



SIDLEY AUSTIN LLP
1501 K STREET, N.W.
WASHINGTON, D.C. 20005
(202) 736 8000
(202) 736 8711 FAX

bmc murrer@sidley.com
(202) 736 8135

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CHICAGO
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FOUNDED 1866

June 23, 2011

VIA ETFS

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Errata: Petition of AT&T Corp. Against July 1, 2011 Tariff Submissions;
Geneseo July 1, 2011 Tariff Filing, Transmittal, No. 15, FCC Tariff No. 1,
filed July 16, 2011

Dear Ms. Dortch:

Yesterday, AT&T Corp. ("AT&T") filed its Petition seeking suspension, investigation, and an accounting of the July 1, 2011 tariffs filed by Geneseo Telephone Company ("Geneseo"), Ironton Telephone Company, NTELOS Telephone Inc., and the City of Brookings Municipal Telephone Department. That pleading contained three incorrect values in the section addressing the Geneseo July 1, 2011 tariff filing (Transmittal, No. 15, FCC Tariff No. 1, filed July 16, 2011). These changes do not materially affect the substance AT&T's Petition. AT&T hereby submits the enclosed corrected version of its Petition.

In particular, the corrected Petition replaces the following sentences that appear on page 5 of AT&T's Petition:

The only documentation that Geneseo's tariff does provide shows that its local switching revenue requirement is actually \$438,546 for the two-year monitoring period. The Commission should suspend and investigate Geneseo's tariff to ensure that this fourfold discrepancy has not resulted in grossly excessive local switching rates.

In this instance, Geneseo's supporting documentation indicates that its local switching revenue requirement is \$438,546 for the two year period 2009-2010 (\$244,629 for 2009 and \$193,917 for 2010), but according to Geneseo's documentation it received more than twice that amount –

June 23, 2011
Page 2

\$1,007,784 – in local switching support (\$589,056 for 2009 and \$418,728 for 2010).

These sentence have been corrected as follows:

The only documentation that Geneseo's tariff does provide shows that its local switching revenue requirement is actually \$538,086 for the two-year monitoring period. The Commission should suspend and investigate Geneseo's tariff to ensure that this nearly threefold discrepancy has not resulted in grossly excessive local switching rates.

In this instance, Geneseo's supporting documentation indicates that its local switching revenue requirement is \$538,086 for the two year period 2009-2010 (\$294,309 for 2009 and \$243,777 for 2010), but according to Geneseo's documentation it received nearly twice that amount – \$1,007,784 – in local switching support (\$589,056 for 2009 and \$418,728 for 2010).

This Errata will be served on Geneseo via facsimile. Please call me with any questions.

Regards,

/s/ Brendan J. McMurrer

Brendan J. McMurrer

cc: Service List

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
)

July 1, 2011)

Annual Access Charge Tariff Filings)
)

WCB/Pricing File No. 11-04

PETITION OF AT&T CORP. (ERRATA)

David L. Lawson
Christopher T. Shenk
Brendan J. McMurrer
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, D.C. 20005
(202) 736-8000

Gary L. Phillips
William A. Brown
AT&T Services, Inc.
1120 20th Street, N.W.
Suite 1000
Washington, D.C. 20036
(202) 457-3007

Attorneys for AT&T Corp.

June 23, 2011

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of

July 1, 2011

Annual Access Charge Tariff Filings

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WCB/Pricing File No. 11-04

PETITION OF AT&T CORP. (ERRATA)

Pursuant to section 204(a)(1) of the Communications Act, 47 U.S.C. § 204(a)(1), section 1.773 of the Commission's Rules, 47 C.F.R. § 1.773, and the Commission's Order, DA 11-569, released March 29, 2011,¹ AT&T Corp. ("AT&T") respectfully requests that the Commission suspend for one day, investigate, and issue an accounting order for the individual interstate access tariffs set forth in Attachment 1, hereto.

INTRODUCTION AND SUMMARY

The Commission should suspend for one day, investigate, and set for accounting the July 1, 2011 tariffs filed by Geneseo Telephone Company ("Geneseo"), Ironton Telephone Company ("Ironton"), NTELOS Telephone Inc. ("NTELOS"), and the City of Brookings Municipal Telephone Department ("Brookings") (*see* Attachment 1, hereto) because these tariffs contain fundamental flaws that raise substantial questions of lawfulness.²

Geneseo's July 1, 2011 tariff should be suspended and investigated because it has provided no reasonable justification for its local switching or tandem switching rates. Contrary

¹ *July 1, 2011 Annual Access Charge Filings*, Order, WCB/Pricing File No. 11-04, DA 11-569 (rel. Mar. 29, 2011) (setting procedures and filing dates for the 2011 annual access charge filings).

² Suspension and investigation are appropriate where a tariff raises "substantial questions of lawfulness . . . that warrant further investigation." *July 1, 2007 Annual Access Tariff Filings*, Order, 22 FCC Rcd. 11619, ¶ 3 (2007) ("*2007 Suspension Order*").

to the Commission's rules, Geneseo's own submissions contain enormous unexplained discrepancies between its actual experience during the base period and the calculations it is using to determine the new rate. In particular, Geneseo appears to have overstated its local switching revenue requirement by a factor of four, understated its demand by a factor of four, and failed to account for its universal service funding. Each of these discrepancies has the effect of substantially inflating Geneseo's rates.

Ironton's July 1, 2011 tariff contains two clear bases for suspension and investigation. First, Ironton's traffic volumes have increased dramatically from about 7.2 million minutes of use ("MOUs") in 2009 to at least 43 million MOUs in 2010 as a result of apparent traffic stimulation schemes that Ironton initiated in mid-2010. The Commission has held that the existence of recent and sharp increases in traffic volumes "raise substantial questions of lawfulness that warrant investigation"³ because such circumstances "can generate increased revenues that likely would result in rates that are unjust and unreasonable."⁴ Consistent with the Commission's prior rulings in similar cases, the Commission should suspend and investigate Ironton's July 1, 2011 tariff, prescribe just and reasonable rates based on Ironton's more recent traffic volumes, and require Ironton to include a provision in its tariff that requires it to file an updated tariff within 60 days if its demand increases by more than 100 percent compared to the demand levels on which its previous rates were set. The second problem with Ironton's tariff is that there is a large unexplained and undocumented discrepancy in the MOUs used by Ironton to compute rates. Ironton reported to NECA that its local switching MOUs for 2009 and 2010 totaled about 90.5 million, but in its July 1, 2011 tariff filing, it set rates based on only about 50.5

³ See *2007 Suspension Order* ¶ 3. See also *Investigation of Certain 2007 Access Tariffs*, Order Designating Issues For Investigation, 22 FCC Rcd. 16109 (2007) ("*2007 Traffic Stimulation Order*").

⁴ *Id.*

million MOUs for these periods, resulting in substantially inflated rates. The Commission should therefore suspend and investigate Ironton's tariff for the additional reason that this discrepancy needs to be addressed to ensure that rates are set based on the proper number of MOUs.

NTELOS' July 1, 2011 tariff should be suspended and investigated because it contains unexplained and undocumented increases to its monthly number of intertoll dial ("ITD") circuits that substantially inflate its rates. This undocumented increase in monthly ITD circuits is especially suspect given NTELOS' projections of substantial declines in tandem switching minutes (which are one of the drivers of the need for ITD circuits). It appears that NTELOS' unexplained ITD circuits were adopted by NTELOS solely to avoid rate reductions that would have been required by adjustments to NECA's average schedule formula that, absent the large unexplained increase in ITD circuits, would have put significant downward pressure on NTELOS' rates.

Brookings' July 1, 2011 tariff should be suspended and investigated because it failed to comply with the Commission's rules that require Brookings to remove line port costs from its local switching revenues before computing its local switching rate. In addition, Brookings appears to have improperly excluded large numbers of MOUs from its rate calculation. These errors substantially inflate Brookings' local switching rate.

The Bureau has ample authority to suspend and investigate these tariffs and to adopt the remedies proposed herein. Section 204 of the Act, 47 U.S.C. § 204, grants the Commission broad authority, on its own initiative or upon request, to suspend and investigate tariff filings that propose rates that are of questionable lawfulness. As the Commission has recognized, suspension and investigation of tariffs is an especially essential element of the core mandate to

ensure just and reasonable rates where highly suspect tariffs that raise substantial questions of lawfulness are filed on a streamlined basis.⁵ As such, the Bureau (*see* §§ 0.91, 0.291), acting on delegated authority, clearly has independent authority pursuant to section 204 of the Act to suspend and investigate tariffs on its own motion where, as here, there are significant questions concerning the lawfulness of the tariffs.⁶

The Bureau also has authority to suspend and investigate tariffs under section 1.773(a)(1)(iii) of the Commission's Rules, 47 C.F.R. § 1.773(a)(1)(iii), if it determines (1) "there is a high probability that the tariff would be found unlawful after investigation"; (2) "any unreasonable rate would not be corrected in a subsequent filing"; (3) "irreparable injury will result if the tariff is not suspended"; and (4) "the suspension would not otherwise be contrary to the public interest." 47 C.F.R. § 1.773(a)(1)(iii). These elements are clearly satisfied here. First, as demonstrated below, there is an exceedingly high probability that these tariffs will be found to be unlawful. Second, these filers have provided no indication that they will correct these unreasonable rates in a subsequent filing. Third, irreparable injury will result if the tariffs are not suspended because the excessive rates will be "deemed lawful," which may foreclose

⁵ *See, e.g., July 1, 2004 Annual Access Charge Tariff Filings*, Memorandum Opinion and Order, 19 FCC Rcd. 23877, ¶ 7 (2004) ("*2004 NECA Tariff Investigation Order*") ("When tariffs . . . are filed pursuant to the 'deemed lawful' provisions of the statute . . . it is incumbent upon us to suspend and investigate the tariff filing if it may reflect unjust and unreasonable rates").

⁶ *See Investigation of Access and Divestiture Related Tariffs*, Memorandum Opinion and Order, CC Docket No. 83-1145, FCC 84-70, 1983 FCC LEXIS 396, ¶ 8 n.6 (1983) (rejecting argument that a "request for suspension should be denied as premature and not in compliance with Section 1.773" and finding that the Commission "need not reach these arguments, since the Commission has the authority on its own motion to suspend and investigate tariffs, 47 U.S.C. § 204(a), and we [the Commission] have concluded that the circumstances of this case warrant such action").

refunds for excessive charges.⁷ Fourth, suspension is clearly in the public interest because it will help to prevent substantial overcharges that ultimately are borne by consumers.

I. GENESEO TELEPHONE COMPANY

Geneseo has not provided any reasonable justification for its local switching or tandem switching rates. Contrary to the Commission's rules, Geneseo's own submissions contain enormous unexplained discrepancies between its actual experience during the base period and the calculations it is using to determine the new rate.

First, Geneseo has not justified its local switching revenue requirement. Geneseo's tariff contains a local switching revenue requirement of \$1,612,173 for the two-year monitoring period.⁸ Geneseo's supporting materials, however, provide no explanation or documentation of how it calculated this figure; it appears to have plucked the number out of thin air. The only documentation that Geneseo's tariff does provide shows that its local switching revenue requirement is actually \$538,086 for the two-year monitoring period.⁹ The Commission should suspend and investigate Geneseo's tariff to ensure that this nearly threefold discrepancy has not resulted in grossly excessive local switching rates.¹⁰

⁷ 2004 NECA Tariff Investigation Order ¶ 7 ("Rates that are 'deemed lawful' are not subject to refund").

⁸ Geneseo Telephone Company FCC Tariff No. 1, Transmittal No. 15 (filed June 16, 2011), Work papers provided upon request from carrier.

⁹ *Id.*

¹⁰ Not only is Geneseo's local switching revenue requirement overstated, it appears to be completely offset by universal service funding. The Commission's rules require an average schedule LEC like Geneseo to remove local switching support from the local switching revenue requirement. See 47 C.F.R. § 69.106(b). In this instance, Geneseo's supporting documentation indicates that its local switching revenue requirement is \$538,086 for the two year period 2009-2010 (\$294,309 for 2009 and \$243,777 for 2010), but according to Geneseo's documentation it received nearly twice that amount – \$1,007,784 – in local switching support (\$589,056 for 2009 and \$418,728 for 2010). Geneseo Telephone Company FCC Tariff No. 1, Transmittal No. 15 (filed June 16, 2011), Work papers provided upon request from carrier. For this additional

Second, the Commission should investigate both Geneseo's local and tandem switching rates because Geneseo appears to have dramatically understated its local switching demand in its rate calculation. Geneseo reported to NECA that it had access minutes of 73,447,819 and 9,382,995 respectively for 2009 and 2010, for a total of 82,830,814 access minutes for the two-year period.¹¹ In its July 1, 2011 tariff filing, however, Geneseo reports its minutes of use as only 20,083,653 (10,687,169 for 2009 and 9,396,484 for 2010) for the same two-year period.¹² Geneseo's rates are essentially its costs plus an 11.25 percent return and taxes, divided by its prior two-year demand, and therefore understating demand has the effect of inflating the rates. Here, even ignoring all of the other problems with Geneseo's tariff, this error alone inflates rates by nearly \$2 million on an industry-wide basis over two years.¹³ The Commission should therefore suspend and investigate Geneseo's tariff to determine the reasons for the fourfold discrepancy between its historical demand and the demand figures that Geneseo has used to calculate its rate.

Third, the Commission should investigate Geneseo's tandem switching rate for the additional reason that the rate is based on the incorrect assumption that Geneseo's tandem switching minutes are the same as its local switching minutes. If Geneseo's local switch were the only switch that homed to Geneseo's tandem switch, then this assumption could in theory be justified. In fact, however, as shown in Exhibit B, there are multiple other carriers that also

reason, the Commission should suspend and investigate these discrepancies, to ensure that Geneseo does not charge excessive local switching rates or obtain a double recovery from the Universal Service Fund.

¹¹ NECA & USAC Data, Network Usage Report 2006 to 2010, <http://transition.fcc.gov/wcb/iatd/neca.html> ("NECA & USAC Data").

¹² Geneseo Telephone Company FCC Tariff No. 1, Transmittal No. 15 (filed June 16, 2011), Work papers provided upon request from carrier.

¹³ See Exhibit A.

home to Geneseo's tandem switch. That means that Geneseo's tandem switch carries not only minutes generated by Geneseo's local switch, but also minutes generated by these other carriers' local switches. Further, AT&T billing records confirm that Geneseo's tandem switching MOUs exceed its local switching MOUs. Thus, Geneseo's tandem switching MOUs must be much higher than its local switching MOUs. The Commission should therefore suspend and investigate Geneseo's tariff to determine the correct number of tandem switching minutes to be used for developing Geneseo's tandem switching rate.

Fourth, Geneseo's transport and facility termination settlements are inflated by unexplained and undocumented large increases in interstate circuits, terminations, and circuit miles. Geneseo's prior tariff filing reported interstate circuit counts of 2,016, but for its July 1, 2011 tariff filing, it has more than doubled the number of those circuits to 4,128.¹⁴ Similarly, Geneseo nearly doubled its reported terminations from 2,544 to 4,536, and it increased its reported circuit miles from 58,512 to 93,720.¹⁵ As shown in Exhibit C, these unexplained and undocumented increases vastly inflate Geneseo's transport facility and termination settlements from a two-year total of \$1,026,732 to \$1,998,551 on an industry-wide basis. The Commission should therefore suspend and investigate Geneseo's tariff to determine the reasons for these very large, but unexplained and undocumented, increases.

II. IRONTON TELEPHONE COMPANY

The Commission should suspend for one day, investigate, and set for accounting the July 1, 2011 tariff filed by Ironton because this tariff raises significant questions of lawfulness, for at least two reasons.

¹⁴ See Exhibit C.

¹⁵ *Id.*

First, the Commission should suspend and investigate Ironton's tariff because the rates it filed are based on relatively low historical traffic volumes that do not reflect the extraordinary increases in traffic volumes related to Ironton's apparent recent involvement in traffic stimulation schemes. At the end of 2009, Ironton reported traffic volumes of 7,244,165 MOUs.¹⁶ But beginning in April 2010, Ironton's traffic volumes began to sharply increase. Its MOUs more than tripled in April 2010, and continued to rapidly increase thereafter. By the end of 2010, its annual volumes had increased to at least 43.3 million MOUs – or by more than 500 percent.¹⁷

The Commission held in its *2007 Suspension Order* that such sharp increases in traffic, which are typically associated with traffic stimulation schemes,¹⁸ “raise substantial questions of lawfulness that warrant investigation,”¹⁹ and the Commission has specifically suspended tariffs to determine “whether the rates filed [by LECs] will remain just and reasonable if demand increases dramatically.”²⁰ As the Commission recognized, LECs like Ironton that file tariffs pursuant to section 61.39 of the Commission's Rules, 47 C.F.R. § 61.39, compute rates by

¹⁶ See Exhibit D.

¹⁷ As discussed below, there is a discrepancy in the 2010 MOUs reported by Ironton in its July 1, 2011 tariff (43.3 million) and those it reported to NECA (83.2 million). Either way, Ironton's MOUs have increased dramatically compared to 2009 (7.2 million MOUs).

¹⁸ Traffic stimulation schemes work as follows: (1) the LEC enters into revenue sharing arrangements with communications service providers offering (usually “free”) chat and other domestic and international calling services, which results in millions of calls between non-residents of the rural communities the LEC serves being routed through the LEC's exchange; (2) the LEC files an individual tariff under Rule 61.39 that establishes high terminating access charges based on the false pretense that its traffic volume will continue at historically low levels; and (3) the LEC bills its access customers terminating access charges for these calls, generating revenues and returns that exceed the LEC's cost of service and authorized return by orders of magnitude.

¹⁹ *2007 Suspension Order* ¶ 3.

²⁰ *Id.* ¶ 15.

essentially dividing their costs plus the Commission-prescribed 11.25 percent rate-of-return and taxes, by their projected traffic volumes (which for average schedule carriers like Ironton are the average of the prior two years' MOUs). The projected traffic volumes are typically permitted to be based on historical demand, because for ordinary LECs demand tends to be steady over time.²¹ But where a LEC's traffic volumes are rapidly rising – typically caused by traffic stimulation schemes – its actual prospective demand will be substantially higher than any projections based on historical demand. As a result, the LEC's rates will be set too high, and the LEC will earn returns that far exceed the permissible 11.25 percent. As the Commission has explained, these circumstances “can generate increased revenues that likely would result in rates that are unjust and unreasonable.”²²

Ironton's tariff presents an even clearer case for suspension and investigation than those at issue in the 2007 suspension and investigation orders. In 2007, the Commission suspended and investigated the tariffs of several LECs based on strong evidence that the rates in those LECs' tariffs would produce returns that exceed the Commission-prescribed 11.25 percent level because those LECs were likely to engage in traffic stimulation schemes resulting in rapidly increasing traffic volumes, even though the LECs had not yet initiated such schemes.²³ Here, by contrast, Ironton's traffic is already skyrocketing, and it is thus clear the rates in its July 1, 2011 tariffs will produce returns that substantially exceed the 11.25 percent prescribed level.

²¹ *2007 Traffic Stimulation Order* ¶ 15.

²² *Id.*

²³ *Id.* ¶ 32.

In its July 1, 2011 tariff filing, Ironton filed rates for the 2011/2012 tariff period based on its traffic volumes for 2009 (7,244,165 MOUs) and 2010 (43,348,908 MOUs).²⁴ But Ironton's traffic volumes for these periods vastly understate the traffic volumes it will obtain in the 2011/2012 tariff period because the 2009/2010 volumes include the much lower traffic volumes incurred by Ironton before it had implemented its traffic stimulation schemes in April 2010. In short, the rates in Ironton's July 1, 2011 tariff for the 2011/2012 period assume traffic volumes that are a small fraction of the volumes it is actually experiencing. Consequently, its actual traffic volumes for the 2011/2012 tariff period clearly will far exceed the volumes on which the rates are based, and thus will result in returns that substantially exceed the Commission-prescribed 11.25 percent level. Because Ironton's tariff raises substantial questions of lawfulness, the Commission should – as it has in the past when confronted with similar facts – suspend and investigate, and set for accounting Ironton's tariff.

In 2007, the Commission permitted the LECs whose rates were suspended to avoid investigation and prescription by including language in their tariff that required them to file new tariffs if their traffic volumes in any month exceeded 100 percent of the volume in the same month in the previous year. That “safe harbor” does not provide adequate protection here. Unlike the LECs that were subject to the 2007 suspension and investigation, Ironton has already begun its traffic stimulation schemes. Consequently, its year-ago traffic volumes are already inflated by traffic stimulation volumes, which provides it vast headroom to continue to increase its traffic volumes without triggering the tariff re-filing requirement. For example, Ironton's monthly traffic volume for December 2010 was 8,540,240 MOUs. Under such a safe harbor Ironton could continue its traffic pumping schemes by increasing volumes to at least 17 million

²⁴ ICORE, INC. Tariff F.C.C. No. 2, Transmittal No. 99 (filed June 16, 2011), Work papers provided upon request from carrier.

MOUs by next December and avoid having to file a corrected tariff. Thus, immediate rate reductions are necessary in this proceeding to ensure that the 2011/2012 rates reflect current (traffic stimulation inflated) volumes.

The proper approach here is for the Commission to suspend and investigate, and order an accounting of Ironton's tariff. As part of that investigation, the Commission should determine appropriate demand projections for Ironton, and require it to set rates for the 2011/2012 tariff period based on those projections. AT&T supports, for example, resetting Ironton's rates based on historical traffic volumes for the period from April 2010 through May 2011. In addition, after the traffic sensitive rates for Ironton have been reset, it should be required to include a provision in its tariff that requires it to file an updated tariff within 60 days if its demand increases by more than 100 percent compared to the demand levels on which its previous rates were set.

There is a second independent reason to suspend and investigate Ironton's tariff. There is a significant discrepancy between the 2009/2010 MOUs that Ironton reported to NECA and the 2009/2010 MOUs that Ironton used in its July 1, 2011 tariff, and this discrepancy results in significantly inflated rates. Ironton reported to NECA that its local switching MOUs for 2009 and 2010 totaled 90.5 million.²⁵ Based on those minutes, Ironton's local switching rate – which is essentially its costs plus an 11.25 percent return and taxes, divided by these MOUs – would have been \$0.003072.²⁶ But in its July 1, 2011 tariff filing, Ironton, with no explanation or documentation instead set its rates as if it had carried only about 50.5 million MOUs in 2009 and 2010. By effectively reducing the denominator in its rate calculation by about 45 percent (90.5

²⁵ NECA & USAC Data.

²⁶ See Exhibit E.

million to 50.5 million), Ironton filed a local switching rate that is inflated by \$112,132 per year on an industry-wide basis.²⁷

III. NTELOS TELEPHONE INC.

NTELOS filed rates with its July 1, 2011 tariff that are based on the unexplained and undocumented assumption that the monthly number of intertoll dial (“ITD”) circuits for NTELOS will increase by nearly 70 percent compared to the previous tariff period (from 16,157 for the 2009/2010 tariff period to 27,644 for the 2011/2012 tariff period).²⁸ This increase in ITD circuits substantially inflates NTELOS’ revenue requirement, which in turn inflates its rates by about \$697,431 per year on an industry-wide basis.

NTELOS’ unexplained and undocumented increase in ITD circuits is especially suspect given that the other data submitted by NTELOS strongly indicates that the number of monthly ITD circuits should have been significantly reduced compared to the 2009/2010 tariff period. ITD circuits are used for tandem switched calls. It follows, therefore, that the fewer tandem switched MOUs, the fewer ITD circuits in the network. According to the data in NTELOS’ July 1, 2011 tariff, it expects about a 12 percent decline in tandem switching MOUs for the 2011/2012 tariff period compared to the prior tariff period (from 1,019,516,475 MOUs to 889,110,811 MOUs),²⁹ which should result in a decline in ITD circuits, not a sharp increase.

It appears that NTELOS has artificially inflated the number of ITD circuits used in its 2011/2012 tariff filing to offset decreases to its rates that would have occurred if it had maintained the number of circuits it reported for the 2009/2010 tariff period. NTELOS, as an

²⁷ See Exhibit E.

²⁸ Compare ICORE, INC. Tariff F.C.C. No. 2, Transmittal No. 91 (filed June 16, 2009) with ICORE, INC. Tariff F.C.C. No. 2, Transmittal No. 99 (filed June 16, 2011).

²⁹ Compare ICORE, INC. Tariff F.C.C. No. 2, Transmittal No. 91 (filed June 16, 2009) with ICORE, INC. Tariff F.C.C. No. 2, Transmittal No. 99 (filed June 16, 2011).

average schedule carrier, sets rates using the NECA average schedule formulas adopted by the Commission. In recent years, NECA has recognized that carriers with large numbers of ITD circuits, such as NTELOS, enjoy significant economies of scale, and NECA has proposed revised average schedule formulas to account for these economies of scale, which the Commission has adopted.³⁰ As a result of these changes to the average schedule formulas, NTELOS would have been required to reduce its tandem switching rates. Thus, it appears that NTELOS has sought to avoid reductions in its rates associated with the changes to the average schedule formulas by arbitrarily inflating the number of ITD circuits it reported for the 2011/2012 tariff period.

Assuming that NTELOS' 2011/2012 tariff reflected the same number of monthly ITD circuits as its 2009/2010 tariff period (a conservatively high number, given the substantial reductions in the number of tandem switching MOUs that has occurred), NTELOS' tandem switching rate should be no higher than \$0.002945.³¹ By arbitrarily inflating the number of monthly ITD circuits, NTELOS has instead filed a rate of \$0.004498, producing an industry-wide over-recovery of about \$697,431 per year.³²

IV. CITY OF BROOKINGS MUNICIPAL TELEPHONE DEPARTMENT

The Commission should suspend and investigate the July 1, 2011 tariff filed by Brookings for two reasons. First, Brookings' tariff contains a clear violation of the Commission's rules. The Commission's rules require carriers to remove line port costs from

³⁰ *National Exchange Carrier Association, Inc., 2009 Modification of Average Schedules*, Order, DA 09-1204, WC Docket No. 08-248 (rel. May 28, 2009).

³¹ See Exhibit F.

³² See Exhibit F.

their local switching revenues for the purposes of computing local switching rates.³³ Brookings, however, did not remove line port costs from its local switching revenue requirement when it developed its rates. This error inflates Brookings' local switching rates by \$86,499 on an industry-wide basis.

Second, there is a significant discrepancy between the number of local switching access MOUs that Brookings reported to NECA and the number of access MOUs contained in its July 1, 2011 tariff. For 2010, Brookings reported 29,040,412 local switching access MOUs to NECA. But in its July 1, 2011 tariff, Brookings set rates based on substantially fewer MOUs. Brookings indicates that the discrepancy is explained by the fact that it removed MOUs associated with CMRS traffic. But Brookings has provided no documentation that the minutes it removed relate to intraMTA or other types of CMRS minutes that could theoretically be excluded from access minutes. Nor does Brookings explain why it reported those minutes as local switching access minutes to NECA, but now claims they are not access minutes for rate-making purposes. This apparent error in Brookings' tariff inflates rates by more than \$500,000 for the two-year tariff period on an industry-wide basis.

³³ *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers*, Second Report and Order and Further Notice of Proposed Rulemaking, FCC 01-304, CC Docket No. 00-256, ¶ 90 (rel. Nov. 8, 2001); 47 C.F.R. § 69.307(d)(2).

CONCLUSION

For the reasons stated above, the Commission should suspend for one day and investigate the tariffs set forth in Attachment 1, hereto, and impose an accounting order.

Errata Dated: June 23, 2011
(Originally Dated: June 22, 2011)

David L. Lawson
Christopher T. Shenk
Brendan J. McMurrer
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, D.C. 20005
Tel: (202) 736-8000
Fax: (202) 736-8711

Respectfully submitted,

AT&T Corp.

/s/ William A. Brown

Gary L. Phillips
William A. Brown
AT&T Services Inc.
1120 20th Street, N.W.
Suite 1000
Washington, D.C. 20036
(202) 457-3007

Attorneys for AT&T Corp.

Please Send and Fax Replies To:

Christopher T. Shenk
SIDLEY AUSTIN LLP
1501 K Street, N.W.
Washington, D.C. 20005
Tel: (202) 736-8689
Fax: (202) 736-8711

Please Direct Questions Related To This Filing To:

Jack Habiak
Director – Financial Analysis, AT&T Corp.
2A127
1 AT&T Way
Bedminster, NJ 07921
Tel: (908) 234-5950

CERTIFICATE OF SERVICE

I hereby certify that on June 23, 2011, I caused true and correct copies of the foregoing
Petition of AT&T Corp. (Errata) to be served on the following persons as described below:

Richard Kwiatkowski Pricing Policy Division Wireline Competition Bureau Federal Communications Commission 445 12th Street, S.W., Room 5-A460 Washington, D.C. 20554 Email: Richard.Kwiatkowski@fcc.gov (3 paper copies by hand delivery and by email)	Tina Bobbyn ICORE, Inc. 326 South Second Street Emmaus, PA 18049 Fax: (610) 928-5036 (by Fax)
Chief, Pricing Policy Division Wireline Competition Bureau Federal Communications Commission 445 12th Street, S.W., Room 5-A225 Washington, D.C. 20554 (1 paper copy by hand delivery and by email to Pamela.Arluk@fcc.gov)	Scott Rubins Geneseo Telephone Company 111 East First Street Geneseo, IL 61254 Fax: (309) 944-4406 (by Fax)
Best Copy and Printing, Inc. Portals II 445 12th St., S.W., Room CY-B402 Washington, D.C. 20554 Email: FCC@BCPIWEB.COM (by email)	Gerard J. Duffy Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP 2120 L Street, N.W. Washington, D.C. 20337 Fax: (202) 828-5568 (by Fax) <i>Counsel for City of Brookings Municipal Telephone Company</i>

/s/ Brendan J. McMurrer

Brendan J. McMurrer

ATTACHMENT 1

**TARIFFS THAT THE COMMISSION SHOULD
SUSPEND FOR ONE DAY AND INVESTIGATE**

<u>COMPANY</u>	<u>FCC TARIFF NO.</u>	<u>TRANSMITTAL NO.</u>
Irononton Telephone Company	ICORE, INC. Tariff F.C.C. No. 2	Transmittal No. 99
NTELOS Telephone Inc.	ICORE, INC. Tariff F.C.C. No. 2	Transmittal No. 99
Geneseo Telephone Company	FCC Tariff No. 1	Transmittal No. 15
City of Brookings Municipal Telephone Department	Tariff F.C.C. No. 2	Transmittal No. 19

EXHIBIT A

GENESEO TELEPHONE COMPANY

July 1, 2011 Tariff Rate Development (based on two-year revenue requirement and demand)

	As Filed	Revised	Difference	Industry Impact
Local Switching Revenue Requirement	\$1,612,173	\$1,612,173		
Shift to ICLS - TIC Portion	\$161,688	\$161,688		
Local Switching Support (LSS)	\$1,007,784	\$1,007,784		
Residual Switching Revenue Requirement	\$442,701	\$442,701		
Local Switching MOU	20,083,653	82,830,814		
Local Switching Rate	\$0.0220	\$0.0053	(\$0.0167)	(\$1,383,126)
Total Transport Revenue Requirement	\$1,998,549	\$1,998,549		
Shift to ICLS - Line Port	\$779,178	\$779,178		
Direct Trunk Revenues	\$990,807	\$990,807		
Tandem Switched Transport Revenues	\$54,628	\$54,628		
Residual Tandem Switching Revenue Requirement	\$173,936	\$173,936		
Tandem Switching MOU*	20,083,653	82,830,814		
Tandem Switching Rate	\$0.0087	\$0.0021	(\$0.0066)	(\$543,427)
		Total Revenue 2-Year Impact		(\$1,926,553)
		Total Revenue Annual Impact		(\$963,276)

*Does not reflect MOUs of other carriers that use the Geneseo Tandem

EXHIBIT B

GENESEO TELEPHONE COMPANY Carriers Using Geneseo Tandem for Switched Access

CARRIER	CATEGORY	OCN	SWITCH	HOST	H-ORG D TDM
CAMBRIDGE TELEPHONE CO.	ILEC	0983	CMBRILXDDS0		GENSILXD00T
CAMBRIDGE TELEPHONE CO.	ILEC	0983	OSCOILXDDS0		GENSILXD00T
GENESEO TELEPHONE CO.	ILEC	1016	GNRVILXDDS0		GENSILXD00T
GENESEO TELEPHONE CO.	ILEC	1016	GNRVILXNDS0		GENSILXD00T
GENESEO TELEPHONE CO.	ILEC	1016	GENSILXDDS1		GENSILXD00T
HENRY COUNTY TELEPHONE CO.	ILEC	1029	ATSNILXDDS0		GENSILXD00T
HENRY COUNTY TELEPHONE CO.	ILEC	1029	ANWNILXDDS0		GENSILXD00T
NEXTEL COMMUNICATIONS, INC.	WIRELESS	6232	GENSILXD0MD		GENSILXD00T
UNITED STATES CELLULAR CORP. - IOWA	WIRELESS	6266	CMBRILAD0MD		GENSILXD00T
SPRINT SPECTRUM L.P.	PCS	6664	DVNPIAHQCM0		GENSILXD00T
MEDIACOM TELEPHONY OF ILLINOIS, LLC - IL	CLEC	846F	GENSILXD2MD		GENSILXD00T
SPRINT COMMUNICATIONS COMPANY, L.P. - IA	CLEC	8939	DVNPIAEASMD		GENSILXD00T

Source: Local Exchange Routing Guide (LERG 7 SHA)

EXHIBIT C

GENESEO TELEPHONE COMPANY
(Interstate Circuits, Channel Terminations and Channel Mileage)

Month	Ckt Miles	IS Circuits	Ckt Term	Settlements	
				Transport	Termination
Jan-07	35,880	1,032	1,560	\$7,153	\$26,926
Feb-07	35,880	1,032	1,560	\$7,071	\$26,926
Mar-07	36,432	1,058	1,584	\$6,712	\$27,340
Apr-07	39,744	1,200	1,728	\$6,943	\$29,825
May-07	39,744	1,200	1,728	\$7,209	\$29,825
Jun-07	39,744	1,200	1,728	\$7,895	\$29,825
Jul-07	40,296	1,224	1,752	\$7,522	\$30,240
Aug-07	40,298	1,224	1,752	\$7,950	\$30,240
Sep-07	40,296	1,224	1,752	\$7,693	\$30,240
Oct-07	41,952	1,296	1,824	\$8,792	\$31,482
Nov-07	42,504	1,320	1,848	\$8,538	\$31,896
Dec-07	43,056	1,344	1,872	\$8,654	\$32,311
Total 2007				\$92,132	\$357,076
Jan-08	43,056	1,344	1,972	\$8,941	\$32,311
Feb-08	43,056	1,368	1,896	\$9,445	\$32,725
Mar-08	43,056	1,368	1,896	\$9,756	\$32,725
Apr-08	43,056	1,368	1,896	\$9,587	\$32,725
May-08	43,056	1,368	1,896	\$9,633	\$32,725
Jun-08	43,056	1,368	1,896	\$10,178	\$33,968
Jul-08	50,784	1,680	2,208	\$11,430	\$38,110
Aug-08	50,784	1,680	2,208	\$11,360	\$38,110
Sep-08	50,784	1,680	2,208	\$11,927	\$38,110
Oct-08	57,960	1,992	2,520	\$14,928	\$43,495
Nov-08	58,512	2,016	2,544	\$13,828	\$43,909
Dec-08	58,512	2,016	2,544	\$13,688	\$43,909
Total 2008				\$134,701	\$442,823
				\$226,833	\$799,899

Month	Ckt Miles	IS Circuits	Ckt Term	Transport	Termination
Jan-09	88,752	3,912	4,320	\$24,574	\$74,563
Feb-09	89,856	3,960	4,368	\$24,863	\$75,392
Mar-09	92,064	4,056	4,464	\$25,445	\$77,049
Apr-09	92,064	4,056	4,464	\$25,440	\$77,049
May-09	92,064	4,056	4,464	\$25,435	\$77,049
Jun-09	92,064	4,056	4,464	\$25,430	\$77,049
Jul-09	92,064	4,056	4,464	\$24,565	\$61,615
Aug-09	92,064	4,056	4,464	\$24,562	\$61,616
Sep-09	93,168	4,104	4,512	\$24,846	\$62,266
Oct-09	93,168	4,104	4,512	\$24,828	\$62,263
Nov-09	93,168	4,104	4,512	\$24,807	\$62,258
Dec-09	93,168	4,104	4,512	\$24,912	\$62,256
Total 2009				\$299,707	\$830,423
Jan-10	93,168	4,104	4,512	\$24,846	\$62,252
Feb-10	93,168	4,104	4,512	\$24,824	\$62,249
Mar-10	93,168	4,104	4,512	\$24,836	\$62,245
Apr-10	93,168	4,104	4,512	\$24,792	\$62,240
May-10	93,168	4,104	4,512	\$24,771	\$62,238
Jun-10	93,168	4,104	4,512	\$24,775	\$62,235
Jul-10	93,720	4,128	4,536	\$20,108	\$37,626
Aug-10	93,720	4,128	4,536	\$20,111	\$37,606
Sep-10	93,720	4,128	4,536	\$20,101	\$37,578
Oct-10	93,720	4,128	4,536	\$20,092	\$37,575
Nov-10	93,720	4,128	4,536	\$20,092	\$37,560
Dec-10	93,720	4,128	4,536	\$20,101	\$37,567
Total 2010				\$269,449	\$598,971
				\$569,156	\$1,429,395

Source: Geneseo Transmittal No. 13, Filed June 16, 2009, Work papers provided upon request from carrier.
Geneseo Transmittal No. 15, Filed June 16, 2011, Work papers provided upon request from carrier.

EXHIBIT D

IRONTON TELEPHONE COMPANY

July 1, 2011 Tariff MOUs*

Jan-09	698,003
Feb-09	626,225
Mar-09	670,969
Apr-09	621,794
May-09	589,343
Jun-09	586,150
Jul-09	588,931
Aug-09	580,121
Sep-09	554,240
Oct-09	563,119
Nov-09	593,753
Dec-09	571,517
2009 MOU	7,244,165

Jan-10	602,363
Feb-10	534,634
Mar-10	560,869
Apr-10	1,983,968
May-10	3,663,197
Jun-10	3,619,729
Jul-10	3,654,963
Aug-10	4,709,445
Sep-10	4,761,723
Oct-10	5,083,759
Nov-10	5,634,018
Dec-10	8,540,240
2010 MOU	43,348,908

Total 2009 & 2010 MOU	<u><u>50,593,073</u></u>
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*Source: ICORE, INC. Tariff F.C.C. No. 2,
Transmittal No. 99, Filed June 16, 2011

Irononton MOUs Reported to NECA**

2009	7,242,023
2010	83,284,098
Total 2009 & 2010	<u><u>90,526,121</u></u>

**Source: NECA Network Usage by Carrier, 2006
through 2010
<http://transition.fcc.gov/wcb/iatd/neca.html>

EXHIBIT E

IRONTON TELEPHONE COMPANY

July 1, 2011 Tariff Rate Development (based on two-year revenue requirement and demand)

	As Filed	Revised	Difference	Industry Impact
Local Switching Revenue Requirement	\$278,066	\$278,066		
Information Surcharge Revenue Requirement	\$6,049	\$6,049		
Local Switching Minutes	50,593,073	90,528,263		
Information Surcharge Minutes	505,931	905,283		
Local Switching Rate	\$0.005496	\$0.003072	(\$0.002425)	(\$219,489)
Information Surcharge Rate	\$0.011957	\$0.006682	(\$0.005275)	(\$4,775)
		Total Revenue 2-Year Impact		(\$224,264)
		Total Revenue Annual Impact		(\$112,132)

EXHIBIT F

NTELOS TELEPHONE COMPANY

July 1, 2011 Tariff Rate Development (based on two-year revenue requirement and demand)

	As Filed	Revised	Difference	Industry Impact
Tandem Switching Revenue Requirement	\$4,040,011	\$2,645,149		
Tandem Switching Minutes	898,110,811	898,110,811		
Tandem Switching Rate	\$0.004498	\$0.002945	(\$0.001553)	(\$1,394,862)
		Total Revenue 2-Year Impact		(\$1,394,862)
		Total Revenue Annual Impact		(\$697,431)