

NEW APPLICATION
ORIGINAL



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BEFORE THE ARIZONA CORPORATION COMMISSION
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2005 MAR 31 P 4:17

AZ CORP COMMISSION
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Arizona Corporation Commission
DOCKETED

MAR 31 2005

DOCKETED BY *CAK*

IN THE MATTER OF THE)
APPLICATION OF AT&T)
COMMUNICATIONS OF THE MOUNTAIN)
STATES, INC. TO INCREASE ITS)
MAXIMUM RATE FOR BUSINESS)
CALLING CARD CALLS)
)
)

DOCKET NO. T-02428A-05-0226
AT&T'S APPLICATION TO
INCREASE MAXIMUM
SURCHARGE RATE FOR BUSINESS
CALLING CARD CALLS

Pursuant to R14-2-1110, AT&T Communications of the Mountain States, Inc. ("AT&T") hereby submits this Application to increase the maximum tariffed rate for a competitive telecommunications service. AT&T applies to increase the maximum surcharge rates for various intrastate business calling card calls. As grounds therefore, AT&T states as follows:

I. Reasons for Rate Increase

As a competitive telecommunications carrier, AT&T may choose to distinguish itself in any number of areas, in addition to price point competition. While the proposed increases will not present a dramatic revenue increase to the company, they will allow AT&T to increase its margins sufficiently on these cards so as to ensure their ongoing availability and the company's ability to increase its future service options.

Because AT&T is a competitive carrier it does not create cost studies or other such material typically employed by rate-of-return regulated entities to justify rate increases. Rather, as a competitor, AT&T needs to accomplish adequate revenue streams so as to ensure continued product availability and potential advances. Thus, AT&T seeks to increase its maximum tariffed surcharge rates.

The new rates requested by AT&T are just and reasonable. In a competitive market, such as the business calling card market, if a customer does not agree that the rate charged is fair and reasonable, that customer can choose a new provider for their business calling card needs. AT&T, through its own investigation, has concluded that the proposed increase will provide it with the appropriate increase in revenue needed while still keeping its customers satisfied and its services competitively priced.

If AT&T discovers its assessment is incorrect, it may adjust its calling card prices below the maximum rates requested in this application. AT&T has properly notified its customers of the proposed increases consistent with the Commission's requirements. *See* Notice and Affidavit of Mailing attached as Exhibit 1.

II. Schedule of Current and Proposed Rates

The table below sets out the current and proposed rates. The additional revenues to be derived from the proposed increases may be determined by simply noting the increase from the current rate to the proposed rate on a service-by-service basis. Because the use of these calling cards varies, the total revenue increase is difficult to predict.

Plan	Current Maximum Surcharge Rate	New Maximum Surcharge Rate	Current Surcharge Price	New Surcharge Price
AT&T All In One®				
- Rate Plans A, B, C, D	\$0.60	\$2.00	\$0.60	\$1.10
- Rate Plan F	\$1.00	\$3.00	\$1.00	\$1.50
- Rate Plans J, L	\$1.50	\$1.50	\$0.75	\$1.25
- MultiSaver Plan	\$1.50	\$1.50	\$0.75	\$1.25
- Advantage Plan/Advantage Term	\$1.20	\$3.00	\$0.60	\$1.10
CustomNet				
- Simply Better	\$1.20	\$2.60	\$0.80	\$1.30
- Flexible Pricing	\$1.20	\$2.60	\$0.60	\$1.10
Option S (Options I-VI)	\$1.20	\$2.60	\$0.80	\$1.30

Attached as Exhibit 2 to this application is Advice No. 531 which describes this proposed rate increase and explains which pages of the AT&T tariff are impacted by the change. Attached as Exhibit 3 to this Application are the revised tariff and price list pages.

III. Conclusion

For the foregoing reasons, AT&T respectfully requests that the Commission approve AT&T's request to increase its maximum surcharge rates on intrastate business calling card calls.

Submitted this 31st day of March, 2005.

AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC.

By 

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Attorneys for AT&T Communications of the Mountain States, Inc.

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EXHIBIT 1

March 15, 2005

Dear Valued AT&T Customer:

In a letter dated February 22, 2005, AT&T communicated a proposal to change the surcharge rate associated with AT&T Intrastate Calling Card calls. This letter is to inform you that the date of the rate change has moved to, May 22, 2005 and that the plans included in the rate change have been revised. We apologize for any inconvenience. Please note that effective May 22, 2005 AT&T is proposing the following changes to its surcharge rates associated with AT&T Intrastate Calling Card calls made by subscribers of the following AT&T plans in the state of Arizona.

Plan	Current Maximum Rate	New Maximum Rate	Current Surcharge Rate	New Surcharge Rate
AT&T All In One®				
- Rate Plans A, B, C, D	\$0.60	\$2.00	\$0.60	\$1.10
- Rate Plan F	\$1.00	\$3.00	\$1.00	\$1.50
- Rate Plans J, L	\$1.50	\$1.50	\$0.75	\$1.25
- MultiSaver Plan	\$1.50	\$1.50	\$0.75	\$1.25
- Advantage Plan/Advantage Term	n/a	\$3.00	\$0.60	\$1.10
CustomNet				
- Simply Better	\$1.20	\$2.60	\$0.80	\$1.30
- Flexible Pricing	\$1.20	\$2.60	\$0.60	\$1.10
Option S (Options I-VI)	\$1.20	\$2.60	\$0.80	\$1.30

These changes may increase your total charge and will be voted on at a future Open Meeting of the Arizona Corporation Commission. The proposed changes will become effective only upon approval by the Commission.

If you have further questions, please call AT&T's Customer Care Center at 1-877-325-0445 or call your AT&T Sales Representative. You may also contact the Consumer Services Section of the Arizona Corporation Commission at 602-542-4251 or 1-800-222-7000 or you may go to its website at <http://www.cc.state.az.us>.

Sincerely,

AT&T Calling Card Services

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Mary Jane Rasher
Tariff Specialist
303.470.5632
rasher@att.com

Advice No. 531

March 31, 2005

Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Re: AT&T Communications of the Mountain States, Inc.
Application to Increase Maximum Surcharge Rates and Surcharge Price List Prices

Attached are proposed tariff revisions to AT&T Communications of the Mountain States, Inc.'s Telecommunications Services Tariff and Telecommunications Services Price List.

The primary purpose of this filing is to increase the AT&T CIID/891 Calling Card Surcharge rates and prices for the following AT&T CustomNet and AT&T All In One Service plans:

- CustomNet Option S, Options I, II, III, IV, V and VI
- CustomNet Simply Better – Service Types 1 and 2
- CustomNet Simply Better – Flexible Pricing Plan
- AT&T All In One Plans A, B, C, D, F and J
- AT&T All In One Advantage Plan (Plan M) – Basic and Connected Pricing
- AT&T All In One Advantage Term Plan (Plan M) – Basic and Connected Pricing
- AT&T All In One Preferred Option Plan (Plan L)
- AT&T All In One MultiSaver Plan.

Additionally, text changes were made to explain the rate methodology for additional various All In One call plans in Section 39.3.2(2) and add the marketing plan name, Plan M, next to the AT&T All In One Advantage Plan and Advantage Term Plan.

Since the most of the proposed increases exceed the current maximum rates, new maximum rates and increased surcharge prices are being requested.¹ These revisions will become effective upon approval from the Commission. Customers have been notified of the proposed increases via individual letters that were mailed on March 15, 2005. A copy of the customer notice letter is included with this application as Exhibit 1.

This filing is made on March 31, 2005, and will go into effect upon approval from the Commission, but no earlier than May 22, 2005. Final tariff pages, listing the approved effective date, will be filed at that time.

The following Telecommunications Services Tariff pages are included with this filing:

<u>Section</u>	<u>Page</u>	<u>Release</u>
26	3	5
26	4	3
26	6	3
39	2	7
39	3	4
39	4	4
39	5	2
39	6	4
39	8	3
39	8.1	2
39	8.2	2
39	8.3	2
39	8.4	2

The following Telecommunications Services Price List pages are included with this filing:

<u>Section</u>	<u>Page</u>	<u>Release</u>
26	4	3
26	5	4
26	8	2
39	1	5
39	2	5
39	3	3
39	4	4
39	6	4
39	6.1	2
39	7	3
39	8	3

¹ Note: The AT&T CIID/891 Calling Card Surcharge Maximum Rates for the AT&T All In One Rate Plan J, AT&T All In One Preferred Option Plan (Plan L), and the AT&T MultiSaver Plan are not being increased at this time. The surcharge prices charged to customers will be increased, but these increase are below the current approved Maximum Rate for each plan. These increases are being included in this filing because they will go into effect upon Commission approval of the increases for the other plans.

Telecommunications Services Price List pages (continued):

<u>Section</u>	<u>Page</u>	<u>Release</u>
39	9	3
39	10	3
39	11	2
39	12	2

Please call me at 303.470.5632 if you have any questions.

Sincerely,

Mary Jane Rasher

Enclosures

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CUSTOM NETWORK SERVICES

SECTION 26 - AT&T CUSTOMNET SERVICE

26.2.A USAGE RATES (Cont'd)

4.Option S (Cont'd)

b. Inward Calling - Options I, II, III, IV and V

Maximum Rate [1]

Per Minute of Use

<u>Day</u>	<u>Evening</u>	<u>N/W</u>
\$0.4005	\$0.4005	\$0.4005

Inward Calling - Options VI

Maximum Rate [1]

Per Minute of Use

<u>Day</u>	<u>Evening</u>	<u>N/W</u>
\$0.4005	\$0.4005	\$0.4005

c. AT&T CIID/891 Card - Options I, II, III, IV, V and VI

Maximum Rate [1]

Per Minute of Use

<u>Day</u>	<u>Evening</u>	<u>N/W</u>
\$0.3750	\$0.3750	\$0.3750

d. AT&T CIID/891 Card Service Charge

<u>Per Call</u>
\$2.60 (I)

NOTE 1: See Price List for current rates.

Advice Letter No. 531

26.2.A USAGE RATES (Cont'd)

5. Outward Calling, - Service Type 1 - **Simply Better Pricing Option**

a. Switched Access

Maximum Rate [1]
Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2970	\$0.2970

b. Special Access

Maximum Rate [1]
Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.1980	\$0.1980

c. AT&T CIID/891 Card Service Type 1 & 2

Maximum Rate [1]
Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2970	\$0.2970

d. AT&T CIID/891 Card Service Charge Service Type 1 & 2

Maximum Rate [1]
Per Call
\$2.60 (I)

6. Outward Calling, - Service Type 2 - **Simply Better Pricing Option**

a. Switched Access

Maximum Rate [1]
Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2970	\$0.2970

NOTE 1: See Price List for current rates.

Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 26 - AT&T CUSTOMNET SERVICE

26.2.A USAGE RATES (Cont'd)

8. **Simply Better** Flexible Pricing Plan Switched Access (Cont'd)

b. Inward calling - Switched Access Maximum Rate [1]

Initial		Each Add'l
30 Seconds		1 Second
Or Fraction		Or Fraction

Threshold 1

InterLATA	\$0.1440	\$0.0048
IntraLATA	\$0.1440	\$0.0048

Threshold 2

InterLATA	\$0.1305	\$0.0044
IntraLATA	\$0.1305	\$0.0044

Threshold 3

InterLATA	\$0.1170	\$0.0039
IntraLATA	\$0.1170	\$0.0039

Rate for all Special Access inward calls are specified in Section 26.2.A.3.a preceding.

c. AT&T CIID/891 Calling Card Maximum Rate [1]

Initial		Each Add'l
30 Seconds		1 Second
Or Fraction		Or Fraction

Threshold 1

InterLATA	\$0.1440	\$0.0048
IntraLATA	\$0.1440	\$0.0048

Threshold 2

InterLATA	\$0.1305	\$0.0044
IntraLATA	\$0.1305	\$0.0044

Threshold 3

InterLATA	\$0.1170	\$0.0039
IntraLATA	\$0.1170	\$0.0039

d. AT&T CIDD/891 Calling Card Service Charge

Maximum Rate [1]

\$2.60 (I)

NOTE 1: See Price List for current rates.

Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES

This section contains the rates and charges for AT&T All In One Service.

39.3.1 Application of Charges

Usage charges apply to all completed calls and are based upon the applicable rate schedules. Usage charges are billed in arrears. The chargeable time for All In One Service calls is determined by the duration of the call. However, All In One Service calls have a 60-second minimum time requirement.

39.3.2 Rate Methodology

1) Rate Plan J

For Inward and Outward InterLATA and IntraLATA and Customer Dialed AT&T CIID/891 Calling Card direct dial call types, the rate per minute applies for all days of the week including holidays. The chargeable time for All In One Service calls is determined by the duration of the call, billed according to the number of seconds (see example below). All In One Service calls have a 60-second minimum time requirement. Rounding to the nearest whole cent is employed.

Example: (\$0.1000 per minute rate):

Length of call in seconds: 124

Divide by 60 seconds and carry to 4 decimal places: $124 \div 60 = 2.0666$

Multiply by per minute rate and carry to 4 decimal places: $2.0666 \times \$0.1000 = \0.2066

Round to nearest whole cent

2) Rate Plans A, B*, C, D, E#, F, G, H, K#, L and Multi-Saver

(C)

Calls are billed in full minute increments. Each call is subject to a 60-second minimum time requirement and is rounded to the next full minute. Rounding to the nearest whole cent is employed.

(C)

* AT&T All In One Rate Plan B may no longer be ordered after November 1, 2004. Existing customers with Rate Plan B in effect or on order prior to November 1, 2004 may continue their current plan under existing conditions.

Effective November 1, 2004 AT&T All In One Rate Plans E and K are withdrawn.

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges

Customers will receive the appropriate associated per minute rate which will apply to all eligible Intrastate Outward and Inward interLATA, intraLATA and AT&T CIID/891 Calling Card calls.

1) Rate Plans A-C

Direct Dial - Outward calls originating and/or Inward calls terminating on a local network connection of another carrier.

Connected Pricing - Outward calls originating and/or Inward calls terminating on an AT&T All In One Local Network Connection.

Outward calls billed to an AT&T CIID/891 Calling Card.

Rate Plan A - Maximum Rates [1]

Direct Dial

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238

AT&T CIID/891 Calling Card Service Charge	
- per Call	2.00 (I)

Note 1: See Price List for current rates.
 Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

Rate Plan B* - Maximum Rates [1]

Direct Dial

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.218
- IntraLATA	0.218
Outward Calling	
- InterLATA	0.218
- IntraLATA	0.218

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238
AT&T CIID/891 Calling Card Service Charge	
- per Call	2.00 (I)

- AT&T All In One Rate Plan B may no longer be ordered after November 1, 2004. Existing customers with Rate Plan B in effect or on order prior to November 1, 2004 may continue their current plan under existing conditions.

Note 1: See Price List for current rates.

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

Rate Plan C - Maximum Rates [1]

Direct Dial

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.218
- IntraLATA	0.218
Outward Calling	
- InterLATA	0.218
- IntraLATA	0.218

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238

AT&T CIID/891 Calling Card Service Charge	
- per Call	2.00 (I)

Note 1: See Price List for current rates.

Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

2) Rate Plans D, E, F, G, H, K and L - Maximum Rates [1] (C)

Direct Dial - Outward calls originating and/or Inward calls terminating on a local network connection of another Carrier.

Outward calls billed to an AT&T CIID/891 Calling Card.

Rate Plan D

Direct Dial

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.218
- IntraLATA	0.218
Outward Calling	
- InterLATA	0.218
- IntraLATA	0.218

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238
AT&T CIID/891 Calling Card Service Charge	
- per Call	2.00 (I)

Note 1: See Price List for current rates.

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

Rate Plans F and K* - Maximum Rates [1]

Direct Dial

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.408
- IntraLATA	0.408
Outward Calling	
- InterLATA	0.408
- IntraLATA	0.408

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.408
- IntraLATA	0.408
Outward Calling	
- InterLATA	0.408
- IntraLATA	0.408

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.408
- IntraLATA	0.408

AT&T CIID/891 Calling Card Service Charge	
- per Call	3.00 (I)

* Effective November 1, 2004, AT&T All In One Rate Plan K is withdrawn.

Note 1: See Price List for current rates.

Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

AT&T All In One Advantage Plan (Plan M)

(T)

Basic

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238

Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238

	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238

AT&T CIID/891 Calling Card Service Charge	<u>Maximum Rate (1)</u>
- per Call	3.00 (I)

Note (1): See Price List for current rates.

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

AT&T All In One Advantage Plan (Plan M)

(T)

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238
	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238
AT&T CIID/891 Calling Card Service Charge - per Call	<u>Maximum Rate (1) 3.00 (I)</u>

Note (1): See Price List for current rates.

Advice Letter No. 531

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

AT&T All In One Advantage Term Plan (Plan M) (T)

Basic

	<u>Maximum Rate (1) Price Per Minute</u>	
Inward Calling		
- InterLATA	0.238	
- IntraLATA	0.238	
Outward Calling		
- InterLATA	0.238	
- IntraLATA	0.238	
	<u>Maximum Rate (1) Price Per Minute</u>	
AT&T CIID/891 Calling Card		
- InterLATA	0.238	
- IntraLATA	0.238	
AT&T CIID/891 Calling Card Service Charge	<u>Maximum Rate (1)</u>	
- per Call	3.00	(I)

Note (1): See Price List for current rates.

CUSTOM NETWORK SERVICES

SECTION 39- AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

AT&T All In One Advantage Term Plan (Plan M)

(T)

Connected Pricing

	<u>Maximum Rate (1) Price Per Minute</u>
Inward Calling	
- InterLATA	0.238
- IntraLATA	0.238
Outward Calling	
- InterLATA	0.238
- IntraLATA	0.238
	<u>Maximum Rate (1) Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.238
- IntraLATA	0.238
AT&T CIID/891 Calling Card Service Charge	
- per Call	<u>Maximum Rate (1) 3.00 (I)</u>

Note (1): See Price List for current rates.

CUSTOM NETWORK SERVICES

SECTION 26 - AT&T CUSTOMNET SERVICE

26.2.A USAGE RATES (CONT'D)

4. Option S (Cont'd)

Inward Calling - Options VI

InterLATA Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.3120	\$0.3120

IntraLATA Rates per Minutes of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.3120	\$0.3120

c. AT&T CIID/891 Card

InterLATA Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2500	\$0.2500

IntraLATA Rates per Minutes of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2500	\$0.2500

d. AT&T CIID/891 Card Service Charge

<u>InterLATA Rate per Call</u>	<u>IntraLATA Rate per Call</u>
\$1.30	\$1.30

(l)

CUSTOM NETWORK SERVICES

SECTION 26 - AT&T CUSTOMNET SERVICE

26.2.A USAGE RATES (CONT'D)

5. Outward Calling - Service Type 1 - Simply Better Pricing Option

a. Switch Access

InterLATA Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2640	\$0.2640

IntraLATA Rates per Minutes of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.2640	\$0.2640

b. Special Access

InterLATA Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.1320	\$0.1320

IntraLATA Rates per Minutes of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.1320	\$0.1320

c. AT&T CIID/891 Card Service Type 1 & 2

InterLATA Rates per Minute of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.1980	\$0.1980

IntraLATA Rates per Minutes of Use

<u>Peak</u>	<u>Off-Peak</u>
\$0.1980	\$0.1980

d. AT&T CIID/891 Card Service Charge Service Type 1 & 2

<u>InterLATA Rate per Call</u>	<u>IntraLATA Rate per Call</u>
\$1.30	\$1.30

(I)

CUSTOM NETWORK SERVICES

SECTION 26 - AT&T CUSTOMNET SERVICE

26.2.A USAGE RATES (CONT'D)

c. AT&T CIID/891 Calling Card

Initial		Each Add'l
30 Seconds		1 Second
Or Fraction		Or Fraction

Threshold 1

InterLATA	\$0.0960	\$0.0032
IntraLATA	\$0.0840	\$0.0028

Threshold 2

InterLATA	\$0.0870	\$0.0029
IntraLATA	\$0.0750	\$0.0025

Threshold 3

InterLATA	\$0.0780	\$0.0026
IntraLATA	\$0.0660	\$0.0022

d. AT&T CIDD/891 Calling Card Service Charge\$1.10

(I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plan A

Direct Dial

Per Minute of Use

Inward Calling	
- InterLATA	0.139
- IntraLATA	0.139
Outward Calling	
- InterLATA	0.139
- IntraLATA	0.139

Connected Pricing

Per Minute of Use

Inward Calling	
- InterLATA	0.129
- IntraLATA	0.129
Outward Calling	
- InterLATA	0.129
- IntraLATA	0.129

Per Minute of Use

AT&T CIID/891 Calling Card	
- InterLATA	0.138
- IntraLATA	0.138

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.10	(I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plan B*

Direct Dial

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.139
- IntraLATA	0.139
Outward Calling	
- InterLATA	0.139
- IntraLATA	0.139

Connected Pricing

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.119
- IntraLATA	0.119
Outward Calling	
- InterLATA	0.119
- IntraLATA	0.119

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.138
- IntraLATA	0.138

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.10	(I)

* AT&T All In One Rate Plan B may no longer be ordered after November 1, 2004. Existing customers with Rate Plan B in effect or on order prior to November 1, 2004 may continue their current plan under existing conditions.

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plan C

Direct Dial

Per Minute of Use

Inward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080
Outward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080

Connected Pricing

Per Minute of Use

Inward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660
Outward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660

Per Minute of Use

AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.10	(I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plan D

Direct Dial

Per Minute of Use

Inward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080
Outward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080

Connected Pricing

Per Minute of Use

Inward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660
Outward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660

Per Minute of Use

AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.10	(I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plans F and K*

Direct Dial

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.233
- IntraLATA	0.233
Outward Calling	
- InterLATA	0.233
- IntraLATA	0.233

Connected Pricing

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.0233
- IntraLATA	0.0233
Outward Calling	
- InterLATA	0.0233
- IntraLATA	0.0233

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.408
- IntraLATA	0.408

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.50	(I)

* Effective November 1, 2004, AT&T All In One Rate Plan K is withdrawn.

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

Rate Plan J

Direct Dial

Per Minute of Use

Inward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080
Outward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080

Connected Pricing

Per Minute of Use

Inward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660
Outward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660

Per Minute of Use

AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge		
- per Call	\$1.25	(I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Advantage Plan (Plan M) (T)

Basic

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080
Outward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge
- per Call \$1.10 (I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Advantage Plan (Plan M) (T)

Connected Pricing

	<u>Per Minute of Use</u>	
Inward Calling		
- InterLATA	0.0660	
- IntraLATA	0.0660	
Outward Calling		
- InterLATA	0.000	
- IntraLATA	0.000	

	<u>Per Minute of Use</u>	
AT&T CIID/891 Calling Card		
- InterLATA	0.1080	
- IntraLATA	0.1080	

AT&T CIID/891 Calling Card Service Charge (I)
- per Call \$1.10

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Advantage Term Plan (Plan M) (T)

Basic

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080
Outward Calling	
- InterLATA	0.1080
- IntraLATA	0.1080

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge
- per Call \$1.10 (I)

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Advantage Term Plan (Plan M) (T)

Connected Pricing

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.0660
- IntraLATA	0.0660
Outward Calling	
- InterLATA	0.000
- IntraLATA	0.000

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.1080
- IntraLATA	0.1080

AT&T CIID/891 Calling Card Service Charge (I)
- per Call \$1.10

CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Preferred Option Plansm (Plan L)

Direct Dialed/Basic Pricing*

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.119
- IntraLATA	0.119
Outward Calling	
- InterLATA	0.119
- IntraLATA	0.119

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.119
- IntraLATA	0.119

Connected Pricing**

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.049
- IntraLATA	0.049
Outward Calling	
- InterLATA	0.049
- IntraLATA	0.049

	<u>Per Minute of Use</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.049
- IntraLATA	0.049

<u>AT&T CIID/891 Calling Card Service Charge</u>		
- per Call	\$1.25	(I)

* Direct Dialed/Basic - Outward calls originating and/or Inward calls terminating on a Local Network Connection of another carrier.

** Connected Pricing - Outward calls originating and/or Inward calls terminating on an AT&T All In One Local Network Connection. Customers must subscribe to AT&T Local All In One Preferred Option Plan.

AT&T COMMUNICATIONS OF
THE MOUNTAIN STATES, INC.
ARIZONA
ISSUED: March 31, 2005

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CUSTOM NETWORK SERVICES

SECTION 39 - AT&T ALL IN ONE SERVICE

39.3 RATES AND CHARGES (Cont'd)

39.3.3 Usage Charges (Cont'd)

C. Usage Charges

AT&T All In One Multi-Saver Plan

Basic Pricing

	<u>Price Per Minute</u>
Inward Calling	
- InterLATA	0.108
- IntraLATA	0.108
Outward Calling	
- InterLATA	0.108
- IntraLATA	0.108

Connected Pricing*

	<u>Per Minute of Use</u>
Inward Calling	
- InterLATA	0.066
- IntraLATA	0.066
Outward Calling	
- InterLATA	0.066
- IntraLATA	0.066

	<u>Price Per Minute</u>
AT&T CIID/891 Calling Card	
- InterLATA	0.108
- IntraLATA	0.108

<u>AT&T CIID/891 Calling Card Service Charge</u>		
- per Call	\$1.25	(l)

* Connected Pricing - Outward calls originating and/or Inward calls terminating on an AT&T All In One Local Network Connection.