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WILLIAM K. MOSCA, JR. wmosca@bmg.law

March 10, 2021

VIA ELECTRONIC FILING ONLY

The Honorable Aida Camacho-Welch, Secretary State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
Aida.camacho@bpu.nj.gov
Board.Secretary@bpu.nj.gov

Re: AT&T Corp.'s Notice of Intention to Withdraw Residential Local Service and Request for Waiver of N.J.A.C. 14:10-12.1 et seq.

Dear Secretary Camacho-Welch:

Please accept this letter on behalf of AT&T Corp. ("AT&T") in connection with the above-referenced matter. This letter shall serve as: (1) AT&T's notice to the Board, pursuant to N.J.A.C. 14:10–5.7, of its intention to withdraw a competitive service from subscribers; and (2) further support for AT&T's Letter Motion (included here as Exhibit A) requesting that the Board either not apply, or in the alternative waive, the "mass migration" rules found at N.J.A.C. 14:10-12.1 et seq. to this withdrawal of a competitive service.

Notice under N.J.A.C. 14:10–5.7

AT&T intends to cease providing Residential Local Service, including any Custom Calling Features, Rate Plans and other associated services to customers in the state as of May 3, 2021.

AT&T currently provides these landline residential telephone services in the state by reselling Verizon's residential landline service. AT&T is in the process of exiting the resold

residential landline services markets in New Jersey and other states; AT&T will continue to provide residential toll and long distance services, as well as business services in the state.

AT&T has begun the process of providing written notice to customers via a Notice Letter and Bill Page Messages ("BPMs"), and following up with automated calls, as follows:

- First notice letters were mailed to all New Jersey residential local service customers on or about January 25 through February 4, 2021. (See Exhibit B.)
- AT&T will mail additional notice letters on or about March 25 and April 19, 2021.
- BPMs will appear on the impacted customers' bills for 2 months (March and April 2021).
- Automated telephone calls to the customer with a recorded message will begin about six weeks before the target date (on or about March 23, 2021).

Further Support for Letter Motion

AT&T has experienced a decline in the number of end users who choose to use a traditional access line for voice communications. Most have moved to Voice over Internet Protocol ("VoIP"), wireless services or services directly from the local incumbent provider. In fact, the number of AT&T traditional, residential voice subscribers in New Jersey has dropped over 61% since 2015, with annual reductions of about 15% per year. This is a trend throughout the country. In 2020, AT&T similarly exited the residential local market in 16 states where it offered such services and is planning to pursue a similar approach in other states. The abandonment of these resold services will facilitate AT&T's efforts to operate in the most efficient manner possible, to the ultimate benefit of New Jersey customers of AT&T's other telecommunications services.

AT&T Corp. is providing ample notice to customers who may wish to switch to a different provider, including the ILEC or one of the many other providers of these services in New Jersey. Indeed, initial customer notices were sent approximately 90 days prior to the planned exit date. In addition to similar services being offered by the ILEC and other certificated traditional wireline providers in New Jersey, local voice services are provided by cable companies, wireless companies, and Voice over Internet Protocol ("VoIP") providers. Therefore, unlike a migration of customers to another provider, AT&T's local residential customers have many different competitive options available to them in choosing a provider for their services. Thus, the abandonment of this resold service will not deprive the public of necessary telecommunications services.

The issues addressed under the state's mass migration rules are not implicated by AT&T's current withdrawal of service. For instance:

- AT&T does not obtain its own numbers for the affected customers. The numbering resources used to provide the Residential Local Services are obtained by Verizon.
 Thus, no numbering resources are affected by this withdrawal of service.
- AT&T operates as a reseller of the impacted services and does not control any of
 its customer's telephone numbers in the E911 database. And AT&T will continue
 to provide other services in the state; thus it is not abandoning the market for 911
 purposes.
- There is no proposed transfer of assets or control. Also, AT&T will not be surrendering its certificate as part of this service withdrawal it is still providing residential interexchange service, as well as services to its business customers.

Perhaps most importantly, this service withdrawal is distinguished from a mass migration because customers are not being compelled in any way to retain landline telephone service or move to a particular provider. AT&T's customers are free to choose from among their many varied options. Indeed, some may opt to cut the cord entirely and use wireless services. Others may elect cable landline services or use another Internet-based landline service. If this service withdrawal of a competitive service were to be characterized as a "mass migration," it would likely cause customer confusion and create false impression that they are being steered toward a particular service or provider.

AT&T Corp. has approximately 7065 local residential lines in service in New Jersey as of this date. Importantly, none of those customers are Lifeline customers. As noted above, all of AT&T's local residential service customers have received notice of AT&T's plan to withdraw this service as of May 3, 2021 and customers will continue to receive reminders throughout March and April. AT&T currently provides this service by reselling Verizon's landline service; thus, as a starting point, Verizon service will be available to all impacted customers. Customers may keep their home phone number and choose a long distance provider (including AT&T) when they set up their new service with Verizon or another provider.

To maintain continuity of service, AT&T is asking customers to act quickly, since switching carriers may take time. In the first written letter notice (attached hereto as Exhibit A), customers were provided with the Verizon 800 number to make arrangement for phone service. Customers were also provided with an AT&T 800 number they can call with any questions. That same AT&T Call Center number will remain operational after May 3, because AT&T will continue

Secretary Camacho-Welch

March 10, 2021

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to provide other services. Any remaining credits on the customer's account will be refunded to

them following final billing.

Conclusion

Based on these facts, and for these reasons set forth herein and in AT&T's Letter Motion,

AT&T respectfully requests that the Board find either that:

(1) There is no "migration" of affected customers to another carrier or platform, and the

mass migration rules do not apply; or

(2) If the planned exit implicates the mass migration rules, there is ample reason to waive

the rules and permit AT&T to proceed with its orderly exit as planned.

Respectfully submitted,

William K. Mosca, Jr.

Enclosures

cc: Lawanda Gilbert

Harold Bond

Carol Artale

Terel Klein

Maria Novas-Ruiz, Esq.

EXHIBIT A



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WILLIAM K. MOSCA, JR. wmosca@bmg.law

February 10, 2021

VIA ELECTRONIC FILING ONLY

The Honorable Aida Camacho-Welch, Secretary State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
Aida.camacho@bpu.nj.gov
Board.Secretary@bpu.nj.gov

Re: Motion of AT&T Corp. Regarding Non-Applicability of N.J.A.C 12:10-12.1 et seq. Mass Migration Rules

Dear Secretary Camacho-Welch:

Please accept this Letter Motion in lieu of a more formal motion requesting that the Board either not apply, or in the alternative waive its mass migration rules, found at N.J.A.C. 12:10-12.1 et seq, with respect to AT&T Corp.'s ("AT&T's") plan to exit the landline residential telephone market on May 3, 2021. AT&T currently provides landline residential telephone services in the state by reselling Verizon's residential landline service. AT&T is in the process of exiting the resold residential landline services markets in New Jersey and other states where it resells these services; AT&T will continue to provide residential toll and long distance services, as well as business services in the state. Landline residential telephone service is a competitive service in New Jersey, and AT&T may exit this market upon thirty (30) days' notice to the Board. AT&T has not yet given formal notice to the Board, but intends to do so in March in conjunction with its FCC filing. AT&T has already commenced a reach-out campaign to its landline residential customers to advise of AT&T's exit plans, and to advise customers of their many options to replace their service, including procuring the landline services that Verizon and other companies provide.

The Board should not apply its mass migration rules to this planned market exit. AT&T is not "migrating" any customers – it is simply withdrawing its resold residential landline services. There is no sale or transfer of these customers to another entity, hence no "migration" of the customers to another company or platform. The customers will choose their own alternatives to their current services. Some may opt to cut the cord entirely and use only wireless services. Others may elect cable landline services or use another Internet-based landline

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solution. There are a number of customer alternatives, but the key fact remains: there will be no migration of these customers within the letter or spirit of the regulations.

Should the Board believe that AT&T's contemplated exit implicates the mass migration rules, AT&T respectfully requests the Board to waive these rules. Customers are not being migrated anywhere – they must choose (consistent with the multiple options of competitive markets) the alternative that best suits their preferences. Application of the rules could only cause customer confusion – customers may believe that they are going to be migrated to a different carrier or platform, and that will not be the case. AT&T is in the process of clearly communicating that customers must take action to replace existing service with another alternative. Therefore, in order to help facilitate AT&T's orderly withdrawal from the residential resold landline market, the Board should find either that:

- (1) There is no "migration" of affected customers to another carrier or platform, and the mass migration rules do not apply; or
- (2) If the planned exit implicates the mass migration rules, there is ample reason to waive the rules and permit AT&T to proceed with its orderly exit as planned.

Thank you for your attention to this request. Please do not hesitate to contact me with any questions.

Respectfully submitted,

William K. Morea Je

William K. Mosca, Jr.

Enclosures

cc: Lawanda Gilbert
Harold Bond
Carol Artale
Maria Novas-Ruiz, Esq.



Your home phone service is being discontinued

January 25, 2021

«FIRST NAME» «LAST NAME» «STREET ADDRESS» «CITY», «STATE» «ZIP»

Phone number ending in: <<XXXX>>

We want to make sure you are aware that **effective May 3, 2021**, pending regulatory approval where such approval is required, we will no longer offer **AT&T Residential Local Service** in <<State>> and **your home phone service will be discontinued on May 3, 2021**.

To maintain continuity of service, please act quickly as switching carriers may take time. You can contact Verizon (800.837.4966) to provide your home phone service. There may be other providers who offer service at your address. You may keep your home phone number and choose a long distance provider when you set up your new service with another provider. Any remaining credits on your account will be refunded to you.

Questions? Please call us at 800.250.8949, Monday to Friday 8 a.m. to 8 p.m. ET.

AT&T Corporation 1 AT&T Way 5C100 Drop In Bedminster, NJ 07921

AT&T is required by the FCC to provide the following statement:

The FCC will normally authorize this proposed discontinuance of service (or reduction or impairment) unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments as soon as possible, but no later than 15 days after the Commission releases public notice of the proposed discontinuance. You may file your comments electronically through the FCC's Electronic Comment Filing System using the docket number established in the Commission's public notice for this proceeding, or you may address them to the Federal Communications Commission, Wireline Competition Bureau, Competition Policy Division, Washington, DC 20554, and include in your comments a reference to the section 63.71 of AT&T Corp. Comments should include specific information about the impact of this proposed discontinuation (or reduction or impairment) upon you or your company, including any inability to acquire reasonable substitute service.

¹ AT&T does not make any representations or warranties that the providers listed are the only providers serving your address.