



James J.R. Talbot
General Attorney

AT&T Services, Inc.
1120 20th Street NW
Washington, D.C. 20036
Phone: 202-457-3048
Fax: 202-457-3073
E-mail: jjtalbot@att.com

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

Re: *Assessment and Collection of Regulatory Fees for Fiscal Year 2008, MD Docket No. 08-65; RM No. 11312; Reporting Requirements for U.S. Providers of International Telecommunications Services, IB Docket No. 04-112*

Dear Ms. Dortch:

On July 15, 2008, Eric Loeb and I of AT&T met with James Ball, Howard Griboff, David Krech and George Li of the International Bureau. We discussed the positions taken by AT&T in *Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, MD Docket No. 08-65 & RM No. 11312, and emphasized the need for the Commission's regulatory fees on international bearer circuits to continue to apply on a non-discriminatory and competitively-neutral basis without advantaging or disadvantaging any type of cable system or service provider.

AT&T also noted that, as one private operator has stated in this proceeding, more effective reporting of active circuits would result in an increased number of payment units, and in turn, reductions in the per-circuit regulatory fee. AT&T suggested that private cable operators should be required to report on March 31 each year – separately from the detailed Section 43.82 reporting process – their active circuits that are subject to fees as of December 31 of the preceding year in order to provide the Commission with improved information to determine (together with facilities-based carrier active circuit information from the Section 43.82 reports filed on March 31) the payment units to be used in calculating the per-circuit regulatory fee. These reports may also help address the under-reporting of active circuit information that is claimed to exist by several private operators in this proceeding.

AT&T also observed that the revised proposal put forward by a number of private operators last week fails to address the basic inequity of their approach, under which private operators would only pay their proposed new per-system fee, while facilities-based carriers would pay *both* the per-system fee *and* a per-circuit fee. Additionally, the reduction in the system fee set forth in the revised proposal for cable systems with less than one STM-64 of available capacity would not remove the significant unit cost disadvantages imposed by the system fee on small cable systems. AT&T further noted that the private operators are mistaken in their claim that payment of the system fee for

consortium cable systems may be determined by the consortium agreements, which provide no guidance on which of the large numbers of carriers (including many foreign carriers with no US regulated operations) that may be co-owners of consortium cables should be allocated portions of the system fee, which consortium party should conduct that allocation, on what basis that allocation should be conducted, or what information should be used for this purpose.

Also during this meeting, AT&T emphasized the potential benefits to U.S. carriers of the streamlining of the international reporting process addressed in *Reporting Requirements for U.S. Providers of International Telecommunications Services*, IB Docket No. 04-112, and expressed its support for the expeditious adoption of those deregulatory measures.

AT&T distributed the attached information at the meeting.

One electronic copy of this Notice is being submitted in the above-referenced proceedings in accordance with Section 1.1206 of the Commission's rules.

Sincerely,

/s/ James J.R. Talbot

cc: James Ball
Howard Griboff
David Krech
George Li

Submarine Cables in Service as of 2007

Cable	Region	Class	64 Kbps Circuits
Antillas 1	AM	C	15,120
Columbus II	TA	C	15,120
NPC	TP	NC	17,010
Americas I	AM	C	22,680
BAHAMAS II	AM	C	30,240
SMPR-1	AM	C	30,240
Taino-Carb	AM	C	45,360
Pan American Cable System	AM	C	60,480
CANTAT-3	TA	NC	60,480
CANUS-1	TA	NC	60,480
MAYA -1	AM	C	90,720
Columbus III	TA	C	120,960
Guam-Philippines	TP	NC	120,960
TPC 5	TP	C	241,920
Bahamas Internet Cable Network	AM	NC	362,880
Global Caribbean Network (GCN)	AM	NC/C	362,880
TAT 12/TAT-13	TA	C	362,880
Americas II	AM	C	604,800
PAC	AM	NC	604,800
ARCOS-1	AM	NC	604,800
GlobeNet	AM	NC	967,680
Emergia Cable System (former SAm-1)	AM	NC	967,680
China-U.S. Cable Network	TP	NC	967,680
Australia-Japan Cable (Guam)	TP	NC	967,680
AmeriCan-1	AM	NC	1,926,409
PC-1	TP	NC	2,177,280
MAC	AM	NC	2,419,200
Southern Cross	TP	C	2,903,040
SAC	AM	NC	3,144,960
Level 3	TA	NC	3,870,720
Hibernia Atlantic	TA	NC	4,354,560
AC-2	TA	NC	4,838,400
Japan-U.S. Cable Network	TP	NC	4,838,400
TGN- Atlantic	TA	NC	5,564,160
Atlantic Crossing (AC-1)	TA	NC	7,680,960
TAT-14	TA	NC	7,741,440
FLAG Atlantic - 1	TA	NC	12,821,760
Apollo Cable	TA	NC	15,482,880
TGN - Pacific	TP	NC	22,740,480