

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

In the Matter of

American Telephone and Telegraph Company

Transmittal No. 2288

Revisions to Tariff F.C.C. No. 12

ORDER

Adopted: June 21, 1990;

Released: June 22, 1990

By the Chief, Common Carrier Bureau:

1. This transmittal offers Virtual Telecommunications Network Service (VTNS) Option 48, by which the American Telephone and Telegraph Company (AT&T) will provide voice and data communications service between stations in the United States, Puerto Rico, the U.S. Virgin Islands, and specific international locations. The basic charge for VTNS under this option is \$962,600 per month, with a minimum annual charge of \$20,799,523. Transmittal 2288 at Sections 7.50.2.A, D. Volume pricing plans containing discounts for domestic and international service also apply. Option 48 rates are stabilized throughout a five-year term following substantially complete installation. See AT&T Transmittal 2288, at Sections 7.50 and 7.50.2.F, G.

2. On May 25, 1990, US Sprint Communications Company Limited Partnership (Sprint) filed a petition to reject, or alternatively, to suspend and investigate the instant transmittal. AT&T filed a reply on June 4, 1990.

3. Sprint argues that AT&T has failed to demonstrate that Option 48 is an integrated service package that is "unlike" its other component services. Petition at 1-2. Moreover, Sprint contends, AT&T's proposal of 49 separate VTNS offerings with similar rate structures makes clear that each such offering is designed for one customer. Additionally, Sprint maintains that various specifications in the transmittal also effectively restrict the offering to one customer. Therefore, Sprint asserts, the Commission should order AT&T to offer these rates under a generally available tariff, as in the case of the individual case basis (ICB) rates for the local exchange carriers' DS3 service. *Id.* at 2-4. Sprint also alleges that AT&T's cost support "is seriously deficient" and incorporates by reference the arguments it raised in its petitions against VTNS Options 17, 18, and 19, found in AT&T Transmittals 1810, 1826, and 1832, respectively. *Id.* at 4.

4. AT&T asserts that the Communications Act prohibits discrimination only between "like" services, and the Commission has held that Tariff 12 integrated service packages are not "like" the component services offered in separate tariffs. Therefore, AT&T maintains, the rates in Option 48 are not unjustly discriminatory. Reply at 3-4. AT&T also states that the Commission has consistently found AT&T's costing systems sufficient to support AT&T's Tariff 12

filings. These methods, AT&T contends, satisfy the requirements of Section 61.38 of the Commission's Rules. *Id.* at 7-9.

5. The Common Carrier Bureau has reviewed AT&T Transmittal No. 2288, Sprint's petition, and related pleadings. We conclude that no compelling argument has been presented that the tariff is patently unlawful so as to warrant rejection, and that an investigation is not warranted at this time.

6. Accordingly, IT IS ORDERED that the petition to reject, suspend, or investigate American Telephone and Telegraph Company Tariff F.C.C. No. 12, Transmittal No. 2288, filed by US Sprint Communications Company Limited Partnership, IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Richard M. Firestone
Chief, Common Carrier Bureau