

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JUN 11 1996

In the Matter of

Implementation of the
Telecommunications Act of 1996

Telecommunications Carriers' Use
of Customer Proprietary Network
Information and Other Customer
Information

CC Docket No. 96-115

DOCKET FILE COPY ORIGINAL

COMMENTS OF AT&T CORP.

Mark C. Rosenblum
Leonard J. Cali
Judy Sello

Room 3244J1
295 North Maple Avenue
Basking Ridge, New Jersey 07920
(908) 221-8984

Its Attorneys

June 11, 1996

Of 11

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	i
I. THE COMMISSION SHOULD CONSTRUE SECTION 222(c)(1) OF THE ACT TO ALLOW CARRIERS TO USE CPNI TO MARKET ALL BASIC TELECOMMUNICATIONS SERVICES	5
II. THE COMMISSION SHOULD DETERMINE THAT CUSTOMER APPROVAL TO USE CPNI FOR THE MARKETING OF NON-TELECOMMUNICATIONS SERVICES AND PRODUCTS EXISTS BY VIRTUE OF THE CUSTOMER'S INFORMED PARTICIPATION IN THE CUSTOMER-CARRIER RELATIONSHIP	12
III. THE COMMISSION SHOULD CLARIFY THAT SECTION 222(c)(2) DOES NOT REQUIRE WRITTEN CUSTOMER CONSENT FOR A LEC TO DISCLOSE CUSTOMER INFORMATION TO A COMPETING LEC THAT HAS WON THE CUSTOMER	17
CONCLUSION	19

SUMMARY

AT&T's Comments show, in Part I, that the Commission's proposed narrow interpretation of the services for which a telecommunications carrier may use CPNI without customer approval is inconsistent with the statutory language and design and would disserve consumers. Under the FCC's proposal, AT&T, for example, could only use its interexchange customers' CPNI to market interstate and intrastate toll services, but could not use that information for local or wireless services without customer approval. This interpretation would not further any legitimate consumer privacy interests, but would simply make carrier product development and marketing efforts more costly and less efficient -- all to the detriment of consumers and the competitive process.

To better serve consumer welfare and make competition more effective (as the 1996 Act envisions), AT&T urges the Commission to construe Section 222(c)(1) of the Act to allow carriers to use CPNI for the provision of all of the carrier's basic transmission services without prior customer approval. This approach would be entirely consistent with the Act's definition of "telecommunications service," the predictable blurring of past "product market" distinctions between local and long distance offerings as carriers enter new markets, and with legitimate customer expectations regarding the use of that information. This interpretation would, furthermore, advance the Act's

overriding objective of "opening all telecommunications markets to competition." Consumers would reap the fruits of competition through increased choice, innovative new services, lower prices, and the convenience of "one-stop shopping," all without compromising their privacy interests.

AT&T shows in Part II that, consistent with its determination in Computer III, the language of the Act, and consumer interests, the Commission should determine that customer "approval" to use CPNI for the development and marketing of non-telecommunications services (such as enhanced services, CPE or a general purpose credit card) can be inferred from the customer's informed participation in the customer-carrier relationship. Thus, the Commission should require that, before using CPNI for the marketing of non-telecommunications services, carriers provide a one-time notification to customers that would advise each customer of his or her CPNI rights, and give each customer an opportunity to withdraw consent for the use of CPNI for any purpose other than the provision of basic service. Such a one-time "negative option" would assure that customers know of their CPNI rights and can control a carrier's use of their CPNI.

To foster the competitive provision of local exchange services and prevent incumbent LECs from creating yet another barrier to local exchange competition, as shown in Part III, the Commission should clarify that Section 222(c)(2) does not require written customer consent

for an incumbent LEC to disclose CPNI to a competing LEC who has won that customer. Disclosure in this instance is expressly allowed by Section 222(d), as such information is necessary for the competing LEC to "initiate" service to the customer.

comply with their statutory obligations to maintain the privacy of CPNI and other customer information." Notice ¶ 2. AT&T strongly supports the Commission's goal -- to arrive at an appropriate balance of consumer privacy interests and competitive considerations, including customer information and carrier efficiency -- but believes that the Commission's proposal falls short of its stated objective.

As shown in Part I, the Notice too narrowly defines the services for which a carrier may use CPNI absent customer approval. Thus, the Commission's interpretation would disserve the Act's overriding objective of "opening all telecommunications markets to competition,"² without advancing any apparent consumer privacy interests. To the contrary, the proposed interpretation would only make carrier product development and marketing efforts more costly and less efficient, all to the detriment of consumers and competition.

To better serve consumer welfare and make competition more effective, AT&T urges the Commission to construe Section 222(c)(1) of the Act to allow carriers to use CPNI for the provision of all of the carrier's basic telecommunications services without prior customer authorization. This approach would be entirely consistent

² See S. Conf. Rep. No. 104-230, 104 Cong. 2d Sess. 1 (1996).

with the Act's definition of "telecommunications service," and with legitimate customer expectations regarding the use of that information. Moreover, enabling carriers to conduct their marketing activities in an efficient manner would greatly advance the 1996 Act's procompetitive agenda. Consumers would reap the fruits of competition through increased choice, the convenience of "one-stop shopping," innovative new service offerings, and lower prices, all of which can be attained without compromising consumer privacy interests.

As shown in Part II, for these same reasons and consistent with its determinations in Computer III, the Commission should find that, to the extent a carrier requires customer "approval" for its use of CPNI in marketing activities (such as the marketing of non-telecommunications services), such approval can be inferred from the customer's informed participation in the customer-carrier relationship. Thus, the Commission should require that before using CPNI for the marketing of non-telecommunications services, carriers provide a notification to customers that would advise each customer of his or her CPNI rights, and give each customer an opportunity to withdraw consent for the use of CPNI for any purpose other than the provision of basic service. Such a one-time "negative option" would assure that customers know of their CPNI rights and can control a carrier's use of their CPNI, without undermining customer expectations or imposing

inordinate costs on carriers. To the extent necessary, the Commission can and should retain the existing regulatory CPNI rules established under Computer II and Computer III for dominant local exchange carriers ("LECs") which possess market power in their bottleneck monopoly services.³

To foster the competitive provision of local exchange services and prevent the incumbent LECs from creating yet another barrier to local exchange competition,

³ In the Notice (¶ 3), the Commission states that existing CPNI obligations imposed under the Computer II and Computer III proceedings for the provision of enhanced services and customer premises equipment ("CPE") by AT&T, the Bell Operating Companies ("BOCs"), and GTE Corporation ("GTE") remain in effect, to the extent that they do not conflict with the 1996 Act, and tentatively concludes that these requirements should be removed for AT&T in light of its recent reclassification as a nondominant carrier and the pending AT&T reorganization separating its equipment business [Lucent Technologies] from its telecommunications business. As the Commission points out, the CPNI requirements were deemed "necessary to protect independent enhanced service providers (ESPs) and CPE suppliers from discrimination by AT&T, the BOCs, and GTE." Notice ¶ 4.

Plainly, with AT&T's reclassification as a nondominant carrier in all markets (interstate domestic interexchange and international) regulated by the Commission, those CPNI obligations -- which were expressly imposed on AT&T solely by virtue of its dominant classification -- no longer apply. To the extent that they do, in the instant rulemaking (Notice ¶¶ 3, 4), the Commission correctly recognizes that enforcing these regulatory CPNI requirements for AT&T is altogether unnecessary because, as a nondominant carrier, AT&T could not "use CPNI obtained from [the] provision of regulated services to gain an anticompetitive advantage in the unregulated CPE and enhanced services markets." In all events, the rules that the Commission will adopt in this proceeding under the 1996 Act would supplant any preexisting Computer II and Computer III CPNI obligations for AT&T.

the Commission should, as shown in Part III, clarify that Section 222(c)(2) does not require written customer consent for an incumbent LEC to disclose CPNI to an alternative LEC ("ALEC") who has won that customer. Disclosure in this circumstance is expressly allowed by Section 222(d), because such information is necessary for the ALEC to "initiate" service.

I. THE COMMISSION SHOULD CONSTRUE SECTION 222(c)(1) OF THE ACT TO ALLOW CARRIERS TO USE CPNI TO MARKET ALL BASIC TELECOMMUNICATIONS SERVICES.

In Section 222(c) and (d), the 1996 Act establishes requirements pertaining to the privacy of customer proprietary network information. Under Section 222(f), CPNI is defined as "information that relates to the quantity, technical configuration, type, destination, and amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship." As the Commission points out, "[a]bsent prior customer [approval], Section 222(c)(1) authorizes a telecommunications carrier to use individually identifiable CPNI obtained from the provision of a particular telecommunications service solely to provide 'the telecommunications service from which such information is derived,' or services necessary to provide that telecommunications service." Notice ¶ 20.

The Commission tentatively concludes that Congress' use of the singular "telecommunications service" suggests that "Congress recognized that telecommunications carriers provide a variety of telecommunications services and intended, absent customer approval, to prohibit a carrier from using CPNI obtained from the provision of one service for marketing or other purposes in connection with the provision of another service." Notice ¶ 21. Nonetheless, the Commission recognizes that the Act is not "explicit" in this regard (id. ¶ 20), and that the term "telecommunications service" could be construed "broadly to include all services that the Commission has classified as 'basic' services." (footnote omitted).

In fact, this "broader" construction better comports with the statutory definition of "telecommunications service" as "the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used."⁴

⁴ Clearly, this definition focuses on the offering of "telecommunications," and the latter term is defined to encompass "transmission." The 1996 Act, 47 U.S.C. § 153(43), defines "telecommunications" as "the transmission, between or among points specified by the user of information of the user's choosing without change in the form or content of the information as sent and received." This definition is, in substance and effect, identical to the Commission's definition of "basic service" under the Computer Inquiry rules. See Amendment of Section 64.702 of the Commission's Rules and

Moreover, because "telecommunications service" extends to all basic services "regardless of the facilities used," it appears that Congress intended to include all types of services -- local, interexchange and wireless -- within this definition. Thus, as a matter of statutory interpretation, it appears that the term "telecommunications service" includes all of a carrier's basic transmission services. In addition, to the extent that Congress' intent is unclear, it has left interpretation of the Act to the FCC, and, as demonstrated below, the "broader" interpretation of the term "telecommunications service" would best serve the public interest in this instance.

As a matter of policy, it is even more clear that the Commission should interpret the term "telecommunications service," as used in Section 222(c)(1), broadly to include all services that the Commission has classified as "basic." A broad flexible interpretation of the Act would maximize consumer benefits by permitting carriers efficiently to use CPNI obtained from any basic service to develop and market other new basic telecommunications services, without

(footnote continued from previous page)

Regulations (Second Computer Inquiry), 77 F.C.C.2d 384, 419-20 (1980).

impairing any reasonable privacy interest that a consumer may have in such information.⁵

As U S WEST points out, over years of industry debate, the "FCC has never wavered from its position that customers' privacy interests are not compromised by broad use of business information and that such use promotes consumer welfare."⁶ Indeed, the Commission has repeatedly and expressly found that broad use of CPNI within a single integrated firm does not raise significant privacy concerns,⁷ and that consumers would not object to having their CPNI disclosed within a firm to increase the competitive offerings made to them.⁸ To the contrary, the Commission has determined that privacy rights are not

⁵ In addition, and in any event, the Commission should explicitly permit the use of CPNI to assist in the development and marketing of enhanced features that are "parts of" or "adjuncts to" basic services. The FCC should encourage carriers to continue to bring new features to their customers' attention, by recognizing that such features -- so long as they are enhancements to basic service functionality -- are "used in" the provision of telecommunications service. See 47 U.S.C § 222(c)(1).

⁶ U S WEST, Inc. Ex Parte, dated April 4, 1996, concerning the CPNI Provisions of the 1996 Act, at 3.

⁷ Computer III Remand Proceedings: Bell Operating Company Safeguards and Tier 1 Local Exchange Company Safeguards, 6 FCC Rcd. 7571, 7611 n.159 (1991) ("Computer III Remand Order") (emphasis added).

⁸ Amendment to Sections 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), 3 FCC Rcd. 1150, 1163 (1988) ("Computer III Reconsideration Order") (emphasis added).

adversely affected when a customer receives a marketing contact from a firm with whom it has a voluntary established business relationship.⁹

In addition, the Commission and courts have repeatedly confirmed that customer welfare and beneficial competition are enhanced by encouraging and expanding suppliers' ability to use customer information to design and offer attractive new products. Indeed, customers expect carriers to use their CPNI to develop and market new and innovative services to them. As the Commission has found, integrated marketing to consumers across service lines promotes efficiency and offers consumers direct benefits in the form of "one-stop shopping" and the ability of the firm to offer additional service choices, including combinations of services, that may better serve the consumer's needs.¹⁰ As the Commission has explained, "[t]he ability of a customer, especially a customer who has little or infrequent

⁹ The Telephone Consumer Protection Act of 1991, 7 FCC Rcd. 2736, 2738 (1992) (emphasis added).

¹⁰ Computer III Remand Order, 6 FCC Rcd. at 7610. See also Motion of Southwestern Bell Mobile Systems, Inc. for a Declaratory Ruling that Section 22.903 and Other Sections of the Commission's Rules Permit the Cellular Affiliate of a Bell Operating Company to Provide Competitive Landline Local Exchange Service Outside the Region in which the Bell Operating Company is the Local Exchange Carrier, 11 FCC Rcd. 3386, 3395 (1995) ("this proposed integration of wireless and landline services offers substantial benefits to consumers by avoiding duplicative costs, increasing efficiency, and enhancing SBMS's ability to provide innovative service.")

contact with service providers, to have one point of contact with a provider of multiple services is efficient and avoids the customer confusion that would result from having to contact various departments within an integrated, multi-service telecommunications company . . . to obtain information about various services" ¹¹ The Commission has also recognized that restricting the broad use of CPNI within a firm "results in higher prices and reduced quality and variety of regulated services provided to ratepayers by carriers." ¹² And, as noted above, the Commission has already found that consumer privacy interests are not adversely affected when CPNI is shared within an integrated firm.

Moreover, enabling carriers to use CPNI efficiently and creatively to develop and market all basic services best comports with the new industry structure that the Act seeks to create. Specifically, by establishing the preconditions necessary to permit local competition to

¹¹ In re Applications of Craig O. McCaw and American Telephone and Telegraph Company, for Consent to the Transfer of Control of McCaw Cellular Communications, Inc. and its Subsidiaries, 10 FCC Rcd. 11786, 11795, 11799 (1995), affirmed sub. nom SBC Communications, Inc. v. FCC, 56 F.3d 1484 (D.C. Cir. 1995) (explicitly permitting AT&T to bundle long distance and cellular service).

¹² Furnishing of Customer Premises Equipment by the Bell Operating Telephone Companies and the Independent Telephone Companies, 2 FCC Rcd. 143, 147 (1987).

develop, and for the BOCs thereafter to enter the interexchange market, the Act clearly contemplates that telecommunications providers will offer integrated "packages" of telecommunications service and a single bill, and that consumers will become increasingly indifferent to -- and unaware of -- the actual distance a call travels. Such a blurring of past "product market" distinctions between local and long distance offerings is the logical and predictable consequence of the Act, and the Commission should construe the CPNI provisions consistent with this result. In contrast, the service distinctions proposed in the Notice (¶ 22) would only undermine and delay the competitive promise of the Act.

In short, there is no sound basis in law or policy for the Commission to adopt its proposed construction of the term "telecommunications service" as used in Section 222. Rather, as in other contexts, the Commission should acknowledge that telecommunications service providers are permitted to use CPNI for the development and marketing of all basic telecommunications services without customer approval. This construction will best serve the interests of consumers and the procompetitive goals of the Act.

II. THE COMMISSION SHOULD DETERMINE THAT CUSTOMER APPROVAL TO USE CPNI FOR THE MARKETING OF NON-TELECOMMUNICATIONS SERVICES AND PRODUCTS EXISTS BY VIRTUE OF THE CUSTOMER'S INFORMED PARTICIPATION IN THE CUSTOMER-CARRIER RELATIONSHIP.

In Computer III, the Commission concluded that customers' expectations of privacy could be met without a notification obligation or a prior authorization requirement for internal carrier use of residential and small business customers' CPNI to market non-telecommunications services, such as enhanced services.¹³ Rather, the Commission determined that customers want the convenience and efficiencies of "one-stop shopping" and all of the benefits of integrated marketing of basic and enhanced services. Indeed, the Commission expressly found that a prior authorization requirement would, as a practical matter, deny to all but the largest business customers the benefits of "one-stop shopping" and integrated marketing because "a large majority of mass market customers are likely to have their CPNI restricted through inaction."¹⁴ It further concluded that "a prior authorization rule would vitiate a [carrier's] ability to achieve efficiencies through integrated marketing to smaller customers -- one of the

¹³ Computer III Remand Order, 6 FCC Rcd. at 7610-11; Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), 2 FCC Rcd. 3035, 3096 (1987).

¹⁴ Computer III Remand Order, 6 FCC Rcd. at 7610 n.155.

benefits sought through adoption of nonstructural safeguards rather than structural separation."¹⁵

To be sure, Section 222(c)(1) requires customer "approval" to use CPNI for other than "telecommunications service." However, as the Commission notes, the statute is unclear as to the form such "approval" must take. Congress obviously intended approval under c)(1) to be something less than "affirmative written" approval, which is what is required under 222(c)(2) when a customer wants to direct a carrier to disclose his or her CPNI to a third party. Thus, as the Commission correctly recognizes, Section 222(c)(1) permits varying constructions of "approval" -- including verbal approval, written approval, as well as a negative "opt out" approach. Notice ¶¶ 29-31.

Consistent with the Commission's prior determinations in Computer III, the language of the Act, and consumer interests, the Commission should interpret the term "approval," as used in Section 222(c)(1) of the 1996 Act, as having been provided by the customer to the carrier for all internal uses of CPNI based on the customer's informed participation in the customer-carrier relationship. Under such circumstances, following notification of CPNI rights and absent customer direction to the contrary, carriers would be permitted to use CPNI for the marketing of non-

¹⁵ Id. (emphasis added).

telecommunications services and products offered by the integrated entity. This would enable carriers to use CPNI to develop and market enhanced services, CPE and other products, such as, for example, a general purpose credit card.¹⁶

As the Commission has tentatively concluded, "customers must know that they can restrict access to their CPNI obtained from their use of a telecommunications service before they waive that right, in order to be considered to have given approval." Notice ¶ 28 Accordingly, the Commission could require that carriers provide a one-time notification to all customers, with a negative "opt-out" for all AT&T customers.¹⁷ As the Commission has recognized, this approach, which places the responsibility on the customer to direct that CPNI not be used (rather than on the

¹⁶ BankAmerica Corporation v. American Telephone and Telegraph Company, 8 FCC Rcd. 8782, 8787 (1993) (AT&T may share CPNI with a nonregulated affiliated entity, namely, AT&T Universal Card Services Corp., to promote goods and services which involve both regulated and nonregulated functions).

¹⁷ As for AT&T, a nondominant interexchange carrier, there is no longer any competitive reason to poll large, multi-line business customers annually as to whether they wish to restrict internal use of their CPNI. Amendment to Sections 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), 2 FCC Rcd. 3072, 3096 (1987); see n.3, supra. Rather, these customers should be treated similarly to residential and small business customers, for whom neither AT&T (nor even the BOCs) have either a notification or prior authorization requirement under Computer III. See Computer III Remand Order, 6 FCC Rcd. at 7610-11.

carrier to obtain consent for use), is far preferable to obtaining positive customer consent.¹⁸ The "opt-out" approach is not only substantially more cost-effective and avoids the very real potential that a carrier's ability to use CPNI would be inadvertently restricted through customer inaction, but it also maximizes consumer benefits from the development of innovative new products and services and the availability of increased information about those services. Furthermore, marketplace forces provide competitive telecommunications firms with the proper incentives to use customer information in a responsible manner.¹⁹

The Commission could define the minimum contents of a notice to ensure that all customers have the essential information to understand how their information would be used by a carrier and to designate appropriate narrower uses. In addition, the Commission should specify that a one-time notice for existing customers, rather than a periodic notice, is adequate. For new customers, the notice

¹⁸ Computer III Reconsideration Order, 3 FCC Rcd. at 1163 ("Another advantage to the existing CPNI rule for enhanced services is that it places the burden of responding to the . . . CPNI notice on what will probably be the minority, rather than the majority of users.")

¹⁹ The Commission's tentative conclusion (Notice ¶ 36) that it need not specify the safeguards that carriers should include in their internal data bases and systems to protect customer-restricted CPNI is sound. Carriers are in the best position to determine and develop the most efficient means of protecting such information.

could be obtained at sign-up, in the welcome package or the initial bill, or at whatever time the carrier intends to use CPNI in a circumstance when "approval" would be required. In all events, carriers should be permitted the flexibility to provide notice verbally and simultaneously with a carrier's attempt to seek approval for CPNI, as well as in advance of such use, either verbally or in writing.

Once approval is granted (or denied), such approval (or denial) should govern until the customer designates otherwise, consistent with prior Commission rulings.²⁰ Of course, in those cases where a customer initially or at some point restricts a carrier's right to use CPNI, a subsequent opt-out method should no longer apply because, in that circumstance, a customer's failure to respond should not override his or her prior CPNI restriction.²¹

²⁰ Computer III Reconsideration Order, 3 FCC Rcd. at 1164 (Similarly, "a customer's election to restrict its CPNI should remain valid unless and until the customer specifically revokes that choice. This will ease the administrative burden and the risk of 'authorization by oversight'").

²¹ The Commission also asks whether it should establish a preemptive federal regime, because inconsistent state rules that require different authorizations for use of CPNI than those adopted by the Commission "would effectively negate federal policies promoting both carrier efficiency and consumer benefits." See Notice ¶ 16, citing California v. FCC, 39 F.3d 919, 933 (9th Cir. 1994), cert. denied, 115 S.Ct. 1427 (1995) ("California III"). The CPNI provisions of the 1996 Act

III. THE COMMISSION SHOULD CLARIFY THAT SECTION 222(c)(2) DOES NOT REQUIRE WRITTEN CUSTOMER CONSENT FOR A LEC TO DISCLOSE CUSTOMER INFORMATION TO A COMPETING LEC THAT HAS WON THE CUSTOMER.

As the Commission notes, Section 222(c)(2) allows carriers to give third parties access to a customer's CPNI only upon affirmative written direction from the customer. Notice ¶ 34. The Commission asks whether rules are needed to avoid any abuse. While AT&T does not believe any special rules are necessary to implement the directives of this section, AT&T urges the Commission to clarify that Section 222(c)(2) does not prohibit incumbent LECs from disclosing CPNI to a competing local exchange carrier that will initiate service to the customer. AT&T asks for this clarification because at least one incumbent LEC is claiming

(footnote continued from previous page)

give the Commission jurisdiction over both the interstate and intrastate use and protection of CPNI and other customer information with respect to matters falling within the scope of those sections. Whether or not the Commission should exercise its preemptive authority will depend on what types of restrictions the states may seek to impose. Certainly, as the Commission had determined with the Computer Inquiry CPNI rules, any state-imposed prior authorization requirement could make it economically infeasible to develop a mass market for enhanced services and would negate valid FCC regulatory goals. Accordingly, the Commission preempted state CPNI rules that require authorization whenever such authorization is not required by the Commission's rules. See Computer III Remand Order, 6 FCC Rcd. at 7636. That preemption was upheld by the Ninth Circuit in California III. The Commission should follow a similar approach here and preempt the states only to the extent necessary to achieve valid federal objectives.

that Section 222(c)(2) prohibits the transfer of information to new ALECs upon transfer of service, absent written authorization from the customer.

In particular, the Commission should affirm that Section 222(d) expressly allows carriers to disclose customer information to another carrier that "wins" the customer so that the latter can "initiate" service to the customer. That provision provides "[n]othing in this section prohibits a telecommunications carrier from using, disclosing, or permitting access to customer proprietary network information . . . (1) to initiate, render, bill, and collect for telecommunications services" (emphasis added). Thus, as 222(d) makes clear, Section 222(c)(2) is not a statutory prohibition on disclosure of CPNI to an ALEC who has won the customer, even absent written customer consent. In this context, whatever authorization (e.g., verbal customer authorization with third-party verification) satisfies the transfer of service requirements from the incumbent LEC to the ALEC should be deemed sufficient to transfer the customer information from the incumbent LEC to the ALEC. This is essential because the ALEC must be able to verify immediately the information that the customer

- 19 -

provides to ensure that all systems, including the 911 public safety system, are correctly populated.²²

CONCLUSION

The Commission should adopt the interpretations of Section 222 of the 1996 Act suggested herein, so as to allow consumers to reap the benefits of "one-stop shopping" and integrated marketing, while preserving their legitimate privacy interests.

Respectfully submitted,

AT&T CORP.

By



Mark C. Rosenblum
Leonard J. Cali
Judy Sello

Room 3244J1
295 North Maple Avenue
Basking Ridge, New Jersey 07920
(908) 221-8984

Its Attorneys

June 11, 1996

²² Moreover, to be competitive, ALECs must be able to grant special customer exemptions (e.g., blind, disabled); create accurate entries in emergency data bases and directory assistance; and provide service transition intervals that are as seamless and timely as those that the incumbent LEC would provide to initiate service to its own customers.