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September 20, 2012

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington DC 20554

Re: WC Docket 02-6; GN Docket 09-51; Draft Eligible Services List for Schools and Libraries Universal Service Program

Dear Ms. Dortch:

On September 13, 2012, the undersigned and Terri Hoskins of AT&T spoke by phone with Trent Harkrader, Cara Voth, and Lisa Hone of the Wireline Competition Bureau regarding the draft Eligible Services List (ESL) for the e-rate program. During the discussion, AT&T highlighted two issues it addressed during the comment cycle in this proceeding.

First, the company encouraged the Commission to standardize the language used to describe eligible installation costs for digital transmission services and leased lit fiber. Digital transmission services and leased lit fiber services are substitutable services that generally compete with each other as options to exchange telecommunications and/or Internet access traffic. The draft ESL uses slightly different language to describe eligible installation costs for the two options which is causing misunderstandings in the marketplace, the company explained. Second, AT&T urged the Commission to provide additional guidance to e-rate participants and USAC on which taxes, surcharges and other fees are or are not eligible for e-rate discounts. Determining the status of the myriad state and local taxes and fees that appear on bills is a challenge for service providers and USAC reviewers and wastes time and resources for both parties. The company suggested that USAC work with service providers to create a list of state and local taxes, surcharges, and fees (including the requisite statutory or regulatory supporting documents) that all participants can rely upon.

This notice is being filed in the record several days late due to an inadvertent administrative lapse. If you have any questions regarding this filing please do not hesitate to contact me at (202) 457-2041.

Sincerely,

/s/ Mary L. Henze

cc: T. Harkrader
L. Hone
C. Voth