Service Providers (OSPs)	131	348	152	4	19	523	151	674
Prepaid Calling Card Providers	1,167	239	160	36	1,200	1,635	127	1,762
Satellite Service Providers	297	221	195	59	245	721	700	1,422
Toll Resellers	6,064	4,204	5,474	56	2,458	12,192	2,728	14,920
Other Toll Carriers	1,492	333	330	21	1,859	2,543	597	3,140
Toll Service Providers	35,158	21,097	33,626	639	13,842	69,204	17,191	86,395
All Filers	\$77,760	\$179,117	\$97,475	\$644	\$14,498	\$291,734	\$71,493	\$363,227

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

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

- 1/ Revenues are classified by the primary carrier type of each reporting entity. For example, revenues reported by an RBOC affiliate that identifies itself as an IXC are included in the table as IXC revenues. Many LECs provided both local and long distance services as part of package plans. Most of the revenues for the toll portion of these bundles were reported as toll revenues on FCC Form 499-A filings of LEC toll affiliates. Filers identified as All Distance or Coaxial Cable Service Providers have been re-categorized for the purpose of creating summary statistics
- 2/ 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.
- 3/ 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. Contribution base amounts reported as uncollectible on Line 422 have been removed.
- 4/ 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)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Interstate operator service revenues 1/	\$6,561	\$6,878	\$6,454	\$7,113	\$6,971	\$5,747	\$6,603	\$5,480	\$3,843	\$2,508	\$4,267
+ Other interstate switched toll revenues 2/	\$38,843	\$42,139	\$47,865	\$42,075	\$42,620	\$45,026	\$38,753	\$32,870	\$26,431	\$24,050	\$21,848
+ International-to-international toll revenues 3/	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644
+ Charges on bills identified as USF contributions 4/					\$878	\$2,213	\$2,830	\$2,945	\$2,361	\$2,028	\$1,789
+ PICC pass-through reported as SLC revenues 5/					\$1,208	\$0	\$0	\$0	\$0	\$0	\$0
- 80% of revenues reported by toll resellers	\$1,251	\$2,582	\$4,211	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
= Total end-user switched toll revenues	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734	\$28,548
- International-to-international toll revenues 3/	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644
= U.S. international and interstate end-user switched toll revenues	\$43,987	\$46,186	\$49,733	\$48,764	\$51,677	\$52,986	\$48,186	\$41,295	\$32,634	\$28,586	\$27,904
End-user international MTS revenues 6/	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$8,944	\$9,180
- International reoriginating revenues 13/	\$0	\$28	\$43	\$248	\$287	\$370	\$430	\$712	\$574	\$633	\$744
- International-to-international toll revenues 3/	\$166	\$249	\$374	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644
= International revenues for U.S. end users	\$12,377	\$14,058	\$14,180	\$14,853	\$13,318	\$13,627	\$13,391	\$9,743	\$8,746	\$7,163	\$7,792
Total end-user switched toll revenues	\$44,153	\$46,435	\$50,107	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734	\$28,548
- End-user international MTS revenues 6/	\$12,543	\$14,335	\$14,598	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$8,944	\$9,180
= Interstate domestic switched end-user revenues	\$31,610	\$32,100	\$35,509	\$33,664	\$38,071	\$39,507	\$34,364	\$30,840	\$23,314	\$20,790	\$19,368
U.S. billed international minutes	13,616	15,889	19,325	22,753	24,250	28,515	29,216	33,280	35,988	42,664	63,512
- Country-direct/beyond minutes 9/	350	500	728	1,053	933	1,736	1,935	1,330	1,127	1,422	1,447
- Reoriginating minutes 13/	0	5	26	98	532	802	1,412	4,414	3,664	5,354	6,893
= U.S. billed international minutes excluding country-direct/beyond and reoriginating	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888	55,172
ILEC originating interstate access minutes 7/	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092	153,255	139,002
+ Estimated CLEC originating minutes 8/	580	1,218	1,816	4,118	6,452	12,079	18,034	22,947	21,186	22,988	21,937
- U.S. billed international minutes excluding country-direct/beyond and reoriginating 9/	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888	55,172
= Domestic originating access minutes	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,081	140,355	105,767
ILEC terminating interstate access minutes 7/	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908	290,753	283,443
+ Estimated CLEC terminating minutes 8/	856	1,891	3,068	7,141	11,739	20,757	32,092	40,746	37,620	43,613	44,732
- Country-direct/beyond international settlement minutes 9/	350	500	728	1,053	933	1,736	1,935	1,330	1,127	1,422	1,447
Foreign billed international settlement minutes 10/	6,385	7,121	8,291	9,107	10,208	10,765	12,719	13,478	13,575	13,575	18,547
= Domestic terminating access minutes	233,481	256,982	286,849	312,381	335,398	352,721	380,734	371,245	333,826	319,369	308,181
Conversation minutes 11/											
U.S. interstate and international minutes	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	365,023	355,257	363,353
International conversation minutes 9/	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,197	35,888	55,172
Interstate domestic conversation minutes	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826	319,369	308,181
End-user revenue per											
U.S. interstate and international minute	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08	\$0.08
International conversation minute 12/	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.20	\$0.14
Interstate domestic conversation minute	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.07	\$0.06

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 include 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 2004. 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 May 2004 edition contains data for 2003.) 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*. That table, reproduced in relevant part below, includes all local service revenues of local carriers, but includes only local exchange service revenues of wireless and toll carriers.

Local service competitors' share of local revenues	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
	0.4%	0.7%	1.0%	2.3%	3.5%	5.8%	8.8%	11.8%	12.1%	15.0%	15.8%

- 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 and 2003, 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)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Minutes data from Table 9 1/											
ILEC originating interstate access minutes	162,043	169,236	173,300	181,900	184,000	208,267	204,154	194,464	175,092	153,255	139,002
Originating minutes of international traffic	13,266	15,384	18,571	21,602	22,785	25,978	25,869	27,536	31,197	35,888	55,172
Domestic originating access minutes	149,357	155,071	156,545	164,416	167,667	194,369	196,319	189,875	165,081	140,355	105,767
ILEC terminating interstate access minutes	239,360	262,712	292,800	315,400	334,800	344,465	363,295	345,306	310,908	290,753	283,443
Terminating minutes of international traffic	6,735	7,621	9,019	10,159	11,141	12,501	14,654	14,808	14,702	14,997	19,994
U.S. Interstate and international conversation minutes	246,747	272,366	305,420	333,984	358,183	377,163	406,603	398,780	365,023	355,257	363,353
International conversation minutes	13,266	15,384	18,571	21,602	22,785	25,016	25,869	27,536	31,197	35,888	55,172
Interstate domestic conversation minutes	233,481	256,982	286,849	312,381	335,398	352,147	380,734	371,245	333,826	319,369	308,181
End-user revenue per minute data from Table 9											
U.S. interstate and international minute	\$0.18	\$0.17	\$0.16	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08	\$0.08
International conversation minute	\$0.93	\$0.91	\$0.76	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.20	\$0.14
Interstate domestic conversation minute	\$0.14	\$0.12	\$0.12	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.07	\$0.06
Access cost per interstate 2-ended minute 2/	\$0.068	\$0.065	\$0.061	\$0.056	\$0.039	\$0.033	\$0.024	\$0.018	\$0.016	\$0.014	\$0.015
Originating access minutes	\$0.032	\$0.031	\$0.029	\$0.026	\$0.022	\$0.018	\$0.013	\$0.010	\$0.008	\$0.007	\$0.008
Terminating access minutes	\$0.034	\$0.033	\$0.030	\$0.028	\$0.016	\$0.013	\$0.011	\$0.008	\$0.007	\$0.007	\$0.007
Access cost per average conversation minute 3/											
U.S. interstate and international minutes	\$0.054	\$0.050	\$0.045	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009	\$0.009
International conversation minutes	\$0.049	\$0.047	\$0.043	\$0.039	\$0.030	\$0.026	\$0.019	\$0.014	\$0.012	\$0.010	\$0.010
Interstate domestic conversation minutes	\$0.054	\$0.051	\$0.046	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009	\$0.008
Universal service contributions assessed on a per-line basis (\$millions) 4/	\$891	\$907	\$944	\$973	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expressed per minute 5/:											
U.S. interstate and international minutes	\$0.004	\$0.003	\$0.003	\$0.003	\$0.006	\$0.007	\$0.007	\$0.007	\$0.006	\$0.007	\$0.006
International conversation minutes	\$0.004	\$0.003	\$0.003	\$0.003	\$0.025	\$0.025	\$0.029	\$0.024	\$0.020	\$0.016	\$0.011
Interstate domestic conversation minutes	\$0.004	\$0.003	\$0.003	\$0.003	\$0.005	\$0.005	\$0.005	\$0.006	\$0.005	\$0.005	\$0.005
CLEC access revenues assessed on a per-minute basis (\$millions) 6/				\$26	\$93	\$213	\$369	\$573	\$854	\$913	\$586
Expressed per conversation minute				\$0.0001	\$0.0003	\$0.0006	\$0.0009	\$0.0014	\$0.0023	\$0.0026	\$0.0016
International-to-international revenues as % of total international end-user revenues 7/	1.3%	1.7%	2.6%	3.6%	7.6%	6.6%	7.3%	8.1%	6.4%	12.8%	7.0%
Net international settlement payouts (\$millions) 7/	\$4,289	\$4,919	\$5,601	\$5,207	\$4,663	\$4,477	\$4,335	\$2,649	\$2,560	\$2,650	\$2,961
Per U.S. interstate and international minute	\$0.017	\$0.018	\$0.018	\$0.015	\$0.012	\$0.011	\$0.010	\$0.006	\$0.007	\$0.007	\$0.008
Per international conversation minute	\$0.319	\$0.314	\$0.294	\$0.232	\$0.189	\$0.167	\$0.155	\$0.088	\$0.077	\$0.064	\$0.050
PICC charges billed by Tier 1 carriers (\$millions) 8/					\$2,000	\$2,258	\$1,732	\$571	\$134	\$72	\$76
Expressed per conversation minute					\$0.006	\$0.006	\$0.004	\$0.001	\$0.000	\$0.000	\$0.000
Access and universal service contribution costs 9/ per:											
U.S. interstate and international minute	\$0.075	\$0.072	\$0.066	\$0.059	\$0.050	\$0.046	\$0.038	\$0.028	\$0.026	\$0.025	\$0.024
International conversation minute 10/	\$0.371	\$0.364	\$0.340	\$0.275	\$0.249	\$0.224	\$0.209	\$0.130	\$0.111	\$0.094	\$0.073
Interstate domestic conversation minute	\$0.058	\$0.054	\$0.049	\$0.044	\$0.037	\$0.034	\$0.026	\$0.020	\$0.018	\$0.017	\$0.015
Revenue per-minute net of access and universal service contribution costs, per:											
U.S. interstate and international minute	\$0.104	\$0.098	\$0.096	\$0.087	\$0.094	\$0.094	\$0.081	\$0.076	\$0.063	\$0.056	\$0.053
International conversation minute 10/	\$0.562	\$0.550	\$0.423	\$0.413	\$0.335	\$0.314	\$0.309	\$0.224	\$0.169	\$0.106	\$0.068
Interstate domestic conversation minute	\$0.078	\$0.071	\$0.075	\$0.064	\$0.077	\$0.078	\$0.064	\$0.063	\$0.052	\$0.048	\$0.048
Access and universal service contribution costs as a percentage of revenue per minute											
U.S. interstate and international minutes	41.8%	42.2%	40.8%	40.3%	34.8%	33.1%	31.7%	27.0%	29.1%	30.9%	31.4%
International conversation minutes	39.8%	39.9%	44.6%	40.0%	42.6%	41.6%	40.3%	36.7%	39.7%	47.0%	51.9%
Interstate domestic conversation minutes	42.6%	43.2%	39.3%	40.7%	32.3%	30.2%	28.7%	24.4%	25.6%	26.0%	24.1%

See notes on next page.

Notes for Table 10.

Note: Some data for prior years have been revised. Some 2004 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: 2004
(Dollar Amounts Shown in Millions)

	By Type of Filer			All Services	
	Fixed Local and Payphone	Toll including Satellite	Wireless	Total for Region	Region as Percent of Total
Southeast: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and U.S. Virgin Islands	\$19,504	\$10,242	\$22,089	\$51,835	22.2 %
Western: Alaska, Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming	10,423	6,404	11,710	28,537	12.2
West Coast: California, Hawaii, Nevada, American Samoa, Guam, Northern Mariana Islands, and Wake Island	10,353	7,486	14,005	31,845	13.7
Mid-Atlantic: Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia	10,967	8,381	9,318	28,665	12.2
Mid-West: Illinois, Indiana, Michigan, Ohio, and Wisconsin	12,205	7,307	13,808	33,321	14.3
Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont	10,507	7,381	11,348	29,236	12.5
Southwest: Arkansas, Kansas, Missouri, Oklahoma, and Texas	10,154	6,827	12,395	29,376	12.6
Filers that did not identify revenues by region 1/	330	176	1	506	0.2
Total	\$84,443	\$54,204	\$94,675	\$233,321	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	2003	2004	Preliminary 1/	
									2005	Q1 2006
Regional Bell Operating Companies (RBOCs) Including CLEC Affiliates.	11.7 %	14.4 %	14.3 %	16.2 %	18.3 %	19.9 %	19.9 %	19.8 %	20.6 %	20.0 %
Incumbent Local Exchange Carriers (ILECs) Other Than RBOCs	2.6	1.4	1.5	1.7	2.1	2.8	3.2	3.4	3.7	3.6
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	3.5	3.8	4.5	4.4
Total: Fixed Local Service Providers	15.1	17.1	18.5	20.1	23.1	26.0	26.6	27.0	28.9	28.0
Payphone Providers	0.0	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.1	0.1
Wireless Service Providers	3.3	5.1	6.6	9.2	12.0	17.2	24.8	27.8	27.7	32.3
RBOC Toll Service Providers	1.7	1.7	2.0	2.3	3.0	3.4	5.0	6.8	8.7	28.3
Other Toll Service Providers	79.9	76.0	72.9	68.3	61.9	53.3	43.6	38.5	34.7	11.3
Total: Toll Service Providers	81.6	77.7	74.9	70.6	64.9	56.7	48.6	45.2	43.4	39.6
Total All Filers	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100 %	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 2003 and 2004 are based on shares of reported subject interstate and international end-user collected revenues. Preliminary percentages shown for 2005 are based on FCC Form 499-Q filings. Preliminary percentages for the first quarter of 2006 are based on projected collected revenues for that quarter, from FCC Form 499-Q filings. Calculations exclude revenues for calls that both originate and terminate in foreign points. Calculations for years 1999 through 2003 include revenues for all filers. For the purposes of this table, AT&T and MCI filings are classified as RBOC filings as of the first quarter of 2006.

2/ Prior to 2004, the FCC Form 499-A asked each filer to identify a single category of communications business that best described its operations. The service provider categories listed on FCC Form 499-A correspond to traditional breakdowns of the industry. Starting in 2004, carriers were allowed to specify more than one category and were allowed to identify themselves as an *All Distance* service provider. Revenues from these filers have been categorized using the traditional industry classification that best described each company.

Source: 1997 and 1998: FCC Form 457 filings; 1999 through 2004: FCC Form 499-A filings; 2005 and 2006: FCC Form 499-Q filings.

Customer Response

Publication: *Telecommunications Industry Revenues: 2004*

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	()	()	()	()	()
	Data presentation	()	()	()	()	()
	Timeliness of data	()	()	()	()	()
	Completeness of data	()	()	()	()	()
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	Completeness of text	()	()	()	()	()

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

4. How can this report be improved?

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