

DESCRIPTION & JUSTIFICATION

Cincinnati Bell Telephone proposes to revise the Universal Service Fund (USF) factor per Commission Order. The Commission released its *Proposed First Quarter 2004 Contribution Factor*, DA 03-3866 on December 4, 2003. The Commission proposed a USF factor of 8.7 % down from the previous factor of 9.2%. CBT recovers its USF contribution, pursuant to the Commission's Contribution Methodology Order¹ by applying the relevant USF Contribution factor to the following charges:

- * EUCL
- * Presubscribed Interexchange Carrier (PIC) change charge
- * LNP
- * Interstate IntraLATA Toll usage

The USF surcharge for these services is reflected as a separate line item, clearly identified on the customer's bill.

¹ Report and Order and Second Further Notice of Proposed Rulemaking in CC Docket No. 96-45, CC Docket No. 98-171, CC Docket No. 90-571, CC Docket No. 92-237, CC Docket No. 99-200, CC Docket No. 95-116, and CC Docket No. 98-179, FCC 02-329, Released December 13, 2002.