

EX PARTE OR LATE FILED

ORIGINAL

No. of Copies rec'd \_\_\_\_\_  
List ABCDE \_\_\_\_\_



Joel E. Lubin  
Federal Government Affairs  
Vice President

Suite 1000  
1120 20th Street, NW  
Washington, DC 20036  
202 457-3838  
FAX 202 263-2645  
EMAIL lubin@att.com

February 25, 2000

RECEIVED

FEB 25 2000

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., SW, Room TWB-204  
Washington, DC 20554

Re: CC Docket 94-1 ✓ Price Cap Performance Review  
CC Docket 96-45 Universal Service  
CC Docket 99-249 Low-Volume Long Distance Users  
CC Docket 96-262 Access Charge Reform

Dear Ms. Salas:

Today, the Coalition for Affordable Local and Long Distance Services ("CALLS") submitted an *ex parte* filing that outlines modifications to its earlier July 29, 1999 proposal. In this letter, I outline the course of action that AT&T will take if appropriate reforms are implemented.

On the condition and understanding that the Commission will provide at least \$2.1 billion in usage-sensitive interstate access charge reductions (as calculated in the analyses underlying the plan proposed by CALLS and submitted to the Commission) and elimination of the residential and single-line business presubscribed interexchange carrier charge ("PICC") no later than July 1, 2000, and provided further that interexchange carriers obtain the other benefits specified in the CALLS plan, as modified by CALLS' February 25, 2000 *ex parte* submission, AT&T will take the following steps to ensure that consumers benefit from these critical changes.

*First*, no later than July 1, 2000, AT&T will eliminate the minimum usage requirement on its residential interstate Basic Schedule for 5 years, although AT&T reserves the right to work with the Commission to revise or eliminate this commitment after 3 years if market circumstances warrant, and this commitment will no longer apply if one or more carriers with a combined market share of at least 10 percent of total

No. of Copies rec'd 018  
List ABCDE \_\_\_\_\_



interstate interexchange revenues is or are permitted to maintain a minimum usage or other flat fee charge on a similar basic schedule or schedules.

*Second*, no later than July 1, 2000, AT&T will modify its residential domestic interstate Basic Schedule usage rates in conjunction with elimination of the minimum usage requirement, and once it establishes those rates, will not increase those rates for 1 year. In addition, AT&T will notify every residential interstate Basic Schedule customer that these changes are taking place and advise those customers of other AT&T calling plans, including but not limited to the AT&T One Rate Basic plan, that may better serve an individual customer's needs.

*Third*, AT&T will maintain the AT&T One Rate Basic plan rate of 19¢ per minute at all times for domestic interstate calls from home, with no monthly recurring charge and no minimum usage requirement, for 1 year from the date it establishes revised Basic Schedule rates.

*Fourth*, when the residential and single-line business PICCs are eliminated as charges assessed to interexchange carriers, AT&T will eliminate the Carrier Line Charge, which is its PICC recovery mechanism, for these long distance customers.

*Fifth*, to the extent that AT&T realizes reductions in its access costs as a result of the reforms described above, it will, over the life of the plan, flow those savings through to residential and business customers.

Eight copies of this Notice are being submitted in accordance with Section 1.1206 of the Commission's rules.

Very truly yours,

A handwritten signature in cursive script that reads "Joel E. Lubin". The signature is written in dark ink and is positioned below the typed name "Joel E. Lubin".