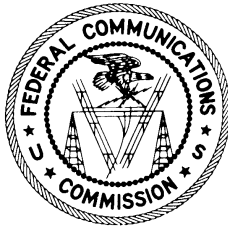


TELECOMMUNICATIONS INDUSTRY REVENUES 2007

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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 over the past decade. The last report was released August 28, 2008.¹ Most of the data for 2007 are taken from April 1, 2008 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 2008 totals presented in Table 1, and 2008 and 2009 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 2007, the industry reported \$299 billion in telecommunications service revenues, a small increase from 2006's \$297 billion. Industry sector data include:

- The pace of revenue growth for the wireless industry remained strong. Wireless industry revenues grew 5% during 2007, from \$115 billion to \$121 billion. See Table 2.
- Filers reported \$113 billion of local service revenues for 2007, about 4% less than the \$118 billion reported for 2006. See Table 2.
- Revenues for incumbent local exchange carriers (LECs) for all services decreased to \$94 billion in 2007, down 6% from \$100 billion in 2006. See Table 3. These carriers reported \$90 billion of fixed local service revenues in 2007. See Table 7. This is 5% lower than the fixed local service revenues shown in last year's report.
- Non-incumbent LEC providers of local services, including competitive local exchange carriers (CLECs), wireless carriers and toll carriers, reported \$23 billion of fixed local service revenues in 2007. See Table 7. This is 5% higher than the fixed local service revenues shown in last year's report.
- Total toll service revenues increased during 2007 — from \$64 billion to \$65 billion. See Table 2.

The data for 2007 generally 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: 2006* (rel. August 28, 2008).

- 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 82% in 1997 to 31% 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

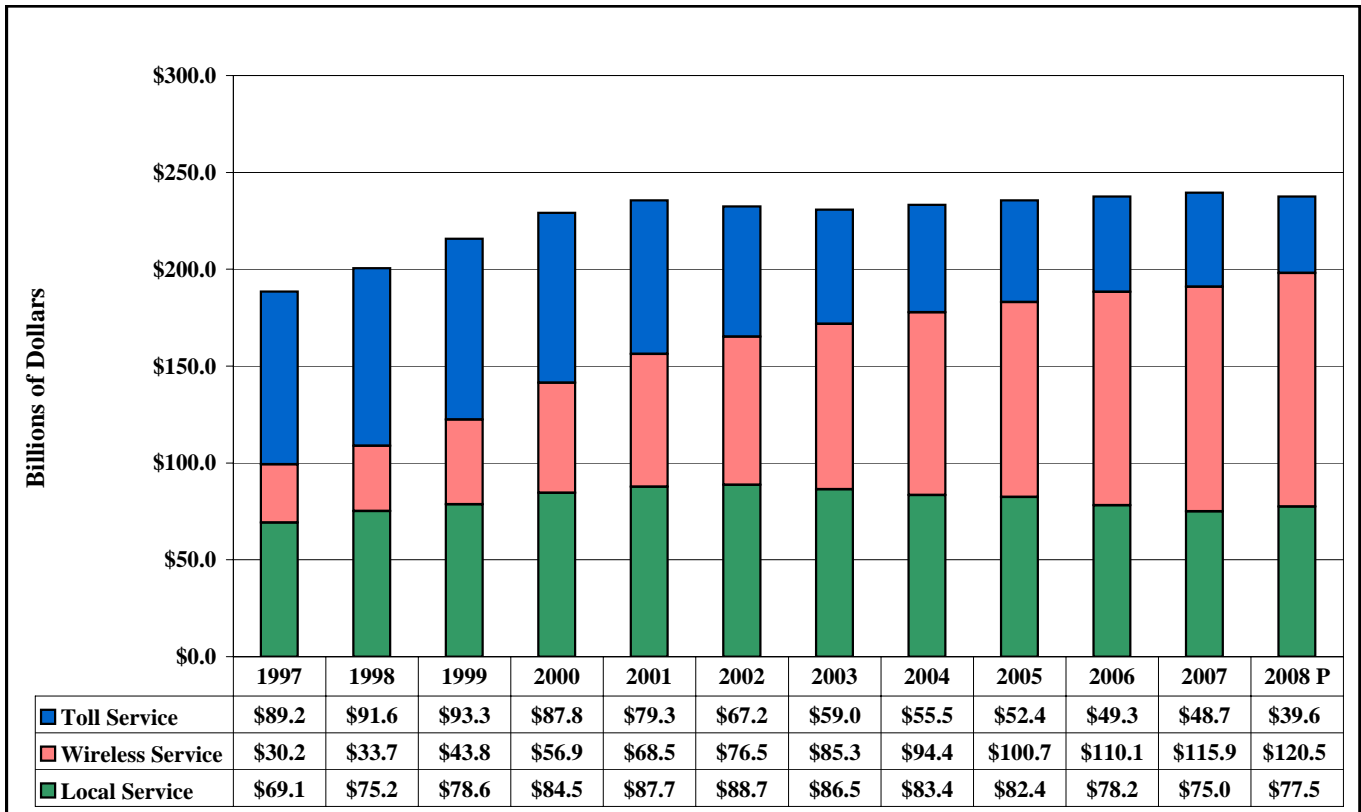
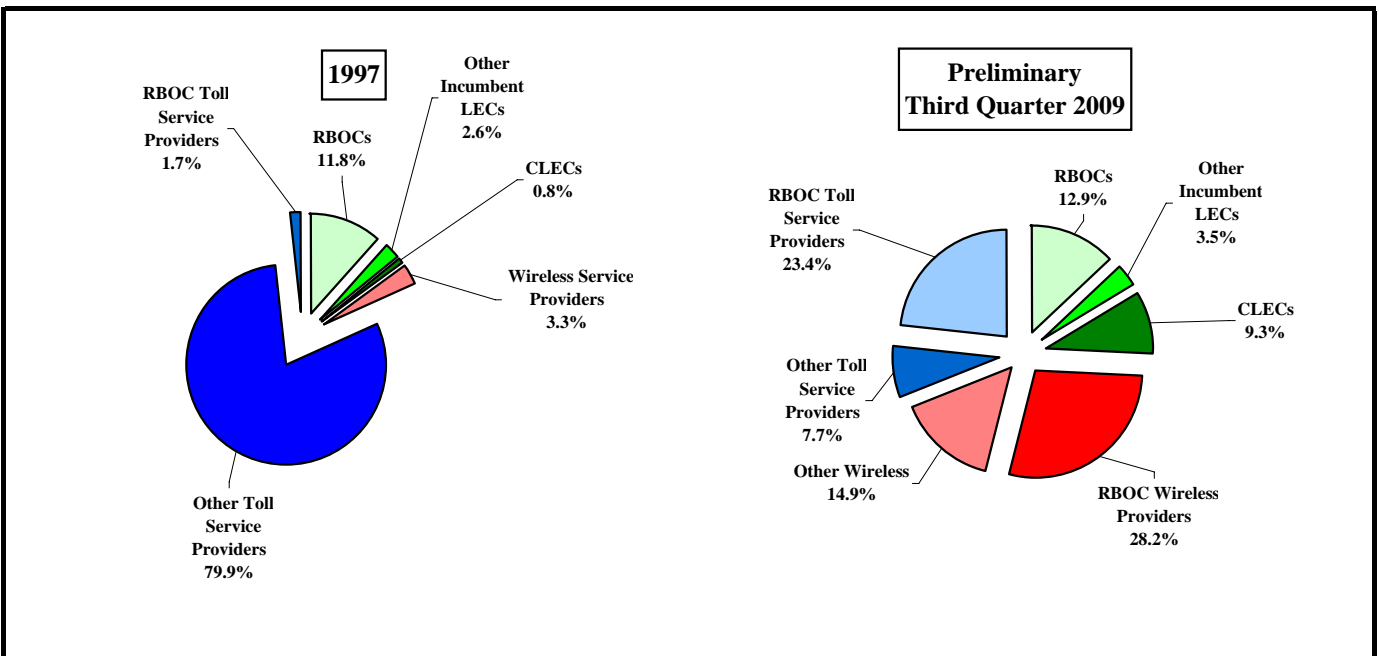


Chart 2
Share of Universal Service Contributions
By Principal Type of Contributor



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, 2008, some providers filed late or submitted revised filings after that date. Year 2007 data do not include information from filings received after October 13, 2008 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

- Competitive Access Provider (CAP) or Competitive Local Exchange Carrier (CLEC)
- Cellular, Personal Communications Service (PCS) and Specialized Mobile Radio (SMR) Wireless Telephony Service Provider
- Coaxial Cable Local Exchange Service Provider
- Incumbent Local Exchange Carrier (incumbent LEC)
- Interconnected Voice over Internet Protocol (interconnected VoIP)
- Interexchange Carrier (IXC)
- Local Reseller
- Operator Service Provider (OSP)
- Other Local Service Provider
- Other Mobile 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 <http://www.fcc.gov/Forms/Form499-A/499a-2009.pdf>. In the 2004 through 2006 FCC Form 499-As, filers could select the category All Distance Service Provider. For the purpose of creating rollup statistics, filers who selected this category were reclassified based on secondary service categories selected by the filer and revenue information. In 2009, teleconferencing providers were directed to identify themselves as Other Toll Service Providers.

- Other Toll Service Provider
- Paging and Messaging Service Provider
- Payphone Provider
- Private Service Provider
- Prepaid Calling Card Provider
- Satellite Service Provider
- Shared-Tenant Service Provider
- Specialized Mobile Radio - Dispatch
- Toll Reseller
- Wireless Data Service Provider

Filers identified as Coaxial Cable Service Providers have been included with CAPs and CLECs for the purpose of creating summary statistics. Filers identified as Wireless Data Service Providers have been included with Other Mobile Service Providers.

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 1998 through 2008. This table was created by aggregating the revenues in the major service classifications designated on FCC Form 499-A. FCC Form 499-Q data were used to provide preliminary figures for 2008.

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 <http://www.fcc.gov/Forms/Form499-A/499a-2009.pdf>

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 \$121.2 billion in wireless service revenues for 2007. This total includes wireless service revenues from some carriers that are not identified as wireless carriers. In contrast, **Table 3** shows that wireless service providers reported total revenues of \$124.9 billion in 2007, including some revenues for fixed local and toll services. Data for 1992 through 1996 are contained in the spreadsheet version of the tables on the Commission's website, but not in the PDF version.

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

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.

In 2005, the reporting requirements changed for wireline broadband Internet access transmission provided on a non-common carrier basis. Revenues for these services were classified as U.S. telecommunications revenues on Line 406 through November 16, 2005.⁷ From November 16, 2005 through August 13, 2006, such revenues were included on Line 406 at the level that the carrier was generating as of November 16, 2005 (“Freeze Level”). Revenues above the Freeze Level for that period were reported as non-U.S. telecommunications on Line 418 of the FCC Form 499-A and Line 117 of the FCC Form 499-Q. After August 13, 2006, revenues for all wireline broadband Internet access transmission provided on a non-common carrier basis are reported as non-U.S. telecommunications.

Prior to the fourth quarter of 2006, a few CLECs included revenues from interconnected VoIP services as part of telecommunications revenue. Other interconnected VoIP service revenues were included on Line 418 – non-telecommunications revenues – but only by entities that were required to file for other reasons. Starting with the fourth quarter of 2006, all revenues from providing interconnected VoIP service must be included as telecommunications revenues in FCC Form 499 filings.⁸ Thus, Table 6 shows that filers reported \$1.5 billion of revenue on Lines 404.4 and 404.5 for 2006. It is not known how much greater the figure would be if all filers had been required to report all interconnected VoIP revenues on Line 404.

Prior to the fourth quarter of 2008, a few teleconferencing service providers reported audio bridging service revenues as telecommunications. Starting with the fourth quarter of 2008, all audio bridging service revenues must be reported as telecommunications.

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 service must contribute to the TRS Fund (47 C.F.R. §64.604

⁷ *Wireline Broadband Internet Access Services Order*, 20 FCC Rcd at 13916, para. 113.

⁸ *See 2006 Contribution Methodology Reform Order*, 21 FCC Rcd at 7536-49, paras. 34-62.

(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.⁹

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. In a few cases, filers now provide some breakout detail that is not published. Specifically, amounts shown in Table 5 for Line 305 include revenues reported on Line 305.1 (for resale as telecommunications) and Line 305.2 (for resale as interconnected VoIP). Table 6 combines the amounts reported on Line 404.1 (traditional circuit switched local exchange service bundled with toll) and Line 404.3 (traditional circuit switched local exchange service provided without bundled toll). In 2007, 29% of circuit switched local exchange revenue was reported for service that was bundled with toll. Note that the toll portion of the bundles, reported on Line 404.2, was consolidated with Line 414 (other long distance) and is not included with Line 404 or in the 29% figure. Table 6 also combines amounts reported on Line 404.4 (interconnected VoIP offered in conjunction with a broadband connection) and Line 404.5 (interconnected VoIP offered independent of a broadband connection). In 2007, 59% of interconnected VoIP revenue was provided in conjunction with a broadband connection.

As explained above, the totals shown for Line 414 include amounts reported on Line 404.2. This line also includes amounts reported on Line 414.1 (ordinary long distance other than service provided as part of an interconnected VoIP service) and on Line 414.2 (ordinary long distance provided as part of an interconnected VoIP service). In 2007, 3% of the total revenues summarized on Line 414 were for ordinary long distance provided in conjunction with interconnected VoIP service.

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 8 cents for each minute of interstate and international toll calling made during 2007. The average price for each interstate domestic conversation minute was estimated to be 7 cents during 2007. The average price for each international conversation minute was estimated to be 9 cents during 2007.

The revenue per minute estimates presented in **Table 9** and year-over-year changes in these estimates should be treated with caution for a number of reasons. For instance, terminating

⁹ See *Instructions to the Telecommunications Reporting Worksheet, FCC Form 499-A*, Figure 3 at 35, available at <http://www.fcc.gov/Forms/Form499-A/499a-2009.pdf>. Carriers that provide only international services are considered to be interstate carriers for TRS contribution purposes.

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 incumbent LEC 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 incumbent LECs 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. Also, some calls both originate and terminate on interconnected VoIP systems. On balance, the assumptions underlying the estimates probably result in an upward bias in the revenue per minute estimates. For recent years, the staff estimates that revenue per minute estimates may be overstated by as much as 20%.

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 incumbent LEC 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. Today, most 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 in some cases 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. Starting with the 2007 FCC Form 499-A filing, such amounts are separately reported on Line 404.2. As explained above, toll revenues associated with bundled plans were reclassified as Line 414 (ordinary long distance) 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, incumbent LEC 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 reported in section 43.61 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. Revenues per minute net of access and universal service contribution costs have declined over the past 10 years. 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. AT&T and MCI were classified as RBOC toll affiliates starting with 2006.

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, 2008, filers reported data for the third quarter of 2008 and projected revenues for the first quarter of 2009. 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 Telecommunications Industry Revenues 1/
(Dollar Amounts Shown in Millions)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Preliminary 5/ 2008
Carrier's Carrier Revenues 2/											
Local Service 3/	\$29,374	\$33,156	\$36,621	\$40,108	\$38,412	\$37,742	\$38,546	\$39,213	\$39,392	\$38,383	\$38,075
Wireless Service	3,060	4,652	5,144	6,180	5,020	4,465	4,164	6,334	5,187	5,360	7,623
Toll Service	13,448	14,934	21,849	19,999	16,476	18,205	15,703	16,892	15,101	16,093	16,186
Intrastate	18,892	22,293	25,553	27,848	25,770	24,825	25,852	27,486	24,848	22,566	25,766
Interstate and International 4/	26,990	30,449	38,060	38,439	34,138	35,587	32,561	34,953	34,831	37,270	36,117
Total	\$45,758	\$52,742	\$63,613	\$66,287	\$59,907	\$60,412	\$58,413	\$62,439	\$59,679	\$59,836	\$61,884
End User Revenues 2/											
Local Service 3/	\$75,189	\$78,608	\$84,526	\$87,704	\$88,712	\$86,474	\$83,407	\$82,382	\$78,215	\$75,042	\$77,502
Wireless Service	33,714	43,843	56,857	68,507	76,501	85,254	94,404	100,743	110,096	115,865	120,482
Toll Service	91,607	93,311	87,767	79,302	67,222	58,983	55,511	52,358	49,278	48,709	39,629
Intrastate	123,216	134,919	147,465	155,347	154,815	150,889	153,265	154,310	157,653	158,380	158,086
Interstate and International 4/	77,294	80,844	81,685	80,165	77,619	79,822	80,057	81,173	79,937	81,235	79,527
Total	\$200,510	\$215,763	\$229,149	\$235,513	\$232,434	\$230,711	\$233,322	\$235,482	\$237,589	\$239,615	\$237,613
Total Revenues											
Local Service 3/	\$104,563	\$111,764	\$121,147	\$127,812	\$127,123	\$124,216	\$121,953	\$121,595	\$117,607	\$113,425	\$115,577
Wireless Service	36,775	48,495	62,000	74,687	81,521	89,718	98,568	107,076	115,283	121,225	128,105
Toll Service	105,055	108,246	109,615	99,301	83,697	77,188	71,214	69,250	64,379	64,802	55,815
Intrastate	142,108	157,212	173,018	183,195	180,585	175,714	179,117	181,796	182,501	180,946	183,852
Interstate and International 4/	104,284	111,293	119,745	118,605	111,756	115,409	112,617	116,125	114,768	118,505	115,645
Total	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734	\$297,921	\$297,268	\$299,451	\$299,497

Note: Detail may not add to totals due to rounding. Data for 1997 available in the Zip File version of this table or in prior versions of the report.

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 interstate revenues. See Table 4 for further details on contribution bases.

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 2007, but are not included in the universal service contribution base. These revenues are not included in preliminary 2008 data.

5/ Preliminary 2008 data are based on FCC Form 499-Q quarterly filings through February 28, 2009. 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 2008 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 Data	Universal Service & TRS Data		FCC Form 499-A Data								
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Local Exchange	\$48,717	\$53,771	\$59,245	\$64,940	\$69,947	\$72,346	\$71,320	\$70,606	\$68,238	\$66,506	\$63,264	\$62,790
Pay Telephone 1/		2,182	2,536	2,218	1,932	1,585	1,192	1,063	1,002	924	659	470
Local Private Line 2/	1,616	8,282	10,403	12,914	16,864	21,966	23,070	22,415	23,840	25,673	25,448	24,307
Other Local 3/	2,674	2,847	2,179	2,501	3,249	3,391	3,418	3,242	2,944	3,331	3,884	3,227
Subscriber Line Charges 2/	7,829	8,327	11,052	10,826	11,563	12,127	12,758	12,136	11,715	11,113	10,827	10,141
Access 2/	27,812	21,423	18,449	18,105	17,017	15,096	13,955	12,972	12,352	11,822	11,392	10,543
Universal Service Surcharges on Local Service Bills 4/			103	260	575	1,301	1,410	1,783	1,862	2,227	2,133	1,947
Additional Revenues from TRS Worksheets		595	595									
Total Local Service and Payphone	88,647	97,426	104,563	111,764	121,147	127,812	127,123	124,216	121,953	121,595	117,607	113,425
Wireless Service	23,444	32,760	36,240	48,117	61,505	74,006	80,678	88,023	96,450	104,489	112,442	117,939
Universal Service Surcharges on Wireless Service Bills 4/			345	379	495	681	842	1,696	2,118	2,587	2,841	3,286
Additional Revenues from TRS Worksheets		189	189									
Total Wireless Service 3/	23,444	32,950	36,775	48,495	62,000	74,687	81,521	89,718	98,568	107,076	115,283	121,225
Operator 1/	10,975	12,002	12,205	10,049	11,406	10,389	7,902	6,567	6,542	6,631	5,577	5,874
Non-Operator Switched Toll	73,751	72,059	74,168	78,389	75,183	65,325	54,475	50,178	46,387	44,876	41,570	42,518
Long Distance Private Line	10,665	10,504	11,952	13,169	16,189	16,402	15,108	15,316	13,906	13,264	12,739	12,080
Other Long Distance	4,299	4,695	3,386	3,656	3,372	3,259	2,445	2,222	1,801	2,021	2,154	1,661
Universal Service Surcharges on Toll Service Bills 4/			1,810	2,983	3,467	3,927	3,767	2,905	2,577	2,458	2,340	2,669
Additional Revenues from TRS Worksheets		1,532	1,532									
Total Toll Service	99,691	100,793	105,055	108,246	109,615	99,301	83,697	77,188	71,214	69,250	64,379	64,802
Total Telecommunications 3/	211,782	231,168	246,392	268,505	292,762	301,799	292,341	291,122	291,735	297,921	297,269	299,451
Non-Telecommunications 3/	10,474	25,633	27,944	33,144	42,261	48,036	60,406	65,186	71,493	86,764	101,061	131,615
Total Reported Revenues	222,256	256,801	272,019	301,648	335,023	349,835	352,747	356,308	363,227	384,685	398,329	431,066
Service Reported as:												
Intrastate 3/	127,849	133,654	142,108	157,212	173,018	183,195	180,585	175,714	179,129	181,796	182,501	180,946
Interstate and International	94,407	97,514	104,284	111,293	119,745	118,605	111,756	115,409	112,605	116,125	114,768	118,505
Total Telecommunications 3/	\$222,256	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734	\$297,921	\$297,268	\$299,451

See notes on next page.

Notes for Table 2.

Note: Detail may not add to totals due to rounding. Data for 1992 through 1997 are available in the Zip File version of this table and in prior year reports.

- 1/ TRS filers generally reported pay telephone revenues as local service revenues, access revenues or operator toll revenues. The Universal Service and FCC Form 499-A worksheets contain a separate category for payphone coin revenues. Starting in 1997, payphone revenues include payphone compensation received from toll carriers.
- 2/ TRS Worksheet filers generally reported special access revenues as access revenues. Reporting changes implemented with the Universal Service Worksheet explain the increase in local private line revenues and the fall in access revenues shown for 1997. TRS Worksheet filers included subscriber line charges with other access charges. For 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 incumbent LECs 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 for 1996. Universal Service Worksheet filers report these revenues in the non-telecommunications category. For 1996, the amounts of non-telecommunications revenues reported as mobile and other local revenues were estimated as 70% of the amounts that Tier 1 incumbent LECs 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. In calculating the totals shown, reported amounts for each filer are apportioned between local, wireless and toll service based on the proportions of local, wireless and toll intrastate, interstate and international end-user revenues for that filer.

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

Table 3
Telecommunications and Interconnected VoIP Revenues Reported by Type of Carrier 1/
(Dollar Amounts Shown in Millions)

Service Provider Category 2/	Universal Service & TRS Data		FCC Form 499-A Data								
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Incumbent Local Exchange Carriers 2/	\$105,154	\$108,234	\$112,216	\$116,158	\$117,885	\$114,990	\$109,480	\$105,496	\$103,561	\$99,997	\$93,885
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	1,919	3,348	5,652	9,814	12,998	13,043	15,509	15,112	16,930	17,276	17,476
Interconnected VoIP										514	2,394
Local Resellers	206	410	511	879	1,393	1,538	721	1,215	630	460	594
Other Local Exchange Carriers	157	36	171	11	329	406	338	245	216	124	181
Private Service Providers	112	147	87	39	15	281	267	532	770	1,080	1,031
Shared-Tenant Service Providers	87	93	87	202	46	42	22	22	22	19	14
Competitors of Incumbent LECs	2,481	4,034	6,508	10,945	14,781	15,309	16,857	17,126	18,568	19,473	21,690
Fixed Local Service Providers	107,634	112,268	118,725	127,103	132,666	130,300	126,337	122,622	122,128	119,470	115,575
Payphone Providers	933	1,101	1,213	972	836	641	523	445	481	435	388
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers 3/	29,944	33,139	46,513	59,823	71,887	78,568	88,168	98,329	107,834	116,971	123,968
Paging & Messaging Service 3/	2,861	3,161	3,232	3,102	2,197	1,473	1,007	872	579	555	607
Specialized Mobile Radio (SMR)			186	191	214	206	33	46	226	48	188
Dispatch											
Wireless Data Service Providers and Other Mobile Service Providers 3/	225	731	221	164	110	220	135	218	169	178	180
Wireless Service Providers	33,030	37,032	50,152	63,280	74,596	80,467	89,342	99,465	108,809	117,752	124,943
Interexchange Carriers (IXCs)	79,080	83,443	87,570	87,311	81,272	68,146	61,246	51,589	46,856	44,083	43,701
Operator Service Providers (OSPs)	603	590	337	635	611	554	567	523	548	631	595
Prepaid Calling Card Providers	519	888	866	727	133	460	812	1,635	1,828	1,713	2,195
Satellite Service Providers	1,011	475	280	336	373	406	663	721	714	444	708
Toll Resellers	8,010	9,885	9,211	10,641	8,797	9,279	9,294	12,192	13,362	9,943	8,314
Other Toll Carriers including VoIP	348	710	150	1,758	2,516	2,089	2,339	2,543	3,195	2,798	3,031
Toll Carriers and Audio Bridge Service Providers											
Toll Service Providers	89,570	95,992	98,414	101,407	93,702	80,934	74,920	69,204	66,503	59,611	58,545
Adjustments 4/	0	0	0	0	0	0	0	0	0	0	0
Total Telecommunications Revenues	\$231,168	\$246,392	\$268,505	\$292,762	\$301,799	\$292,341	\$291,123	\$291,734	\$297,921	\$295,742	\$299,451

1/ Data for 1992 through 1996 are available in the ZIP file version of this table.

2/ 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 through 2005, some filers identified themselves as all distance carriers. These filers have been reclassified to be consistent with prior classifications. Starting with the 2007 FCC Form 499-A filing, which reported 2006 revenue data, some filers identified themselves as interconnected VoIP providers and some filers first began reporting revenues for these services.

3/ Significant amounts of enhanced service, billing and collection, CPE and other non-telecommunications revenues were reported on TRS worksheets by incumbent local exchange carriers (Incumbent LECs) 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 incumbent LECs 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 LEC totals.

4/ Adjustments (made for 1992 through 1996) 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/ 2007
(Dollar Amounts Shown in Millions)

		2007
Revenues subject to universal service contribution		
	Billed interstate and international end-user revenues [Line 412(e) + Line 420(d) + Line 420(e)]	\$80,349
less	revenues for international - to - international services [Line 412(e)]	886
less	international revenues of international-only filers and international revenues that were excluded because of the 12% rule 2/	3,978
less	interstate and other international revenues for 2,435 filers who are <i>de minimis</i> or otherwise exempt from universal service support requirements	50
less	uncollectible contribution base revenues [Line 422(d) + Line 422(e)] (Does not include uncollectible amounts associated with revenues excluded above.)	<u>1,301</u>
equals		\$74,133
Revenues subject to TRS contribution		
	Interstate and international end-user revenues	\$80,349
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	799
less	interstate and international revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms [Line 511(b)]	<u>230</u>
equals		\$79,320
Revenues subject to NANPA and LNP contribution		
	Total telecommunications service end-user revenues (including intrastate, interstate and international)	\$239,615
less	telecommunications revenues for 546 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	786
less	telecommunications revenues for services provided for resale but reported as end user because it was provided to carriers that do not contribute to universal service support mechanisms [Line 511 (a)]	<u>279</u>
equals		\$238,551

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 13, 2008. 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 different amounts than those shown.

2/ International revenues are excluded from the contribution base if the total amount of interstate end-user revenues for the filing entity consolidated with all affiliates is less than 12% of the total of interstate and international end-user 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 and Interconnected VoIP Service Provided for Resale 1/: 2007
(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 IXC's								
.1 Provided as unbundled network elements (UNEs)	\$2,475	\$234	\$0	\$2,709	\$115	\$4	*	\$119
.2 Provided under other arrangements	521	83	0	604	99	81	*	180
Total Line 303	2,996	317	0	3,313	214	85	*	299
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	2,472	2,156	0	4,627	2,019	1,120	2	3,141
.2 Provided as unbundled network elements or other contract arrangement	364	499	0	862	67	59	*	126
Total Line 304	2,835	2,654	0	5,490	2,086	1,178	2	3,267
305 Local private line & special access	553	10,924	0	11,477	273	1,609	*	1,882
306 Payphone compensation from toll carriers	32	48	0	80	1	10	*	11
307 Other local telecommunications service revenues	1,673	699	0	2,371	35	19	0	54
308 Universal service support revenues received from Federal or state sources	913	794	0	1,707	606	1,922	*	2,528
Total fixed local service provided for resale	9,002	15,435	0	24,437	3,214	4,822	3	8,039
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	64	0	0	64	25	32	0	56
Total mobile service provided for resale	64	0	0	64	25	32	0	56
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	3	0	0	3	*	*	0	*
311 Ordinary long distance (direct dialed MTS, customer toll-free 8xx service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	147	*	0	147	5	2	*	6
312 Long distance private line services	12	9	0	21	6	5	0	11
313 Satellite services	0	0	0	0	0	0	0	0
314 All other long distance services	*	*	0	*	9	2	*	11
Total toll service provided for resale	162	9	0	171	19	9	*	28
315 Total service provided for resale (carrier's carrier)	\$9,228	\$15,444	\$0	\$24,672	\$3,258	\$4,863	\$3	\$8,124

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 and Interconnected VoIP Service Provided for Resale 1/: 2007
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A		CLECS and Other Fixed Local Competitors				Payphone Providers			
Line		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 IXC's								
.1	Provided as unbundled network elements (UNEs)	\$183	\$204	\$2	\$388	*	*	*	\$1
.2	Provided under other arrangements	166	58	6	230	0	0	0	0
	Total Line 303	349	262	7	618	*	*	*	1
304	Per-minute charges for originating or terminating calls								
.1	Provided under state or federal access tariff	589	520	4	1,113	*	*	*	*
.2	Provided as unbundled network elements or other contract arrangement	119	105	38	262	0	0	0	0
	Total Line 304	708	626	41	1,375	*	*	*	*
305	Local private line & special access	639	576	*	1,215	*	*	*	*
306	Payphone compensation from toll carriers	*	*	*	*	38	68	3	109
307	Other local telecommunications service revenues	51	4	*	55	1	*	*	1
308	Universal service support revenues received from Federal or state sources	54	31	*	86	1	*	0	1
	Total fixed local service provided for resale	1,801	1,499	49	3,349	41	69	3	112
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>									
309	Monthly, activation, and message charges except toll	1	3	0	4	0	0	0	0
	Total mobile service provided for resale	1	3	0	4	0	0	0	0
<u>Toll service</u>									
310	Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	2	51	*	52	1	1	*	2
311	Ordinary long distance (direct dialed MTS, customer toll-free 8xx service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	179	221	107	507	*	*	0	*
312	Long distance private line services	228	675	13	915	0	0	0	0
313	Satellite services	0	0	*	*	0	0	0	0
314	All other long distance services	28	8	1	36	*	*	0	*
	Total toll service provided for resale	436	954	121	1,512	1	1	*	2
315	Total service provided for resale (carrier's carrier)	\$2,239	\$2,456	\$170	\$4,864	\$42	\$69	\$3	\$114

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 and Interconnected VoIP Service Provided for Resale 1/: 2007
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 IXC's								
.1 Provided as unbundled network elements (UNEs)	\$3	*	*	\$3	*	*	\$0	*
.2 Provided under other arrangements	3.2	1.5	0	4.7	0	0	0	0
Total Line 303	6	2	*	8	*	*	0	*
304 Per-minute charges for originating or terminating calls								
.1 Provided under state or federal access tariff	2	1	*	3	*	*	0	*
.2 Provided as unbundled network elements or other contract arrangement	18	18	*	36	1	*	0	1
Total Line 304	20	19	*	39	1	*	0	1
305 Local private line & special access	21	7	0	28	1	2	0	2
306 Payphone compensation from toll carriers	*	*	0	*	*	*	0	*
307 Other local telecommunications service revenues	1	0	0	1	*	7	0	7
308 Universal service support revenues received from Federal or state sources	174	666	*	840	*	6	0	6
Total fixed local service provided for resale	222	693	*	916	2	15	0	17
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
309 Monthly, activation, and message charges except toll	4,060	1,115	4	5,179	14	10	*	24
Total mobile service provided for resale	4,060	1,115	4	5,179	14	10	*	24
<u>Toll service</u>								
310 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.)	1	*	0	1	0	0	0	0
311 Ordinary long distance (direct dialed MTS, customer toll-free 8xx service, "10-10 calls", associated monthly account maintenance, PICC pass-through, and other switched services not reported above)	355	271	2	628	2	2	0	3
312 Long distance private line services	1	*	0	1	0	0	0	0
313 Satellite services	5	3	0	7	0	0	1	1
314 All other long distance services	1	*	0	1	*	*	0	*
Total toll service provided for resale	363	274	2	638	2	2	1	5
315 Total service provided for resale (carrier's carrier)	\$4,645	\$2,083	\$6	\$6,734	\$18	\$27	\$1	\$46

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.

(Dollar Amounts Shown in Millions)

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 and Interconnected VoIP Service Provided to End Users: 2007
(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:								
.1 & .3 Traditional Circuit Switched	\$33,266	\$1	\$0	\$33,268	\$7,075	\$20	\$0	\$7,094
.4 & .5 Interconnected Voice over Internet Protocol	\$0	\$0	\$0	\$0	\$2	*	\$0	\$2
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	141	6,925	0	7,066	53	1,706	*	1,759
Total local exchange (Line 404 + Line 405)	33,407	6,927	0	40,334	7,129	1,726	*	8,855
406 Local private line and special access service	2,648	2,401	0	5,049	626	509	*	1,135
407 Payphone coin revenues (local and long distance)	118	*	0	118	21	1	*	22
408 Other local telecommunications service revenues	362	9	0	371	75	1	*	76
Line 403 surcharges on fixed local service 1/	190	1,009	0	1,199	31	228	0	260
Total fixed local service provided to end users	36,724	10,346	0	47,070	7,882	2,466	*	10,348
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	14	0	0	14	267	57	*	323
410 Message charges including roaming, but excluding toll charges	46	0	0	46	36	17	*	53
Line 403 surcharges on mobile service 1/	*	0	0	*	1	7	0	8
Total mobile service provided to end users	60	0	0	60	304	81	*	385
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	*	*	0	*	*	*	*	1
412 International calls that both originate and terminate in foreign points	0	0	0	0	0	0	0	0
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	73	1	0	73	8	1	*	8
414 Ordinary long distance (direct-dialed MTS, customer toll-free 8xx service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above), including long distance charges bundled with local exchange service	1,765	98	0	1,864	203	44	2	248
415 Long distance private line services	898	1	0	898	85	6	*	91
416 Satellite services	0	0	0	0	1	0	0	1
417 All other long distance services	16	1	*	17	3	*	0	3
Line 403 surcharges on toll service 1/	6	11	0	17	2	4	*	6
Total toll service provided to end users	2,758	111	*	2,869	301	55	2	358
Total telecommunications and interconnected VoIP service provided to end users	39,542	10,457	*	49,998	8,487	2,601	2	11,091
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	578	99	*	677	113	26	*	139
423 Net universal service contribution base revenues	\$38,963	\$10,358	*	\$49,321	\$8,374	\$2,576	\$2	\$10,952

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 and Interconnected VoIP Service Provided to End Users: 2007
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:								
.1 & .3 Traditional Circuit Switched	\$5,883	\$151	\$2	\$6,036	*	*	\$0	*
.4 & .5 Interconnected Voice over Internet Protocol	\$2,624	\$1,031	\$121	\$3,777	\$0	\$0	\$0	\$0
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	10	957	*	967	*	0	0	*
Total local exchange (Line 404 + Line 405)	8,517	2,139	123	10,779	*	*	0	*
406 Local private line and special access service	1,126	726	4	1,855	2	*	*	2
407 Payphone coin revenues (local and long distance)	1	*	*	1	117	7	*	124
408 Other local telecommunications service revenues	158	27	*	185	12	*	*	12
Line 403 surcharges on fixed local service 1/	58	304	*	362	*	*	0	*
Total fixed local service provided to end users	9,859	3,196	127	13,182	130	7	1	138
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	9	4	*	13	0	0	0	0
410 Message charges including roaming, but excluding toll charges	*	*	0	1	1	*	0	1
Line 403 surcharges on mobile service 1/	*	*	0	*	0	0	0	0
Total mobile service provided to end users	10	4	*	14	1	*	0	1
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	1	3	12	16	7	2	1	10
412 International calls that both originate and terminate in foreign points	0	0	19	19	0	0	0	0
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	15	13	2	29	102	23	*	126
414 Ordinary long distance (direct-dialed MTS, customer toll-free 8xx service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above), including long distance charges bundled with local exchange service	973	1,202	295	2,470	*	*	*	*
415 Long distance private line services	150	448	55	652	0	0	0	0
416 Satellite services	1	*	10	12	0	0	0	0
417 All other long distance services	138	85	15	238	*	*	0	*
Line 403 surcharges on toll service 1/	7	184	3	194	*	*	0	*
Total toll service provided to end users	1,284	1,934	412	3,630	110	25	1	136
Total telecommunications and interconnected VoIP service provided to end users	11,152	5,134	539	16,826	241	32	2	275
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	218	73	8	298	12	3	*	14
423 Net universal service contribution base revenues	\$10,935	\$5,062	\$512	\$16,509	\$229	\$30	\$2	\$260

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 and Interconnected VoIP Service Provided to End Users: 2007
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:								
.1 & .3 Traditional Circuit Switched	\$48	\$7	\$0	\$55	\$9	*	\$0	\$9
.4 & .5 Interconnected Voice over Internet Protocol	*	*	\$0	*	\$3	\$1	*	\$3
405 Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	_____*	7	0	8	0	_____*	0	_____*
Total local exchange (Line 404 + Line 405)	48	14	0	63	12	1	*	13
406 Local private line and special access service	19	1	0	20	31	1	0	32
407 Payphone coin revenues (local and long distance)	0	0	0	0	*	0	0	*
408 Other local telecommunications service revenues	19	1	0	20	14	2	0	16
Line 403 surcharges on fixed local service 1/	*	1	0	1	*	*	0	*
Total fixed local service provided to end users	87	17	0	104	57	4	*	61
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>								
409 Monthly and activation charges	72,218	21,644	185	94,048	620	95	1	715
410 Message charges including roaming, but excluding toll charges	13,119	3,760	157	17,036	39	9	*	48
Line 403 surcharges on mobile service 1/	524	2,716	17	3,256	3	10	*	13
Total mobile service provided to end users	85,861	28,120	359	114,340	661	114	1	776
<u>Toll service</u>								
411 Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	17	3	2	23	49	29	*	78
412 International calls that both originate and terminate in foreign points	0	0	*	*	0	0	*	*
413 Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	47	23	*	70	1	*	*	2
414 Ordinary long distance (direct-dialed MTS, customer toll-free 8xx service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above), including long distance charges bundled with local exchange service	502	1,007	1,031	2,540	3	4	*	7
415 Long distance private line services	*	1	*	1	*	0	0	*
416 Satellite services	16	10	*	26	*	*	*	*
417 All other long distance services	4	7	3	13	*	0	0	*
Line 403 surcharges on toll service 1/	3	111	3	117	*	4	*	5
Total toll service provided to end users	589	1,162	1,040	2,791	53	38	1	92
Total telecommunications and interconnected VoIP service provided to end users	86,537	29,299	1,399	117,235	772	155	2	929
422 Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	1,658	546	27	2,231	8	2	*	10
423 Net universal service contribution base revenues	\$84,879	\$28,753	\$1,371	\$115,003	\$764	\$154	\$2	\$919

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 and Interconnected VoIP Service Provided to End Users: 2007
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A		Toll Carriers				Total All Filers			
Line		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:								
.1 & .3	Traditional Circuit Switched	\$2,810	\$10	\$1	\$2,821	\$49,090	\$189	\$3	\$49,282
.4 & .5	Interconnected Voice over Internet Protocol	\$15	\$17	\$1	\$33	\$2,644	\$1,050	\$122	\$3,815
405	Tariffed subscriber line charges and PICC charges levied by a local exchange carrier on a no-PIC customer	2	340	*	342	205	9,936	*	10,141
	Total local exchange (Line 404 + Line 405)	2,827	367	2	3,196	51,939	11,174	125	63,239
406	Local private line and special access service	129	653	1	783	4,582	4,290	5	8,876
407	Payphone coin revenues (local and long distance)	4	2	*	6	259	10	1	270
408	Other local telecommunications service revenues	24	4	2	30	664	44	3	710
	Line 403 surcharges on fixed local service 1/	18	107	*	125	298	1,649	*	1,947
	Total fixed local service provided to end users	3,002	1,132	6	4,140	57,742	17,167	133	75,042
<u>Mobile service (including wireless telephony, paging & messaging, and other mobile services)</u>									
409	Monthly and activation charges	164	51	2	216	73,291	21,850	188	95,329
410	Message charges including roaming, but excluding toll charges	42	20	2	65	13,282	3,808	160	17,250
	Line 403 surcharges on mobile service 1/	2	7	*	9	530	2,739	17	3,286
	Total mobile service provided to end users	207	78	4	289	87,103	28,397	365	115,865
<u>Toll service</u>									
411	Prepaid calling card (including card sales to customers and non-carrier distributors) reported at face value of cards	295	214	2,834	3,343	370	251	2,850	3,470
412	International calls that both originate and terminate in foreign points	0	0	866	866	0	0	886	886
413	Operator and toll calls with alternative billing arrangements (credit card, collect, international call-back, etc.) other than revenues reported on Line 412	543	331	167	1,042	788	391	169	1,349
414	Ordinary long distance (direct-dialed MTS, customer toll-free 8xx service, "10-10" calls, associated monthly account maintenance, PICC pass-through, and other switched services not reported above), including long distance charges bundled with local exchange service	6,893	12,410	3,923	23,226	10,338	14,765	5,251	30,355
415	Long distance private line services	566	5,857	711	7,135	1,699	6,312	766	8,777
416	Satellite services	15	135	206	356	33	145	217	395
417	All other long distance services	74	358	104	536	235	451	122	808
	Line 403 surcharges on toll service 1/	55	2,047	227	2,330	73	2,363	234	2,669
	Total toll service provided to end users	8,440	21,352	9,040	38,833	13,535	24,678	10,496	48,709
	Total telecommunications and interconnected VoIP service provided to end users	11,650	22,562	9,050	43,262	158,380	70,241	10,994	239,615
422	Uncollectible revenue/bad debt expense associated with end user revenues other than Line 412	323	320	119	761	2,909	1,067	154	4,130
423	Net universal service contribution base revenues	\$11,327	\$22,242	\$8,065	\$41,634	\$155,471	\$69,174	\$9,954	\$234,599

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: 2007
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A		Regional Bell Operating Company Incumbent Local Exchange Carriers				Other Incumbent Local Exchange Carriers			
		Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Line									
	Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$45,577	\$25,733	\$0	\$71,310	\$11,075	\$7,277	\$3	\$18,354
	Payphone [Lines 306 and 407]	149	48	0	197	21	11	*	33
	Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	123	0	0	123	329	112	*	441
	Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	2,920	120	*	3,040	321	64	2	387
	Total telecommunications and IVoIP service revenues	48,769	25,901	*	74,670	11,745	7,464	5	19,214
	Total telecommunications and IVoIP service provided for resale (from Table 5)	9,228	15,444	0	24,672	3,258	4,863	3	8,124
	Total telecommunications and IVoIP service provided to end users (from Table 6)	39,542	10,457	*	49,998	8,487	2,601	2	11,091
	Total telecommunications and IVoIP service revenues	48,769	25,901	*	74,670	11,745	7,464	5	19,214
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								
.1	bundled with circuit switched local exchange service	---	---	---	1,078	---	---	---	905
.2	bundled with interconnected VoIP local exchange service	---	---	---	0	---	---	---	12
.3	other	---	---	---	18,725	---	---	---	3,185
419	Gross billed revenues from all sources	---	---	---	94,473	---	---	---	23,317
421	Uncollectible revenue/bad debt expense associated with gross billed revenues				919				226
	Total collected revenues from all sources				\$93,554				\$23,091

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: 2007

Data from FCC Form 499-A		CLECS and Other Fixed Local Competitors				Payphone Providers			
		Intrastate	Interstate	International	Total	Intrastate	Interstate	International	Total
Line	Fixed local service other than payphone [Lines 303, 304, 305, 307, 308, 404, 405, 406, 408, and a portion of 403 1/]	\$11,659	\$4,694	\$176	\$16,530	\$16	\$1	*	\$17
	Payphone [Lines 306 and 407]	1	*	*	1	155	75	3	233
	Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	11	7	*	18	1	*	0	1
	Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	1,720	2,889	533	5,142	111	26	1	138
Total telecommunications and IVoIP service revenues		13,391	7,590	709	21,690	282	102	4	388
418	Total telecommunications and IVoIP service provided for resale (from Table 5)	2,239	2,456	170	4,864	42	69	3	114
	Total telecommunications and IVoIP service provided to end users (from Table 6)	<u>11,152</u>	<u>5,134</u>	539	<u>16,826</u>	<u>241</u>	<u>32</u>	<u>2</u>	<u>275</u>
	Total telecommunications and IVoIP service revenues	13,391	7,590	709	21,690	282	102	4	388
	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								
	.1 bundled with circuit switched local exchange service	---	---	---	6,378	---	---	---	3
	.2 bundled with interconnected VoIP local exchange service	---	---	---	633	---	---	---	2
	.3 other	---	---	---	21,653	---	---	---	26
419	Gross billed revenues from all sources	---	---	---	50,354	---	---	---	420
421	Uncollectible revenue/bad debt expense associated with gross billed revenues				643				17
	Total collected revenues from all sources				\$49,711				\$403

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: 2007
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/]	\$309	\$711	*	\$1,020	\$59	\$19	*	\$78
Payphone [Lines 306 and 407]	*	*	0	*	*	*	0	*
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	89,921	29,235	363	119,519	676	124	1	801
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	952	1,436	1,041	3,429	55	40	2	96
Total telecommunications and IVoIP service revenues	91,182	31,382	1,405	123,968	790	182	3	975
Total telecommunications and IVoIP service provided for resale (from Table 5)	4,645	2,083	6	6,734	18	27	\$1	46
Total telecommunications and IVoIP service provided to end users (from Table 6)	<u>86,537</u>	<u>29,299</u>	<u>1,399</u>	<u>117,235</u>	<u>772</u>	<u>155</u>	<u>2</u>	<u>929</u>
Total telecommunications and IVoIP service revenues	91,182	31,382	1,405	123,968	790	182	3	975
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								
.1 bundled with circuit switched local exchange service	---	---	---	979	---	---	---	35
.2 bundled with interconnected VoIP local exchange service	---	---	---	*	---	---	---	1
.3 other	---	---	---	42,371	---	---	---	1,702
419 Gross billed revenues from all sources	---	---	---	167,318	---	---	---	2,712
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				2,914				13
Total collected revenues from all sources				\$164,404				\$2,699

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: 2007
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/]	\$3,758	\$1,792	\$96	\$5,646	\$72,453	\$40,226	\$276	\$112,954
Payphone [Lines 306 and 407]	4	2	*	7	331	136	4	470
Mobile service [Lines 309, 409, 410, and a portion of 403 1/]	229	89	4	322	91,289	29,567	369	121,225
Toll service [Lines 310, 311, 312, 313, 314, 411, 412, 413, 414, 415, 416, 417, and a portion of 403 1/]	10,797	27,960	13,814	52,570	16,874	32,535	15,393	64,802
Total telecommunications and IVoIP service revenues	14,788	29,843	13,914	58,545	180,946	102,464	16,042	299,451
Total telecommunications and IVoIP service provided for resale (from Table 5)	3,138	7,281	4,865	15,283	22,566	32,222	5,047	59,836
Total telecommunications and IVoIP service provided to end users (from Table 6)	<u>11,650</u>	<u>22,562</u>	<u>9,050</u>	<u>43,262</u>	<u>158,380</u>	<u>70,241</u>	<u>10,994</u>	<u>239,615</u>
Total telecommunications and IVoIP service revenues	14,788	29,843	13,914	58,545	180,946	102,464	16,042	299,451
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								
.1 bundled with circuit switched local exchange service	---	---	---	2,427	---	---	---	11,804
.2 bundled with interconnected VoIP local exchange service	---	---	---	13	---	---	---	662
.3 other	---	---	---	31,488	---	---	---	119,149
419 Gross billed revenues from all sources	---	---	---	92,473	---	---	---	431,066
421 Uncollectible revenue/bad debt expense associated with gross billed revenues				944				5,676
Total collected revenues from all sources				\$91,529				\$425,390

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/: 2007
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Telecommunications and Interconnected VoIP Service Provided for Resale 2/				Telecommunications and Interconnected VoIP Service Provided to End Users 2/			
	Fixed Local	Mobile	Toll	Total	Fixed Local	Mobile	Toll	Total
Regional Bell Operating Companies	\$24,437	\$64	\$171	\$24,672	\$47,070	\$60	\$2,869	\$49,998
Other Incumbent Local Exchange Carriers (LECs)	<u>8,039</u>	<u>56</u>	<u>28</u>	<u>8,124</u>	<u>10,348</u>	<u>385</u>	<u>358</u>	<u>11,091</u>
Total Incumbent LECs	32,476	120	199	32,795	57,418	444	3,227	61,089
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	2,971	1	970	3,941	10,642	8	2,885	13,535
Local Resellers	101	0	1	102	328	2	161	491
Private Service Providers	108	2	420	530	78	2	421	501
Shared-Tenant Service Providers	*	0	*	*	10	*	4	14
Interconnected VoIP Providers	95	1	67	163	2,087	*	143	2,230
Other Local Service Providers	<u>74</u>	<u>0</u>	<u>53</u>	<u>127</u>	<u>37</u>	<u>1</u>	<u>16</u>	<u>54</u>
Total Local Competitors	3,349	4	1,512	4,864	13,182	14	3,630	16,826
Fixed Local Service Providers	35,825	124	1,711	37,660	70,600	458	6,857	77,915
Payphone Service Providers	112	0	2	114	138	1	136	275
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	916	5,179	638	6,734	104	114,340	2,791	117,235
Paging & Messaging Service Providers	7	12	3	23	3	577	4	585
Specialized Mobile Radio (SMR) Dispatch	*	1	0	1	*	185	2	187
Wireless Data and Other Mobile Service Providers	9	12	1	22	58	14	86	157
Wireless Service Providers	933	5,204	643	6,779	165	115,116	2,883	118,164
Interexchange Carriers (IXCs)	1,183	*	10,277	11,460	3,710	116	28,415	32,241
Operator Service Providers (OSPs)	*	3	68	71	3	0	521	524
Prepaid Calling Card Providers	*	12	477	489	*	1	1,705	1,706
Satellite Service Providers	*	4	213	217	0	16	476	491
Toll Resellers	91	13	1,330	1,434	365	136	6,379	6,881
VoIP Toll Providers	92	0	136	228	0	0	81	81
Other Toll Carriers	147	*	1,238	1,384	61	20	1,256	1,337
Toll Service Providers	1,513	33	13,737	15,283	4,140	289	38,833	43,262
All Filers	\$38,383	\$5,360	\$16,093	\$59,836	\$75,042	\$115,864	\$48,709	\$239,615

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 Coaxial Cable Service Providers have been re-categorized as CLECs for the purpose of creating summary statistics.
- 2/ Telecommunications and interconnected VoIP 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 revenues and are subject to contribution requirements.

Table 8
Revenues by Type of Carrier 1/: 2007
Continued
(Dollar Amounts Shown in Millions)

Data from FCC Form 499-A	Universal Service	Telecommunications and Interconnected VoIP Service Revenues					Other Revenues	Total Billed
	Contribution Base Revenues 2/ 3/	Intrastate	Interstate	International to International	Other International	Total	4/	Revenues
Regional Bell Operating Companies	\$10,358	\$48,769	\$25,901	\$0	*	\$74,670	\$19,803	\$94,473
Other Incumbent Local Exchange Carriers (ILECs)	<u>2,578</u>	<u>11,745</u>	<u>7,464</u>	<u>0</u>	<u>5</u>	<u>19,214</u>	<u>4,102</u>	<u>23,317</u>
Total ILECs	12,936	60,514	33,365	0	5	93,885	23,905	117,790
Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs)	4,112	11,324	5,865	1	287	17,476	8,133	25,610
Local Resellers	145	392	136	*	66	594	270	863
Private Service Providers	331	305	630	4	92	1,031	6,743	7,774
Shared-Tenant Service Providers	3	10	3	0	1	14	50	64
Shared-Tenant Service Providers	953	1,296	855	6	236	2,394	13,126	15,520
Other Local Service Providers	<u>29</u>	<u>64</u>	<u>102</u>	<u>8</u>	<u>7</u>	<u>181</u>	<u>342</u>	<u>523</u>
Total Local Competitors	5,574	13,391	7,590	19	690	21,690	28,664	50,354
Fixed Local Service Providers	18,510	73,905	40,955	19	695	115,575	52,569	168,144
Payphone Service Providers	31	282	102	0	4	388	31	420
Wireless Telephony Including Cellular, Personal Communications Service (PCS) and SMR Telephony Carriers	30,124	91,182	31,382	*	1,404	123,968	43,350	167,318
Paging & Messaging Service Providers	90	506	101	*	*	607	246	853
Specialized Mobile Radio (SMR) Dispatch	22	166	22	0	*	188	159	347
Wireless Data and Other Mobile Service Providers	44	117	59	0	3	180	1,333	1,512
Wireless Service Providers	30,280	91,971	31,564	1	1,407	124,943	45,087	170,030
Interexchange Carriers (IXCs)	22,553	11,498	24,995	607	6,601	43,701	24,969	68,670
Operator Service Providers (OSPs)	123	400	181	4	11	595	175	770
Prepaid Calling Card Providers	1,504	180	38	44	1,933	2,195	157	2,353
Satellite Service Providers	312	50	229	133	297	708	4,505	5,214
Toll Resellers	4,573	2,346	4,062	40	1,867	8,314	3,187	11,501
VoIP Toll Providers	56	92	*	25	192	309	41	351
Other Toll Carriers	1,186	222	338	14	2,148	2,722	893	3,615
Toll Service Providers	30,307	14,788	29,843	866	13,048	58,545	33,928	92,473
All Filers	\$79,128	\$180,946	\$102,464	\$886	\$15,155	\$299,451	\$131,615	\$431,066

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 Coaxial Cable Service Providers have been re-categorized as CLECs for the purpose of creating summary statistics.
- 2/ Telecommunications and interconnected VoIP 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 revenues 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)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Interstate operator service revenues 1/	\$7,113	\$6,971	\$5,747	\$6,603	\$5,480	\$3,843	\$2,508	\$4,267	\$4,287	\$3,412	\$3,661
+ Other interstate switched toll revenues 2/	\$42,075	\$42,620	\$45,026	\$38,753	\$32,870	\$26,431	\$24,050	\$21,848	\$20,241	\$18,963	\$20,017
+ International-to-international toll revenues 3/	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644	\$873	\$708	\$886
+ Charges on bills identified as USF contributions 4/		\$878	\$2,213	\$2,830	\$2,945	\$2,361	\$2,028	\$1,789	\$1,639	\$1,538	\$1,793
+ PICC pass-through reported as SLC revenues 5/		\$1,208	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- Estimate carrier's carrier revenues 6/											
= Total end-user switched toll revenues	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734	\$28,548	\$27,040	\$24,622	\$26,357
- International-to-international toll revenues 3/	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644	\$873	\$708	\$886
= U.S. international and interstate end-user switched toll revenues	\$48,764	\$51,677	\$52,986	\$48,186	\$41,295	\$32,634	\$28,586	\$27,904	\$26,167	\$23,913	\$25,471
End-user international MTS revenues 7/	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$9,294	\$9,176	\$7,976	\$7,906	\$7,220
- International reoriginating revenues 14/	\$248	\$287	\$370	\$430	\$712	\$574	\$633	\$725	\$702	\$899	\$760
- International-to-international toll revenues 3/	\$561	\$1,121	\$983	\$1,087	\$924	\$636	\$1,148	\$644	\$873	\$708	\$886
= International revenues for U.S. end users	\$14,853	\$13,318	\$13,627	\$13,391	\$9,743	\$8,746	\$7,513	\$7,807	\$6,401	\$6,299	\$5,574
Total end-user switched toll revenues	\$49,325	\$52,797	\$53,969	\$49,273	\$42,219	\$33,270	\$29,734	\$28,548	\$27,040	\$24,622	\$26,357
- End-user international MTS revenues 6/	\$15,661	\$14,726	\$14,980	\$14,909	\$11,380	\$9,956	\$9,294	\$9,176	\$7,976	\$7,906	\$7,220
= Interstate domestic switched end-user revenues	\$33,664	\$38,071	\$39,507	\$34,364	\$30,840	\$23,314	\$20,440	\$19,372	\$19,064	\$16,715	\$19,137
U.S. billed international minutes	22,753	24,250	28,515	29,216	33,280	35,988	42,664	63,553	70,064	72,440	69,975
- Country-direct/beyond minutes 10/	1,053	933	1,736	1,935	1,330	1,127	1,422	1,447	1,058	1,266	1,218
- Reoriginating minutes 14/	98	532	802	1,412	4,414	3,664	5,355	6,934	7,193	7,319	7,061
= U.S. billed international minutes excluding country-direct/beyond and reoriginating	21,602	22,785	25,978	25,869	27,536	31,197	35,887	55,172	61,813	63,855	61,696
ILEC originating interstate access minutes 8/	181,900	184,000	208,267	203,962	194,435	167,970	146,108	137,892	129,803	108,043	99,328
+ Estimated CLEC originating minutes 9/	4,118	6,452	12,079	18,017	22,943	20,324	21,916	21,787	21,417	18,151	18,078
- U.S. billed international minutes excluding country-direct/beyond and reoriginating 10/	21,602	22,785	25,978	25,869	27,536	31,197	35,887	55,172	61,813	63,855	61,696
= Domestic originating access minutes	164,416	167,667	194,369	196,110	189,843	157,097	132,137	104,507	89,407	62,338	55,709
ILEC terminating interstate access minutes 8/	315,400	334,800	344,465	362,955	345,256	318,672	297,826	284,441	271,229	271,216	249,340
+ Estimated CLEC terminating minutes 9/	7,141	11,739	20,757	32,062	40,740	38,559	44,674	44,942	44,753	45,564	45,380
- Country-direct/beyond international settlement minutes 10/	1,053	933	1,736	1,935	1,330	1,127	1,422	1,447	1,058	1,266	1,218
Foreign billed international settlement minutes 11/	9,107	10,208	10,765	12,719	13,478	13,575	13,575	18,547	21,865	23,410	18,547
= Domestic terminating access minutes	312,381	335,398	352,721	380,364	371,188	342,529	327,503	309,389	293,060	292,105	274,956
Conversation minutes 12/											
U.S. interstate and international minutes	333,984	358,183	377,163	406,233	398,724	373,727	363,390	364,561	354,873	333,325	336,970
International conversation minutes 10/	21,602	22,785	25,016	25,869	27,536	31,197	35,887	55,172	61,813	63,855	61,696
Interstate domestic conversation minutes	312,381	335,398	352,147	380,364	371,188	342,529	327,503	309,389	293,060	292,105	274,956
End-user revenue per											
U.S. interstate and international minute	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08	\$0.08	\$0.07	\$0.07	\$0.08
International conversation minute 13/	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.21	\$0.14	\$0.10	\$0.10	\$0.09
Interstate domestic conversation minute	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.06	\$0.06	\$0.07	\$0.06	\$0.07

See notes on next page.

Notes for Table 9.

n.a. - not available

Note: Some data for prior years have been revised. Data for 1992 through 1996 available in the Zip File version of the report.

- 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/ Through 1996, carrier's carrier switched toll revenues was estimated to equal the total amount of switched toll revenue reported by toll resellers times 80%.
- 7/ Table 2 of *Trends in the U.S. International Telecommunications Industry* contains estimates of international end-user revenues. Preliminary figures are used for 2004 through 2007. 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.
- 8/ Based on National Exchange Carrier Association (NECA) filings. Separate data were available for originating and terminating access minutes through 1998. Beginning in 1999, incumbent LEC (ILEC in this table) total interstate access minutes (*Monitoring Report*, Table 8.1) are allocated between originating and terminating based on the originating and terminating shares of carrier common line (CCL) minutes of use reported by carriers subject to price-cap regulation and all local exchange carriers in the NECA pool (see *Trends in Telephone Service*, Table 1.4. The August 2008 edition contains data for 2006. 2007 data is not yet published.) These figures exclude the minutes of rate-of-return incumbent LECs.
- 9/ 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	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	2.3%	3.5%	5.8%	8.8%	11.8%	12.1%	15.0%	15.8%	16.5%	16.8%	18.2%

- 10/ 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 (through 1999) 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.
- 11/ 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 (through 1999) 22. (See the *International Data* report for an explanation of billing types.) Foreign billed minutes of international traffic generate terminating access minutes.
- 12/ 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. Estimates for recent years may be overstated by as much as 20%.
- 13/ 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.
- 14/ 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 should not be reported as U.S. telecommunications revenues. However, some filers may erroneously include reorigination revenues on Line 412 as international-to-international 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)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Minutes data from Table 9 1/											
ILEC originating interstate access minutes	181,900	184,000	208,267	203,962	194,435	167,970	146,108	137,892	129,803	108,043	99,328
Originating minutes of international traffic	21,602	22,785	25,978	25,869	27,536	31,197	35,887	55,172	61,813	63,855	61,696
Domestic originating access minutes	164,416	167,667	194,369	196,110	189,843	157,097	132,137	104,507	89,407	62,338	55,709
ILEC terminating interstate access minutes	315,400	334,800	344,465	362,955	345,256	318,672	297,826	284,441	271,229	271,216	249,340
Terminating minutes of international traffic	10,159	11,141	12,501	14,654	14,808	14,702	14,997	19,994	22,923	24,676	19,764
U.S. Interstate and international conversation minutes	333,984	358,183	377,163	406,233	398,724	373,727	363,390	364,561	354,873	333,325	336,970
International conversation minutes	21,602	22,785	25,016	25,869	27,536	31,197	35,887	55,172	61,813	63,855	61,696
Interstate domestic conversation minutes	312,381	335,398	352,147	380,364	371,188	342,529	327,503	309,389	293,060	292,105	274,956
End-user revenue per minute data from Table 9											
U.S. interstate and international minute	\$0.15	\$0.14	\$0.14	\$0.12	\$0.10	\$0.09	\$0.08	\$0.08	\$0.07	\$0.07	\$0.08
International conversation minute	\$0.69	\$0.58	\$0.54	\$0.52	\$0.35	\$0.28	\$0.21	\$0.14	\$0.10	\$0.10	\$0.09
Interstate domestic conversation minute	\$0.11	\$0.11	\$0.11	\$0.09	\$0.08	\$0.07	\$0.06	\$0.06	\$0.07	\$0.06	\$0.07
Access cost per interstate 2-ended minute 2/	\$0.056	\$0.039	\$0.033	\$0.024	\$0.018	\$0.016	\$0.014	\$0.015	\$0.016	\$0.016	\$0.017
Originating access minutes	\$0.026	\$0.022	\$0.018	\$0.013	\$0.010	\$0.008	\$0.007	\$0.008	\$0.008	\$0.008	\$0.009
Terminating access minutes	\$0.028	\$0.016	\$0.013	\$0.011	\$0.008	\$0.007	\$0.007	\$0.007	\$0.008	\$0.008	\$0.008
Access cost per average conversation minute 3/											
U.S. interstate and international minutes	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009	\$0.009	\$0.009	\$0.009	\$0.008
International conversation minutes	\$0.039	\$0.030	\$0.026	\$0.019	\$0.014	\$0.012	\$0.010	\$0.010	\$0.011	\$0.011	\$0.011
Interstate domestic conversation minutes	\$0.041	\$0.026	\$0.022	\$0.016	\$0.012	\$0.010	\$0.009	\$0.008	\$0.008	\$0.008	\$0.008
Universal service contributions assessed on a per-line basis (\$millions) 4/	\$973	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expressed per minute 5/:											
U.S. interstate and international minutes	\$0.003	\$0.006	\$0.007	\$0.007	\$0.007	\$0.006	\$0.006	\$0.006	\$0.006	\$0.007	\$0.007
International conversation minutes	\$0.003	\$0.025	\$0.025	\$0.029	\$0.024	\$0.020	\$0.017	\$0.011	\$0.010	\$0.009	\$0.008
Interstate domestic conversation minutes	\$0.003	\$0.005	\$0.005	\$0.005	\$0.006	\$0.005	\$0.005	\$0.005	\$0.006	\$0.005	\$0.006
CLEC access revenues assessed on a per-minute basis (\$millions) 6/	\$26	\$93	\$213	\$369	\$573	\$854	\$913	\$586	\$477	\$582	\$864
Expressed per conversation minute	\$0.0001	\$0.0003	\$0.0006	\$0.0009	\$0.0014	\$0.0023	\$0.0025	\$0.0016	\$0.0013	\$0.0017	\$0.0026
International-to-international revenues as % of total international end-user revenues 7/	3.6%	7.6%	6.6%	7.3%	8.1%	6.4%	12.8%	7.0%	10.9%	9.0%	12.3%
Net international settlement payouts (\$millions) 7/	\$5,207	\$4,663	\$4,477	\$4,335	\$2,649	\$2,560	\$2,650	\$2,961	\$3,007	\$2,962	\$2,946
Per U.S. interstate and international minute	\$0.015	\$0.012	\$0.011	\$0.010	\$0.006	\$0.006	\$0.006	\$0.008	\$0.008	\$0.008	\$0.008
Per international conversation minute	\$0.232	\$0.189	\$0.167	\$0.155	\$0.088	\$0.077	\$0.064	\$0.050	\$0.043	\$0.042	\$0.042
PICC charges billed by Tier 1 carriers (\$millions) 8/		\$2,000	\$2,258	\$1,732	\$571	\$134	\$72	\$76	\$71	\$71	\$71
Expressed per conversation minute		\$0.006	\$0.006	\$0.004	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Access and universal service contribution costs 9/ per:											
U.S. interstate and international minute	\$0.059	\$0.050	\$0.046	\$0.038	\$0.028	\$0.025	\$0.024	\$0.024	\$0.024	\$0.026	\$0.026
International conversation minute 10/	\$0.275	\$0.249	\$0.224	\$0.209	\$0.130	\$0.111	\$0.095	\$0.073	\$0.066	\$0.065	\$0.064
Interstate domestic conversation minute	\$0.044	\$0.037	\$0.034	\$0.026	\$0.020	\$0.017	\$0.016	\$0.015	\$0.016	\$0.015	\$0.017
Revenue per-minute net of access and universal service contribution costs, per:											
U.S. interstate and international minute	\$0.087	\$0.094	\$0.094	\$0.081	\$0.076	\$0.062	\$0.054	\$0.052	\$0.050	\$0.046	\$0.049
International conversation minute 10/	\$0.413	\$0.335	\$0.314	\$0.309	\$0.224	\$0.169	\$0.115	\$0.068	\$0.038	\$0.034	\$0.026
Interstate domestic conversation minute	\$0.064	\$0.077	\$0.078	\$0.064	\$0.063	\$0.051	\$0.046	\$0.048	\$0.049	\$0.042	\$0.053
Access and universal service contribution costs as a percentage of revenue per minute											
U.S. interstate and international minutes	40.3%	34.8%	33.1%	31.7%	27.0%	29.1%	30.9%	31.6%	32.2%	36.1%	34.6%
International conversation minutes	40.0%	42.6%	41.6%	40.3%	36.7%	39.7%	45.2%	51.8%	63.3%	65.4%	71.0%
Interstate domestic conversation minutes	40.7%	32.3%	30.2%	28.7%	24.4%	25.6%	26.3%	24.1%	24.6%	26.3%	24.5%

See notes on next page.

Notes for Table 10.

Note: Some data for prior years have been revised. Data for 1992 through 1996 available in the Zip File version of the report.

- 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. In this table, ILEC refers to incumbent Local Exchange Carrier.
- 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 the average of charges for the first and second half of each year.
- 3/ Access cost per average conversation minute is calculated as the total cost of originating and terminating access (based on Incumbent LEC 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 Incumbent LECs.
- 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 Incumbent LEC billed the PICC charge to the customer rather than the IXC. We estimated that 97% of Incumbent LEC 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 and Interconnected VoIP Service Revenues
By Region of the Country: 2007
(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	\$17,343	\$8,273	\$27,156	\$52,772	22.0 %
Western: Alaska, Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming	9,889	5,354	15,807	31,050	13.0
West Coast: California, Hawaii, Nevada, American Samoa, Guam, Northern Mariana Islands, and Wake Island	9,898	6,117	17,382	33,397	13.9
Mid-Atlantic: Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, and West Virginia	10,153	6,214	12,594	28,961	12.1
Mid-West: Illinois, Indiana, Michigan, Ohio, and Wisconsin	11,657	5,721	16,099	33,477	14.0
Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont	9,465	5,620	12,777	27,861	11.6
Southwest: Arkansas, Kansas, Missouri, Oklahoma, and Texas	9,469	5,685	16,324	31,478	13.1
Filers that did not identify revenues by region 1/	316	278	24	618	0.3
Total	\$78,190	\$43,262	\$118,164	\$239,615	100.0 %

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

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 2/

													Preliminary 1/ Q3	
Service Provider Category	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	
Fixed Local Service Providers														
Regional Bell Operating Companies (RBOCs) Including Local Affiliates	11.7 %	14.4 %	14.4 %	16.4 %	18.4 %	20.2 %	20.3 %	20.4 %	20.4 %	18.6 %	14.5 %	13.6 %	12.9 %	
Other Incumbent Local Exchange Carriers (LECs) Including Local Affiliates	2.6	1.4	1.5	1.7	2.1	2.9	3.3	4.1	4.2	4.2	3.7	3.7	3.5	
Competitive Local Exchange Carriers (CLECs) Local Resellers, Payphone Providers and Other Local Carriers, Excluding LEC Affiliates	<u>0.8</u>	<u>1.4</u>	<u>2.7</u>	<u>2.3</u>	<u>2.8</u>	<u>3.4</u>	<u>3.6</u>	<u>3.8</u>	<u>4.4</u>	<u>5.3</u>	<u>6.4</u>	<u>7.8</u>	<u>9.3</u>	
Total: Fixed Local Service Providers	15.1	17.2	18.6	20.4	23.2	26.5	27.2	28.2	29.0	28.1	24.6	25.1	25.7	
Wireless Service Providers														
Wireless Affiliates of RBOCs								16.4	16.9	20.3	21.7	22.6	28.2	
Wireless Affiliates of Other Incumbent LECs								2.1	2.0	0.4	0.5	0.4	0.3	
Wireless Telephony, Paging, SMR and Other Wireless Providers, Excluding LEC Affiliates								<u>10.4</u>	<u>11.6</u>	<u>15.3</u>	<u>18.3</u>	<u>18.9</u>	<u>14.6</u>	
Total Wireless Service Providers	3.3	5.1	6.6	9.4	12.1	17.4	25.3	28.9	30.6	36.0	40.4	41.9	43.1	
Toll Service Providers														
Toll Affiliates of RBOCs	1.7	1.7	2.0	2.3	3.0	3.5	5.1	7.2	8.6	29.1	27.4	25.5	23.4	
Toll Affiliates of Other Incumbent LECs								0.5	0.6	1.1	1.3	1.3	1.3	
IXCs, Toll Resellers, Prepaid Calling Card, Satellite Service, and Other Toll providers, Excluding LEC Affiliates								<u>35.1</u>	<u>31.2</u>	<u>5.8</u>	<u>6.4</u>	<u>6.1</u>	<u>6.4</u>	
Total Toll Service Providers	81.6	77.7	74.8	70.2	64.7	56.1	47.5	42.8	40.4	35.9	35.0	32.9	31.2	
RBOCs and Affiliates								43.9	46.0	68.0	63.6	61.7	64.6	
Other Incumbant LECs and Affiliates								6.7	6.8	5.6	5.4	5.4	5.1	
All Other Service Providers								49.4	47.3	26.4	31.0	32.9	30.3	
Total All Filers	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0	100.0 %	100.0 %	100.0 %	

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

- 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 through 2007 are based on shares of reported subject interstate and international end-user collected revenues. Preliminary percentages shown for 2008 and 2009 are based on projected collected revenues from FCC Form 499-Q filings. Calculations exclude revenues for calls that both originate and terminate in foreign points and revenues that qualify for the Limited International Revenue Exemption (LIRE). Calculations were based on data from all filers, including some that were exempt from making universal service contributions. For the purposes of this table, AT&T Wireless filings are classified as RBOC filings for 2004; and AT&T Communications and MCI filings are classified as RBOC filings starting 2006. The Sprint Nextel 2004 and 2005 wireless and toll filings are classified as non-ILEC to be consistent with later years.
- 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. For 2004 and 2005, 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 were categorized using the traditional industry classification that best described each company.

Source: 1997 and 1998: FCC Form 457 filings; 1999 through 2007: FCC Form 499-A filings; 2008 and 2009: FCC Form 499-Q filings.

Customer Response

Publication: *Telecommunications Industry Revenues: 2007*

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

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

()	()	()	()	()
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4. How can this report be improved?

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