



Brian J. Benison
Associate Director-
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November 23, 2004

VIA ELECTRONIC SUBMISSION

Ms. Marlene H. Dortch
Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Memorandum of Ex Parte Presentation
AT&T Petition for Rulemaking to Reform Regulation for Incumbent
Local Exchange Carrier Rates for Interstate Special Access Services,
RM No. 10593

Dear Ms. Dortch:

The attached letter was sent to Dan Gonzalez, Senior Legal Advisor to Commissioner Martin on November 23, 2004. Pursuant to Section 1.1206(b) of the Commission's rules, this letter and attachment are being electronically filed. I ask that this letter be placed in the files for the proceedings identified above.

Please call me should you have any questions.

Sincerely,

/s/ Brian J. Benison

Attachment

CC: Dan Gonzalez (*electronic copy*)



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November 23, 2004

VIA ELECTRONIC SUBMISSION

Daniel Gonzalez
Senior Legal Advisor
Office of Commissioner Martin
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Memorandum of Ex Parte Presentation
AT&T Petition for Rulemaking to Reform Regulation for Incumbent
Local Exchange Carrier Rates for Interstate Special Access Services,
RM No. 10593

Dear Mr. Gonzalez:

During our November 9th meeting discussing special access pricing, you asked what percentage of SBC's special access revenue was attributable to services provided on a month-to-month (MTM) basis versus services provided through some form of discount plan. An analysis of the most current data available, September 2004, shows that only 27% of SBC's DS1 and DS3 special access revenue is derived from carriers purchasing service on a MTM basis. The remaining 73% is associated with various term discount plans that SBC makes available to its customers.

However, even when carriers purchase special access on a tariffed basis, including MTM, many do purchase special access service pursuant to a discount plan. SBC offers price flex contracts and a managed value plan (MVP) that provides carriers discounts off of the rack rates, including MTM rates. For example, under MVP a carrier is eligible for a discount (ranging from 9% to 14%) off of their qualifying special access purchases, even those services purchased on a month to month basis. Thus, the percentage of SBC's DS1 and DS3 special access revenue that derives from service provided at a discount off of month-to-month rack rates exceeds 73%.

Please call me should you have any questions.

Sincerely,

/s/ Brian J. Benison