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August 21, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: *Application by Qwest Communications International, Inc. for Authorization to Provide In-Region InterLATA Services in the States of Colorado, Idaho, Iowa, Nebraska and North Dakota, Docket No. 02-148*

Application by Qwest Communications International, Inc. for Authorization to Provide In-Region InterLATA Services in the States of Montana, Utah, Washington and Wyoming, Docket No. 02-189

Dear Ms. Dortch:

At the request of the Commission Staff, AT&T Corp. ("AT&T") submits this *ex parte* letter to address the question whether Qwest's unlawful forecasting requirements for interconnection trunks are also artificially improving its interconnection trunk blocking performance under the performance metrics.

As AT&T has shown (*see* July 3 Comments at 75-78, August 1 Comments at 100-103), Qwest's forecasting policies force CLECs to accept less trunking capacity than they believe they can use, because under Qwest's policies, the CLECs would otherwise have to pay financial penalties and face the possibility of Qwest "snatching back" the trunks. Under those circumstances, if a CLEC were to press ahead with its marketing plans even though Qwest has refused to provide adequate trunk capacity, the CLEC would attract too many customers and the result would be increased blocking that would show up in Qwest's trunk blocking metrics. No CLEC can afford to take that chance, however, because increased blocking of calls would cause

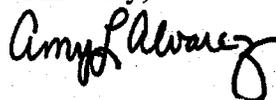
it to lose its customers. Therefore, CLECs scale back their marketing and hold back on adding traffic to its available trunks, in effect conforming their growth to Qwest's mandates. In short, while CLECs take steps to scale back their own efforts to avoid any increased blocking, Qwest's forecasting policies do not, in and of themselves, lead to inaccurate reporting of trunk blocking performance. However, if CLECs did not constrain their growth, blocking would be inevitable.

It should also be noted, however, that Qwest's performance measures are aggregate measures that mask a certain amount of blocking that takes place in localized situations. The current PID, NI-1, is an aggregate blocking number, which can hide serious blocking problems on individual trunks. For example, if there are 100 interconnection trunk groups and one is blocking at 30%, while the rest are at 0%, the total blocking will be less than 1%. CLECs are particularly vulnerable to the kind of focused overloads on interconnection trunks that would be buried and hidden in the aggregate blocking metric. CLECs may experience this kind of overload when they add a new, large customer at one point in their network or a number of smaller businesses or residential customers. This occurs because the interconnection trunking is not robust enough to handle the increased calls from those locations to Qwest customers in the same area.¹

Qwest's forecasting policies exacerbate this reality. Since Qwest is in effect holding down the number of interconnection trunks available to CLECs, the CLEC becomes even more vulnerable to focused overloads. While AT&T has experienced such blocking with some frequency, AT&T is unable to obtain data to confirm this problem because Qwest does not provide any data on blocking on individual trunk groups behind the Qwest tandem.

Consistent with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the above-referenced proceedings.

Sincerely,



cc: Michael Carowitz
Kimberly Cook
Janice Myles
Gary Remondino
Elizabeth Yockus

¹ For incumbent LECs like Qwest, the basic rule of thumb is that one-third of all calls that a customer makes will stay within the Qwest switch. Since the local switch provides service for both customers, the switch can complete the call without using trunking to send it to another switch. Only a tiny fraction of a CLEC customer's calls, however, stay within the CLEC's switch. Since the CLEC has such a small customer base in any neighborhood, almost all calls must be sent to the Qwest switch over an interconnection trunk.