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AT&T Net
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May 17, 2007

Via Hand Delivery

AZ CORP COMMISSION
DOCKET CONTROL

Docket Control Center
ARIZONA CORPORATION COMMISSION
1200 W. Washington Street
Phoenix, AZ 85007

Re: Application of AT&T Communications of the Mountain States, Inc. for a
Maximum Tariff Rate Increase (Docket No. T-02428A-06-0784)

Enclosed please find an original and 13 copies of the responses of AT&T
Communications of the Mountain States, Inc. (AT&T) to Staff's Second Set of Data
Requests dated May 7, 2007 in the above-referenced proceeding.

Please contact me if you have any questions or need additional information.

Sincerely,

Janice L. Ono
Associate Director - Regulatory

Enclosures

cc: Pamela Genung (*via email*)

Arizona Corporation Commission

DOCKETED

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Question: Please list the various denominations of AT&T Branded Prepaid Phone Cards that AT&T markets.

Response: For the various denominations of AT&T Branded Prepaid Phone Cards and their associated retailers, please see the spreadsheet in ATTACHMENT A entitled "ATT A – PrePaid Card Denoms and Retailers.xls." These card options represent over 90% of the AT&T Branded Prepaid Phone Cards sold.

Responsible Person: Michael J. Jagacki
Director - Sales Operations
Consumer Distribution
AT&T Operations, Inc.

ATTACHMENT A

AT&T Prepaid Card Retailers

Excludes International and Surcharge Cards

Price Per Minute (see Note 1)

	AAFES (Army & Air Force Exchange Service)		NEXCOM (Naval Exchange Services Command)		Sams		Walmart		Target		ATT.com Multi-Decrement	
	Retail		Retail		Retail		Retail		Retail		PPM	Card
45												
50	\$0.09000		\$0.09000									
60												
75	\$0.06933						\$0.07000		\$0.07983		\$0.09150	\$5.49
100	\$0.09000											
120												
135												
150	\$0.06467		\$0.07500				\$0.06500		\$0.07400			
182			\$0.05495									
200	\$0.07500											
210												
250												
270												
300	\$0.06000		\$0.06997				\$0.06000		\$0.05550		\$0.06497	\$19.49
335												
360												
408			\$0.04902						\$0.05553			
450												
500												
550	\$0.05000						\$0.05000		\$0.04998			
600												
675									\$0.04998			
800	\$0.04750		\$0.04750			\$0.03470						
900						\$0.0284						
1000						\$0.0347			\$0.04999			
1200						\$0.0284			\$0.04000			
\$10	\$0.10000											
\$20	\$0.10000		\$0.10000									
\$20	\$0.09009											
\$24.87												
\$10						\$0.0678			\$0.09901			
\$20									\$0.09901			

D E N O M I N A T I O N

The per minute prices are based on dividing the total current selling price of the cards (as represented to AT&T by the listed retailers) by the decrements included on the cards. A price listed on the chart represents the price per minute for an interstate call. The intrastate state price per minute varies from one state to another. Thus, for example, the per minute price for an in-state Arizona call for a customer using an AT&T branded card would be five-times the price reflected on the chart. Further, the price per minute rate can vary depending on when and where the card is purchased because retailers determine the selling prices of the cards.

Question: Please list the various denominations of SmarTalk Prepaid Phone Cards and Prepaid Phone Cards where service is provided by ConQuest that AT&T markets.

Response: SmarTalk Prepaid Phone Cards and Prepaid Phone Cards where service is provided by ConQuest are sold in denominations of \$5.00 and \$10.00.

Responsible Person: Maurice Caldarola
Senior Account Manager
Consumer Distribution
AT&T Operations, Inc.

Question: Please complete the attached spreadsheet labeled Attachment 1.

Response: Please see the spreadsheet in ATTACHMENT B entitled "ATT B – PPC Decrement Dollar Examples – AZ 10 Min Call.xls."

Responsible Person: Maurice Caldarola
Senior Account Manager
Consumer Distribution
AT&T Operations, Inc.

ATTACHMENT B

Card Denomination (No. Minutes & Dollars Paid)	Existing Current Rates (see Note)		Proposed Current Rate		Existing Maximum Rate		Proposed New Maximum Rate	
	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*
360 Min Card - Target \$19.99								
Current Actual Rate	N/A	N/A	\$2.78	N/A	N/A	N/A	\$13.27	N/A
Price List Rate	N/A	N/A	\$4.44	N/A	N/A	N/A	\$13.27	N/A
500 Min Card - Wal-Mart \$25.00								
Current Actual Rate	N/A	N/A	\$2.50	N/A	N/A	N/A	\$12.00	N/A
Price List Rate	N/A	N/A	\$4.00	N/A	N/A	N/A	\$12.00	N/A
AAFES \$10 (100 Min)								
Current Actual Rate	N/A	N/A	\$5.00	N/A	N/A	N/A	\$24.00	N/A
Price List Rate	N/A	N/A	\$8.00	N/A	N/A	N/A	\$24.00	N/A
Pennies Rule - \$10								
Current Actual Rate	\$0.98	N/A	\$1.74	N/A	\$1.36	N/A	\$5.35	N/A
Price List Rate	\$0.98	N/A	\$1.74	N/A	\$1.36	N/A	\$5.35	N/A

* The dollar amount pertaining to the number of decrements to be deducted for a **10 minute intrastate call**, made in Arizona

Notes:

The **Current Actual Rate** (charged by AT&T) for in-state calls in Arizona is 5 decrements/minute.

The **Price List Rate** (filled with the state of Arizona) for in-state calls is up to 8 decrements/minute.

The rates for calls using the **Pennies Rule** cards reflect a \$.79/call first minute surcharge as stated in the tariff and the surcharge is included in the rates quoted above.

Card Denomination (No. Minutes & Dollars Paid)	Existing Current Rates		Proposed Current Rate		Existing Maximum Rate		Proposed New Maximum Rate	
	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*	AT&T Branded Prepaid Phone Card*	SmarTalk Prepaid Phone Card*
360 Min Card - Target \$19.99								
Current Actual Rate	N/A	N/A	50	N/A	N/A	N/A	240	240
Price List Rate	N/A	N/A	80	N/A	N/A	N/A	240	240
500 Min Card - Wal-Mart \$25.00								
Current Actual Rate	N/A	N/A	50	N/A	N/A	N/A	240	240
Price List Rate	N/A	N/A	80	N/A	N/A	N/A	240	240
AAFES \$10 (100 Min)								
Current Actual Rate	N/A	N/A	50	N/A	N/A	N/A	240	240
Price List Rate	N/A	N/A	80	N/A	N/A	N/A	240	240
Pennies Rule - \$10								
Current Actual Rate	See Note Below	N/A						
Price List Rate	See Note Below	N/A						

* The decrement amount to be deducted for a **10 minute intrastate call**, made in Arizona

Notes:

AT&T Branded Prepaid cards activated prior to 1-10-07 are **NOT** subject to multi-dec'ing for intrastate calls.

Minute decrements are not applied against dollar-based cards.