

UNIVERSAL SERVICE FUND FEE—PREPAID PLANS

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Assumptions:

- USF Fees are attributable 65% to wireless users/35% to wireline users
- 20% of wireless market is prepaid plans
- 2% fee raises \$5.815 million per year
- 2.5% fee raises \$7.268 million per year

2.0% rate:

- Amount attributable to wireless: $\$5.815 \text{ million} \times 65\% = \3.80 million
- Amount attributable to prepaid wireless: $\$3.80 \text{ million} \times 20\% = \$760,000$

2.5% rate:

- Amount attributable to wireless: $\$7.268 \text{ million} \times 65\% = \4.724 million
- Amount attributable to prepaid wireless: $\$4.724 \text{ million} \times 20\% = \$945,000$