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May 6, 2002

BY HAND DELIVERY

Ms. Blanca Bayó, Director The Commission Clerk and Administrative Services Room 110, Easley Building Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850

020399-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of AT&T Communications of the Southern States, LLC and AT&T Broadband Phone of Florida, LLC d/b/a AT&T Digital Phone are an original and fifteen copies of AT&T Communications of the Southern States, LLC and AT&T Broadband Phone of Florida, LLC d/b/a AT&T Digital Phone's Petition for Waiver.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,

Tracy W. Hatch

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TWH/amb Enclosures

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04886 HAY-68

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FPSC-COMMISSION CLERK

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TWH/amb Enclosures

> DOCUMENT NUMBER-DATE 04886 MAY-68 FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

)

In re: Joint Petition of AT&T Communications of) the Southern States, LLC, and AT&T Broadband) Phone of Florida, LLC d/b/a AT&T Digital Phone) for waiver of Rule 25-4.118, F.A.C., Local, Local Toll or Toll Provider Selection in connection with the migration of customers from AT&T Communications of the Southern States, LLC to AT&T Broadband Phone of Florida, LLC d/b/a AT&T Digital Phone.

Docket No.

Filed: May 6, 2002

PETITION FOR WAIVER

AT&T Communications of the Southern States, LLC ("AT&T") and AT&T Broadband

Phone of Florida, LLC d/b/a AT&T Digital Phone (AT&T Broadband), pursuant to Rules 24-

24.455(4), Florida Administrative Code, and Section 120.542, Florida Statutes, hereby petition

the Commission for waiver of Rule 25-4.118, Florida Administrative Code, to facilitate the

transfer of certain customers of AT&T to AT&T Broadband without first obtaining each

subscriber's authorization and verification. In support of this Petition, Petitioners state:

THE PETITIONERS

The name and address of the Petitioners are: 1.

> AT&T Communications of the Southern States, LLC 1200 Peachtree St., N.E. Ste 8100 Atlanta, GA 30309

AT&T Broadband Phone of Florida, LLC 188 Inverness Dr. West, Ste 600 Englewood, CO 80112

AT&T is certificated in Florida as an interexchange carrier ("IXC"). AT&T 2. Broadband is certificated in Florida as an IXC and as an Alternative Local Exchange Carrier ("ALEC").

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DOCUMENT NUMBER-DATE 04886 HAY-68 FPSC-CONINISSION CLERK

3. Notices and other pleadings in this docket should be furnished to:

Tracy W. Hatch, Esq. Messer, Caparello & Self, P.A. 215 South Monroe St. Suite 701 Tallahassee, FL 32314 Virginia Tate, Esq. AT&T Communications of the Southern States, LLC 1200 Peachtree Street N.E. Suite 8100 Atlanta, GA 30309

RULE TO BE WAIVED

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4. Pursuant to Rule 25-4.118, Florida Administrative Code, a customer's presubscribed interexchange telecommunications services provider shall not be changed without the customer's authorization. The carrier must either: (1) obtain a letter of agency from the customer requesting the change; (2) obtain confirmation from the subscriber via a customer-initiated call; or (3) utilize an independent third party to verify the subscriber's order. The requirements of Rule 25-4.118 are made applicable to interexchange carriers through incorporation by reference in Rule 25-24.490(1), Florida Administrative Code. AT&T and AT&T Broadband respectfully request a waiver of Rule 25-4.118 so that they may transfer certain customers currently receiving certain long distance services from AT&T to AT&T Broadband, for the reasons more fully described below.

BACKGROUND

5. AT&T Corp. and AT&T Comcast Corporation are completing a series of transactions that will result in the change of control of AT&T Broadband from AT&T Corp. to AT&T Comcast Corporation. Under the Agreement, the parties will implement a series of steps to consummate the merger of their broadband businesses after receiving the necessary shareholder and governmental approvals. In the course of the transactions, AT&T Corp. will contribute the assets of its AT&T Broadband division, including AT&T Broadband Phone of Florida, to a new, wholly-owned holding company, AT&T Broadband Corporation. AT&T Corp. will then spin off AT&T

Broadband Corporation to the shareholders of AT&T Corp. Immediately following this spin off, AT&T Broadband Corporation will merge with a different, wholly-owned subsidiary of AT&T Comcast Corporation. Following these steps, AT&T Comcast Corp. will be the new public company parent of AT&T Broadband. The Commission has tentatively approved the transfer of control of the interexchange certificate and the alternative local exchange certificate held by AT&T Broadband from AT&T Corp. to AT&T Comcast Corporation. See Order No. PSC-02-0621-PAA-TX in Docket No. 020184-TX. and Order No. PSC-02-0578-PAA-TI in Docket No. 020258-TI.

6. AT&T Broadband provides both local and long distance service to its customers. For certain customers, AT&T Broadband provides a package of local service in conjunction with certain long distance services provided by AT&T. As operating entities of AT&T Corp., AT&T and AT&T Broadband have jointly marketed and provided a full array of local, long distance and other services to AT&T Broadband local customers. These packages of services have been previously provided over combined use of facilities of both AT&T and AT&T Broadband. In particular, these packages have been billed on a single integrated bill for all services. In anticipation of the corporate restructuring of AT&T Broadband and its ultimate transfer to AT&T Comcast Corporation, AT&T Broadband must separate from AT&T -- this includes a separation from all AT&T's systems and operations, including certain of AT&T's billing systems.

7. Customers subscribing to AT&T Broadband local and long distance services will be unaffected. Customers subscribing to a joint package of local services provided by AT&T Broadband in conjunction with long distance and other services provided by AT&T may be affected by the changes. Customers of AT&T Broadband that have independently subscribed to AT&T long distance services will be unaffected.

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8. Those customers obtaining local services from AT&T Broadband and long distance services from AT&T will be migrated to AT&T Broadband services with equivalent or lower rates to the extent possible. No customer will be forced to make a change in services. Any customer who wishes may retain their AT&T service. There will be no charges imposed for any of the changes. In addition, notice will be provided to all affected customers of the proposed changes and including the ability to choose the desired provider for long distance services. A sample customer notice letter is attached hereto as Exhibit 1.

9. There is a relatively small number of customers subscribing to certain AT&T services that AT&T Broadband will not be able to provide. In those instances, these customers will retain their existing AT&T service separate from their AT&T Broadband Service. For these customers, the most noticeable change will be the receipt of two separate bills, one from AT&T and another bill from AT&T Broadband. Examples of the AT&T long distance services for which AT&T Broadband can not provide a comparable product are AT&T's Easy Reach 800 and the AT&T WorldNet/Long Distance 7/7 plan. Customers of these services will be notified regarding their circumstances and informed of the choices available.

10. In addition to the few services that AT&T Broadband will not offer, AT&T Broadband, because of limitations in its billing system, will not be able to offer certain other features such as Spanish language billing, automatic bill payment, pay-by-phone or electronic funds transfer, electronic billing and the bundling of AT&T Universal Card charges on the customers bill.

11. The paramount goal of the separation process is to minimize any customer confusion or disruption of service while implementing the necessary separation of AT&T and AT&T Broadband. Each customer will be given clear written notice of the changes and will be

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given the opportunity to choose their desired provider of long distance services. No local services will be affected.

BASIS FOR WAIVER

12. The basis for granting a waiver is set forth in Rule 25-24.455(4), Florida Administrative Code. Under that rule, the Commission may consider whether the petition is in the public interest, whether market forces obviate the need for the provision in a particular instance, and whether reasonable alternative regulatory methods may service the same purpose.

13. In the circumstances described in this Petition, it is in the public interest to waive the carrier selection requirements of Rule 25.4.118, Florida Administrative Code. The separation of AT&T Broadband from AT&T must occur pursuant to the merger with AT&T Comcast. AT&T and AT&T Broadband have provided for a seamless transition with the least amount of disruption to customers while ensuring that customers understand available choices. The customers will receive ample notice of the service migration and have the opportunity not to participate. No customer's rates will be higher than they are currently and each customer will be informed of the clear choices available in the migration process. AT&T and AT&T Broadband believe that if prior authorization is required in this case, customers may fail to respond to a request for authorization, neglect to select their desired carrier, and thus lose their preferred long distance service.

14. The Commission has granted petitions for waiver in several prior cases, including Order No. PSC-00-1520-PAA-TI (PNG Telecommunications/ Broadwing) in Docket No. 000764-TI, Order No. PSC-00-2198-PAA-TI (TTI National/ Minimum Rate Pricing) in Docket No. 000825-TI, Order No. PSC-00-2491-PAA-TI (Verizon) in Docket No. 001669-TI, and Order No. PSC-02-0053-PAA-TI in Docket No. 011400-TI.

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WHEREFORE, AT&T and AT&T Broadband request that the Commission grant its requested waiver of Rule 25-4.118, Florida Administrative Code, to permit the migration of certain joint customers of AT&T and AT&T Broadband from the long distance services of AT&T to the long distance services of AT&T Broadband as set forth above.

RESPECTFULLY SUBMITTED this 6th day of May, 2002.

Tracy W. Hatch⁷ Messer, Caparello and Self, PA 215 South Monroe St. Suite 701 Tallahassee, FL 32302

and

Virginia Tate AT&T Communications of the Southern States, LLC 1200 Peachtree St. N.E. Suite 8100 Atlanta, GA

Attorneys for AT&T Communications of the Southern States, LLC and AT&T Broadband of Florida, LLC.

<Date >

Dear CUSTOMER:

We are writing to let you know about **important news** in connection with your AT&T long distance service.

In our ongoing effort to provide you with superior service, AT&T has created a way for you to have your local and long distance calling billed on one bill – and to have only one number to call with all your billing questions. To make this happen, AT&T will provide your long distance service through AT&T Digital Phone Service instead of through AT&T Consumer Long Distance Service.

How will this affect your rates?

Your local and your long distance service rates will all remain the same:*

AT&T Broadband By the Minute Plan

With this plan, you'll continue to get:

- 7¢ per minute anytime for all direct dialed interstate calls from home
- 7¢ per minute for all direct dialed local toll calls from home
- *\$2.95 monthly recurring charge*

If you would like more information about other AT&T Broadband calling plans, including our international offerings, please call us at <Customer Care Phone # >.

We also believe that the following AT&T Broadband <u>international calling plan</u> provides you with an equivalent or better value than your current international calling plan:

AT&T International Value Plan

With this plan, you'll get:

- Per minute rates vary by country
- \$1.00 monthly recurring charge

Our records show that you are enrolled in AT&T Easy Reach 800[®], an AT&T personal 800 number service, and that you have not used the service in the past six months. Effective on or after <date >, this service will no longer be available from AT&T Broadband and will be removed from your account. If you wish, you may still retain the AT&T Easy Reach 800[®] service but you must also receive your long distance phone service with AT&T Consumer Services (not AT&T Broadband). In this case, it means you will receive separate bills and have separate customer service contacts for your AT&T Broadband local service and for your AT&T Consumer long distance service. To retain the AT&T Easy Reach 800[®] service, please contact us at AT&T Broadband: <Customer Care Phone # >.

What are the next steps?

We will take care of all the details – you don't even have to call! All you have to do is continue making long distance calls from home. This plan will begin on or after <date>

If instead you would like to keep your long distance service through AT&T Consumer Long Distance, please call us at <Customer Care Phone # >. But this means that we cannot provide you with one bill or one number for customer service.

Thank you.

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Thank you for choosing AT&T for your home telephone needs. All of us at AT&T Broadband look forward to offering you even more value and convenience in the future.

Sincerely,

<Signature line provided by markets >

*AT&T Broadband's long-distance service plans are governed by the AT&T Broadband Service Agreements and Service Guides found at <u>www.attbroadband.com</u> and by the laws of the state of Colorado. AT&T Digital Phone Service does not qualify for participation in AT&T rewards or loyalty programs

Effective on or after June 18, 2002, some billing features you currently receive will not be available from AT&T Broadband. These include: Spanish billing, automatic bill payment, pay by phone or electronic funds transfer (EFT), electronic billing, additional bill copies, and bundling of WorldNet and Universal Credit Card charges on your AT&T Broadband telephone bill.

In addition, on or after June 18, 2002, there are certain features associated with the AT&T phone network that will no longer be available from AT&T Broadband. These features have no monthly cost associated with them and include, but are not limited to, the following; AT&T tone and identification, message service, international redial, call organizer services.