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VIA ECFS

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

Re: Ex Parte of Cox Communications, Inc.; Applications of AT&T and DirecTV to Transfer Control of FCC Licenses and Other Authorizations (MB Docket No. 14-90)

Dear Ms. Dortch:

On behalf of Cox Communications ("Cox"), this is to respond to Chairman Tom Wheeler's statement that an order approving the AT&T/DirecTV transaction with conditions has been circulated to the Commissioners.¹ Based on the discussion of draft conditions in the Chairman's Statement, Cox strongly urges the Commission (1) to include IP voice interconnection agreements within any interconnection disclosure obligation; and (2) to adopt an inside wiring condition that ensures the merged AT&T/DirecTV does not disadvantage residents of multiple dwelling units from the benefits of new fiber competition as outlined in the Chairman's Statement.

Voice Interconnection. The Chairman states "in order to bring greater transparency to interconnection practices, the company will be required to submit all completed interconnection agreements to the Commission."² While it is unclear if this condition applies to IP voice interconnection agreements, Cox asks the Commission to confirm that this transparency requirement also includes such agreements.³

¹ "Statement of FCC Chairman Tom Wheeler on Recommendation Concerning AT&T/DIRECTV Transaction" News Release "(July 21, 2015) ("Chairman's Statement").

² *Id.*

³ Cox has previously argued that given the merged company's reliance on the "bundle" (mentioned over 700 times in its public interest statement) to justify the transaction, AT&T/DirecTV should be subject to a standstill condition and continue to offer Section 251 and 252 interconnection to its competitors pending the resolution of the FCCs ongoing IP transition proceeding. Petition to Condition Consent of Cox Communications, Inc., MB Docket No. 14-90, filed Sept. 16, 2014, at 21-26 ("Cox Petition").

The Commission has repeatedly acknowledged the significant importance of the transition to all-IP networks and the benefits it will bring to consumers.⁴ Yet, the merged AT&T/DirecTV will have significantly increased incentive to disadvantage competitors by employing various anticompetitive practices, in particular by refusing to interconnect pursuant to Section 251 of the Communications Act of 1934, as amended, and exchange voice traffic on an IP-IP basis. These practices raise competitors' costs and interfere with the Commission's goal of bringing the benefits of the IP transition to consumers.

Congress and the Commission have long-recognized the importance of regulatory oversight to ensure competitors' ability to interconnect with AT&T's voice network but the Commission has only just recently started to focus on Internet interconnection. If, as the Chairman's statement indicates, the Commission intends to establish a transparency condition for Internet interconnection agreements, which do not have the lengthy record of interconnection problems that have challenged voice interconnection, the Commission should at a minimum apply the same transparency conditions to IP voice interconnection agreements. With the all-important transition to IP networks, it is critical that the FCC has the information it needs to determine if the merged AT&T/DirecTV is employing anticompetitive practices through the voice interconnection process to leverage its significantly enhanced bundled service offering.

Inside Wiring and Broadband Competition in MDUs. The Chairman states that the merger conditions will bring more competition to the broadband marketplace with AT&T/DirecTV expanding its fiber-to-the-premise deployment.⁵ Cox applauds this investment but urges the Commission to ensure that consumers living in apartments or other multiple dwelling units ("MDU") continue to have the benefits of a fully competitive marketplace. An inside wiring condition is critical to ensure AT&T/DirecTV does not commandeer the MDU wiring of Cox or other competitors in a manner that harms broadband competition and consumer chose at MDUs.⁶

Consistent with the Chairman's call for fiber deployment and to preserve broadband competition and choice in MDUs, the Commission should either require AT&T/DirecTV (1) to employ its own internal wiring infrastructure to any MDU unit it serves; or (2) require the merged entity, if it uses MDU wiring deployed by another provider to furnish DirecTV video to a given unit, to avoid taking any action that would interfere with that competitor's provision of broadband Internet access service to that unit.

⁴ See e.g. *Technology Transitions, et al.*, GN Docket No. 13-5, et al., Order, Report and Order and Further Notice of Proposed Rulemaking, Report and Order, Order and Further Notice of Proposed Rulemaking, Proposal for Ongoing Data Initiative, 29 FCC Rcd 1433, 1435, paras. 2 (2014) ("The lives of millions of Americans could be improved by the direct and spillover effects of the technology transitions, including innovations that cannot even be imagined today.").

⁵ Chairman's Statement.

⁶ Cox Petition at 29-35.

