Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)
Southwestern Bell Telephone Company	)
Tariff F.C.C. No. 73	)
Transmittal No. 3022	)
Ameritech Operating Companies	)
Tariff F.C.C. No. 2	)
Transmittal No. 1430	)
Pacific Bell Telephone Company	)
Tariff F.C.C. No. 1	)
Transmittal No. 187	)
Nevada Bell Telephone Company	)
Tariff F.C.C. No. 1	)
Transmittal No. 84	)
Southern New England Telephone Company	)
Tariff F.C.C. No. 39	)
Transmittal No. 843	)

PETITION OF AT&T CORP.

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December 20, 2004

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PETITION OF AT&T CORP.

Pursuant to Section 1.773 of the Commission's Rules, 47 C.F.R. § 1.773, AT&T Corp. ("AT&T") submits this Petition to reject or, in the alternative, to suspend and investigate, the above-captioned Transmittals filed by Southwestern Bell Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, Nevada Bell Telephone Company, and Southern New England Telephone Companies, (collectively "SBC Companies" or "SBC") on December 13, 2004, in which the SBC Companies seek to amend their tariffs to provide them

with discretion to require massive "deposits" from virtually any access customer that the SBC Companies wish, and to reduce by half the notice period for service disconnects and refusals.[1]

INTRODUCTION AND SUMMARY

The SBC Companies' Transmittals are the latest in a long series of dominant local exchange carrier ("LEC") proposed tariff revisions that would provide them with unreasonable and anticompetitive discretion to demand large security deposits from their captive interstate access customers and to shorten the notice required before access service is terminated. The Commission has routinely rejected or suspended and set for investigation such Transmittals because the security deposit and service termination "terms significantly alter the balance between SBC and its interstate access customers with respect to the risks of nonpayment of interstate access bills" and "raise the question of whether" the proposed revisions are "nondiscriminatory."[2] For the reasons stated below, the Commission should reject or, at a minimum, suspend and investigate, the SBC Companies' most recent Transmittals seeking to alter these tariff terms.

First, SBC's proposed tariff revisions violate longstanding Commission precedent and the critical safeguards discussed in the Commission's most recent *Policy Statement*[3] addressing the

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[1] A tariff is subject to rejection when it is *prima facie* unlawful, in that it demonstrably conflicts with the Communications Act or a Commission rule, regulation or order. *See, e.g., American Broadcasting Companies, Inc.* v. *AT&T*, 663 F.2d 133, 138 (D.C. Cir. 1980); *MCI* v. *AT&T*, 94 F.C.C.2d 332, 340-41 (1983). Suspension and investigation are appropriate where a tariff raises substantial issues of lawfulness. *See* Memorandum Opinion and Order, *AT&T* (Transmittal No. 148), 56 Rad. Reg. 2d 1503 (1984); *ITT* (Transmittal No. 2191), 73 F.C.C.2d 709, 716 n.5 (1979) (citing *AT&T*, 46 F.C.C.2d 81, 86 (1974)).

[2] Order, *In the Matter of Ameritech Operating Companies Tariff FCC No. 2, Transmittal No. 20, et al.*, DA 02-2577, WC Docket No. 02-319, ¶ 14 (rel. Oct. 10, 2002).

[3] Policy Statement, *Verizon Petition for Emergency Declaratory and Other Relief*, FCC 02-337, WC Docket No. 02-202 (rel. Dec. 23, 2002) ("*Policy Statement*").

conditions under which LECs should be permitted to demand security deposits from access customers. The Commission's precedents allow dominant LECs to require security deposits, but only for certain access customers with either poor payment histories or with no established credit. SBC's proposed tariff language cannot be reconciled with these Commission decisions. SBC's proposed tariff provisions would permit SBC to demand deposits even from an access customer that just twice in 12 months paid merely one day "late" only 0.001% of a period's access bills – even if SBC sent the bill just one day before the due date. *See, e.g.,* Proposed Tariff § 2.5.2(A) (defining "established credit" to mean no late payments of any amount within the past 12 months).[4] There is no legitimate basis for tariff provisions that would subject an access customer that pays over 99.99% of its total bills on time to onerous security deposit requirements, because there is simply no reason to believe that such a carrier presents an extraordinary credit risk.

Second, SBC's proposed tariff revisions violate the Commission's longstanding limits on the LECs' termination of service requirements. The Commission has repeatedly stressed that service termination is an unreasonably harsh response to legitimate or insignificant billing disputes and that termination provisions must be narrowly tailored to apply only to customers that pose an extraordinary risk of non-payment. Most recently, the Commission made clear that any notice period for termination should be reduced *only* where a there is a showing that the LEC rendered a bill in sufficient time to permit the access customer fully to review and dispute the bill prior to the issuance of any LEC notice of termination.[5]

[4] The SBC Companies' proposed tariff revisions are nearly identical and are collectively referred to herein as "Proposed Tariff."

[5] *Policy Statement* ¶ 26.

SBC's proposed revisions to reduce the notice period for service termination by half – from 30 days to just 15 days – if SBC belatedly renders a bill as much as 7 business days (*i.e.,* as much as 10 calendar days) after the proper bill date are plainly inconsistent with these important Commission precedents, because it would expose carriers that pose no extraordinary risk of non-payment to service disruption. Interstate access bills are often thousands of pages long and can be extremely complex. It is patently unreasonable to expect access customers to be able to review and identify all disputes associated with such bills where SBC has cut their time to do so by up to a third of the typical 30 day bill payment cycle. Nor is there any basis to assume that a carrier that pays such a bill a few days late is an extraordinary credit risk to SBC. This proposed tariff provision is thus contrary to the Commission's recent emphasis that protection of customers from service disruptions is a top priority.

In all events, SBC's proposed tariff revisions should be rejected or suspended and investigated because SBC offers no justification whatsoever for the proposed changes. As noted, the Commission has recognized that changes to the security deposit and termination provisions of SBC's tariffs require substantial scrutiny to ensure that they are not unreasonably discriminatory. That is why the Commission has made clear that carriers seeking to amend those tariff provisions should "explain why other available measures have been unavailing."[6] SBC, however, offers only the conclusory (and incorrect) assertion that its changes are consistent with the Commission's *Policy Statement.* Indeed, SBC has not even attempted to demonstrate that its existing security deposit and termination protections are not adequate to identify and address situations in which an access customer presents an extraordinary risk of non-payment.

[6] Memorandum Opinion and Order, *Annual 1987 Access Tariff Filings*, 2 FCC Rcd. 280, 318 (1986) (*"1987 Access Tariff Order"*).

ARGUMENT

I. THE SBC COMPANIES' PROPOSED TARIFF PROVISIONS WOULD UNLAWFULLY PROVIDE SBC WITH DISCRETION TO DEMAND SECURITY DEPOSITS FROM VIRTUALLY EVERY ACCESS CUSTOMER.

SBC's and the other LECs' current tariffs have for over fifteen years permitted them to demand security deposits "*only*" for a narrow class of IXCs: first, those carriers that "ha[ve] a *proven history* of late payments" to the LEC, and second, those carriers that "d[o] not have established credit."[7] The Commission's original prescription of a narrow security deposit requirement was prompted by dominant LEC proposals to give the LECs discretion to require deposits from virtually any access customer.[8] Because the proposals applied so generally and could be applied selectively to carriers chosen unilaterally by the LEC, the Commission found that the LECs' proposed tariffs were "unreasonably onerous" in scope and had "anticompetitive effects."[9] Accordingly, the Commission determined that those proposed tariffs "*must* be amended" and prescribed the more narrow language limiting security deposits to carriers with a "proven history of late payments" or with "no established credit."[10]

The SBC Companies and other LECs have repeatedly sought, in a variety of contexts, to expand their ability to demand significant security deposits from other carriers. The LECs most recent onslaught of such unreasonable and discriminatory proposed tariff provisions occurred in 2002. The Commission suspended and investigated those tariffs, finding them to "significantly alter the balance between SBC and its interstate access customers with respect to the risks of nonpayment of interstate access bills that was struck in the early 1980s when access charges

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[7] Memorandum Opinion and Order, *Investigation of Access and Divestiture Related Tariffs*, 97 F.C.C.2d 1082, 1168-70 (1984) ("*1984 Access Tariff Order*") (emphases added).

[8] *Id.* at 1168-69.

[9] *Id.*

[10] *Id.* (emphasis added).

were instituted" and finding that the "revisions raise the question of whether" the proposed terms are "nondiscriminatory."[11] The LECs ultimately withdrew those tariff revisions.

Also in 2002 (in response to a Petition for Declaratory Ruling by Verizon), the Commission issued a *Policy Statement* describing some of the minimum safeguards that would have to be incorporated into any tariff revisions seeking to alter the existing security deposit requirements. Again, the Commission recognized that such provisions "could be used to disadvantage a competitor vis-à-vis the incumbent LEC's own retail operations, or large retail end-user customer who purchases interstate access."[12] The Commission thus "encourage[d] [the LECs] to explore narrower options than those proposed [in their previous proposed tariff revisions]."[13]

In fact, the *Policy Statement* provides very specific criteria to be reflected in any proposed tariff revisions. Relevant here are the access tariff provisions in the LECs' tariffs that permit LECs to demand security deposits only if access customers are deemed to have "a history of late payments" or if they have "not established credit."[14] The *Policy Statement* (¶ 26) makes clear that LECs should ensure that such provisions are not triggered where any underpayments are "*de minimis*" or where any previous payment was late by a "*de minimis*" period of time. As demonstrated below, SBC's proposed tariff provisions violate these requirements by permitting SBC to require access customers to pay hundreds of millions of dollars in deposits even for underpayments of less than 0.001% of the total amount of access payments owed to SBC in a

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[11] *E.g.*, Order, *In the Matter of Ameritech Operating Companies Tariff FCC No. 2, Transmittal No. 20, et al.*, DA 02-2577, WC Docket No. 02-319, ¶ 14 (rel. Oct. 10, 2002).

[12] *Policy Statement* ¶ 21.

[13] *Id.*

[14] Proposed Tariff § 2.5.2(A).

given period, and even if such underpayments are ultimately paid to SBC in as few as two days after the due date.

A. The Definition of "History of Late Payments" Used In The SBC Companies' Proposed Tariffs Fails To Comply With The Commission's Policy Statement.

The Commission's *Policy Statement* acknowledges that deposits may be appropriate where there is a "proven history of late payment," *i.e.*, where the customer has "fail[ed] to pay an undisputed amount of a monthly bill in any two of the most recent months."[15] But the *Policy Statement* also makes clear that deposits are appropriate only where "both the past due period and the amount of the delinquent payment are more than *de minimis*."[16] That is because a carrier that has underpaid by a *de minimis* amount or that paid late by a *de minimis* period does not present an extraordinary or abnormal credit risk that could justify the imposition of large security deposits. SBC's proposed tariff revisions violate these provisions of the *Policy Statement* with respect to both the amount of the delinquent payments and amount of time the payment is delinquent.

De minimis Delinquent Payment. SBC defines a "*de minimis* delinquent payment" to mean that for a particular bill in a particular billing period "the payment received was deficient in balance by 5% or less of the original billed undisputed amount."[17] The fundamental problem with this provision is that it ties the definition of "*de minimis* delinquent payment" to a single bill in a single billing period. In practice, SBC renders hundreds – sometimes even thousands – of access bills of various amounts to AT&T in each billing period. Some of these access bills are for tens of millions of dollars, while others are for tens of thousands of dollars. SBC's definition

[15] *Policy Statement* ¶ 26.

[16] *Id.*

[17] Proposed Tariff § 2.5.2(A).

of *"de minimis,"* therefore, could result in deposit requirements even where AT&T pays over 99.9% of the total amount billed by SBC in a given period, but where AT&T inadvertently underpays one specific bill in that period by 5%. A simple example illustrates this point: if SBC provides AT&T with a $1 million access bill and a $10,000 access bill in a given period (totaling $1,010,000), and AT&T pays the $1 million access bill in full but underpays the $10,000 access bill by 6% ($600), SBC's proposed tariff provisions would trigger deposit requirements against AT&T after just two such episodes within a year, even though AT&T would have paid over 99% of its total access bill in any given period. SBC does not even attempt to show that a carrier that pays over 99% of the amount billed should be considered an extraordinary credit risk and subject to hundreds of millions of dollars in security deposits.

SBC's proposed tariff revisions also fail to provide any exception for cases where a bill is paid late because SBC failed to render a timely bill. Under SBC's proposed tariff revisions, if SBC renders a bill just one day before it is due, and the access customer fails to pay that single bill by the next day, SBC would be entitled to give notice to the "delinquent" carrier of SBC's intent to impose massive security deposits on that customer. Clearly, in that situation, the customer's failure to pay a single bill does not mean that the customer presents an extraordinary credit risk that could justify the imposition of highly burdensome deposit requirements.

As the Commission has made clear, it is SBC's burden to show that revisions to the security deposit provisions in its tariff are justified when balancing "the incumbent LECs' exposure to uncollectibles against the burden that additional deposits would place upon incumbent LEC customers."[18] SBC has not, and cannot, satisfy that burden. Indeed, SBC's

[18] *Policy Statement* ¶ 20.

proposed revisions would impose massive security deposit requirements on customers that have paid virtually all bills on time and thus pose no heightened credit risk to SBC.

De minimis Past Due Period. SBC's proposed tariff provisions also include a definition of a *de minimis* "past due period" that is unreasonably discriminatory and that fails to comply with the *Policy Statement*. According to SBC's proposed tariff provisions, a late payment is *de minimis* if it is paid not more than one day late. Thus, if an access customer pays a bill more than one day late in any two billing periods in 12 months, SBC could, at its discretion, demand deposits from that customer. But, as noted, SBC sends hundreds or thousands of access bills to AT&T each period. The fact that AT&T may be a few days late on a few of the thousands of access bills it receives from SBC each year does not remotely mean that AT&T is an extraordinary credit risk and that SBC would be justified in demanding hundreds of millions of dollars in security payments from AT&T. Again, the balance of protecting SBC against exposure to uncollectibles and burdening SBC's customers with massive security deposits militates in favor of rejecting (or suspending and investigating) SBC's proposed tariffs.

SBC's proposed definition of *de minimis* late payment is unreasonably discriminatory also because it fails to reflect that SBC or a third party may be the cause of the late payment. For example, where SBC sends a bill to AT&T only days before the due date, a "late" payment could be entirely justified to ensure that AT&T has sufficient time to review the access bills. Moreover, late payments may even be caused by circumstances entirely outside the parties' control. AT&T and SBC rely on third party agents – usually banking institutions – to disburse and collect access payments made by AT&T to SBC. Like most banking institutions, AT&T's and SBC's disbursement and collection agents sometimes observe different banking holidays (or the same banking holidays at different times). For example, AT&T may authorize a

disbursement of a payment on Friday – the due date for the payment. That payment, however, may not be completed on Friday because SBC's collection agent may observe a particular bank holiday on that Friday. Then, AT&T's disbursement agent may be closed on the following Monday to observe the same bank holiday that SBC's agent observed the previous Friday. As a result, the payment will not actually be executed until the following Tuesday – *i.e.*, 5 days "late." If this happens two times in a year, SBC's proposed tariff language would trigger deposit requirements against AT&T, even though AT&T sought, in good faith, to deliver payments to SBC on time. In these circumstances, it is clear that AT&T would not constitute the type of credit risk that could justify the imposition of massive security deposits by SBC.

B. The Definition of "Established Credit" Used In SBC's Proposed Tariffs Fails To Comply With The Commission's Policy Statement And Is Unreasonably Discriminatory.

SBC's proposed tariff revisions would permit SBC to impose deposit requirements if a carrier fails to demonstrate that it has "established credit," even if the carrier does not have a "history of late payments."[19] According to SBC's proposed tariff, a customer has established credit only if "the customer or parent [company of the customer] can demonstrate that within the past 12 months the customer has paid *all* undisputed access billed amounts within the required bill payment dates to [SBC] or another telecommunications carrier or electric utility."[20] Thus, where a carrier has underpaid by any amount, and by only one day, any two bills within the past 12 months to – an act that would not trigger the "history of late payments" provision of SBC's proposed tariff – that carrier still would be subject to massive deposit requirements because, under SBC's Proposed Tariff, that carrier would lack "established credit." Moreover, by its

[19] Proposed Tariff § 2.5.2(A).

[20] *Id.*

terms, SBC's proposed "no established credit" clause could be triggered even if the access customer has satisfied the onerous criteria with respect to a particular SBC company, because SBC's proposed established credit criteria requires zero underpayments or late payments with respect to any "[]*other* telecommunications carrier or electric utility" as well.[21] These provisions plainly violate the Commission's Policy Statement, which precludes deposit demands for *de minimis* late- and under-payments, and permits SBC to unreasonably discriminate against access customers.

C. The SBC Companies' Proposed Tariff Revisions Should Be Rejected Because The SBC Companies Have Provided No Legitimate Justification For The Revisions.

The SBC Companies provide no legitimate justification for their proposed revisions to the security deposit provisions of the tariffs, even in the face of Commission orders requiring LECs to "explain why other available measures have been unavailing" to reduce non-payment risks. *1987 Access Tariff Order*, 2 FCC Rcd. at 318; *c.f. Policy Statement* ¶ 20 (discussing SBC's burden to show that revisions to the security deposit provisions in its tariff are justified when balancing "the incumbent LECs' exposure to uncollectibles against the burden that additional deposits would place upon incumbent LEC customers"). In stark contrast to the 2002 security deposit proposals that were themselves found inadequate, the SBC Companies do not provide a shred of evidence that their existing tariff provisions are failing to do an adequate job of identifying and addressing credit risk problems. The SBC Companies claim only that the

[21] *Id.* (emphasis added). Thus, for example, if AT&T and Southern New England Telephone Company ("SNET") engage in a billing dispute, and SNET unilaterally determines that AT&T has underpaid (or paid late) an access bill, then all of the other SBC companies would be entitled to impose massive deposit requirements on AT&T, even if AT&T has fully paid all bills rendered by those other SBC Companies in full and on time. SBC provides no reasoned explanation as to why one SBC Company should be permitted to consider AT&T to be an extraordinary credit risk when AT&T has fully paid all bills rendered by that company on time and in full.

revisions are "consistent with the Commission's policy statement."[22] That "explanation" is plainly inadequate. As noted, the *Policy Statement* (¶ 26) states that any tariff revisions should ensure that such deposits are not triggered by *"de minimis"* underpayments or past due periods. The SBC companies do not even attempt to explain how or why the proposed tariff changes comply with those requirements.

II. THE SBC COMPANIES' PROPOSED TARIFF REVISIONS WOULD UNREASONABLY AND DISCRIMINATORILY CUT IN HALF THE TERMINATION NOTICE PERIOD.

The Commission originally prescribed a notice period for termination of service of 30 days.[23] In so doing, the Commission rejected a LEC proposal to allow termination of service 20 days after written notice to an access customer that it had committed "any violation of the tariff."[24] In the 2002 *Policy Statement,* the Commission revisited the issue and concluded that it could be appropriate for LECs to "[r]educe the notice period for refusal or discontinuance of service from 30 days to some shorter period *for customers that receive bills quickly enough to allow review and dispute.*"[25]

The *Policy Statement*, of course, is not a license to engage in a series of small reductions in the termination notice periods that, when taken together, ultimately result in a substantial decrease in the termination notice requirements. Such a cumulative series of reductions would violate the plain language and the spirit of the *Policy Statement*, which seeks to ensure that the notice periods are, overall, sufficient to protect access customers and the public from unnecessary and unreasonable service disruption.

[22] SBC D&Js at 1. The Description and Justification documents submitted by the SBC Companies are virtually identical and are cited herein collectively as "SBC D&Js."

[23] *1984 Access Tariff Order* at 1155-56.

[24] *Id.* at 1155.

[25] *Policy Statement* ¶ 26 (emphasis added).

Here, of course, the SBC Companies are not proposing a small reduction in the termination notice requirements. On the contrary, SBC's proposed tariff revisions would, at one fell swoop, cut *in half* the current notice period to terminate service – from 30 calendar days to only 15 calendar days – without any adequate assurances that the customers will "receive bills quickly enough to allow review and dispute."[26] And, SBC's concurrent proposal that it would do so only if it sent a bill within "7 days of the bill date" is clearly insufficient time to permit customers to "review and dispute" a typical access bill. As noted, access bills are often thousands of pages long, and are extremely complex. An access bill usually includes both interstate and intrastate calls between and within numerous states. And because each state has different access rates, customers must verify that, for each line item on a bill, the correct access rate – interstate or intrastate, and if intrastate, the correct intrastate rate – was applied. Customers also must verify that the numerous elements for which access charges may be billed are appropriate. Customers also must verify that there are no repeated entries. These are just a few of the procedures necessary to verify a bill. Indeed, even after customers review a bill, they must document and present to SBC any disputed amounts. It is simply unreasonable to require carriers to do this within the truncated period provided in SBC's proposed tariffs.

Moreover, SBC's proposed tariff still would permit SBC to terminate service on only 15 days notice even when the bill is rendered later than 7 days of the bill date, or even seven days after the due date. SBC's proposed tariff would permit it to terminate service on 15 days notice as long the termination date is 30 days after the bill was rendered. But that would permit SBC, for example, to issue a bill just one day after the due date, and then send a termination notice 15

[26] *Id.*

days later on the grounds that the late-rendered bill was not paid on time. Such requirements are plainly anticompetitive and create substantial risk of unreasonable service disruption.

SBC's proposal to reduce the notice period to terminate service from 30 calendar days to only 15 calendar days is also unreasonable because it would apply whenever *any* access customer – even those that present no extraordinary payment risk – fails to pay an access bill. The Commission has recognized for many years that such accelerated termination provisions are not reasonable when they apply generally to access customers that pose no real risk.[27] Such provisions give the dominant LECs far too much leverage in negotiating billing or other disputes with access customers. The ability to so promptly terminate access services – which would disrupt the long distance services of an access customer's end-users – is a powerful threat in the hands of dominant LECs, which could and would be used in a discriminatory fashion.

And, there is no question that reducing the time for access customers to respond to the SBC Companies' claims that bills have not been paid increases the likelihood of service disruptions. The existing 30-day period provides time for carriers and the SBC Companies to work out legitimate billing and payment errors. The 30-day period also provides carriers with minor bill payment discrepancies to address those problems and to satisfy outstanding bills (with interest where appropriate) without disrupting service to end user customers. Reducing the termination intervals by more than half would substantially increase the likelihood that end user services would be disrupted in these situations.[28]

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[27] *See 1987 Access Tariff Order* at 304.

[28] Notably, in its *1987 Access Tariff Order*, the Commission found serious flaws with BellSouth's proposal (made concurrently with its proposal to increase security deposits) to reduce the notice period for termination to 15 days. *Id.* at 304. BellSouth claimed that this revision was necessary to reduce bankruptcy risks. The Commission rejected this rationale, and explained that the reduction in the termination period was "too broad" to "address the potential problems BellSouth has identified." *Id.* That was because the shorter period applied equally to *all* carriers, including those that did "not pose a risk [of non-payment] to BellSouth." *Id.* For

SBC's "termination" procedures are also extremely discriminatory. SBC would not simply cut an access customer's existing service, but would inform potential new end-user customers seeking to designate the terminated access carrier as the customer's primary interexchange carrier ("IXC") that the IXC is unavailable due to failure to pay its bills. Proposed Tariff § 2.1.6(A)(1) ("If an end user contacts [SBC] to designate the [terminated access] customer as the end user's PIC [primary interexchange carrier], the end user will be given a choice of either remaining with the end user's existing PIC or selecting a new PIC other than the [access] customer"). Such procedures could be extremely devastating to an access customer's business reputation with end-users, and thus could significantly and unreasonably hinder competition. That is especially true here, where the SBC Companies would be permitted to terminate service on only two weeks (plus one day) notice for *de minimis* late- or under-payments.

In all events, the SBC Companies' proposal to shorten the termination notice period should be rejected, or suspended and investigated, because SBC again fails to provide *any* legitimate justification for those revisions. As noted, prior Commission orders require LECs to "explain why other available measures have been unavailing" to reduce non-payment risks.[29] The SBC Companies claim only that their revisions are "consistent with the Commission's policy statement."[30] That "explanation" is no more adequate here than it was in the context of

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those carriers, the proposal to shrink the termination period would be unfairly burdensome and would sharply limit, for example, their "opportunity to review and verify their bills." *Id.* Accordingly, the Commission did not allow dominant LECs the discretion to insist upon shorter notice periods, at least absent both more "adequate documentation" on the actual losses and express limitations in any proposed tariff that "more directly applied *only* to those customers that might default." *Id*.

[29] *1987 Access Tariff Order* at 318.

[30] SBC D&Js at 1.

security deposits. Again, as noted, the *Policy Statement* does not foreclose SBC from reducing that period "from 30 days to some shorter period for customers that receive bills quickly enough to allow review and dispute."[31] But SBC offers no explanation why it should be allowed to benefit from its own actions drastically truncating, or even entirely eliminating, the requirement that it provide customers with bills "quickly enough to allow review and dispute" SBC' access bills.[32]

CONCLUSION

For the foregoing reasons, the Commission should reject, or at a minimum, suspend and investigate the SBC Companies' Tariffs that were filed on December 13, 2004.

Respectfully submitted,

/s/ Peter H. Jacoby

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December 20, 2004

[31] *Policy Statement* ¶ 26.

[32] *Id.*

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of December, 2004, I caused true and correct copies of the forgoing Petition of AT&T Corp. to be served on all parties by mailing, postage prepaid to their addresses listed on the attached service list.

Dated: December 20, 2004
Washington, D.C.

/s/ Christopher T. Shenk

Christopher T. Shenk

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