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March 30, 2016

Via ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

Re: Investigation of Certain Price Cap Local Exchange Carrier Business Data Services Tariff Pricing Plans, WC Docket No. 15-247

Dear Ms. Dortch:

On March 28, 2016, Frank Simone, Caroline Van Wie, Gary Phillips, of AT&T, and the undersigned met with Deena Shelter, David Zesiger, Vienna Jordan, Marvin Sacks, Randolph Smith, Christine Sanquist, Pam Arluk, and Eric Ralph. We reviewed the operation of certain aspects of some of the AT&T portability plans at issue, and in particular, the extent to which the terms of the tariffs permit a customer to place only a portion of the DS1s it purchases from AT&T in its portability plan.

The Southwestern Bell and Pacific Bell Plans. The Southwestern Bell and Pacific Bell DS1 Term Commitment Plans (“DS1 TPP”) are term discount plans for DS1 services, which include an optional, overlay portability plan. Under both tariffs, when a customer chooses portability, the customer “commits to a 3-year Commitment Level” (which is separate from its circuit-by-circuit term commitment).¹ The initial Commitment Level is “calculated by the Company and is the total of DS1 channel terminations in service for the month previous to the month in which the Customer notifies the company, in writing,” of the commitment.² The initial Commitment Level consists of “all Channel Terminations including those on month-to-month

¹ See Pacific Bell Telephone Company, Tariff F.C.C. No. 1, § 7.4.18(E)(1); Southwestern Bell Telephone Company, Tariff F.C.C. No. 73, § 7.2.22(E)(1).

² See Pacific Bell Telephone Company, Tariff F.C.C. No. 1, § 7.4.18(E)(1); Southwestern Bell Telephone Company, Tariff F.C.C. No. 73, § 7.2.22(E)(1).

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terms and other terms pricing plans.”³ The tariff then provides that the customer must purchase at least 80 percent of its Commitment Level under a DS1 TPP during the term of the plan.⁴ Given that the tariff requires the customer to purchase 80 percent of its Commitment Level from the DS1 TPP, and the tariff defines the Commitment Level as all DS1 channel terminations in service at the beginning of the portability plan period, these provisions effectively preclude a customer from setting its portability-related Commitment Level at any other, different amount.

The Ameritech Plan. Ameritech offers the Discount Commitment Plan (“DCP”), which provides term-based discounts for DS1 circuits and includes a portability feature. When a customer signs up for a DCP term plan, the customer agrees to maintain a “Commitment Level” equal to 90 percent of the customer's total in-service local distribution channels (“LDCs”) (*i.e.* channel terminations for Direct Analog, Based Rate and DS1 services).⁵ Enrollment in the DCP requires the customer to convert all of its in-service DS1s to the DCP.⁶ The DCP, however, does contain terms that permit certain circuits to be converted to other plans, with corresponding reductions in the DCP commitment levels, during the term of the plan. For example, if the number of in-service LDCs under the DCP falls below the Commitment Level, the customer has the option of reducing its Commitment Level for no charge by migrating circuits from the DCP to the Optional Payment Plan (the term-only plan in the Ameritech region); each circuit migrated to the OPP plan will result in a corresponding reduction to the DCP Commitment Level.⁷ Similarly, a customer may upgrade to higher speed service without termination liabilities and with a corresponding reduction in the DCP Commitment Level.⁸

³ See Pacific Bell Telephone Company, Tariff F.C.C. No. 1, § 7.4.18(E)(1); Southwestern Bell Telephone Company, Tariff F.C.C. No. 73, § 7.2.22(E)(1).

⁴ See Pacific Bell Telephone Company, Tariff F.C.C. No. 1, § 7.4.18(E)(3); Southwestern Bell Telephone Company, Tariff F.C.C. No. 73, § 7.2.22(E)(3).

⁵ Ameritech Operating Companies, Tariff F.C.C. No. 2, § 7.4.13(B). A separate Commitment Level is set for each state in the Ameritech region. *Id.* § 7.4.13(A).

⁶ *Id.* (“[o]nly rate elements not purchased under an Optional Payment Plan . . . will be eligible for inclusion in the commitment level and for DCP rates”).

⁷ *Id.* § 7.4.13(G). The customer would be required to sign up for an OPP term plan with an available term length equal to or greater than the term length remaining on the old agreement. *Id.*

⁸ *Id.* § 7.4.13(F). The reduction in the commitment level would occur only if the upgraded service is provided to the same customer location. *Id.*



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Sincerely,

/s/ James P. Young

James P. Young
Counsel for AT&T