

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Applications of AT&T Inc. and DIRECTV)	MB Docket No. 14-90
for Consent To Assign or Transfer Control of)	
Licenses and Authorizations)	

AT&T INC. SEMI-ANNUAL COMPLIANCE REPORT ON
AT&T/DIRECTV MERGER CONDITIONS

SEPTEMBER 24, 2019

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION & COMPLIANCE OVERVIEW.....	1
II. FTTP DEPLOYMENT AND PROVISION OF GIGABIT FTTP SERVICE TO COVERED E-RATE ELIGIBLE SCHOOLS AND LIBRARIES.....	5
A. STATEMENT OF THE CONDITION.....	5
B. COMPLIANCE REPORT – FTTP DEPLOYMENT	9
C. COMPLIANCE REPORT – GIGABIT OFFERS TO COVERED E-RATE ELIGIBLE SCHOOLS AND LIBRARIES.....	16
III. NON-DISCRIMINATORY USAGE-BASED PRACTICES	23
A. STATEMENT OF THE CONDITION.....	23
B. COMPLIANCE REPORT	24
IV. DISCOUNTED BROADBAND SERVICES PROGRAM.....	30
A. STATEMENT OF THE CONDITION.....	30
B. COMPLIANCE REPORT	33

LIST OF EXHIBITS

FTTP Deployment & Provision of Gigabit FTTP Service to Covered E-rate Eligible Schools and Libraries

Exhibit 1: CSV files with FTTP Customer Locations

Exhibit 2.a: List of Form 470s to which AT&T has provided a bid to serve a covered school or library with 1 Gigabit FTTP Services from January 1, 2019 to July 24, 2019

Links to FCC Form 470 associated with each such bid

Information about monthly recurring charges and special construction charges

Exhibit 2.b: CSV file with each covered school or library location to which 1 Gigabit FTTP Service has been deployed between January 1 and July 24, 2019

Exhibit 3: Copies of FCC Form 470s listed in Exhibit 2.a

Exhibit 4: Sample copy of email notice sent to covered schools and libraries

Non-Discriminatory Usage-Based Practices

Exhibit 5: Material and resources regarding AT&T's usage allowance practices

Discounted Broadband Services Program

Exhibit 6: List of organizations that have agreed to assist in promoting the Program

Exhibit 7: Examples of promotional and collateral materials provided to local and national organizations, state departments of education, school districts, education-related associations and advocacy groups

Exhibit 8: Connected Nation *Access from AT&T* Outreach Report

Exhibit 9: Chart of quality assurance steps taken to increase number of Program participants

I. INTRODUCTION & COMPLIANCE OVERVIEW

On July 24, 2015, the Federal Communications Commission (“Commission”) approved, subject to conditions, the applications of AT&T Inc. and DIRECTV (collectively “AT&T” or the “Company”) to transfer control of various Commission licenses and other authorizations from DIRECTV to AT&T pursuant to Section 310(d) of the Communications Act of 1934, as amended (the “Act”).¹ The transaction closed the same day.

AT&T submits this eighth semi-annual report demonstrating compliance with the conditions set forth in Appendix B (the “Conditions”) of the *Merger Order*.² AT&T has fully complied with the Conditions throughout their four-year term, which the Independent Compliance Officer (“ICO”) has confirmed in seven reports submitted to the FCC.³ Specifically,

¹ *Applications of AT&T Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd 9131 (2015) (“*Merger Order*”).

² AT&T has previously submitted seven semi-annual compliance reports. *See AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Jan. 25, 2016) (“First Semi-Annual Compliance Report”) (reporting period of July 24, 2015 to Dec. 31, 2015); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed July 25, 2016) (“Second Semi-Annual Compliance Report”) (reporting period of Jan. 1, 2016 to June 30, 2016); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Feb. 24, 2017) (“Third Semi-Annual Compliance Report”) (reporting period of July 1, 2016 to Dec. 31, 2016); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Aug. 24, 2017) (“Fourth Semi-Annual Compliance Report”) (reporting period of Jan. 1, 2017 through June 30, 2017); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Feb. 26, 2018) (“Fifth Semi-Annual Compliance Report”) (reporting period of July 1, 2017 through Dec. 31, 2017); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Aug. 24, 2018) (“Sixth Semi-Annual Compliance Report”) (reporting period of Jan. 1, 2018 to June 30, 2018); *AT&T Inc. Semi-Annual Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Feb. 25, 2019) (“Seventh Semi-Annual Compliance Report”) (July 1, 2018 to Dec. 31, 2018).

³ *See generally Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Mar. 28, 2016) (“ICO First Report”); *Independent*

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the ICO has determined that “AT&T has provided adequate evidence to the ICO demonstrating that the Company has met the Conditions of the Merger Order”⁴ and that “AT&T has submitted a report that complies with the Conditions of the Merger Order.”⁵ The ICO has recognized that compliance with the Conditions is a “significant undertaking” and that “staff and leadership of AT&T have been cooperative and supportive of the ICO.”⁶ The ICO has observed that AT&T

Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions, MB Dkt No. 14-90 (filed Sept. 23, 2016) (“ICO Second Report”); *Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Apr. 25, 2017) (“ICO Third Report”); *Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Oct. 23, 2017) (“ICO Fourth Report”); *Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Apr. 27, 2018) (“ICO Fifth Report”); *Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Oct. 23, 2018) (“ICO Sixth Report”); and *Independent Compliance Officer’s Compliance Report on AT&T/DIRECTV Merger Conditions*, MB Dkt No. 14-90 (filed Apr. 26, 2019) (“ICO Seventh Report”).

⁴ ICO Seventh Report at 77. *See also* ICO Sixth Report at 83; and ICO Fifth Report at 83. The ICO has found that “AT&T has satisfied all conditions relating to the Discounted Broadband Services Program. It has developed and refined a program that is offering discounted broadband services to eligible customers (Access from AT&T) at the speeds and pricing specified by the DBS Condition.” ICO Seventh Report at 5. *See also* ICO Sixth Report at 5; ICO Fifth Report at 5; and ICO Third Report at 4. The ICO also has found that “AT&T has in place appropriate practices and internal controls in the form of training and corporate review processes to achieve compliance with the Non-Discriminatory Usage-Based Practices Condition.” ICO Seventh Report at 5. *See also* ICO Sixth Report at 5; and ICO Fifth Report at 5. In addition, with respect to the FTTP and E-rate conditions, the ICO has “found that AT&T has addressed the conditions set forth in subsections [III.2.a.- d.] of Appendix B and delivered a report that satisfies subsection [III.3.a-b.]” ICO Seventh Report at 13 and 37. *See also* ICO Sixth Report at 13 and 35; ICO Fifth Report at 32; and ICO Third Report at 11 and 25.

⁵ ICO Seventh Report at 77. *See also* ICO Sixth Report at 83; and ICO Fifth Report at 83.

⁶ ICO Fifth Report at 12. *See also* ICO First Report at 7; ICO Fourth Report at 11; and ICO Third Report at 10. According to the ICO, AT&T has been cooperative by “(a) communicating the importance of the ICO’s review, and encouraging cooperation, transparency and active participation; (b) accommodating requests for documents, scheduling meetings, and arranging site visits; and (c) expending considerable time and resources handling the logistics for field and other visits.” ICO Fifth Report at 12-13. *See also* ICO First Report at 7; ICO Fourth Report at 11; CO Third Report at 10.

“continues to respond to ICO requests”⁷ and “has responded appropriately to recommendations offered by the ICO.”⁸ And, the ICO has found that AT&T repeatedly has demonstrated “by its words and actions a commitment to meeting the Conditions and assisting the ICO in discharging his duties.”⁹

As this eighth report demonstrates, AT&T continued to comply fully with the Conditions during this reporting period. Indeed, AT&T has performed above and beyond the Conditions’ requirements. For example, as of July 24, 2019, AT&T has deployed Fiber to the Premises (“FTTP”) to more than 12.5 million customer locations and now reaches more than 25.7 million customer locations with broadband speeds of 45 Mbps or more, exceeding the requirements of the FTTP condition. And, AT&T has over 25 percent more subscribers to its Discounted Broadband Services Program (the “Program”) than the prior reporting period, and over 1,000 organizations have agreed to help promote the Program.¹⁰

This eighth report, which covers the period of January 1, 2019 through July 24, 2019, describes AT&T’s compliance with the following Conditions: (1) FTTP deployment;¹¹ (2) the

⁷ ICO Seventh Report at 7. *See also* ICO Sixth Report at 7.

⁸ ICO Seventh Report at 6.

⁹ ICO Fifth Report at 5-6, 13. *See also* ICO Seventh Report at 6; Sixth Report at 6; ICO Fourth Report at 5, 11; and ICO Third Report at 10.

¹⁰ As described in prior compliance reports, AT&T also has complied with all compliance program-related Conditions, including appointing a Company Compliance Officer, adopting an Implementation and Compliance Plan, and engaging an Independent Compliance Officer. *Merger Order*, Appendix B, § VII. AT&T has assembled “Working Teams” to oversee and ensure compliance with each specific Condition (or portion of a Condition) and has cooperated with the ICO to assist in his evaluation activities. *See, e.g.*, Seventh Semi-Annual Compliance Report at 2-4; Sixth Semi-Annual Compliance Report at 2-4; and First Semi-Annual Compliance Report at 2-4.

¹¹ *Merger Order*, Appendix B, § III.

provision of 1 Gigabit FTTP Service to covered E-rate eligible schools and libraries;¹² (3) non-discriminatory usage-based practices;¹³ and (4) the Discounted Broadband Services Program.¹⁴ This report is divided into separate sections for each specific Condition. The first part of each section provides the text of the Condition as set forth in Appendix B of the *Merger Order*. The second part of each section provides an overview of the processes and specific steps that AT&T has implemented to comply with the Condition, and the specific reporting requirements and associated exhibits required for each Condition.

The Conditions governing FTTP deployment, E-rate, and non-discriminatory usage-based practices expired on July 24, 2019.¹⁵ This is AT&T's final semi-annual compliance report for those three conditions.¹⁶ The ICO will file a final compliance report verifying AT&T's compliance with the E-rate and non-discriminatory usage-based practices conditions on November 25, 2019, and a final report on the FTTP condition on March 25, 2020.

For the Discounted Broadband Services Program condition, in addition to this eighth report, AT&T will file reports on February 24, 2020 (covering the period of July 25, 2019 to December 31, 2019) and June 1, 2020 (covering the period of January 1, 2020 to April 22,

¹² *Id.*

¹³ *Id.*, Appendix B, § IV.

¹⁴ *Id.*, Appendix B, § VI. The *Merger Order* also imposed specific internet interconnection disclosure and reporting requirements, but did not require AT&T to include in its semi-annual report a description of its compliance with that Condition. *Id.*, Appendix B, § V.

¹⁵ The Conditions governing internet interconnection disclosure also expired on July 24, 2019. The final monthly interconnection report, which covered the July reporting period, was filed on August 23, 2019.

¹⁶ See *Letter from Maureen R. Jeffreys, Counsel for AT&T Inc. to Marlene H. Dortch, Esq., Secretary, FCC*, MB Dkt 14-90 (Oct. 3, 2018).

2020).¹⁷ The ICO's compliance reports covering the Discounted Broadband Services Program condition will be filed on November 25, 2019, April 24, 2020 and July 31, 2020, respectively.¹⁸

AT&T looks forward to continuing to cooperate with and support the ICO efforts to verify AT&T's compliance with the Conditions and to complete these final compliance reports.

II. FTTP DEPLOYMENT AND PROVISION OF GIGABIT FTTP SERVICE TO COVERED E-RATE ELIGIBLE SCHOOLS AND LIBRARIES

A. STATEMENT OF THE CONDITION

1. Condition

- a. Within four (4) years, in accordance with the timing requirements set forth in subparts 2.a.(i) through 2.a.(v), the Company shall deploy FTTP-based Broadband Internet Access Service to at least 12.5 million mass-market customer locations,¹⁹ such as those occupied by residences, home offices, and very small businesses (and excluding locations solely occupied by large enterprises and institutions), of which no more than 2.9 million may be upgrades to customer locations that receive speeds of 45 Mbps or more using fiber to the node ("FTTN") technology:
 - (i) By December 31, 2015, the Company shall expand its FTTP coverage to at least 1.6 million of the aforementioned customer locations, including locations built as of April 15, 2015;

¹⁷ *Id.* at 2.

¹⁸ *Id.*

¹⁹ Customer locations are defined as addresses to which the Company has the technical ability to provide Broadband Internet Access Service and excluding broadband-connected locations such as gates, ATMs, and elevators ("Customer Locations").

- (ii) By December 31, 2016, the Company shall expand its FTTP coverage to at least 2.6 million of the aforementioned customer locations;
 - (iii) By December 31, 2017, the Company shall expand its FTTP coverage to at least 5.0 million of the aforementioned customer locations;
 - (iv) By December 31, 2018, the Company shall expand its FTTP coverage to at least 8.3 million of the aforementioned customer locations; and
 - (v) Within four (4) years of the Closing Date the Company will complete the aforementioned FTTP deployment to all 12.5 million customer locations and the Company will offer speeds of 45 Mbps or more to at least 25.7 million customer locations.
- b. No more than 1.5 million greenfield locations (*i.e.*, locations at which wire or fiber lines have not been deployed previously) may be counted towards the 12.5 million customer locations required in subsection 2.a.
- c. The Company may not use, receive, or request any Connect America Funds (“CAF”) for the investments required to satisfy the 12.5 million FTTP deployment transaction commitment or for operating expenses for such locations after such are deployed. Specifically, 12.5 million geocoded locations reported for purposes of this condition cannot be counted towards satisfying any CAF requirements.²⁰
- d. In addition to the 12.5 million FTTP locations required by this condition, the Company is obliged to offer 1 Gbps FTTP Service (“Gigabit FTTP Service”) to any E-rate eligible school or library located within or contiguous to a distribution area in which the Company deploys FTTP-based service, including all of the

²⁰ This would include but is not limited to any of the CAF programs, as well as any other Universal Service Fund (“USF”) programs that the Commission may implement at a future date.

distribution areas included with the 12.5 million FTTP buildout, which includes approximately 6,000 E-rate eligible schools and libraries (“covered schools and libraries”). Provided however, the Company is not obliged to deploy Gigabit FTTP Service to schools and libraries outside of its wireline footprint. In order to satisfy this condition, the Company must offer Gigabit FTTP Service in response to a Form 470 seeking bids for Gigabit FTTP Service to any covered school or library, pursuant to the E-rate rules, and it must engage in affirmative and adequate outreach to make all covered schools and libraries aware of the opportunity to purchase its Gigabit FTTP Services. The Company shall make adjustments to its outreach efforts in response to reasonable requests from the Commission’s Office of General Counsel.

2. Reporting

- a. The Company shall submit a report in accordance with the filing and service requirements set forth in Section VII.5. herein on a semi-annual basis that describes its compliance with subsections 2.a.-c. of this condition, with the first such report to be submitted six (6) months after the Closing Date, in a format similar to the report that the Company submits in connection with receiving CAF Phase I support, and is expected to submit in Phase II, which must include at least the following, in electronic format:
 - (i) The number of new customer locations to which FTTP service has been deployed during the reporting period;
 - (ii) A CSV file (comma separated values file) or other form approved by the Commission staff for each location to which FTTP service has been deployed in satisfaction of this deployment condition, information presented in substantially the format shown in the chart below (the same

location information collected from CAF Phase I recipients);²¹

- (iii) Any explanatory notes as required; and
- (iv) Any other information the Independent Compliance Officer determines is reasonably necessary to report on compliance with this condition.

b. The Company shall submit a report in accordance with the filing and service requirements set forth in Section VII.5. herein on a semi-annual basis that describes its compliance with subsection 2.d. of this condition, with the first such report to be submitted six (6) months after the Closing Date, which must include at least the following, in electronic format:

- (i) A list of the covered schools and libraries to which the Company has provided a bid for FTTP services pursuant to this condition, the FCC Form 470 associated with each such bid, and information about the monthly recurring charges and any special construction charges associated with each such bid;
- (ii) The number of covered schools and libraries to which Gigabit FTTP Service has been deployed during the reporting period;
- (iii) A CSV file (comma separated values file) or other form approved by the Commission staff for each school or library location to which Gigabit FTTP Service has been deployed in satisfaction of this deployment condition, information presented in substantially the format shown in the chart below;²²

²¹ The Company must provide LAT and LONG; however, if information for a column other than LAT/LONG is unavailable for a given location, that column may be left blank.

²² The Company must provide LAT and LONG; however, if information for a column other than LAT/LONG is unavailable for a given location, that column may be left blank.

- (iv) Any explanatory notes as required;
- (v) A description of the Company's outreach to covered schools and libraries to notify them of the availability of Gigabit FTTP Service; and
- (vi) Any other information the Independent Compliance Officer determines is reasonably necessary to report on compliance with this condition.²³

B. COMPLIANCE REPORT – FTTP DEPLOYMENT

1. Introduction and Working Team

During the reporting period, AT&T has had a Working Team to oversee and coordinate implementation of this Condition. This Working Team has included AT&T management personnel who, in the ordinary course of business, lead AT&T's FTTP expansion projects and have a proven track record of developing and executing broadband expansion plans within specified time frames. All members of this Working Team have been trained to understand what is required by this Condition, including the buildout milestones and the limitations on counting certain types of Customer Locations towards satisfying this Condition.

The Condition required AT&T to expand its FTTP coverage to reach a total of 12.5 million Customer Locations and to offer speeds of 45 Mbps or more to at least 25.7 million

²³ Although this Condition refers to fiber deployment within or contiguous to "distribution areas" ("DAs"), that term relates to boundaries associated with copper technology. For fiber, the term equivalent to distribution area is a passive optical network ("PON") Serving Area ("PSA"). (A PON "is a cabling system that uses optical fibers and optical splitters to deliver services to multiple access points." Techopedia, Dictionary, <https://www.techopedia.com/definition/16009/passive-optical-network-pon> (last visited Sept. 20, 2019).) The PSA boundaries are often similar, but not identical to copper DA boundaries.

locations by July 24, 2019, *i.e.*, within four years of closing.²⁴ As discussed below, AT&T has achieved both of these requirements. AT&T is reporting more than 12.5 million Customer Locations in a manner fully consistent with the Condition's limitations on counting certain types of Customer Locations. In addition, as AT&T previously reported, AT&T has exceeded its commitment to offer speeds of 45 Mbps or more to at least 25.7 million customer locations.²⁵

2. Total Deployment

AT&T is reporting a deployment of FTTP service to **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** mass-market Customer Locations during the reporting period, reaching a total of **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** mass-market Customer Locations as of July 24, 2019.

A total of **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** greenfield Customer Locations are included in this report. As explained in AT&T's Seventh Semi-Annual Compliance Report, **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

²⁴ *Merger Order*, Appendix B, § III(2)(a)(ii).

²⁵ *See* Fifth Semi-Annual Compliance Report at 9; Sixth Semi-Annual Compliance Report at 9; Seventh Semi-Annual Compliance Report at 10.

²⁶ Seventh Semi-Annual Compliance Report at 10.

[END HIGHLY CONFIDENTIAL INFORMATION]

Approximately **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

[END HIGHLY CONFIDENTIAL INFORMATION] of the total Customer Locations reported are upgrades to FTTN technology that received speeds of 45 Mbps or higher as of the Closing Date. No CAF funds were used, received, or requested by AT&T in order to deploy FTTP to these Customer Locations.

In addition, as AT&T previously reported, AT&T has exceeded its commitment to offer speeds of 45 Mbps or more to at least 25.7 million customer locations by July 24, 2019.²⁷

²⁷ Fifth Semi-Annual Compliance Report at 9; Sixth Semi-Annual Compliance Report at 12; Seventh Semi-Annual Compliance Report at 10. *See also AT&T Expands Ultra-Fast Internet Speeds in Houston Area*, PR Newswire, (Sept. 12, 2018) https://www.prnewswire.com/news-releases/att-expands-ultra-fast-internet-speeds-in-houston-area-300710282.html?tc=eml_cleartime (stating that AT&T offers home internet speeds of 45 Mbps or higher to more than 28 million locations).

3. CSV File Reporting on Each Customer Location²⁸

Exhibit 1 contains information for each of the Customer Locations to which FTTP service has been deployed in satisfaction of this Condition as of July 24, 2019.²⁹ Exhibit 1 contains two CSV files.

Exhibit 1.a provides data on **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**
[END HIGHLY CONFIDENTIAL INFORMATION] Customer Locations to which AT&T has deployed fiber and is offering service to the Customer Location. In particular, AT&T has provided Census Block Information; Operating Company Number; Study Area Code; Common Language Location Identifier; Latitude and Longitude of the Customer Location (if available as of the end of the reporting period); DA/PSA; the Service Address, including the unit number for customer locations in MDUs; City; State; Zip Code; and the Service Address

²⁸ Exhibit 1 includes Customer Locations for which AT&T has deployed FTTP service as of July 24, 2019, even if AT&T does not have latitude and longitude coordinates at this time. For those Customer Locations where latitude and longitude coordinates were not available for inclusion in a prior compliance report, AT&T has provided those coordinates in this final compliance report to the extent those coordinates have become available in AT&T's ordinary course databases. *See* Seventh Compliance Report at 11 n.23; Sixth Compliance Report at 12 n.25; Fifth Semi-Annual Compliance Report at 11 n.24; Fourth Semi-Annual Compliance Report at 11 n.23; Third Semi-Annual Compliance Report at 13-14; Letter from Maureen R. Jeffreys, Counsel for AT&T Inc. to Marlene H. Dortch, Esq., Secretary, FCC, MB Dkt No. 14-90, at 3-4 (Oct. 6, 2016) ("October 6, 2016 Letter").

²⁹ As explained in the Seventh Semi-Annual Compliance Report, for each compliance report, AT&T has provided information for each of the total Customer Locations to which AT&T has deployed FTTP service in satisfaction of this Condition as of the end of that reporting period based on the data available in the ordinary course databases at that time. *See* Seventh Semi-Annual Compliance Report at 12 n.24. The data provided in Exhibit 1.a is obtained from AT&T's ordinary course databases, which may be modified or corrected from time to time. For example, these databases are routinely updated with changes, corrections, and improved data that may be obtained from the field as part of the ongoing FTTP deployment process. Such updates are common in greenfield locations where changes routinely occur as part of the development process, but database updates also occur in locations where AT&T overbuilds fiber. Accordingly, the information provided in Exhibit 1.a for a particular Customer Location in one reporting period may be updated in a subsequent reporting period.

Identification Number (a unique identification number assigned to each Customer Location in AT&T's databases and systems in the ordinary course of business).

Exhibit 1.b provides data on **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**
[END HIGHLY CONFIDENTIAL INFORMATION] MDU properties, comprising
[BEGIN HIGHLY CONFIDENTIAL INFORMATION] **[END HIGHLY**
CONFIDENTIAL INFORMATION] Customer Locations, to which AT&T has allocated fiber,
has the technical ability to provide fiber-based broadband internet access service, and has
attempted to sell fiber to that MDU property, but to which the MDU owner has denied AT&T
access or failed to respond to AT&T's marketing efforts ("MDU Owner Denials").³⁰ **[BEGIN**
HIGHLY CONFIDENTIAL INFORMATION]

³⁰ As explained in AT&T's prior compliance reports, AT&T, Commission staff and the ICO agreed upon a process that AT&T has used to count towards the Condition MDU Owner Denials. *See* Seventh Compliance Report at 13 n.25; Sixth Semi-Annual Compliance Report at 10 n.21; Fifth Semi-Annual Compliance Report at 10 n.21; Fourth Semi-Annual Compliance Report at 9 n.20; Third Semi-Annual Compliance Report at 11-12; *see also* October 6, 2016 Letter. Prior to the Seventh Semi-Annual compliance reports, AT&T did not report such Customer Locations because AT&T's sales databases were not capable of tracking such Customer Locations, and AT&T needed to develop the methodology to do so. During the prior reporting period, AT&T finished developing the methodology and therefore has included MDU Owner Denials in the Seventh and final semi-annual reports.

In the Seventh Semi-Annual Compliance Report, AT&T reported **[BEGIN HIGHLY**
CONFIDENTIAL INFORMATION]

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CONFIDENTIAL INFORMATION]

[END HIGHLY CONFIDENTIAL INFORMATION]

Because AT&T has not been granted permission from the MDU owner to provide fiber service to these properties, AT&T's ordinary course sales databases used to prepare the CSV files submitted pursuant to this Condition do not contain certain data regarding individual customer locations for MDU Owner Denials. Accordingly, AT&T has developed a different process for reporting on MDU Owner Denials to satisfy this Condition. Specifically, AT&T tracks the fiber allocated and available to serve specific MDUs as well as the MDUs to which AT&T marketed its fiber services, but to which the MDU owner has denied AT&T access to deploy fiber or failed to respond to AT&T's marketing efforts. In particular, for Exhibit 1.b, AT&T has provided the following information for each property: Census Block Information; Operating Company Number; Study Area Code; Common Language Location Identifier; Latitude and Longitude of the MDU (if available as of the end of the reporting period); DA/PSA; the MDU's address; City; State; Zip Code; a unique identification number assigned to each MDU Owner Denial property for purposes of this Condition; and the number of Customer Locations at the property.³¹

³¹ This approach is consistent with the Wireline Competition Bureau's guidance for reporting broadband deployment to MDUs for CAF recipients. *See* Public Notice, *Wireline Competition Bureau Provides Guidance to Carriers Receiving Connect America Fund Support Regarding Their Broadband Location Reporting Obligations*, DA 16-1363 (2016) (directing filers to report multiple-housing units in a single record with a field for the number of units); *see also* Merger Order, Appendix B, § III(3)(a)(ii) (describing CSV file template as "the same location information collected from CAF Phase I recipients").

As in the prior reporting period, AT&T will provide to the ICO, as a supplement to Exhibit 1, additional data about each Customer Location to enable the ICO to verify that the reported Customer Locations are in compliance with the Condition.³²

As explained in AT&T's Seventh Semi-Annual Compliance Report, AT&T has formally documented and updated its FTTTP reporting process that it uses to prepare the compliance reports for the FTTTP Condition. This documentation describes AT&T's data-merging and quality control process, including the specific data-field interrelationships and queries used to track and report FTTTP deployment.³³ As in the prior reporting period, AT&T has provided the ICO with a summary of the data verification procedures **[BEGIN CONFIDENTIAL INFORMATION]** **[END CONFIDENTIAL INFORMATION]** in completing Exhibit 1.a for AT&T's Seventh and Eighth Semi-Annual Compliance Reports. AT&T also has provided to the ICO a summary of the reporting process it uses for Exhibit 1.b to confirm that an MDU Owner Denial property is reportable pursuant to the Condition and the October 6, 2016 Letter.

³² For Exhibit 1.a, AT&T will provide the ICO with **[BEGIN CONFIDENTIAL INFORMATION]** **[END CONFIDENTIAL INFORMATION]** for each Customer Location. For Exhibit 1.b, AT&T will provide the ICO with **[BEGIN CONFIDENTIAL INFORMATION]** **[END CONFIDENTIAL INFORMATION]**.

³³ See Seventh Semi-Annual Compliance Report at 14.

C. COMPLIANCE REPORT – GIGABIT OFFERS TO COVERED E-RATE ELIGIBLE SCHOOLS AND LIBRARIES

1. Introduction and Working Team

During the reporting period, AT&T has had a Working Team to oversee and coordinate compliance with the Condition requiring AT&T to offer 1 Gbps FTTP Service to covered E-rate eligible schools and libraries (“E-rate Condition”). This Working Team has included AT&T senior managers who, in the ordinary course of business, oversee AT&T’s business-level broadband internet access services and its participation in the E-rate program.

The E-rate Condition, like the E-rate program itself, is centered on the Commission’s Form 470 process. The E-rate fiscal year (referred to as a “Funding Year”) runs from July 1st to June 30th. Under the Commission’s procedures, individual schools and libraries, school districts, library systems, buying consortia and states may post a Form 470 for an upcoming Funding Year until approximately February/April (“E-rate Bidding Season”), seeking bids for a contract that typically would begin the following July 1st. For example, these entities posted Form 470s from about October 2018 to March 2019 for contracts for which E-rate funding did not begin until July 1, 2019. Thus, if awarded, AT&T began providing E-rate eligible service under the E-rate Condition pursuant to Commission rules³⁴ for any Form 470s to which AT&T responded during this reporting period on or after July 1, 2019, depending on the customer’s desired due date.

³⁴ 47 C.F.R. § 54.507(d)(2).

As discussed in the sections that follow, AT&T has complied with this Condition by (1) identifying covered schools and libraries located where AT&T planned to deploy FTTP services by the end of the first half of 2019 (i.e., the beginning of the new E-rate funding year); (2) responding to all Form 470s seeking bids for 1 Gigabit FTTP Service to any such covered school or library;³⁵ (3) deploying as requested 1 Gigabit FTTP Service to any covered school or library that awards to AT&T a bid for such service; and (4) conducting affirmative and adequate outreach to make covered schools and libraries aware of the opportunity to purchase 1 Gigabit FTTP Services.

2. Methodology for Identifying “Covered Schools and Libraries”³⁶

The E-rate Condition required AT&T “to offer 1 Gbps FTTP Service . . . to any E-rate eligible school or library located within or contiguous to a DA in which the Company deploys FTTP-based service.”³⁷ For purposes of compliance with this Condition during the 2018-2019 E-rate Bidding Season for Funding Year 2019, AT&T applied the same methodology for identifying covered schools and libraries described in the Seventh Semi-Annual Compliance

³⁵ Schools and libraries typically purchase commercial broadband services with a guaranteed quality of service. **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

[END HIGHLY

CONFIDENTIAL INFORMATION]

³⁶ As explained in AT&T’s prior compliance reports, AT&T has formally documented and updated its mapping methodology for identifying covered schools and libraries within and contiguous to AT&T’s FTTP deployment. *See, e.g.*, Seventh Semi-Annual Compliance Report at 16 n.31.

³⁷ *Merger Order*, Appendix B, § III(2)(d).

Report.³⁸ Specifically, AT&T compiled a list of fiber routes³⁹ that include PSAs where AT&T had deployed FTTP-based service or planned to deploy FTTP by the beginning of the new E-rate funding year. Using the most recently available Universal Service Administrative Company (“USAC”) data, AT&T identified all of the E-rate eligible individual schools and libraries located within those fiber routes, which is approximately **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** schools and libraries. Because multiple PSAs make up a fiber route, this methodology sweeps well beyond what the Condition required.

As discussed in the sections that follow, AT&T has used this list of “covered schools and libraries” for purposes of responding to Form 470s seeking bids for 1 Gigabit FTTP Service.

3. Process for Responding to Form 470s⁴⁰

The existing E-rate sales team was responsible for responding to the Form 470s received from covered schools and libraries. AT&T has integrated the requirements of this Condition into the processes it uses in the ordinary course of business to respond to Form 470s, and has overlaid additional processes to ensure compliance with the Condition.

During the reporting period, the Working Team used the most recent list of covered schools and libraries identified using the methodology described above and compared these

³⁸ Seventh Semi-Annual Compliance Report at 16-17.

³⁹ AT&T’s wire centers are divided into multiple fiber routes. Multiple PSAs make up a fiber route.

⁴⁰ As explained in AT&T’s prior compliance reports, AT&T has formally documented and updated its procedures for responding to bids from covered schools and libraries. *See, e.g.*, Seventh Semi-Annual Compliance Report at 17 n.35.

covered school and library addresses to the addresses listed for the E-rate school and library locations that have registered as participants in the E-rate program. AT&T searched the USAC database for the Billed Entity Numbers (“BENs”) for individual schools and libraries.⁴¹ For each matching address, the BEN of the individual covered school and library was identified and captured. AT&T further researched the database to determine whether any such individual covered school or library location was part of a school district or library system (“Parent Entity”) that might itself file a Form 470 under which the individual covered school or library might purchase E-rate services and, if found, captured the Parent Entity BEN. AT&T then flagged all of the identified BENs, approximately **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** BENs, and loaded them into the system used in AT&T’s ordinary course of business to respond to Form 470s. This system flagged any of these BENs that post a Form 470 with a positive indicator, which were then reviewed to determine if the specifics of the request met the Condition requirements.

For consortia, after a consortium posted a Form 470, it was necessary for AT&T to review the consortium’s Form 470 to determine the school districts or library systems that were members of that consortium, and then manually identified whether any individual covered school or library was a member of those school districts or library systems.

⁴¹ Universal Service Administrative Co., Schools and Libraries, Tools, Entity Download Tool, <https://data.usac.org/publicreports/EntityDownload/Entity/Download> (last visited Sept. 20, 2019).

For the 2018-2019 E-rate Bidding Season, AT&T used the list of BENs corresponding to individual covered schools and libraries, school districts, and library systems, supplemented by the review of consortia Form 470s, to search for any Form 470 posted by these entities. Then, AT&T offered 1 Gigabit FTTP Service in response to any Form 470 seeking bids for 1 Gigabit FTTP Service filed by one of the BENs identified for the covered schools and libraries, school districts, library systems, or consortia. In particular, based on recent USAC guidance,⁴² AT&T responded to requests from covered schools and libraries that included a speed of 1 Gbps where the Applicants selected “Leased Lit Fiber (with or without internet access)” from the Form 470 drop-down and indicated the request includes “Internet” in the narrative and/or RFP (if used)⁴³ or selected both “Leased Lit Fiber (with or without internet access)” and “Internet Access and Transport Bundled” from the Form 470 drop-down.

4. List of Schools and Libraries to which AT&T Has Provided Bids

Exhibit 2.a contains a list of **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**
[END HIGHLY CONFIDENTIAL INFORMATION] Form 470s to which AT&T has, during the period from January 1, 2019 to July 24, 2019, provided a bid to serve a covered school or library with 1 Gigabit FTTP Services. Exhibit 2.a also contains links to the FCC Form 470 associated with each such bid, and information about the monthly recurring charges and any

⁴² USAC, News Brief, FY2019 FCC Form 470 Available on July 1, <https://www.usac.org/sl/tools/news-briefs/preview.aspx?id=839> (June 29, 2018).

⁴³ *Id.*

special construction charges associated with each such bid. Exhibit 3 contains copies of the FCC Form 470s listed in Exhibit 2.a.

Above and beyond this Condition, AT&T has responded to E-rate Form 470s from covered schools and libraries that sought bids for fiber-based services that are not expressly covered by this Condition. Detailed information about such bids and services is not included in this report.

5. Total Deployment and CSV File

The Condition required AT&T to provide information about “each school or library location to which Gigabit FTTP Service has been deployed in satisfaction of this deployment condition.” As explained above and in AT&T’s Seventh Semi-Annual Compliance Report, the E-rate Funding Year and contracts for 1 Gbps FTTP service awarded under the E-rate program run from July 1st to June 30th, and service providers thus generally do not begin to provide E-rate supported service until July 1st.⁴⁴ Thus, this reporting period, January 1, 2019 to July 24, 2019, covers any deployment pursuant to this Condition during the 2019 E-rate Funding Year.

Exhibit 2.b is a CSV file that contains information⁴⁵ for each covered school or library location to which 1 Gigabit FTTP Service has been deployed in satisfaction of the Condition between January 1, 2019 to July 24, 2019.⁴⁶

⁴⁴ See Seventh Semi-Annual Compliance Report at 20.

⁴⁵ The Condition requires AT&T to include the following information in the CSV file: Census Block Information; Operating Company Number; Study Area Code; Common Language Location Identifier; Latitude; Longitude; Name; District Name; Monthly Charge; and Special Construction Charge. *Merger Order*, Appendix B, § III(3)(b)(ii)-(iii).

6. Outreach

AT&T has an existing sales channel responsible for larger state and local government and education customers, including schools and libraries. AT&T also has a separate sales channel responsible for smaller local government and education customers, again including schools and libraries. AT&T's sales channels provide information about available E-rate products and services to potential customers in the ordinary course of business.

Building on AT&T's established efforts to make prospective school and library customers aware of the opportunity to purchase E-rate services, AT&T has implemented additional outreach to inform covered schools and libraries about AT&T's 1 Gigabit FTTP Service offer pursuant to this Condition. As described below, AT&T has reached out to schools and libraries within AT&T's wireline footprint via a direct mail and email campaign, and by providing information about its 1 Gigabit FTTP Services to all schools and libraries to which AT&T has won a bid to provide service through the E-rate program.

Direct Mail and Email Outreach: AT&T conducted outreach for the 2019 E-rate Funding Year during the prior reporting period. As described in AT&T's Seventh Semi-Annual Compliance Report, as part of this outreach, AT&T sent direct mail communications intended to reach all schools and libraries in AT&T's wireline footprint.⁴⁷ During the prior reporting period,

⁴⁶ As AT&T previously explained, there are multiple reasons why AT&T may have few reportable deployments of 1 Gigabit FTTP Service during a reporting period. *See* Fifth Semi-Annual Compliance Report at 18-20; Sixth Semi-Annual Compliance Report at 20-21.

⁴⁷ Seventh Semi-Annual Compliance Report at 21. AT&T sent the direct mail communication to over [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] schools and libraries listed in the USAC database and

Footnote continued on next page

AT&T also conducted two email campaigns for the 2019 E-rate Funding Year to school and library representatives in its wireline footprint for which AT&T had a valid email address.⁴⁸ A sample copy of the email is attached as Exhibit 4.

E-rate Services Welcome Package: During the reporting period, when AT&T received a Funding Commitment Decision Letter from USAC with respect to any E-rate eligible service, AT&T sent a welcome package email and instructions to the E-rate customer with information about AT&T's E-rate products and services. AT&T included information about the 1 Gigabit FTTP Service in this welcome email stating that: "AT&T is pleased to inform you that we are expanding our fiber based Internet Access services into new areas every day. AT&T may have an FTTP Internet Access service with high-broadband capacity, including 1G in your area." The welcome email further included a link to the AT&T E-rate website and an online form to request information.⁴⁹

III. NON-DISCRIMINATORY USAGE-BASED PRACTICES

A. STATEMENT OF THE CONDITION

1. Condition

- a. In the application of usage-based allowances or other retail terms and conditions for Fixed Broadband Internet Access Service,

National Telecommunications & Information Administration ("NTIA") broadband mapping data.

⁴⁸ Seventh Semi-Annual Compliance Report at 22. In total, AT&T sent the email communication to approximately [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] school and library recipients during the last reporting period.

⁴⁹ See AT&T, AT&T E-rate, Contact an Expert, <https://www.corp.att.com/erate/contact-us/> (last visited Sept. 20, 2019).

the Company shall not discriminate in favor of its own Video Programming Service, including Company-operated online Video Programming service or any Company “TV Everywhere” service (whether operated by AT&T’s U-verse service, DIRECTV, or the equivalent), or any content or application available through its own Video Programming services, including through the exemption of one or more of its own Video Programming services from usage-based allowances. For the avoidance of doubt and consistent with such prohibition, this condition does not prohibit the Company from offering discounts for integrated bundles of the Company’s U-verse or DIRECTV satellite Video Programming service or rebranded offerings of these services with the Company’s Fixed Broadband Internet Access Services.

2. Reporting

- a. The Company shall submit a report in accordance with the filing and service requirements set forth in Section VII.5. herein on a semi-annual basis that details its compliance with this condition, with the first such report to be submitted six (6) months after the Closing Date, which will include at least the following: a description of all terms and conditions associated with its usage-based allowances and any other information the Independent Compliance Officer determines is reasonably necessary to report as required by this condition.

B. COMPLIANCE REPORT

1. Introduction and Working Team

During the reporting period, AT&T has had a Working Team to oversee and coordinate compliance with the Non-Discriminatory Usage-Based Practices Condition. The Working Team has included officers and senior managers who, in the ordinary course of business, oversee the development of AT&T’s retail terms and conditions for its Fixed Broadband Internet Access Service. AT&T’s businesses are subject to a wide variety of regulatory requirements and, in the ordinary course of business, AT&T has developed processes to ensure that proposals that may

implicate such regulations are subject to review before AT&T proceeds to any marketplace actions. AT&T has used similar procedures to implement and ensure full compliance with this Condition. As previously explained, AT&T also has conducted training sessions regarding the requirements of this Condition for personnel involved in the development of the products and services covered by the Condition, including Working Team members, company officers, senior-level managers, attorneys, and new personnel.⁵⁰ As required by the Condition, in the application of usage-based allowances or other retail terms and conditions for Fixed Broadband Internet Access Service, AT&T has not discriminated in favor of its own Video Programming Service. Accordingly, AT&T has been in full compliance with this Condition during the time period covered in this report.

2. Terms and Conditions Associated with AT&T's Usage-Based Allowances

AT&T has established monthly usage allowances for some of its internet access services. The usage allowances specify the amount of data that can be used in a customer's monthly billing cycle before overage usage charges are assessed. Effective during this reporting period, the current monthly usage allowances are:

- 150 GB for AT&T DSL service
- 215 GB for Fixed Wireless Internet

⁵⁰ First Semi-Annual Compliance Report at 31; Second Semi-Annual Compliance Report at 26; Third Semi-Annual Compliance Report at 25-26; Fourth Semi-Annual Compliance Report at 23; Fifth Semi-Annual Compliance Report at 23-24; Sixth Semi-Annual Compliance Report at 24; Seventh Semi-Annual Compliance Report at 24.

- 1 TB for AT&T Internet for speed tiers between 768 kbps and 500 Mbps⁵¹

AT&T offers an unlimited monthly usage allowance for AT&T Internet service other than AT&T DSL or Fixed Wireless Internet under the following circumstances:⁵²

- An unlimited monthly usage allowance is included in the price for the 1 Gbps speed tier
- Customers with AT&T Internet speed tiers between 768 kbps and 500 Mbps can purchase an unlimited monthly usage allowance for \$30/month
- An unlimited monthly usage allowance is offered as a complimentary bundling benefit to customers with both a qualifying AT&T Internet service and a qualifying AT&T video service⁵³

AT&T uses the following procedures to notify its AT&T Internet, DSL and Fixed Wireless Internet service customers when their data consumption approaches their data allowances to enable them to avoid additional usage charges. These procedures typically provide a customer at least seven email notifications before the customer is billed for any usage above her data plan's allowance.⁵⁴ The first time a subscriber's usage exceeds the data plan, she receives an email notification describing the usage measurement plan and process, informing her that she will not be billed for the usage, and providing a link to the usage website. In a

⁵¹ To date, Internet 500 has not been offered generally for purchase by the public and has only been offered on a restricted and/or trial basis to a limited number of customers. For that reason, there may be instances where Internet 500 does not appear in materials where more commonly available speed tiers like Internet 300 appear and/or are reported upon.

⁵² An unlimited monthly data allowance is not available to consumer DSL or Fixed Wireless Internet customers.

⁵³ The unlimited monthly data allowance bundle benefit represents a \$30/month discount over purchasing the unlimited data allowance separately. Qualifying AT&T Internet services for purposes of the bundle benefit include speed tiers between 768 kbps and 500 Mbps. Qualifying AT&T video services include DIRECTV Satellite TV, U-verse IPTV, or DIRECTV NOW over-the-top (OTT) video streaming service on a combined bill with AT&T Internet.

⁵⁴ This process does not apply to wireline internet access customers who have unlimited data since there is no monthly data allowance that a customer could potentially exceed.

subsequent monthly billing cycle in which a customer's usage level approaches her data allowance for the second time, AT&T sends the customer grace email notifications when her usage reaches 65 percent, 90 percent, and 100 percent of the usage threshold. These grace notifications inform the customer that she is now in her second month of overage usage, but will not be billed during this grace period. These grace notifications again contain a link to the usage website. In any subsequent billing cycle in which a customer's usage level approaches the data plan allowance for the third time, AT&T sends billing email notifications when her usage reaches 65 percent, 90 percent, and 100 percent of the usage threshold. These billing notifications contain a link to the usage website and inform the customer that she is in her third month of overage usage and will be billed after exceeding her usage allowance. At this point, AT&T assesses overage charges for customers at a rate of \$10 for each 50 GB of usage over the monthly allowance, up to a maximum of \$100 for AT&T Internet, or \$200 for DSL and Fixed Wireless Internet. In any subsequent month in which the customer's usage exceeds the threshold and the customer incurs overage billing, AT&T sends email notifications to the customer when her usage reaches 75 percent and 100 percent of each overage bucket.

AT&T provides information regarding its usage allowances on its publicly accessible website at <http://www.att.com/internet-usage>, and customers may obtain additional information regarding usage through the AT&T Internet Terms of Service.⁵⁵ AT&T also provides customers with access to various online tools to help them understand and track their data usage, including

⁵⁵ AT&T, AT&T Internet Terms of Service, <https://www.att.com/shop/internet/att-internet-terms-of-service.html> (last visited Sept. 20, 2019). *See also* Exhibit 5.a.i, AT&T Internet Terms of Service (in effect from Jan. 14, 2019 to the end of this reporting period).

data calculators, FAQs, usage tracking reports, and instructional videos. Customers also are provided information about the usage allowances, charges, and practices through AT&T's advertising disclosures, order summaries, online registration website, and bills. Additional information about the network practices, performance characteristics, and commercial terms of AT&T's broadband internet access services is available at <http://www.att.com/broadbandinfo>. Customers also can check their data usage anytime on AT&T's online portal.

Exhibit 5 contains additional information on, and examples of, the publicly available material and resources regarding AT&T's usage allowance practices. These include AT&T Internet Terms of Service (in effect from November 15, 2017 through January 13, 2019 and January 14, 2019 to the end of this reporting period); AT&T's Internet Consumer Fee Schedule (in effect from December 20, 2018 to the end of this reporting period); Broadband Information available on AT&T's website; and screenshots of AT&T's Online Data Calculator, Consumer Web Portals, Order Summary pages, and customer communications.

3. Procedures for Reviewing Usage-Based Allowances and Other Offers Implicating the Condition

AT&T has had procedures to review all new products and offers relating to its Fixed Broadband Internet Access Service in the early stages of product development to ensure that the terms and conditions of those products and offers comply with the Non-Discriminatory Usage-Based Practices Condition. In the ordinary course of business, AT&T has robust procedures to review all new offers, pricing and product enhancements relating to its regulated services (including Fixed Broadband Internet Access Service) to confirm compliance with legal and

regulatory requirements. AT&T has incorporated into these existing procedures an additional review to ensure compliance with the Non-Discriminatory Usage-Based Practices Condition.

In particular, AT&T has an established intake process for review and approval of new products and product enhancements. AT&T has incorporated a step in each of these processes to ensure that relevant changes in the retail terms and conditions of its Fixed Broadband Internet Access Services are reviewed for compliance with the Condition. As part of these processes, Working Team Leaders and AT&T Legal received proposed offers, pricing, and new products and product enhancements and review such proposals to ensure they comply with the Condition.

In addition, AT&T has established processes to ensure that all usage-based allowances associated with its Fixed Broadband Internet Access Service comply with the Condition. Certain Working Team members were responsible in the ordinary course of business for developing or modifying any usage-based allowances AT&T might offer in conjunction with Fixed Broadband Internet Access Services. All such personnel had to notify the Working Team Leaders of any proposed usage-based allowance offers, as well as seek the guidance of the Program Management Team and AT&T Legal to ensure compliance with the Condition, before proceeding to introduce any such offer in the marketplace.

IV. DISCOUNTED BROADBAND SERVICES PROGRAM

A. STATEMENT OF THE CONDITION

1. Condition

Within nine (9) months of the Closing Date, the Company shall establish and commence a program to substantially increase broadband adoption in low-income households throughout AT&T's wireline footprint (the "Discounted Broadband Services Program").

- a. The Company shall offer wireline Broadband Internet Access Service with download speeds of at least 10 Mbps, where technically available, to qualifying households in the Company's wireline footprint for no more than \$10 per month. If 10 Mbps wireline Broadband Internet Access Service is not technically available, the Company shall offer wireline Broadband Internet Access Service with download speeds of at least 5 Mbps, where technically available, to qualifying households in the Company's wireline footprint for no more than \$10 per month.
- b. Where AT&T has deployed broadband service at top speeds below 5 Mbps, the Company shall offer wireline Broadband Internet Access Service at speeds of at least 3 Mbps, where technically available, to qualifying households in the Company's wireline footprint for no more than \$5 per month.
- c. Qualifying households are those where at least one individual participates in the Supplemental Nutrition Assistance Program ("SNAP"), subject to annual recertification, and that do not have outstanding debt for AT&T's Fixed Broadband Internet Access Services that was incurred within the six (6) months prior to the individual's request for services under the Discounted Broadband Services Program or that is incurred for services provided under the Discounted Broadband Services Program and that is subject to the Company's ordinary debt collection procedures.
- d. The Company shall offer the discounts set forth in this condition for at least four (4) years from the commencement of the Discounted Broadband Services Program. Qualifying households who sign up for the Discounted Broadband Services Program in

the fourth year of the Discounted Broadband Services Program shall remain eligible for at least twelve (12) months.

- e. Qualifying households shall not be required to pay any installation or modem charges or fees in order to participate in the Discounted Broadband Services Program.
- f. For the period during which this condition is in effect, the Company shall clearly and conspicuously market the Discounted Broadband Services Program, including but not limited to undertaking the following actions:
 - (i) Providing on the Company's consumer-facing homepage a link to a webpage devoted to describing the Discounted Broadband Services Program; and
 - (ii) Ensuring that the Company's Customer Service Representatives are trained prior to the commencement of the program to inform consumers of the availability of the Discounted Broadband Services Program offerings, including pricing, and terms and conditions as described in this condition.
- g. The Company shall effectively engage in targeted outreach efforts, in coordination with schools and community-based organizations serving low-income individuals and families, including, but not limited to veterans, the elderly, and those who are non-English speaking, to adequately publicize the availability of the Discounted Broadband Services Program, to ensure that qualified individuals and households are informed about and have access to the program. The Company shall make adjustments to its outreach efforts in response to reasonable requests from the Commission's Office of General Counsel and, at a minimum, shall take the following actions during each year that the program is in effect:
 - (i) Promote the Discounted Broadband Services Program, including through public service announcements that shall have a minimum annual value of \$15 million.
 - (ii) Distribute Discounted Broadband Services Program information to at least twenty (20) organizations that work with low-income communities on a national and local level.
 - (iii) Coordinate with state education departments and local school districts, including requesting that all school districts within the Company's wireline footprint include

- information about the Discounted Broadband Services Program with their communications to families in advance of the school year, including in each communication relating to the National School Lunch Program (“NSLP”), as feasible and appropriate, to ensure that families that qualify for the NSLP are informed about the Discounted Broadband Services Program at the beginning of the school year and have the opportunity to register.
- (iv) Provide appropriate promotional and collateral materials to all public school districts within the Company’s wireline footprint and requesting that the materials be included in NSLP mailings.
 - (v) Educate school professionals about the Discounted Broadband Services Program, including by conducting outreach to various education-related associations such as parent-teacher associations and associations representing guidance counselors and social workers, in order to reach those who are most likely to work closely with students and families.
- h. Prospective participants shall be directed to a Company phone number dedicated to the Discounted Broadband Services Program to verify eligibility. Qualifying callers shall be transferred to a centralized order-entry center.
- i. The Company shall submit a report in accordance with the filing and service requirements set forth in Section VII.5. herein on a semi-annual basis that includes a description of the Company’s compliance with the condition, with the first such report to be submitted six (6) months after the Closing Date. The report shall at least include the following:
- (i) The total number of households participating in the Discounted Broadband Services Program;
 - (ii) A detailed description of outreach efforts made during the reporting period to publicize the Discounted Broadband Services Program to schools and community-based organizations, including a list of the community-based organizations participating, and representative examples of the promotional and collateral materials provided; and

- (iii) An analysis of the effectiveness of the Discounted Broadband Services Program, describing any adjustments the Company has implemented during the reporting period or plans to implement to improve its effectiveness.

B. COMPLIANCE REPORT

1. Introduction & Working Team

AT&T launched the Discounted Broadband Services Program, branded *Access from AT&T*, in April 2016.⁵⁶ The Program's launch was praised by public interest organizations and other stakeholders as an affordable broadband option for low-income individuals and families.⁵⁷ AT&T's extensive outreach initiative has been met with overwhelming support from national, state and local public and private organizations.⁵⁸

As of July 24, 2019, AT&T has contacted more than 1,000 organizations that have agreed to help promote the Program. More than three years since launch, the Program has connected even more low-income Americans to the internet, helping to bridge the digital divide. Indeed, the number of participants in the Program has increased by more than 25 percent since the prior reporting period. As described below, AT&T continues to implement changes designed to facilitate the Program's success and expansion.⁵⁹

⁵⁶ The Condition required AT&T to establish and commence the Program within nine months of the Closing Date — on or before April 22, 2016. *Merger Order*, Appendix B, § VI(2).

⁵⁷ See Second Semi-Annual Compliance Report at 46-48.

⁵⁸ See, e.g., Sixth Semi-Annual Compliance Report at 32.

⁵⁹ AT&T has a Working Team to implement this Condition. This Working Team includes AT&T senior managers who, in the ordinary course of business, lead the development, promotion, and operation of AT&T's broadband internet access services. All members of this Working Team have been trained to understand what is required by this Condition.

This report provides a detailed description of AT&T's implementation of the Discounted Broadband Services Program during the reporting period, including: (i) discounted broadband service offerings and eligibility criteria, (ii) number of participating households, (iii) marketing, (iv) outreach efforts, participating community-based organizations, and examples of promotional and collateral materials provided, and (v) an analysis of the effectiveness of the Program. As discussed below, AT&T's implementation, promotion, and operation of *Access from AT&T* is in full compliance with this Condition.

2. Broadband Service Offered and Qualifying Households

AT&T is offering *Access from AT&T* service plans for wireline Broadband Internet Access Service at the download speeds and prices specified in the Condition. As required by the Condition, AT&T is offering the following service tiers and prices for the Discounted Broadband Service, where technically available:

- 10 Mbps for \$10/month;
- if 10 Mbps is not technically available, then 5 Mbps for \$10/month; or
- if 5 Mbps is not technically available, then 3 Mbps (where technically available) for \$5/month.

In addition, AT&T continues to offer expanded eligibility under the *Access from AT&T* program to qualifying households that are unable to receive internet speed tiers of 3 Mbps and above.

Specifically, if a 3 Mbps speed tier is not technically available, AT&T is offering the faster of 1.5 Mbps or 768 kbps where technically available for \$5/month.⁶⁰

⁶⁰ See Third Semi-Annual Compliance Report at 34-35; Fourth Semi-Annual Compliance Report at 32-33; Fifth Semi-Annual Compliance Report at 33; Sixth Semi-Annual Compliance Report at 34; Seventh Semi-Annual Compliance Report at 33.

AT&T operates a dedicated call center for *Access from AT&T* for prospective participants to apply for the Program.⁶¹ Agents at the dedicated call center both (1) verify whether the customer is eligible to participate in the Discounted Broadband Services Program and (2) coordinate service installation, including determining what services are technically available at that customer location.

With respect to Program eligibility, call center agents send, via regular mail or email, an application for the prospective participant to complete to verify that the applicant's household contains at least one member who participates in SNAP.⁶² AT&T also has made the application available online. Customers may submit applications, together with supporting documentation to verify participation in SNAP (such as a copy of their SNAP cards), online, or via U.S. mail.⁶³ Agents review the application and supporting documentation for completeness. Upon completion of this review, AT&T notifies applicants by mail or via email whether their applications have been approved and, if so, provides them instructions on how to contact the dedicated call center to order service. If an application has been denied, AT&T provides the

⁶¹ See Second Semi-Annual Compliance Report at 35; Third Semi-Annual Compliance Report at 35; Fourth Semi-Annual Compliance Report at 33; Fifth Semi-Annual Compliance Report at 33; Sixth Semi-Annual Compliance Report at 34; Seventh Semi-Annual Compliance Report at 34. In addition to English- and Spanish-speaking agents at the Program's dedicated call center, AT&T supports other languages by engaging Language Line services. Language Line provides live agent translation for over 240 languages. Agents at the dedicated call center are able to conference in a Language Line representative who provides real-time translation between the agent and the customer.

⁶² As of July 21, 2016, *Access from AT&T* extended eligibility to include California residents who participate in the California Supplemental Security Income ("SSI") program as an alternative to SNAP eligibility. Third Semi-Annual Compliance Report at 35 n.57.

⁶³ AT&T, Shop, Internet, Access from AT&T, at Step 2, <https://www.att.com/shop/internet/access/index.html> (last visited Sept. 20, 2019) ("*Access from AT&T Website*").

reasons for that denial, which among other things may be due to lack of supporting documentation, failure to provide all information requested on the application, or failure to sign the application.

As noted by the ICO, “AT&T has been improving the application experience for *Access from AT&T* customer.”⁶⁴ During this reporting period, AT&T implemented an automated ordering process for IP broadband Access service whereby certain customer information is pre-populated in the ordering system, which reduces the time it takes for a customer to order service.

AT&T directs applicants with approved applications to call the dedicated call center, where agents confirm which service tier – *i.e.*, 10 Mbps at \$10, 5 Mbps at \$10, 3 Mbps at \$5, or 1.5 Mbps or 768 kbps at \$5 – is available at the prospective participant’s location.⁶⁵ Specifically, the agents have a loop qualification tool that permits them to enter an address and determine the services and speeds available at that location. A prospective participant can also check service availability online for a preliminary determination.⁶⁶ The agent then processes a service order, which includes an automatic credit check. For the Discounted Broadband Services Program, AT&T **[BEGIN CONFIDENTIAL INFORMATION]**

⁶⁴ ICO Seventh Report at 55. *See also* Fourth Semi-Annual Compliance Report at 33-34; Fifth Semi-Annual Compliance Report at 34; Sixth Semi-Annual Compliance Report at 34; Seventh Semi-Annual Compliance Report at 34-35.

⁶⁵ AT&T offers services under this Program wherever such services are technically available, as required by the Condition. As AT&T explained in the First Semi-Annual Compliance Report, there are a small number of DAs in which AT&T has not deployed broadband internet access services, and in the DAs in which AT&T has deployed legacy DSL services, there are a limited number of locations at which AT&T cannot offer any internet access service to additional customers, and thus services for the Program are not “technically available” in those areas. *See* First Semi-Annual Compliance Report at 38.

⁶⁶ *Access from AT&T Website* at Step 1.

[END CONFIDENTIAL INFORMATION], so that all qualifying prospective participants⁶⁷ may obtain broadband service.

Finally, as required by the Condition, AT&T does not assess any installation or modem charges in order to participate in the Discounted Broadband Services Program.⁶⁸ AT&T sends customers who have completed the ordering process a self-installation kit, with a router and user-friendly installation instructions.⁶⁹ Instructions are available in English and Spanish. As an alternative to the self-installation process, AT&T will send a technician to the customer's location at no cost to the customer.

⁶⁷ *Merger Order*, Appendix B, § VI(2)(c) (“Qualifying households are those . . . that do not have outstanding debt for AT&T’s Fixed Broadband Internet Access Services that was incurred within the six (6) months prior to the individual’s request for services provided under the Discounted Broadband Services Program and that is subject to the Company’s ordinary debt collection procedures.”).

⁶⁸ AT&T otherwise applies its existing terms and conditions in conjunction with these services. Thus, for example, *Access from AT&T* service plans are subject to the monthly usage allowances described above, including the grace period and notifications provided to customers before they are billed for any usage above an applicable monthly usage allowance. Customer bills include the data usage limits that are applicable to the customer’s *Access from AT&T* service. Likewise, as with all of AT&T’s wireline broadband internet access services, AT&T will repair or replace damaged equipment as AT&T deems necessary, except where the customer owns the equipment or the equipment is damaged due to the customer’s intentional acts or negligence as determined by AT&T.

⁶⁹ AT&T engages in ongoing efforts to monitor and ensure that a customer is not billed for such equipment. When AT&T discovers instances of inadvertent charges, AT&T actively takes steps to credit such customers and ensure they are not charged improperly going forward.
[BEGIN CONFIDENTIAL INFORMATION]

[END CONFIDENTIAL INFORMATION]

As recommended by the ICO, AT&T continued to monitor complaints and refund requests from callers who [BEGIN CONFIDENTIAL INFORMATION]

[END CONFIDENTIAL INFORMATION] to identify any sources or trends related to this issue. See ICO Seventh Report at 64.

3. Number of Households Participating

As of July 24, 2019: (i) a total of approximately [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] qualifying households have subscribed to *Access from AT&T*, and (ii) AT&T is providing discounted broadband service through the Program to approximately [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] households.

4. Marketing

Website: AT&T is marketing the Discounted Broadband Services Program by prominently displaying on its customer-facing homepage a link to a webpage, <https://www.att.com/access>, that describes the Program and encourages prospective participants to call a toll-free number to obtain more information about AT&T's Discounted Broadband Services.⁷⁰ The *Access from AT&T* Website clearly lays out step-by-step instructions for how a prospective participant can check to see if AT&T broadband is available at her location; determine whether she qualifies for the Program if service is available; and request service.⁷¹ As discussed below, AT&T has partnered with numerous third parties to raise public awareness of *Access from AT&T*, and established a partner portal, accessible from a link on the *Access from AT&T* Website, where participating organizations that are engaged in communications and outreach can access promotional materials, application materials, email and social media

⁷⁰ AT&T, Shop, Access from AT&T, <https://www.att.com/> (last visited Sept. 20, 2019).

⁷¹ *Access from AT&T* Website at Steps 1-3.

templates, and other resources to help share information about the Program with their constituents.⁷²

Toll-Free Numbers: AT&T has English and Spanish toll-free numbers (English: 855.220.5211; Spanish: 855.220.5225) that are dedicated to the Discounted Broadband Services Program. In addition, AT&T is supplementing the dedicated toll-free numbers with additional numbers for targeted marketing and to track the effectiveness of its outreach efforts. These numbers are directed to the dedicated call center.

Training Customer Service Representatives: AT&T has built upon its existing customer care training programs to implement a specialized training program for the Discounted Broadband Services Program. In addition to the initial awareness training described in the Second Semi-Annual Compliance Report,⁷³ AT&T is offering ongoing refresher trainings to ensure Customer Service Representatives are aware of the Discounted Broadband Services Program and the dedicated call center, and know how to transfer customers to the dedicated call center for information about the availability, prices, terms and conditions of the Program.

AT&T has continued to improve the training and monitoring of its Customer Service Representatives, **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

⁷² *Id.* at For Our Partners.

⁷³ *See* Second Semi-Annual Compliance Report at 38.

[END HIGHLY

CONFIDENTIAL INFORMATION]

In addition, as recommended by the ICO,⁷⁴ AT&T continued to ensure that all Access agents understand the process for the scheduling and delivering of equipment by reinforcing the process with call center teams during the reporting period. **[BEGIN HIGHLY**

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[END HIGHLY CONFIDENTIAL

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⁷⁴ ICO Seventh Report at 63.

In response to the ICO's recommendations regarding non-Access sales agents,⁷⁵ AT&T continues to work on awareness and proper procedures for non-Access agents to follow for handling Access customers. During this report period, **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

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⁷⁵ See ICO Seventh Report at 64 and 76.

⁷⁶ Further details on the quality assurance steps that AT&T has taken during the reporting period to improve training for call center agents are provided in Exhibit 9.

5. Outreach and Awareness

AT&T continues to promote *Access from AT&T* through the multi-pronged outreach program required by the Condition.

Public Service Announcements: AT&T is promoting *Access from AT&T* through public service announcements that have a minimum annual value of \$15 million, as required by the Condition. These public service announcements have aired on a variety of channels, including broadcast TV and radio, Hispanic spot TV and radio, and StateNets Radio.⁷⁷

As discussed further below, in addition to satisfying the public service announcement requirement, AT&T also is advertising to patrons of Dollar General and Family Dollar stores in areas where *Access from AT&T* services are available.⁷⁸ During this reporting period, AT&T started a multi-month Dollar General and Family Dollar store campaign, that is running from July 1, 2019 through September 29, 2019. As part of this campaign, the *Access from AT&T* offer is displayed on receipts when a SNAP EBT card is used to pay for purchases.

Distribute Information to At Least 20 Organizations: AT&T personnel are conducting targeted outreach efforts directed at national, state, and local private, government and quasi-governmental organizations serving low-income individuals and families – including households with school children, veterans, the elderly, non-English-speakers, and minorities. National non-

⁷⁷ StateNets Radio is the exclusive representative firm for the National Association of State Radio Networks, which is comprised of 31 State Radio Networks that include over 1,800 radio stations across the country. See StateNets, Member Networks, <http://statenets.com/cms/index.php/member-networks-2/> (last visited Sept. 20, 2019).

⁷⁸ Samples of these marketing materials are provided in Exhibit 7.

profit organizations Connected Nation and EveryoneOn are assisting AT&T with these outreach efforts.⁷⁹

AT&T, with the assistance of EveryoneOn and Connected Nation, has contacted many organizations to provide information about *Access from AT&T*. Over 1,000 organizations have agreed to promote *Access from AT&T* among the populations they serve, with 13 new organizations added to the list during this reporting period.⁸⁰ Of the new partner organizations, about 85 percent provide services to minority organizations, 92 percent provide services to low-income households, 31 percent provide services to seniors, and 31 percent provide services to youth.

Participating organizations may obtain promotional and collateral materials directly through AT&T's online partner portal, by contacting Connected Nation or EveryoneOn for assistance or by ordering collateral via the print portal.⁸¹ Available materials include: a promotional flyer, FAQ, checklist of materials needed to complete the application, email templates, a poster, a promotional video, and the Program launch press release and social media verbiage.⁸² Promotional materials are available in seven languages.⁸³ Organizations supporting

⁷⁹ See Fourth Semi-Annual Compliance Report at 39-40; Fifth Semi-Annual Compliance Report at 39-40.

⁸⁰ A list of organizations that have agreed to promote the Program is provided in Exhibit 6. AT&T, with the assistance of Connected Nation, annually distributes materials about the Program to these organizations. EveryoneOn also engages organizations through outreach to its local and national partners. After an organization has agreed to promote the Program, it remains on the list of participating organizations unless the organization advises that it no longer plans to participate.

⁸¹ See Access from AT&T, Account Sign In, <https://attaccess.rrd.com> (last visited Sept. 20, 2019).

⁸² Samples of these collateral materials are provided in Exhibit 7.

AT&T's outreach efforts downloaded or ordered hard copies of more than 50,000 pieces of collateral during this reporting period.

National, State and Local Outreach

AT&T's outreach efforts at the national, state and local levels continue to achieve results. For example, during this reporting period, OCA - Asian Pacific American Advocates, a national organization dedicated to advancing the well-being of Asian Pacific Americans, continued to promote *Access from AT&T* to members of the Asian Pacific American community via its national constituency and through its local chapters in Cleveland, San Francisco, Sacramento, and Detroit. Through its outreach program, OCA distributed flyers and card handouts at a wide variety of local events and festivals and included *Access from AT&T* advertisements in the program books distributed at these events and festivals. For example, the OCA - Greater Cleveland Chapter has an ongoing display of *Access from AT&T* outreach materials inside one of Cleveland's Asiatown's longest standing shopping centers and in a Cleveland local service agency that primarily serves individuals in the Asian community. The OCA - East Bay chapter sent out an email campaign that included an ad for the Program and promoted *Access* at their monthly event. The OCA - Greater Sacramento chapter has distributed flyers and made announcements about *Access from AT&T* at over 10 events. OCA also includes a full-page advertisement for *Access from AT&T* in its monthly newsletters and biannual magazine, which are distributed nationally to OCA members and affiliates. A key event during this reporting

⁸³ The seven languages are English, Arabic, Chinese, Haitian Creole, Korean, Spanish, and Vietnamese.

period included promoting the Program at the 2019 OCA National Convention from June 27 through June 29, 2019. AT&T hosted an exhibitor table at the convention to provide *Access* materials and promotional items and spoke to attendees during the welcome remarks.

As another example, as part of its collaboration with AT&T, League of United Latin American Citizens (“LULAC”) facilitated several outreach events during this reporting period to reach key stakeholders and increase general awareness about *Access from AT&T*. For example, LULAC set up interactive booths at various community and LULAC events to distribute information regarding program qualifications. Volunteers and staff addressed questions that potential participants had regarding the Program and distributed giveaways such as branded items and raffle opportunities for those participating in an interactive quiz game that consisted of answering simple questions related to *Access from AT&T*. Key events for *Access from AT&T* promotion during this reporting period included the LULAC National Conference from July 9 through July 13, 2019 with about 5,000 participants, the LULAC Legislative Conference & EMERGE Student Conference from February 12 through February 14, 2019 with about 250 participants, 6 LULAC state conventions held in May and June 2019 with about 1,000 total participants, as well as other community-based events. During this reporting period, LULAC also promoted *Access from AT&T* through its website and via an email to its approximately 40,000 subscribers.

Program Awareness and Community Events

As a stakeholder in the U.S. Department of Housing and Urban Development's ("HUD's") ConnectHome Initiative, branded "ConnectHome USA,"⁸⁴ AT&T agreed to conduct 14 Program enrollment events in certain ConnectHome USA communities within the AT&T 21-state wireline footprint by the end of 2019. During this reporting period, AT&T conducted one of these events and AT&T plans to conduct 13 additional enrollment events in the second half of this year.⁸⁵ EveryoneOn is leading the expansion of the ConnectHome USA, "with the goal of connecting 350,000 people living in HUD-assisted housing by 2020," and is continuing to promote *Access from AT&T* in this role.⁸⁶ This reporting period, EveryoneOn worked with AT&T to strategize ways to expand its role in its partnership with AT&T to provide additional support for marketing and promotional activities in connection with *Access from AT&T* outreach events. In particular, EveryoneOn plans to facilitate 11 enrollment events and four community events over the next reporting period.

⁸⁴ See Third Semi-Annual Compliance Report at 43-44; Fourth Semi-Annual Compliance Report at 42-43; Fifth Semi-Annual Compliance Report at 43; Sixth Semi-Annual Compliance Report at 44; Seventh Semi-Annual Compliance Report at 45-46.

⁸⁵ This event was held in Little Rock, Arkansas. See also Fourth Semi-Annual Compliance Report at 42 n.81; Fifth Semi-Annual Compliance Report at 43 n.83; Sixth Semi-Annual Compliance Report at 44 n.80; Seventh Semi-Annual Compliance Report at 46 n.84.

AT&T agreed to conduct 20 Program awareness and enrollment events in certain ConnectHome USA communities within the AT&T 21-state wireline footprint by the end of 2018. Due to scheduling issues in 2018, AT&T only conducted 18 events in 2018. AT&T used the funds allocated for the two remaining events in this reporting period to promote Access at the three-day American Counseling Association 2019 Conference in New Orleans. See Seventh Semi-Annual Compliance Report at 46 n.85.

⁸⁶ Fourth Semi-Annual Compliance Report at 42-43; Fifth Semi-Annual Compliance Report at 43-44. See also Joojo Ocran, *ConnectHomeUSA Summit* (Nov. 6, 2017), <https://connecthomeusa.org/connecthome-nation-blog/summit>.

In addition, in March 2019, AT&T and the Elizabeth Dole Foundation through its Hidden Heroes Cities campaign⁸⁷ announced their agreement to work together to promote the *Access from AT&T* program to thousands of eligible low-income veterans and their caregivers.⁸⁸ Through this collaboration, AT&T and the Elizabeth Dole Foundation are helping educate veterans' families about this opportunity to receive low-cost internet service. The goal of this effort is to provide affordable home internet access to low-income customers, including veterans, military caregivers and their families located within six major metros across AT&T's 21-state wireline service area: Stockton, California; San Diego, California; Oklahoma City, Oklahoma; Kansas City, Missouri; Dayton, Ohio; and San Antonio, Texas.

AT&T and the Elizabeth Dole Foundation used the March 2019 announcements as an opportunity to spread the word about the partnership to stakeholders across the non-profit community, government, corporate, and individual spheres and to rally these communities to connect those in need to the low-cost internet service available through the Program. The announcement was posted online by about 170 outlets, including the New York Times,

⁸⁷ The Elizabeth Dole Foundation and its Hidden Heroes campaign raise both funds and awareness for caregivers supporting veterans who have sustained physical or emotional trauma on the battlefield. Elizabeth Dole Foundation Website, *Hidden Heroes*, <https://www.elizabethdolefoundation.org/hidden-heroes/> (last visited Sept. 20, 2019). According to the U.S. Census Bureau's American Community Survey, almost 1.4 million veterans live in households that participate in the SNAP program. Brynne Keith-Jennings and Lexin Cai, *SNAP Helps Almost 1.4 Million Low-Income Veterans, Including Thousands in Every State*, Center on Budget and Policy Priorities (Nov. 8, 2018), <https://www.cbpp.org/research/food-assistance/snap-helps-almost-14-million-low-income-veterans-including-thousands-in>.

⁸⁸ AT&T and Elizabeth Dole Foundation Announce Effort to Connect Veterans to Low-Cost Internet (Mar. 25, 2019), <https://www.elizabethdolefoundation.org/2019/03/25/att-and-elizabeth-dole-foundation-announce-effort-to-connect-veterans-to-low-cost-internet/>. See also Seventh Semi-Annual Compliance Report at 47.

MarketWatch, Yahoo!, and Finance. These outlets have approximately 147 million unique visitors. The Elizabeth Dole Foundation also promoted the partnership on social media to its over 100,000 followers.

As part of the collaboration, the Elizabeth Dole Foundation promoted the Program at 19 national and local events during this reporting period. At the national level, it promoted the Program at two national conventions: from July 20 through July 24, 2019 at the Veterans of Foreign Wars Convention, which had over 10,000 attendees, and, on July 13, 2019 at the National Association of Counties Convention, which had about 2,000 attendees. Examples of local events included distributing Program information at monthly events held by Hugs and Bags, a San Diego-based organization serving homeless and underprivileged veterans and community members; distributing flyers at the Caregiving Regional Conference Southwest in San Antonio, Texas; and providing information about the Program to attendees of the Military Spouse Appreciation and Resource Day in San Antonio.

EveryoneOn and Connected Nation Activities

EveryoneOn continues to conduct outreach to its local and national partners, inviting them to promote the Program in various ways.⁸⁹ EveryoneOn continued to focus on school outreach, national outreach and enrollment events during this reporting period.

During this reporting period, EveryoneOn hosted three webinars in support of sharing information about the Access program and learning more about low-cost internet options with a

⁸⁹ Second Semi-Annual Compliance Report at 41; Third Semi-Annual Compliance Report at 43; Fourth Semi-Annual Compliance Report at 44; Fifth Semi-Annual Compliance Report at 44-45; Sixth Semi-Annual Compliance Report at 45; Seventh Semi-Annual Compliance Report at 47-50.

wide variety of groups. As part of its national outreach efforts, on February 15, 2019, EveryoneOn hosted a webinar for community leaders involved with the Elizabeth Dole Foundation, and on July 17, 2019, EveryoneOn co-hosted a webinar with the National PTA for organizations interested in learning more about the Program. As part of its school outreach efforts, on April 4, 2019, EveryoneOn conducted a webinar for schools interested in learning more about the Program.⁹⁰

EveryoneOn also held an enrollment event with the North Little Rock Housing Authority to facilitate enrollment in *Access from AT&T* at one of their housing sites. For this event, EveryoneOn partnered with a device provider to donate a free laptop to households who were SNAP recipients, did not have internet service at home, and enrolled in the Program at the event. *Access from AT&T* continued to be featured on EveryoneOn's offer locator tool, which is used by diverse audiences to find low-cost internet service and device offers through a zip code search. In addition, in March 2019, EveryoneOn launched a digital toolkit on its website that includes resources for school districts, teachers, and administrators to learn about *Access from AT&T*, request collateral, and learn about outreach and enrollment strategies.

Connected Nation's activities during this reporting period included continuing to manage information and collateral requests from third-party organizations, responding to email inquiries, and maintaining a dedicated phone number specific to the Program.⁹¹ Connected Nation sent two emails to partner organizations that were designed to promote the Program. On July 9,

⁹⁰ Additional EveryoneOn school outreach activities are discussed separately below.

⁹¹ A Connected Nation report for the period ending July 24, 2019, is provided in Exhibit 8.

2019, Connected Nation sent an email to *Access from AT&T* partner organizations thanking them for their partnership and to request they complete a survey to provide feedback about their experience with the Program and information about the promotional activities they have conducted. On July 15, 2019, Connected Nation sent a follow up email to remind partners to complete the survey.

Connected Nation reports that the 13 new partner organizations added between January 1, 2019 and July 24, 2019 support an estimated 48,000 consumers who would potentially receive Access information.⁹² Based on survey responses from existing and new organizations, Connected Nation estimates the *Access from AT&T* partner organizations that responded to the survey conducted during this reporting period sent print newsletters with information about the Program to over 5,000 recipients, distributed information at events with more than 13,000 attendees, and have had about 6,500 social media followers of organizations that shared information.⁹³ In addition, Connected Nation reports that it processed 28 requests for print collateral of over 25,000 flyers.⁹⁴

Coordination with and Distribution of Promotional and Collateral Materials to State Education Departments and School Districts: AT&T continues to promote *Access from AT&T* to state departments of education (“DOE”), school districts and education professionals. In June and July 2019, AT&T contacted via email or U.S. mail, the lead contact for state DOE’s within

⁹² See Exhibit 8 at 9.

⁹³ See Exhibit 8 at 9.

⁹⁴ Samples of these collateral materials are contained in Exhibit 8.

its 21-state wireline footprint to make sure that state DOE's continue to be aware that *Access from AT&T* remains available in the state and to provide promotional flyers about the Program.⁹⁵

During this reporting period, AT&T updated its list of contacts at local school districts located within its 21-state wireline footprint in preparation for school district outreach. In August 2019, AT&T sent a direct mail letter that provides details about *Access from AT&T*, requests that information about the Program be placed in National School Lunch Program packets, and gives examples of how the district can help promote the Program, including a copy of a Program flyer. The letter also invited school district administrators to attend one of two webinars to be held by EveryoneOn in September and October 2019 to learn more about the Program. AT&T also sent an email in August 2019 containing similar information to school and local school district administrators and staff whose email addresses were available to AT&T. The email included a link to EveryoneOn's digital toolkit, described above.

In addition, as part of its school outreach efforts during this reporting period, EveryoneOn conducted telephone outreach to over 800 school districts about *Access from AT&T*, reaching about a quarter of those called and providing those districts with information about the Program. EveryoneOn followed up its phone call by sending an email with information about the Program to school representatives who provided an email address.⁹⁶

Educate School Professionals: AT&T is working with key national education-related associations and advocacy groups representing educators, guidance counselors, and social

⁹⁵ A sample email and letter are contained in Exhibit 7.

⁹⁶ A copy of the email is contained in Exhibit 7.

workers – such as Family, Carrier and Community Leaders of America (“FCCLA”), National PTA, and American School Counseling Association – to gain assistance in disseminating the Program details among the populations these organizations serve.⁹⁷

AT&T continued to work with National PTA to conduct outreach to school districts during the 2018-2019 school year.⁹⁸ As part of the collaboration, National PTA targeted local PTAs across AT&T’s 21-state wireline footprint to share with eligible participants information about *Access from AT&T*, as well as other information about digital learning and resources available to support internet access. During the reporting period, PTA provided renewed grants to regional PTAs in Louisville, Kentucky and Chicago, Illinois to host Summer Learning Listening Sessions and to provide onsite enrollment opportunities. National PTA and AT&T also selected two new regional PTAs in communities with high SNAP enrollment and lower *Access from AT&T* participation – San Antonio, Texas and Memphis, Tennessee – to receive new grants to provide onsite opportunities for families to enroll in *Access from AT&T* during back to school events in their communities. National PTA provided each regional chapter promotional social media tools, *Access from AT&T* flyers, and technical assistance from National PTA staff, EveryoneOn, and Connected Nation. The regional PTAs also received funds to

⁹⁷ Education-related organizations that have agreed to assist in promoting the Program are included in Exhibit 6, and sample promotional materials are in Exhibit 7.

⁹⁸ AT&T also worked with National PTA to conduct outreach to school districts during the 2016-2017 school year and during the 2017-2018 school year. *See* Third Semi-Annual Compliance Report at 47-48; Fourth Semi-Annual Compliance Report at 47; Fifth Semi-Annual Compliance Report at 48-49; Sixth Semi-Annual Compliance Report at 48; Seventh Semi-Annual Compliance Report at 51-52.

purchase tablets and Wi-Fi service to support enrollment of families in the Program while onsite at their events.

National PTA's 21-state outreach also includes social media, E-newsletters, a dedicated *Access from AT&T* page on the National PTA website, and a recorded webinar for on-demand viewing by local PTA leaders and the families they serve. During this reporting period, National PTA also promoted the Program via its summer learning resources on social media. In addition, during this reporting period, National PTA and AT&T promoted *Access from AT&T* at the 2019 National PTA Convention and Expo from June 20 through June 23, 2019 and the National PTA Legislative Conference during the week of March 11, 2019, as well as at several state conventions.

During the last reporting period, National PTA launched PTA Connected, a new initiative to educate and engage families in digital wellness, security, access, equity and literacy, which has continued this year.⁹⁹ PTA's initiative formalizes and builds on its work in the digital space and will provide families with the support they need in learning about how to build a healthy digital community. AT&T is one of the founding sponsors of this multiyear, multipronged initiative.

AT&T also continued to work with the FCCLA to promote the Program during this reporting period. During this reporting period, an additional 43 local FCCLA chapters and nine state associations signed up to participate in promotional and enrollment activities for *Access from AT&T*. Of these, 21 chapters and nine state associations submitted reports of their efforts

⁹⁹ See Seventh Semi-Annual Compliance Report at 52.

and shared that they have reached a combined total of more than 14,000 individuals in their local communities as of July 24, 2019. FCCLA also has produced multiple announcements to promote its *Access from AT&T* partnership between January 1, 2019 and July 24, 2019. FCCLA included these promotional pieces in FCCLA’s weekly Fast Facts e-newsletter, weekly State Advisor Update e-newsletter, website, and 2019 issues of FCCLA’s official national magazine, among others. During this reporting period, FCCLA also promoted *Access from AT&T* at its National Leadership Conference from June 30 through July 2, 2019, which had over 8,000 attendees. An AT&T representative joined FCCLA national officers on stage during the opening general session at the conference to present national community service awards. Attendees had additional opportunities to learn about the Program during the two Expo Hall days through an exhibit booth, promotional materials and signs.

During this reporting period, AT&T also attended the American Counseling Association 2019 Conference and Expo in New Orleans from March 28 through March 30, 2019 to promote the Program. At the conference, AT&T sponsored *Access from AT&T*-branded charging stations, where more information was provided about the Program.

6. Analysis of Effectiveness of Program

AT&T knows that an “affordable home internet connection is vital to promote digital inclusion—making it possible for students to complete homework and families to apply for jobs, keep in touch with family and friends and so much more.”¹⁰⁰ That is why AT&T is “proud to

¹⁰⁰ Press Release, *National PTA and AT&T Team Up to Help Close the Homework Gap*, National PTA (Jul. 20, 2017), <https://www.pta.org/home/About-National-Parent-Teacher->

Footnote continued on next page

play a part in helping to narrow the digital divide by providing low-cost internet options for families who need it the most and providing tools and resources for everyone to have a safe experience online.”¹⁰¹ As of July 24, 2019, AT&T has received [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] calls from prospective participants, [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] unique views on the *Access from AT&T* Website, and [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] visits to the “Apply Now Link.”

AT&T’s national, state and local efforts to enlist outreach partners that work with low-income communities have continued to exceed the Condition’s requirements. As explained above, as of July 24, 2019, over 1,000 organizations have agreed to promote the Program among the populations they serve.¹⁰² Subscriber enrollment throughout AT&T’s wireline footprint, in part, reflects the breadth of AT&T’s outreach efforts.

A considerable amount of work has gone into the implementation and operation of *Access from AT&T* and the outreach campaign to build awareness about the Program. While AT&T is extremely proud of what it has accomplished to date, AT&T has continued to take

[Association/PTA-Newsroom/news-list/2017/09/18/National-PTA-and-ATT-Team-Up-to-Help-Close-the-Homework-Gap](https://www.att.com/newsroom/news-list/2017/09/18/National-PTA-and-ATT-Team-Up-to-Help-Close-the-Homework-Gap).

¹⁰¹ AT&T California, Blog Post, *Helping Households ‘Spring into Access’* (Apr. 28, 2017), <https://engage.att.com/california/blog/?PostId=3900>.

¹⁰² A list of these organizations is provided in Exhibit 6.

steps to help ensure the success of the Program and facilitate its expansion. As recognized by the ICO, AT&T is “committed to the success of the DBS Program.”¹⁰³

As of December July 24, 2019, AT&T is providing discounted broadband service through the Program to approximately **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]**

[END HIGHLY CONFIDENTIAL INFORMATION] qualifying households. Of these households, the vast majority are provisioned on the IP network. Of the IP-based customers, about **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** are receiving AT&T’s 10 Mbps service tier at a price of \$10/month. Program outreach and awareness efforts have resulted in *Access from AT&T* subscribers in all 21-states in the wireline broadband services footprint. Customer applications indicate that approximately **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** of respondents heard about *Access from AT&T* via our promotional or outreach efforts. The number of subscribers has increased steadily as awareness of the Program continues to grow, and through AT&T’s efforts to improve the enrollment process, as described below. Indeed, since the prior reporting period, the number of subscribers has increased by over **[BEGIN HIGHLY CONFIDENTIAL INFORMATION]** **[END HIGHLY CONFIDENTIAL INFORMATION]** subscribers.

AT&T also has taken steps to attract more subscribers and expand the Program. As described in the prior compliance reports,¹⁰⁴ AT&T extended eligibility for the Program to

¹⁰³ ICO Seventh Report at 68.

California residents who participate in the California SSI program as an alternative to SNAP eligibility.¹⁰⁵ California residents who participate in the California SSI program may not also claim federal SNAP benefits. As a result, California SSI participants are not eligible for *Access from AT&T* based on SNAP participation. As of July 24, 2019, approximately [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] applications have been submitted by California SSI participants, and about [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] California SSI participants have *Access from AT&T* service.

AT&T has further expanded the Program to include prospective participants that are unable to receive internet speed tiers of 3 Mbps and above. In particular, as of October 2, 2016, eligible individuals or households that apply for *Access from AT&T* that are not able to receive service at the 3 Mbps speed tier, but are able to receive service of up to 768 kbps or 1.5 Mbps, will be offered the faster of these two speeds at their location for \$5/month. As of July 24, 2019, about [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] customers have subscribed to *Access from AT&T* for speeds below 3 Mbps.

As discussed above, AT&T has continued to market to certain potentially budget-minded consumers, including Dollar General and Family Dollar store patrons. During this reporting

¹⁰⁴ Third Semi-Annual Compliance Report at 50-51; Fourth Semi-Annual Compliance Report at 50; Fifth Semi-Annual Compliance Report at 52-53.

¹⁰⁵ See *Access from AT&T* Website.

period, AT&T started a multi-month Dollar General and Family Dollar store campaign of advertising from July 1, 2019 through September 29, 2019. As part of this campaign, the *Access from AT&T* offer is displayed on receipts when a SNAP EBT card is used to pay for purchases. From July 1, 2019 to July 24, 2019, the Dollar General and Family Dollar store campaigns generated more than [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] printed receipts promoting *Access from AT&T* and resulted in over [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [END HIGHLY CONFIDENTIAL INFORMATION] calls from potential participants in the Program.

In addition, AT&T has continued to make changes to the Program in an effort to increase the number of customers in service.¹⁰⁶ In particular, during this reporting period, AT&T implemented an automated ordering process for IP broadband Access service whereby certain customer information is pre-populated in the ordering system, which reduces the time it takes for a customer to order service.

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¹⁰⁶ See Exhibit 9.

[END HIGHLY

CONFIDENTIAL INFORMATION]

During this reporting period, AT&T also has continued to take steps to improve its outreach efforts, as described above. AT&T conducted one ConnectHome USA program enrollment event this reporting period. As described above, EveryoneOn also continues to highlight *Access from AT&T* to a wide variety of audiences through national and school

¹⁰⁷ Further details on the quality assurance steps that AT&T has taken during the reporting period to improve training for call center agents are provided in Exhibit 9.

outreach, including through ConnectHome USA events. EveryoneOn continues to make *Access from AT&T* available on its offer locator tool, which is used by diverse audiences to find low-cost internet service and device offers through a zip code search.

AT&T's outreach efforts are raising awareness about the Program. AT&T includes *Access from AT&T* questions in the weekly online survey that AT&T conducts continuously throughout the year in discount broadband markets to measure awareness and interest in the Program. During this reporting period, awareness of the Program increased for the targeted market of SNAP participants when advertising was present in the market. Survey results during this reporting period show that SNAP participants always had a higher awareness **[BEGIN
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HIGHLY CONFIDENTIAL INFORMATION]** than consumers who did not qualify for the Program.

Connected Nation continues to survey the organizations participating in the Program to learn what promotional activity has taken place and to collect metrics about outreach activities undertaken by organizations responding to the survey.¹⁰⁸ Partner organizations provided feedback to Connected Nation via an electronic survey or via telephone, and about 50 out of over 70 surveyed organizations provided feedback during this reporting period about their

¹⁰⁸ The Connected Nation report for the period ending July 24, 2019 contained in Exhibit 8 describes the feedback provided on outreach activities by partner organizations.

participation in the Program. About 86 percent of survey respondents stated that they are assisting in raising awareness about *Access from AT&T*, reporting that they have engaged in numerous outreach activities, such as distributing flyers, mailings and newsletters, and posting on social media and websites. About 81 percent of the respondents plan to do even more to promote the Program in the future. According to Connected Nation, the responding organizations continued to incorporate *Access from AT&T* outreach activities in their regular interactions with customers, which has been a consistent theme from the onset of the Program.

AT&T is continuing to use the resources of Connected Nation to help AT&T ensure that the outreach program is achieving its broad objectives and to assess the Program's overall effectiveness moving forward.