



Frank S. Simone  
Assistant Vice President  
Federal Regulatory

AT&T Services Inc. T: 202.457.2321  
1120 20<sup>th</sup> Street, NW F: 832.213.0282  
Suite 1000  
Washington, DC 20036

June 4, 2010

EX PARTE

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, D. C. 20554

Re: Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act, GN Docket No. 09-137

Dear Ms. Dortch:

On June 4, 2010, Robert Quinn, Jack Zinman and the undersigned, representing AT&T, met with Christine Kurth, Policy Director and Wireline Counsel to Commissioner Robert McDowell, regarding the above-referenced proceeding.

We discussed Section 706's directive that the Commission encourage the deployment of advanced telecommunications capability to all Americans and its requirement that the Commission conduct a regular inquiry to determine "whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion." We pointed out that each of the five Section 706 Reports issued since the adoption of the Telecommunications Act of 1996 has found that advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion and that the Commission's own data demonstrates that deployment continues to be reasonable and timely today. In particular, we discussed the broadband data points set forth in the attached document, the majority of which are taken directly from the Commission's National Broadband Plan.

Pursuant to section 1.1206 of the Commission's Rules, this letter is being filed electronically with the Commission.

If you have any questions, please do not hesitate to contact me at (202) 457-2321.

Sincerely,

cc: C. Kurth

Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All  
Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such  
Deployment Pursuant to Section 706 of the Telecommunications Act of 1996  
GN Docket No. 09-137

---

**Deployment-Wireline**

- Today, 290 million Americans — 95% of the U.S. population — live in housing units with access to terrestrial, fixed broadband infrastructure capable of supporting actual download speeds of at least 4 Mbps. Of those, more than 80% live in markets with more than one provider capable of offering actual download speeds of at least 4 Mbps.\*
- 96 percent of all business locations have access to Digital Subscriber Line (DSL) service, and 92% have access to cable broadband service.\*  
  
99% of all health care locations with physicians have access to actual download speed of at least 4 Mbps.\*  
  
97% of schools are connected to the Internet.\*
- Typical advertised broadband speeds that consumers purchase have grown approximately 20% each year [since the late 1990s.] This growth has been driven by a shift in consumer preferences to faster, more advanced technologies, improved performance of different technologies and large investments by service providers in network upgrades.\*
- Both telephone and cable companies continue to upgrade their networks to offer higher speeds and greater capacities. Many have announced specific upgrades. For example,
  - Verizon plans to pass over 17 million homes by the end of 2010 with its FiOS fiber-to-the-premises (FTTP) service, three million more than today.
  - AT&T has announced it will build fiber-to-the node (FTTN) infrastructure to serve 30 million homes by 2011, 11 million more than today.
  - Cable companies have also announced that over the next 2–3 years they will upgrade their networks to DOCSIS 3.0 technology, which is capable of maximum download speeds of more than 50 Mbps. One analyst predicts that by 2013, leading cable companies will cover 100% of the homes they pass with DOCSIS 3.0. The top five cable companies currently pass 103 million housing units, or about 80% of the country's homes.\*

So it is likely that 90% of the country will have access to advertised peak download speeds of more than 50 Mbps by 2013.\*

**Deployment-Wireless**

- As of November 2009, according to data from American Roamer, 3G service covers roughly 60% of U.S. land mass. In addition, approximately 77% of the U.S. population lived in an area served by three or more 3G service providers, 12% lived in an area served by two, and 9% lived in an area served by one.\*
- American Roamer also suggests that 98% of businesses have 3G coverage today.\*
- Several operators have announced upgrades to 4G broadband networks. CITI notes that by 2013,
  - Verizon Wireless plans to roll out Long Term Evolution (LTE)—a 4G mobile broadband technology—to its entire footprint, which currently covers more than 285 million people.
  - AT&T has announced it will test LTE in 2010 and begin rollout in 2011.\*

- Through its partnership with Clearwire, Sprint plans to use WiMAX as its 4G technology. WiMAX has been rolled out in a few markets already, and Clearwire plans to cover 120 million people with WiMAX by the end of 2010.\*

## **Pricing**

- Moreover, competition has steadily forced prices down even while service quality is improving. As the FTC noted in 2007, the broadband marketplace is characterized by “declining prices for higher-quality service.”<sup>1</sup>
  - The average monthly broadband bill *fell* 4 percent between 2005 and 2008, even as connection speeds increased.<sup>2</sup>
  - USTelecom estimates that consumers paid *\$11 less per month* in 2007 for a 7 Mbps connection than they paid in 2001 for a 1.5 Mbps connection.<sup>3</sup>
  - AT&T offers 6 Mbps DSL service today for the same price that customers paid for 1.5 Mbps DSL service in 2000.
  - Total data use per fixed residential connection is growing quickly, by roughly 30% annually.\*
- In real terms (price per bit consumed), consumers are getting far greater value for their broadband dollars than ever before.

---

\* Federal Communications Commission, National Broadband Plan, Mar. 17, 2010.

<sup>1</sup> Federal Trade Commission, *Staff Report: Broadband Connectivity Competition Policy*, at 10-11 (2007), <http://www.ftc.gov/reports/broadband/v070000report.pdf> (“*FTC Net Neutrality Report*”).

<sup>2</sup> John Horrigan, Pew Internet and American Life Project, *Wireless Internet Use*, at 8 (July 2009), <http://www.pewinternet.org/~media/Files/Reports/2009/Wireless-Internet-Use.pdf> (“*Pew Study*”).

<sup>3</sup> USTelecom, *Wireline Broadband Pricing 2001-2007* (June 2008), <http://www.ustelecom.org/uploadedFiles/Learn/Broadband.Pricing.Document.pdf>.

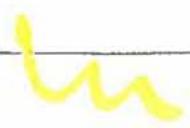


EXHIBIT D

Availability of 4 Mbps-Capable Broadband Networks in the United States by County<sup>36</sup>

