

August 1, 2005

**BY ELECTRONIC FILING**

Marlene H. Dortch  
Secretary, Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: WC Docket No. 05-65**

Dear Ms. Dortch:

On July 27, 2005, Teresa D. Baer of Latham & Watkins LLP, on behalf of Global Crossing North America, Inc., submitted seven lists of commercial buildings that AT&T provided to Global Crossing between August 2003 and May 2005 and an eighth corrected list that AT&T provided to Global Crossing last month. Global Crossing and other commenters in this proceeding have apparently used some or all of the first seven lists to generate purported shares for AT&T of "on-net" commercial buildings and bandwidth. As AT&T explained to Global Crossing and its counsel shortly before they made their *ex parte* filing, these building lists actually include not only commercial buildings that AT&T has "lit" with its own fiber loop connections, but buildings in cities and states in which AT&T has no local networks at all and nearly 10,000 buildings in which AT&T provides DS0 *voice grade* service over leased lines. Indeed, the lists provided to Global Crossing contain nearly *three times* the number of buildings that AT&T actually has lit, and that have been consistently reported in AT&T's public filings and detailed in the building-by-building inventories AT&T has placed in the record in this proceeding. AT&T regrets any confusion that this error may have caused, but it is clear that any lit building or bandwidth analyses that rely upon these erroneous lists must be disregarded.

The inaccuracy of these building lists stems from an error that occurred in connection with the conversion of the legacy Teleport Communications Group ("TCG") systems and records to AT&T and industry-standard formats. Shortly after acquiring TCG, AT&T sought to develop electronic database interfaces that would allow AT&T to extract and report only on-net buildings from databases that also contained records for buildings served through leased connections. AT&T and former TCG personnel determined that they could do that by developing a program that would extract building records based upon the values reported in the ninth character of the CLLI code field contained in each record in the raw databases. TCG used non-standard CLLI codes that identified off-net buildings with particular values in the ninth character ("T" or "V"). AT&T Labs programmers thus developed an interface with computer logic that extracted building records as on-net if the ninth CLLI character was "not T and not V." This electronic interface was used primarily for internal purposes. However, when Global Crossing asked its AT&T account team to provide it with periodic on-net building lists, AT&T Labs personnel began automatically forwarding the "on-net" output from the interface to the account team. The account team then forwarded those lists by e-mail to Global Crossing under the non-disclosure terms of the companies' Master Carrier Agreement.

AT&T subsequently began a project of conforming TCG's non-standard CLLI codes to the industry standard Telcordia format, which AT&T already used. At the same time, AT&T developed an entirely new, more robust database system to track its lit buildings and other local facilities and equipment that relied upon completely different computer logic. AT&T personnel began using the new system, and internal access to the old interface was disabled. AT&T Labs personnel, however, retained access to the old system, and they continued automatically to extract data from that system and to forward it to the Global Crossing account team, which then forwarded it to Global Crossing. Once the TCG CLLI codes were converted to Telcordia format, however, the data extraction logic was no longer valid.<sup>1</sup> A "V" in the ninth CLLI code character in the Telcordia format signals a video connection and "T" is a non-standard designation that has no recognized meaning. Accordingly, the "not T and not V" logic of the data extraction program no longer had any ability at all to distinguish on-net from off-net buildings. Each of the first seven lists Global Crossing has placed in the record is a product of this error.<sup>2</sup>

In a perfect world, interaction among appropriate AT&T personnel would have led to the immediate termination of reporting of information from the old system to Global Crossing once the CLLI code translations occurred. Unfortunately that did not occur. That said, there a number of reasons to doubt claims that knowledgeable CLECs could have believed that these lists were accurate reflections of AT&T's on-net building inventory. As an initial matter, some of these lists contain *nearly 18,000* buildings, nearly triple the number of on-net buildings that AT&T has publicly and widely reported. *See, e.g.*, AT&T 2005 Form 10-K at 6. Moreover, the majority of the buildings on the list are clearly labeled as supporting only *voice grade DS0* service. These obviously are not buildings to which AT&T has constructed its own fiber connections. Indeed, CLECs continue vigorously to advocate the position that it is categorically uneconomical to construct even DS1 loops with much higher capacity (and revenue potential).<sup>3</sup> And, the list includes many buildings in cities and states where AT&T has no local facilities. But regardless of whether opponents of the proposed merger have willfully blinded themselves to the facts or relied upon the Global Crossing lists in error, it should now be clear that any lit building or bandwidth analyses based upon those lists must be disregarded as meaningless.

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<sup>1</sup> AT&T personnel had also identified other data issues with the legacy TCG systems, and it is likely that even the lists that were produced before the CLLI code translations contained significant inaccuracies.

<sup>2</sup> The July 2005 list that Global Crossing has placed in the record was produced from the new system and provided to Global Crossing when AT&T recently discovered that Global Crossing was continuing to receive erroneous lists generated from the old system.

<sup>3</sup> *See* Opening Brief of CLEC Petitioners and Intervenors in Support, at 7-27 (filed in DC Cir. Docket No. 05-1095, July 26, 2005).

Sincerely,

SBC Communications Inc.

AT&T Corp.

/s/ Gary L. Phillips

/s/ Lawrence J. Lafaro

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