

**REDACTED – FOR PUBLIC INSPECTION**

September 28, 2006

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: AT&T Inc. and BellSouth Corporation Applications for Approval of Transfer of Control, WC Docket No. 06-74

---

Dear Ms. Dortch:

On September 1 and September 20, 2006, AT&T submitted building-specific data and analyses to supplement its response to the Commission's Initial Information and Document Request in this proceeding and to further demonstrate that there are no competitive concerns that could warrant any special access-related condition to the Commission's approval of the proposed merger of AT&T and Bellsouth.<sup>1</sup> The purpose of this letter is to provide the Commission with a consolidated set of Exhibits (*see* Exhibits 1-10, attached) that document that building-specific analysis.<sup>2</sup>

---

<sup>1</sup> *See Ex Parte Letter* from Gary L. Phillips (AT&T) to Marlene H. Dortch (FCC), WC Docket No. 06-74 (filed Sep. 20, 2006) ("Sep. 20 AT&T Letter"); *Ex Parte Letter* from Gary L. Phillips (AT&T) to Marlene H. Dortch (FCC), WC Docket No. 06-74 (filed Sep. 1, 2006) ("Sep. 1 AT&T Letter").

<sup>2</sup> Information in Exhibits 1-9 and information in portions of this letter are both commercially and financially sensitive and is proprietary information that AT&T would not in the normal course of business reveal to the public or its competitors. The exhibits and portions of this letter effectively disclose the identity of specific customers (by providing building addresses) and provide "detailed or granular engineering capacity information." *In re AT&T Inc. & BellSouth Corp. Applications for Approval of Transfer of Control*, WC Dkt No. 06-74, Second Protective Order, DA 06-1415, at 2 ¶ 5 (rel. July 7, 2006) (defining "Highly Confidential Information") ("Second Protective Order"). AT&T is designating such information as Highly Confidential pursuant to the Second Protective Order. In addition to the Highly Confidential Information just described, Exhibits 5-8 contain information supplied to AT&T by third parties under confidentiality agreements. AT&T is designating the latter type of information as Confidential and Copying Prohibited. *In re AT&T Inc. & BellSouth Corp. Applications for Approval of Transfer of Control*, WC Dkt No. 06-74, Protective Order, DA 06-1032 (rel. May 12, 2006) ("First Protective Order"). Further, Exhibit 10 contains information derived from the Highly Confidential and Confidential information in Exhibits 1-9, and is so sensitive that it should not be copied by anyone. Accordingly, AT&T is designating Exhibit 10 as Confidential and Copying Prohibited pursuant to the First Protective Order. *Id.*

**REDACTED – FOR PUBLIC INSPECTION**

Exhibit 1 lists each of the 359 buildings included in the analysis. Exhibit 1 includes all 355 buildings listed in AT&T's response to Specification 14.b of the Commission's Initial Information and Document Request as well as the 4 additional buildings reported in AT&T's response to Specification 14.a that are served by both AT&T and BellSouth local fiber connections and may therefore be relevant to the Commission's analysis.<sup>3</sup>

Exhibits 2 through 8 identify the buildings that satisfy the competitive screens discussed in the September 1 and September 20 letters. Many buildings satisfy more than one of the competitive screens – *e.g.*, some buildings are both already served by other CLECs and of sufficiently high demand and proximity to local fiber of additional CLECs that do not currently serve the building to satisfy one or more of the demand/distance competitive screens. For completeness, the exhibits attached to AT&T's September 1 and September 20 letters included a building on the exhibits associated with each of the competitive screens that building satisfies, and thus some buildings were listed on multiple exhibits. The inclusion of a building on multiple exhibits had no impact on the bottom line analysis, because each building was only excluded once, regardless of how many competitive screens it satisfies. To further aid the Commission's analysis, the exhibits attached to this letter list each building that satisfies one or more competitive screens *only* on the exhibit associated with the competitive screen actually used to eliminate that building in our analysis.

We note that attached Exhibit 3 lists the buildings that we have eliminated because they satisfy the Offnet/Unlit competitive screen described in the September 1 and September 20 letters. Offnet buildings are buildings that were never served by AT&T local fiber (*i.e.*, database errors) or to which the fiber has been cut or otherwise removed.<sup>4</sup> The two Unlit buildings

---

<sup>3</sup> AT&T's response to Specification 14.a reported 12 buildings that were added (or planned to be added) to AT&T's building database after AT&T pulled the data for its response to Specification 14.b. As AT&T explained in its September 20 letter, only 4 of those 12 buildings are locations at which both AT&T and BellSouth actually have local fiber connections. These buildings, all of which are listed in Exhibit 1, are: **[begin highly confidential]**

**[end highly confidential]**. See Sep. 20, 2006 Letter, at 2. As further explained in the September 20 letter, the remaining 8 buildings are irrelevant to any analysis of buildings that both AT&T and BellSouth serve with local fiber connections, because Applicants have determined that: (1) BellSouth has no local fiber connections to five of these buildings, two of which are in Sprint, not BellSouth, incumbent franchise areas **[begin highly confidential]** **[end highly confidential]**, and three of which, although within BellSouth franchise areas, are not connected to BellSouth's local networks **[begin highly confidential]** **[end highly confidential]**, and (2) AT&T has no local fiber connection to three of the buildings – *i.e.*, database errors caused these buildings to be included in the response to Specification 14.a.5. **[begin highly confidential]**

**[end highly confidential]**.

<sup>4</sup> The two buildings listed as "No Longer Active" in AT&T's response to Specification 14.a are likewise offnet buildings. Because one of those buildings **[begin highly confidential]**

identified on Exhibit 3 **[begin highly confidential]**

**[end highly confidential]** are locations where AT&T’s local fiber connection has not been cut, but where AT&T has no customer, no service and no electronics and has not been presented with any business opportunity – retail or wholesale – in at least six years. Although the competitive screens employed by the Department of Justice in the SBC-AT&T merger proceeding, as we understand them, did not specifically address any buildings with this particular profile, this Unlit profile is analogous to the Offnet profile because in neither case does AT&T have any meaningful competitive presence in such buildings.<sup>5</sup>

Exhibit 9 lists the buildings that remain after application of all of the competitive screens described in the September 1 and September 20 letters. Finally, Exhibit 10 provides a summary of the results of applying the competitive screens in each of the BellSouth region metropolitan areas in which AT&T operates local fiber networks.

We are providing five unredacted paper copies and fifteen unredacted CD-ROM copies of this letter and its exhibits to the Staff; we are filing one unredacted CD-ROM copy with your office; and we are filing a redacted copy via ECFS. The unredacted letter and exhibits will be made available for inspection, pursuant to the terms of the Protective Orders at the offices of Crowell & Moring LLP. Counsel for parties to this proceeding should contact Jeane Thomas of that firm at (202) 624-2877 to coordinate access.

Very truly yours,

/s/ Gary L. Phillips

AT&T Inc.  
1120 Twentieth St., N.W., Suite 1000  
Washington, D.C. 20036  
(202) 457-3055

---

**[end highly confidential]** was erroneously included in AT&T’s response to Specification 14.b, it is listed both in Exhibit 1 (the complete list of 359 buildings) and Exhibit 2 (buildings that are eliminated because they are Off-Net) hereto. The other of these off-net buildings **[begin highly confidential]** **[end highly confidential]** was properly excluded from AT&T’s response to Specification 14.b. and thus does not appear in any of the attached exhibits.

<sup>5</sup> AT&T’s September 1 and September 20 submissions listed a third unlit building with the same profile **[begin highly confidential]** **[end highly confidential]** Because this building is also served by the fiber of another competitive carrier and we have eliminated it for that reason, the attachments hereto list that building on Exhibit 5 (“Buildings Excluded By Other CLEC Presence Screen”) and not Exhibit 3 (“Building Excluded By Offnet/Unlit Screen”).

**THE EXHIBITS TO THIS LETTER HAVE BEEN REDACTED**