



Timothy P. McKone
Executive Vice President
Federal Relations

AT&T Services, Inc.
1120 20th Street, NW
Suite 800
Washington, DC 20036

T: 202.463.4143
F: 202.463.4183
tm3703@att.com

October 30, 2014

Honorable Patrick J. Leahy
Chairman, Committee on the Judiciary
United States Senate
Washington, D.C. 20510-6275

Dear Senator Leahy:

AT&T has long been committed to maintaining an open Internet that provides consumers with competitive choices, and access to lawful websites and information when, where and how they want it. We recognize that the Internet is an essential medium for free expression and communication, for education and creative endeavors, as well as for business activities and opportunities, and are committed to maintaining that medium for all Internet users. That is why we worked with stakeholders on all sides of the FCC's Open Internet proceeding in 2010 to develop consumer-focused policies and rules that would preserve the vibrant and open Internet, while continuing to give Internet service providers incentives to invest in broadband infrastructure, as well as the flexibility to manage their networks to best serve their customers. When two of those rules, the no-blocking and antidiscrimination rules, were vacated by the D.C. Circuit earlier this year, AT&T immediately announced that we would continue to comply with those rules, pending Commission action on the court's remand. Since then, we have worked with the Commission and other interested parties to develop new rules that would preserve the open Internet and the balance achieved by the 2010 rules consistent with the D.C. Circuit's decision in *Verizon*.

Much of the debate over the past ten months has focused on paid prioritization, and concerns that such arrangements could create fast lanes and slow lanes that are inconsistent with Open Internet principles. But even leading net neutrality advocates have recognized that not all types of prioritization arrangements pose such risks. For example, AT&T and other broadband providers have long offered services that allow business customers to prioritize performance-sensitive traffic for special handling over their own Internet access connections in case of network congestion. These services are used today by numerous businesses, non-profits and educational institutions to manage their own Internet service, without any harm to Internet openness. Although AT&T is not currently able to offer a comparable service to consumers, AT&T believes that, at some point, that type of capability could offer significant benefits to consumers, just as it now does for businesses, enabling consumers to choose, for example, a higher quality of service for particular applications like over-the-top health or alarm monitoring, telemedicine, or distance learning, to name a few examples.

Net neutrality advocates concede the potential benefits of such offerings. But at the same time, however, they have raised concerns about the possibility that ISPs might enter into arrangements with third parties to prioritize traffic over a consumer's last mile broadband

Internet connection without the knowledge and direction of the end user. AT&T has no plans to offer such capabilities to third parties, and we have pointed out that section 706 gives the Commission ample authority to ban such practices if the Commission continues to classify broadband Internet access as an information service. But if, instead, as some net neutrality proponents urge, the Commission reclassifies broadband Internet access service as a telecommunications service, any attempt to ban paid prioritization would run headlong into decades of Title II precedent that make clear that generally available differentiated service options, including paid prioritization, are allowed. Thus the Commission would be unable to prevent any Internet service provider that did decide to offer paid prioritization from doing so. Accordingly, the best path for *all* concerned is for the Commission to resist the legally dubious path of reclassification, a path that would lead to prolonged litigation and investment-chilling regulatory uncertainty, without even enabling the Commission to address paid prioritization.

We appreciate your interest in these important issues and would be happy to discuss them with you at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim McKone". The signature is written in a cursive, slightly slanted style.



November 3, 2014

The Honorable Patrick Leahy
Chairman, Committee on the Judiciary
United States Senate
Washington, DC 20510-6275

Dear Chairman Leahy,

Thank you for your letter to Tom Rutledge dated October 23, 2014. On behalf of Charter Communications, I am pleased to share our views on how best to ensure an open and robust Internet for American consumers.

Like you, Charter supports an open and vibrant Internet. Charter has invested over \$4 billion since 2012 on infrastructure and technology. We have repeatedly increased our speeds without raising the price, and by the end of this year, the *slowest* speed Charter sells will be 60 Mbps in essentially our entire footprint. We offer our broadband service without imposing any data caps or usage-based pricing on our subscribers. Nor do we require subscribers to sign any contracts or pay early termination fees. Additionally, our WiFi routers are based on the latest 802.11ac standard and have been judged to be the fastest in the industry.

Charter provides these fast speeds with no limits because we are deeply committed to providing our subscribers – many of whom live in rural areas, including Vermont – with a rich and robust online experience.

In your letter, you focus on “paid prioritization.” To be clear, Charter has not blocked any lawful content or entered into any pay-for-prioritization agreements. Nor does Charter have plans to engage in paid prioritization. Further, Charter is not vertically integrated; we do not own content and therefore do not engage in activity that prioritizes affiliated content. Our goal is to provide our customers with the content they desire at faster speeds.

Charter arrived at its current position in part because regulators at the federal level, beginning in the Clinton Administration, made the conscious decision to apply a light regulatory touch at every level of the Internet value chain. The result has been unprecedented private investment and growth. Competition is thriving at both the network level and its edge. As LTE deployment accelerates, mobile competes with fixed; and as WiFi hotspots proliferate, fixed competes with mobile. Tech giants at the edge of the network offer competitive video, voice, and text services. Netflix, with 34 million subscribers (eight times as many as Charter), is now the largest video provider in the country.



As you well know, this debate is unfolding at the Federal Communication Commission. We have advocated at the agency that Section 706 of the Communications Act provides sufficient statutory authority to issue rules to preserve the open Internet, including addressing paid prioritization. We strongly believe that any other statutory approach – specifically, as some have argued, Title II of the Communications Act – risks discouraging the very investments needed to continue building out broadband and would lead to uncertainty and litigation for years to come.

Thank you for the opportunity to respond. Charter shares your interest in ensuring a free and open Internet, and I believe Charter’s practices support that goal.

Sincerely,

Catherine Bohigian
Executive Vice President
Government Affairs
Charter Communications



David L. Cohen
Executive Vice President

October 24, 2014

By Hand & Electronic Delivery

The Honorable Patrick J. Leahy
437 Russell Senate Building
Washington, DC 20510

Dear Senator Leahy:

I am pleased to respond to your October 20, 2014, letter and the strong commitment that you have expressed for “meaningful rules that will protect consumers and preserve competition online.” Comcast shares the same commitment and supports open Internet protections similar to those that you and Congresswoman Doris Matsui have proposed in legislation.

In fact, no Internet Service Provider (ISP) has a stronger record of supporting a free and open Internet than Comcast.

- We supported the original Open Internet rules of the Federal Communications Commission (FCC) because we believe they struck an appropriate balance between consumer protection and reasonable network management rights for ISPs.
- We acted on that belief by agreeing to be bound by the original Open Internet rules, as part of the NBCUniversal transaction, even if they were later overturned in a judicial challenge, which eventually occurred.
- Comcast has lived up to that commitment by consistently providing our customers with robust access to an open Internet, without blocking access to any lawful content or prioritizing the delivery of affiliated or any other content.
- We have also continued to advocate for openness of the Internet in the FCC’s ongoing proceeding to develop new rules that would effectively prohibit most “paid prioritization” arrangements, and would entirely preclude “exclusive arrangements and arrangements that prioritize a broadband provider’s own affiliated Internet content vis-à-vis unaffiliated content.”¹

¹ Reply Comments of Comcast Corp., GN Docket Nos. 14-28 & 10-127, at 28 (Sept. 15, 2014); *see also* Comments of Comcast Corp., GN Docket Nos. 14-28 & 10-127, at 24 (July 15, 2014).

The Honorable Patrick Leahy

October 24, 2014

Page 2 of 2

- And we have repeatedly made clear – both to our customers and more generally to the public – “Comcast doesn’t prioritize Internet traffic or have paid fast lanes, and we have no plans to do so.”² In fact, our response to consumer demand for higher speeds has not been to create “fast lanes” but rather to make the entire Internet faster for everyone by increasing broadband speeds 13 times in the past 12 years.

The kind of rules that you and Congresswoman Matsui advocate can help to guarantee that the Internet remains an open, accessible platform for Americans. But such rules will only be meaningful if they offer all consumers of all companies the same protections. Voluntary pledges by individual ISPs are not an adequate substitute for industry-wide rules – whether promulgated by the FCC or enacted by Congress.

Comcast pledges its continued support for the FCC to adopt strong, enforceable industry-wide rules based on its authority under Section 706 of the Telecommunications Act of 1996.³ Departing from the longstanding, bipartisan light-touch approach to the Internet by reclassifying broadband under Title II of the Communications Act would be risky and unnecessary. In contrast, adopting rules under Section 706 would establish a stable foundation for the open Internet.

We are confident that new rules will be in place well before our commitment under the NBCUniversal transaction expires in 2018, thereby extending to all Americans the same open Internet protections that Comcast customers have enjoyed – and will always enjoy.

Sincerely,



David L. Cohen

² David L. Cohen, *Comcast Filed Open Internet Reply Comments*, Comcast Voices (Sept. 15, 2014); *see also* Comments of Comcast Corp., GN Docket Nos. 14-28 & 10-127, at 22 (“Comcast has not entered into a single ‘paid prioritization’ arrangement, has no plans to do so in the future, and does not even know what such an arrangement would entail as a practical matter.”)

³ 47 U.S.C. § 1302.

Randal S. Milch
Executive Vice President
Public Policy & General Counsel



Verizon Communications Inc.
1095 Avenue of the Americas
New York, New York 10036
Phone 212-395-2384
Fax 908-766-3834

October 29, 2014

Chairman Patrick J. Leahy
Committee on the Judiciary
United States Senate
Washington, DC 20510-6275

Dear Chairman Leahy:

I am pleased to respond to your letter of October 23 to Lowell McAdam. Verizon prides itself on building the most advanced networks and providing our customers with the best connectivity experience possible. As a result, Verizon both supports and relies on the open Internet. Our business is selling broadband services, and fundamental to this business is enabling our customers to go where they want and do what they want online with their broadband services. We have clearly committed this to our customers for a decade, and we stand by that commitment.¹

Your letter focuses on “paid prioritization” – a theoretical scenario in which an Internet service provider is paid by a content provider to carry that content provider’s traffic more quickly than other traffic within a customer’s last-mile broadband Internet access connection. In the current net neutrality debate, those favoring the replacement of traditional light-touch regulation with unprecedented utility-style regulation have fixated on the phantasm of “paid prioritization.” Yet no major broadband provider has ever implemented paid prioritization, most have disavowed any interest in doing so, and no one has even offered a clear business case for paid prioritization.

As we have said before, and affirm again here, Verizon has no plans to engage in paid prioritization of Internet traffic. Moreover, in our view, the FCC has authority under Section 706 of the 1996 Act to presumptively prohibit those forms of paid prioritization the Commission determines are likely to harm competition or consumers. All of the other major broadband providers and their trade associations have agreed that the FCC has authority under Section 706 to address harmful paid prioritization, limiting the universe of parties who could potentially challenge FCC rules on this point and making any move to ill-fitting Title II regulation gratuitous. Unfortunately, the fever pitch over “paid prioritization” and “fast lanes” among advocates of greater Internet regulation is just demagoguery since no major ISP has expressed an interest in offering “paid prioritization” and all agree that the FCC has a valid legal path to prohibit it.

The issue of paid prioritization aside, we believe that all who support a robust Internet and the innovation it brings should be concerned about the consequences of restrictive new regulation on Internet services. The real significance of the vast record in the Commission’s net neutrality proceeding is that it once again confirms the

¹ See Verizon’s Commitment to Our Broadband Internet Access Customers, *available at*: http://www.verizon.com/about/sites/default/files/Verizon_Broadband_Commitment.pdf

lack of any real-world problems that need to be addressed. Over the two decades of the bipartisan, light-touch approach to Internet services, investment and innovation have proceeded at unprecedented levels, the open Internet has flourished, and consumers have benefitted. The list of alleged abuses by broadband providers is exceedingly short, and rare examples of “abuse” have been exposed and quickly addressed through market forces or the FCC’s basic rules.

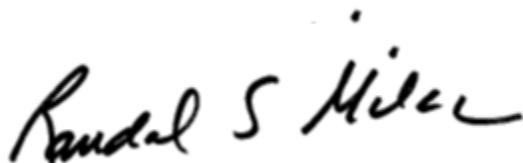
Rather than consumer protection, the driving forces behind the push for more regulation are entities seeking regulatory protection for their business plans and digital elites advocating self-serving policies. Many of these voices have consistently, and wrongly, predicted the imminent demise of the Internet for two decades.

In contrast to the shadows of harms that these groups encourage regulators to chase, the downsides of unnecessary, inflexible regulation are real. The real risk is born by our customers and your constituents – in the forms of less robust and available broadband, higher costs, and fewer jobs – of ill-advised policies in this area. Recently, the Communications Workers of America and the NAACP provided a useful reminder of the real stakes in this debate. As these organizations recognize, “hundreds of billions of dollars of additional investment are needed to build the robust high-speed broadband capability needed” for current and future applications “and to create a permanent bridging of the digital divide.”² According to CWA/NAACP’s calculations, network operators’ 2013 capital investment of \$70.1 billion far exceeded so-called edge providers’ \$13.2 billion in capital investment.³ Similarly, the 17 largest network operators accounted for over 869,000 employees in 2013, which is more than three times the number of people employed by the 16 leading edge providers for which data was available.⁴ The huge number of jobs provided by network operators is especially significant for minorities because, in CWA/NAACP’s words, “[n]etwork companies also have a far better track record for employment of African Americans and Hispanics” than do the Silicon Valley companies.⁵

Inflexible regulation also threatens to take choices away from American consumers. For example, some net neutrality advocates have attacked new business models, such as sponsored data or “zero-rating,” that would save money for consumers. Under these nascent arrangements, content providers could voluntarily agree to pick up the tab for usage-charges when consumers go to their sites. Or in other instances, such as T-Mobile’s Music Freedom plans, in order to differentiate its service a broadband provider could decide not to charge usage for certain types of traffic. While most consumers would no doubt welcome the opportunity not to pay for their usage – and some consumer groups have recognized the potential for such practices to help address affordability and encourage adoption – many of the loudest supporters of new regulation have advocated the regressive step of banning these pro-consumer practices.

Given the high stakes, I applaud and thank you for your interest in this issue. Verizon will continue to lead in our commitment to deliver the best Internet experience to our customers and in our commitment to preserve an open Internet. I hope you will urge the Commission and other policymakers to “do no harm” and to ensure that the regulatory framework applying to broadband services continues to promote the competition, innovation and investment that deliver enormous benefits to American consumers.

Sincerely,

A handwritten signature in black ink that reads "Randal S. Milch". The signature is written in a cursive, flowing style.

Randal S. Milch
Executive Vice President
Public Policy & General Counsel

² CWA/NAACP Comments at 13.

³ *Id.* at 9.

⁴ *Id.* at 9, Table 2.

⁵ *Id.* at 12.



Gail MacKinnon
EVP, Chief Government Relations Officer

October 31, 2014

The Honorable Patrick J. Leahy
437 Russell Senate Building
Washington, DC 20510

Dear Chairman Leahy:

Thank you for your letter of October 23, 2014 to Robert Marcus, and for your continued interest in ensuring that the Internet—which you rightly call “one of the greatest innovations in human history”—remains “open and equally accessible to all.” Time Warner Cable is committed to preserving the open Internet and doing its part to ensure that all consumers have unfettered access to the Internet content of their choice. That is why TWC supports the FCC’s efforts to promote Internet openness and agreed to comply with the previous rules.

TWC is aware of concerns over “paid prioritization” arrangements and supports restrictions on such arrangements,¹ notwithstanding the fact that TWC and other major broadband providers have repeatedly disclaimed any interest in engaging in paid prioritization. TWC also agrees with the FCC that it can adopt such restrictions under Section 706 of the Telecommunications Act of 1996, as confirmed by the U.S. Court of Appeals for the D.C. Circuit. There is no need to pursue more drastic and destabilizing measures—like subjecting broadband providers to monopoly-oriented telephone regulation under Title II—to achieve this broadly supported goal.

¹ See, e.g., Reply Comments of Time Warner Cable Inc., GN Docket Nos. 14-28, 10-127, at 14 (filed Sep. 15, 2014) (urging the FCC “to craft a regulatory approach that precludes the development of anticompetitive and harmful fast lanes and slow lanes within last-mile networks while encouraging continued innovation, consumer choice, and competition”).

We believe that the best way to ensure that all consumers are protected is to create industry-wide standards that apply to all providers, rather than securing commitments from those companies that are already supportive of these principles. TWC thus pledges to maintain its strong support for industry-wide rules protecting the open Internet in general, and limiting paid prioritization in particular, pursuant to Section 706. We look forward to continuing a dialogue on these vitally important issues.

Sincerely,

A handwritten signature in cursive script that reads "Gail MacKinnon".

Gail G. MacKinnon