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February 12, 2018

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Connect America Fund, WC Docket No. 10-90; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Developing a Unified Inter-carrier Compensation Regime, CC Docket No. 01-92.*

Dear Ms. Dortch,

On February 8, 2018, Philip Bowie, Keith Krom, Kim Meola, Hal Thompson, Jack Habiak, Saikat Sen (telephonically) and the undersigned, all of AT&T, met with Lisa Hone, Pamela Arluk, Victoria Goldberg, Gil Strobel, Edward Krachmer, Lynne Engledow, Rhonda Lien, Gregory Capobianco, Irina Asoskov, Joseph Price, William Andrie, Shane Taylor, Al Lewis, Richard Kwiatkowski (telephonically) and Heather Hendrickson (telephonically) of the Wireline Competition Bureau. During the meeting, AT&T and Commission Staff discussed the attached presentation which included discussions on 8YY database query rate disparity and the need to promote efficiency and discipline by transitioning the database query rate market to bill and keep, with the potential for a short term transitional solution.

AT&T continues to reiterate its support for broader inter-carrier compensation reform, and looks forward to working with the Commission to accomplish these goals.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matt Nodine", with a long horizontal stroke extending to the right.

Matt Nodine

AT&T Services Inc.

Cc: Lisa Hone
Pamela Arluk
Joseph Price
William Andrie
Victoria Goldberg
Gil Strobel
Edward Krachmer
Gregory Capobianco
Irina Asoskov

Lynne Engledow
Rhonda Lien
Shane Taylor
Heather Hendrickson
Richard Kwiatkowski

AT&T Ex parte

February 8, 2018

AGENDA

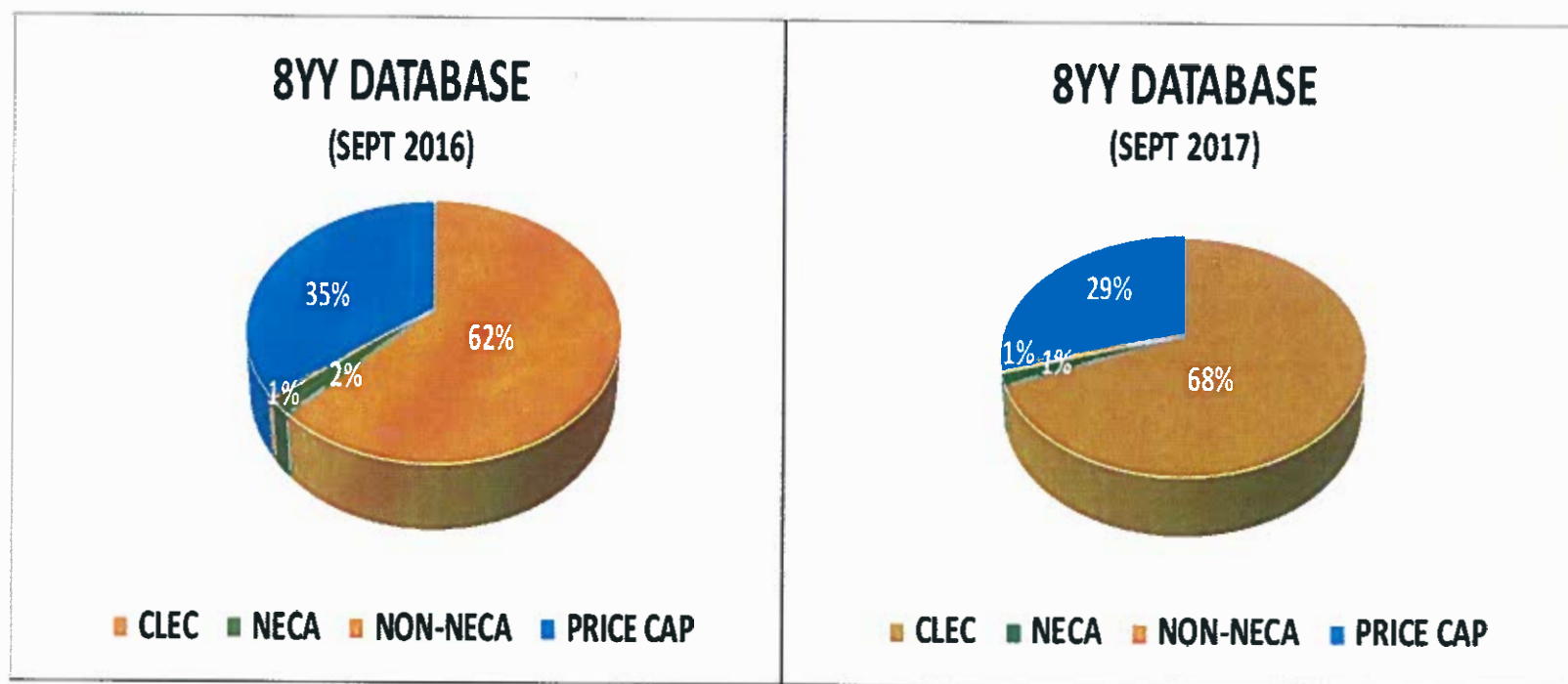
8YY Database Query

- Background
- Concerns
- Solutions/Next Steps

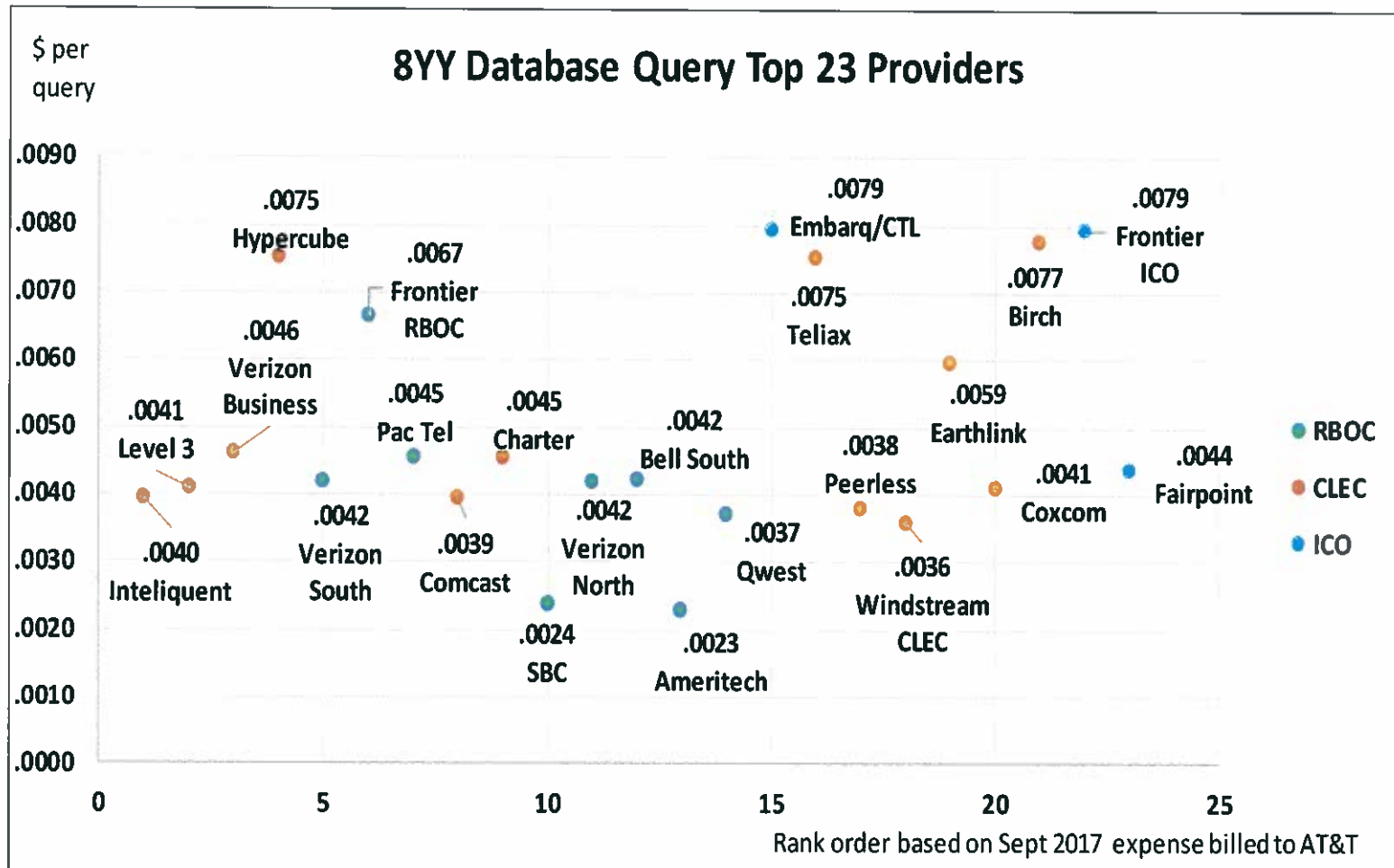
Background

- 8YY query identifies the CIC for IXC that owns the Toll-Free Number dialed by the end user.
 - The information returned from the query permits a carrier to route to and bill the IXC providing the 8YY service.
- 8YY query rates have not been included in previous reform efforts.
- Vast majority of query charges are assessed by a small number of carriers.
 - 2% of the carriers (23 out of 1084) bill for 90% of the dip charges
- Query charges remain a significant share (19%) of originating access.

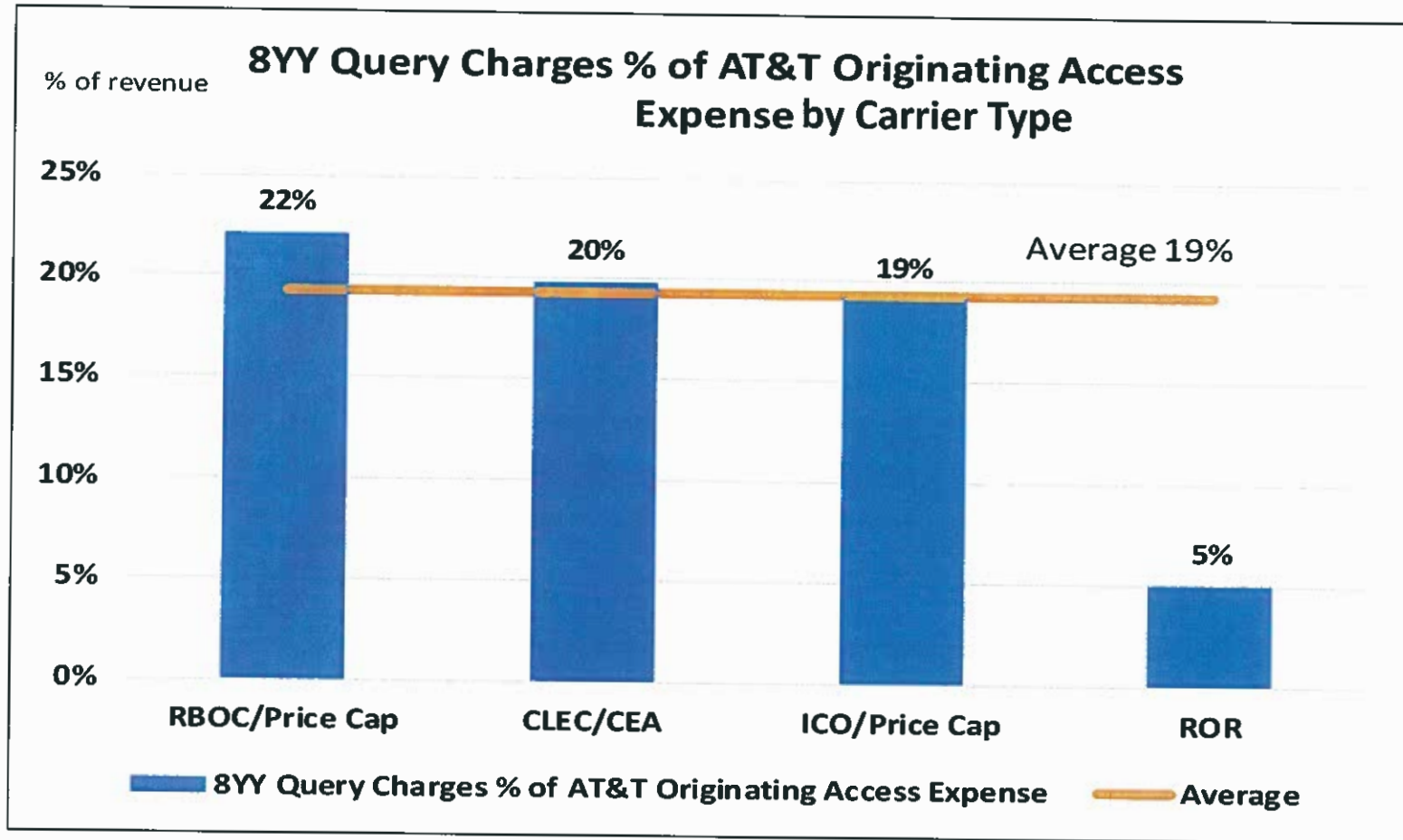
An increasing share of AT&T Originating Access is 8YY Database Queries charged by CLECs



The 8YY query rates charged to AT&T by the top providers averages \$.0044, but vary greatly from \$.0023 to as high as \$.0079



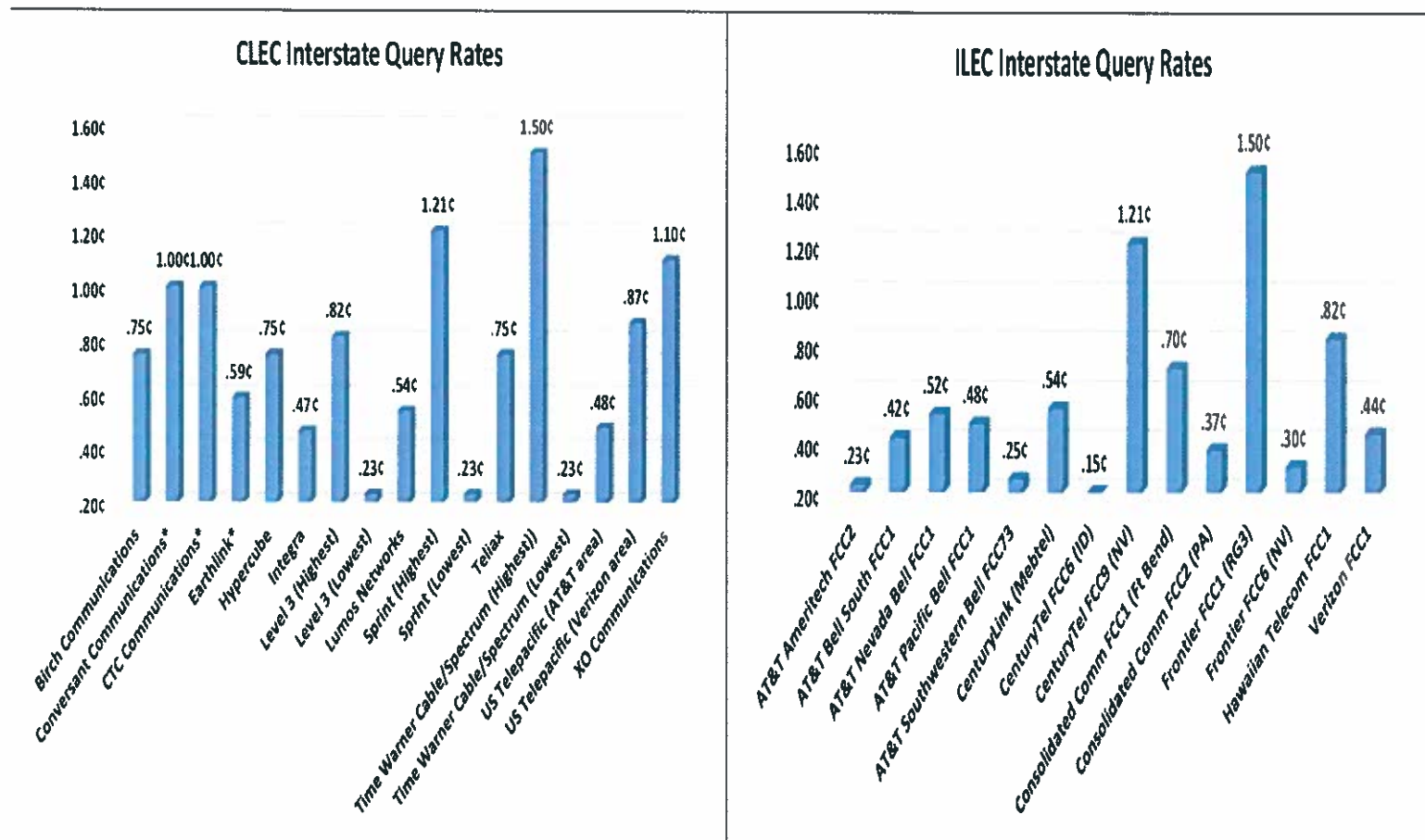
Based on AT&T data, reforming 8YY query charges will not significantly reduce rural carrier originating access charges



Concerns

- Current rules are not constraining the arbitrage of 8YY query charges.
- AT&T data indicates that multiple carriers are assessing 8YY query charges for the same call.
- Absent market discipline or reform, there is a wide variability in the query rates assessed by carriers of 8YY traffic.
- Inconsistent 8YY query rates and revenue-sharing are an impediment to IP transition.

8YY Database Query Rates: Absent market discipline or reform, there is a wide variability in the rates assessed by carriers of 8YY traffic



Source: current Interstate tariffs

*Affiliates of EarthLink

Solutions

- Ultimately transition 8YY Database Query rates to Bill & Keep.
- As an interim step to long term reform:
 - Establish a nationwide database query rate cap