

**INTERNET BACKBONE TRAFFIC**

**August 16, 2006**

AT&T hereby supplements Appendix 1 to its *ex parte* submission dated July 20, 2006. Appendix 1 contained an Excel file from OVUM (which acquired RHK) entitled “Global Capex,” which in turn contained the data utilized in Tables 1-12 of the OVUM report entitled “Global Internet traffic: 4Q05 update” also submitted by AT&T as part of Appendix 1. In this supplemental filing, AT&T has obtained from OVUM an additional Excel sheet (labeled here as “Addendum”), which (a) lists the Internet backbone providers that OVUM includes as part of its “Top 7” providers, for which OVUM either obtains or estimates traffic data; (b) identifies the total traffic for the Top 7 backbones; (c) identifies the traffic for the legacy AT&T backbone estimated by OVUM; and (d) describes further OVUM’s methodology for measuring traffic.

(a) According to the information provided by OVUM, its “Top 7” backbones are, in alphabetical order: **[begin confidential]**

**[end**

**confidential].**

(b) As of 4Q 2005, OVUM estimates that these Top 7 backbones accounted for **[begin confidential]** **[end confidential]** of North American Internet traffic.

Note, however, that OVUM has not included in this estimate the Internet traffic carried by the legacy SBC backbone (approximately **[begin confidential]** **[end confidential]** of North American traffic), nor has it augmented **[begin confidential]**

**[end confidential]** to include the traffic carried by **[begin confidential]** **[end confidential]** network (estimated at **[begin**

**confidential]** [end confidential] of North American traffic). If these adjustments are made, and an 8<sup>th</sup> company is added (at an estimated 3.65%, per Schwartz Reply Declaration, Table 1), to make up the full complement of Tier 1 providers, the resulting share of Tier 1 traffic would be approximately **[begin confidential]** [end confidential]. This is between the estimated shares of Tier 1 traffic derived by Methodologies 1 and 2 per AT&T’s Internet Traffic Share submission of August 7, 2006.

(c) OVUM’s estimates for legacy AT&T’s North American Internet traffic are slightly lower than legacy AT&T’s actual traffic, but are generally consistent with the data submitted by AT&T for the legacy AT&T backbone.

(d) Per OVUM’s discussion of “offered load,” it is measuring traffic that enters a specific Internet Backbone provider’s network from all sources, including customers and peers, without regard to the destination of such traffic. The RHK data contained in Table 1 to the Schwartz Reply Declaration is taken from an earlier report, which utilized the same methodology of capturing all traffic coming into a network. The estimates of individual Tier 1 traffic shares submitted by AT&T on August 7, 2006, were built from AT&T data that measured peering in, peering out, and on-net traffic. Per the OVUM diagram, this method of measurement captures the same traffic flows, but simply at different points in the network than OVUM utilizes. Thus, the estimates provided in the August 7, 2006 submission can be compared to the OVUM data directly.

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THE FEDERAL COMMUNICATIONS COMMISSION

**ADDENDUM**

**[REDACTED]**