



AT&T Broadband, L.L.C.
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Englewood, CO 80112

EX PARTE OR LATE FILED

December 18, 2001

Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: *Ex Parte* Submission
MM Docket No. 92-264
CS Docket No. 99-251

Dear Ms. Salas:

AT&T Broadband, L.L.C. ("AT&T") hereby notifies the Commission that (1) it closed a transaction to sell cable systems in Ohio and Pennsylvania (serving approximately 120,000 subscribers) to Adelphia Communications Corporation on December 17, 2001, and (2) it expects it will soon close a transaction to acquire cable systems in Washington state (serving approximately 6,500 subscribers) from Northland Cable Television, Inc. Although it is unclear whether AT&T is obligated to notify the Commission of these transactions or their effect on its MVPD subscribership (in light of the D.C. Circuit's recent decision in *Time Warner Entertainment, L.P. v. FCC*¹), AT&T nonetheless is providing the details of these transactions for the Commission's convenience.

Based on available data, and assuming the most conservative interpretation of the Commission's most recent attribution rules, AT&T estimates that prior to these transactions it was attributed with approximately 21,679,500 MVPD subscribers, and after these transactions close it will be attributed with approximately 21,566,000 MVPD subscribers (or 24.3% of all MVPD subscribers²). The 21,679,500 figure for AT&T subscribers prior to these transactions is

¹ No. 94-1035, 2001 U.S. App. LEXIS 3102 (D.C. Cir. March 2, 2001) (vacating Commission's cable horizontal ownership rules).

² There are approximately 88.7 million MVPD subscribers nationwide. See *Kagan Media Money*, June 26, 2001, at 11. Note that since this MVPD subscriber total is taken from a June 2001 publication, it is a conservative estimate of current MVPD subscribers.

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based on (1) AT&T's subscriber notification letter filed with the Commission on October 22, 2001 in the above-captioned dockets regarding AT&T's transactions with USA Media Group, L.L.C. and Universal Cable Communications, Inc. (d/b/a Classic Cable) (showing a total of 21,979,500 AT&T subscribers after the closing of these transactions); and (2) the fact that Cablevision Systems Corporation (with which AT&T is currently affiliated) recently divested certain cable systems, so that its subscriber totals decreased by 300,000 (from 3.3 million to 3 million). The 21,679,500 figure does not include 9.56 million subscribers attributed to Time Warner Entertainment, L.P. ("TWE")³ or 1.8 million subscribers attributed to Time Warner, Inc. ("TWI"), because AT&T believes that these TWE and TWI subscribers cannot properly be attributed to AT&T in light of the *Time Warner* decision. If the TWE and TWI subscribers were nonetheless added to AT&T's totals, AT&T would be attributed with approximately 32,926,000 subscribers after the foregoing transactions close.⁴

An original and four (4) copies of this letter are submitted herewith in accordance with Section 1.1206(b) of the Commission's rules.

Sincerely,



Douglas G. Garrett
Associate General Counsel

DGG:fmb

cc: See attached service list

³ AT&T notes that TWE actually holds 11 million subscribers, but this includes 1.44 million subscribers in the Time Warner-AT&T joint ventures in Kansas City and Texas. Because these subscribers are already attributed to AT&T, we back them out of the TWE subscriber total cited here (*i.e.*, 11 million - 1.44 million = 9.56 million).

⁴ Even if the TWE and TWI subscribers were attributed to AT&T so that AT&T's level of attributable subscribers were greater than 30% of all MVPD subscribers nationwide (the actual percentage would be 37.1%, since, as noted, there are currently approximately 88.7 million MVPD subscribers nationwide), AT&T notes that the Commission initially allowed AT&T until May 19, 2001 to come into compliance with the 30% limit (*see AT&T/MediaOne Merger Order*, CS Docket No. 99-251, FCC 00-202 (June 6, 2000), at ¶¶ 71 and 187) and suspended this compliance deadline in light of the *Time Warner* decision referenced above. *See AT&T/MediaOne Deadline Suspension Order*, CS Docket No. 99-251, FCC 01-95 (March 16, 2001), *affirmed on reconsideration*, CS Docket No. 99-251, FCC 01-325 (Nov. 13, 2001).

CERTIFICATE OF SERVICE

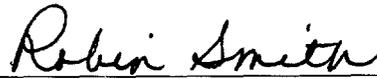
I, Robin Smith, do hereby certify that I caused one copy of the foregoing *Ex Parte* letter of AT&T Broadband, L.L.C. to be served by hand delivery on all parties below, this 18th day of December, 2001.

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