

**STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL**

Re: Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission's Cost Assignment Rule, WC Docket No. 07-21, Petition of BellSouth Telecommunications, Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission's Cost Assignment Rules, WC Docket No. 05-342, Memorandum Opinion and Order

I am supporting AT&T's request for relief in this forbearance petition. This request by a price cap local exchange carrier to eliminate cost allocation data collection and reporting requirements that were adopted in the all-analog, voice-only, rate-of-return regulatory environment of yesteryear appears to be just the type of relief Congress designed the forbearance process to address. Relief is especially appropriate as telecommunications traffic migrates toward an all-I.P. world. As we witness this rapid technological evolution, cost models are also changing. Yesterday's regulations are quickly outliving their usefulness. Given these developments, I look forward to granting comparable relief to similarly-situated carriers as soon as possible.

Opponents to this petition have argued passionately for preservation of the existing regime primarily out of fear that the Commission, and the public at-large, will not have at their disposal the proper information necessary to help make sound policy decisions regarding Universal Service reform, Intercarrier Compensation reform, Special Access reform, and the Separations Freeze, among others. However, no part of today's Order precludes the Commission - at any time - from compelling AT&T, or any other incumbent local exchange carrier, to provide promptly any and all information necessary to build a sufficient record for any regulatory purpose. In the meantime, most of this data has not been used by the Commission for several years. Additionally, for many years neither competitors nor end-users have filed complaints that call for the use of such data. Should they file complaints in the future, the Commission can compel production of all relevant data necessary for proper adjudication. Section 10 does not allow us to maintain a requirement merely "just in case" it is needed in the future, especially when we have at our disposal other means of gathering any data for a specific purpose.

In short, even without these rules, we continue to have sufficiently potent tools to protect consumers' interests. AT&T has also assured us that it will supply relevant state public utility commissions with any information they may request in pursuit of their policy objectives. Should AT&T not live up to this assurance, the Commission has the ability to compel the production of such data at any time and for any regulatory purpose.

Accordingly, I find that today's order granting relief meets the statutory obligations of Section 10 and, therefore, is in the public interest.