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at&t

Vince [illegible]
Director
Regulatory Affairs

AT&T Illinois
[illegible] Randolph St
[illegible]
Chicago, IL 60606

T: 312.551.9043
F: 312.727.4471
Jr2762@att.com
www.att.com

March 22, 2013

Ms. Elizabeth A. Rolando
Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield, Illinois 62794

07-0493
Report

Re: **Docket 07-0493 AT&T Illinois Fifth Annual Video Service Access Report**

Dear Ms. Rolando:

This Fifth Annual Video Service Access Report issued by Illinois Bell Telephone Company (AT&T Illinois) is transmitted to you for filing.

This filing complies with the annual report requirement in Section 1101 of the Cable and Video Competition Law of 2007 (the "Act") (220 ILCS 5/21-100. et seq.).

On October 24, 2007, the Illinois Commerce Commission (the "Commission") approved the "Application for State-issued Authorization to Provide Video Service," filed by AT&T Illinois and granted it authority to provide video service in the requested video service area footprint. As a holder of that State-issued authorization, AT&T Illinois is subject to the video service access requirements in Section 21-1101(c) of the Act, and is required to file with the Commission video services access reports no later than April 1 annually. This annual report provides to the Commission the service access information and low-income information required by Section 21-1101(j)(1) and (j)(2) of the Act.

With this filing, as detailed and defined in Attachments 1 and 2, AT&T Illinois demonstrates full compliance with all video service access and low-income access requirements in the Act, and it does so a full two years ahead of the statutorily required time period.[1] During the fourth quarter of 2012 at least 15% of the households with access to the video service provided by AT&T Illinois subscribed to the service for 6 consecutive months. AT&T Illinois was not required to meet the 50% build coverage requirement until 2 years after at least 15% of the households with access to the video service provided by AT&T Illinois subscribed to the service for 6 consecutive months, which puts AT&T Illinois 2 years ahead of its statutory obligation.

[1] AT&T Illinois must provide access to not less than 50% of these households within 5 years after October 24, 2007; provided, however, that AT&T Illinois is not required to meet the 50% requirement until 2 years after at least 15% of the households with access to the video service provided by AT&T Illinois subscribe to the service for 6 consecutive months.

Statewide Video Service Access Requirements

AT&T Illinois, as a holder of a State-issued video authorization is obligated to offer video service to at least 50% of the households in its service area after either 5 years from the date it received its State-issued authorization or two years after at least 15% of the households with access to the holders video service subscribe to the service for 6 consecutive months. Although AT&T Illinois only sustained the 15% penetration rate late in 2012, and therefore has until the end of 2014 to complete the build, as of December 31, 2012, AT&T Illinois fully satisfied all access requirements by providing access to its video service to 51% of the households in its telecommunications service area. This not only represents full compliance of AT&T Illinois' final obligation but it exceeds that obligation two years ahead of the statutory deadline.

Designated Market Area Requirement

AT&T Illinois is required to provide access within three designated market areas (DMA), one in each of the northeastern, central and southwestern portions of its telecommunications service area in the State. The DMA for the northeastern portion consists of two reporting areas: i) the City of Chicago, and ii) all other local units of government on a combined basis within the Chicago DMA.

As detailed in Attachment 1 of the Second Annual Video Service Report filed by AT&T Illinois on April 1, 2010, as of December 31, 2009, AT&T Illinois provided access to its video service to households in the Chicago DMA, including the City of Chicago, the St. Louis DMA, and the Champaign & Springfield/Decatur DMA. This represented full compliance with its three year requirement.

Statewide Low-income Requirement

As detailed in Attachment 1 of this, the Fifth Annual Video Service Report filed by AT&T Illinois, as of December 31, 2012, 30% of the households with access to video service provided by AT&T Illinois were low-income households. AT&T Illinois has fully satisfied this statutory obligation.

Exchange Level Low-income Requirement

Within each DMA, AT&T Illinois' obligation to offer video service to low-income households is measured at the exchange level. In each exchange in which AT&T Illinois provides video service, it must provide access to a percentage of low-income households that is at least equal to the percentage of the total low-income households within that exchange.

As detailed in Attachment 2, as of December 31, 2012, all 105 exchanges in which AT&T Illinois provides video service continue to meet the exchange level low-income requirement subject to the following factors and information for the Huntley and Skokie exchanges.

> The facts associated with the Huntley and Skokie exchanges are documented in the Third Annual Video Service Report filed by AT&T Illinois on April 1, 2011. Those circumstances are unchanged and as a result during 2011and 2012 no additional build took place in either the Village of Skokie or in the Huntley exchange.

We respectfully request Commission acceptance of this Report.

Any questions and correspondence regarding this filing should be directed to Vince Rosenthal, Director Regulatory, who may be reached at:

AT&T Illinois
225 W. Randolph St, Floor 27C
Chicago, IL 60606
Tel. No.: (312) 551-9043
Fax No.: (312) 727-4771

Please acknowledge receipt of this Report by returning the extra copy of this letter.

Sincerely,

Vince Rosenthal (JB)

Vince Rosenthal
Director - Regulatory

Enclosures

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AT&T Illinois Fifth Annual Video Service Access Report

Data as of December 31, 2012

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Definitions and Descriptions for Attachments 1 and 2

"Access" means that AT&T Illinois is capable of providing video services at the household address using any technology, other than direct-to-home satellite service, which provides two-way broadband internet capability and video programming, content and functionality, regardless of whether any customer has ordered service or whether the owner or landlord or other responsible person has granted access to the household.

"HH" or "Household" means a house, an apartment, a mobile home, a group of rooms, or a single room that is intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

"LI" or "Low-income household" means those residential households located within the AT&T Illinois' existing telecommunications service area where the average annual household income is less than $35,000 based on the United states Census Bureau estimates adjusted annually to reflect rate of change and distribution.

"Designated Market Area" or "DMA" means a designated market area, as determined by Nielsen Media Research and published in the 1999-2000 Nielsen Station Index Directory and Nielsen Station Index United States Television Household Estimates or any successor publication. For any designated market area that crosses State lines, only households in the portion of the designated market area that is located within AT&T Illinois' telecommunications service area where access to video service will be offered is included.

"Exchange" means a geographical area for the administration of telecommunications services, established and described by AT&T Illinois' tariffs filed with the Commission. To the extent practicable, a municipality is not located in more than one exchange unless the municipality is located in more than one exchange through annexation that occurred after the establishment of the exchange boundary. More than one municipality may be in one exchange.

"Telco Footprint" shows the number of households in AT&T Illinois' telecommunications service area at statewide, DMA and exchange levels.

"Current Build Footprint" and "Current Build Coverage %" shows the number and percent of households with access to video service in areas within AT&T Illinois' State-issued authorization at statewide, DMA and exchange levels.

"Footprint LI" and "Footprint LI %" shows the number and percent of low-income households in AT&T Illinois' Telecommunications service area at statewide, DMA and exchange levels.

"Current Build LI" and "Current Build LI %" shows the number and percent of low-income households with access to video service in areas within AT&T Illinois' State-issued authorization at statewide, DMA and exchange level.

Attachment 1

AT&T Illinois Annual Video Service Access Report

State	Telco HH Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
Illinois	4,224,720	2,145,654	51%	1,238,792	637,416	29%	30%

Designated Market Area (DMA)	Telco HH Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
Champaign & Springfield-Decatur	226,597	71,808	32%	92,931	35,686	41%	50%
Chicago	3,398,253	2,017,340	59%	916,890	581,523	27%	29%
St. Louis	245,992	56,506	23%	89,464	20,207	36%	36%

Chicago DMA	Telco HH Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
Chicago Exchange	1,181,019	686,641	58%	457,685	286,619	39%	42%
w/o Chicago Exchange	2,217,234	1,330,699	60%	459,205	294,904	21%	22%

Note: The total state households differs from the DMA households because DMA's with no video build were removed from this list to improve readablity.

Data as of December 31, 2012

Attachment 2

AT&T Illinois Annual Video Service Access Report

Designated Market Area	Exchange	Telco Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
CHAMPGN&SPR-DEC	Champaign Urbana	60,414	20,162	33%	27,111	10,778	45%	53%
CHAMPGN&SPR-DEC	Danville	21,033	6,056	29%	10,279	3,764	49%	62%
CHAMPGN&SPR-DEC	Decatur	39,802	21,216	53%	17,664	9,880	44%	47%
CHAMPGN&SPR-DEC	Springfield	60,168	24,374	41%	23,669	11,264	39%	46%
CHICAGO	Algonquin	17,773	15,141	85%	1,541	1,366	9%	9%
CHICAGO	Arlington Heights	52,146	30,381	58%	9,449	5,689	18%	19%
CHICAGO	Aurora	81,197	42,843	53%	18,442	10,178	23%	24%
CHICAGO	Barrington	12,411	5,398	43%	1,407	682	11%	13%
CHICAGO	Bartlett	40,111	31,928	80%	4,702	4,279	12%	13%
CHICAGO	Batavia	11,886	8,112	68%	1,805	1,310	15%	16%
CHICAGO	Bellwood	10,798	9,415	87%	2,708	2,418	25%	26%
CHICAGO	Bensenville	13,234	9,828	74%	2,760	2,120	21%	22%
CHICAGO	Berwyn	22,181	11,734	53%	7,177	3,854	32%	33%
CHICAGO	Blue Island	46,250	38,288	83%	14,156	11,868	31%	31%
CHICAGO	Brookfield	8,558	7,847	92%	1,809	1,708	21%	22%
CHICAGO	Calumet City	16,565	8,258	50%	6,473	3,381	39%	41%
CHICAGO	Cary	12,896	7,015	54%	1,459	869	11%	12%
CHICAGO	Chicago	1,181,019	686,641	58%	457,685	286,619	39%	42%
CHICAGO	Chicago Heights	50,346	24,558	49%	15,961	8,035	32%	33%
CHICAGO	Cicero	23,795	12,817	54%	9,073	5,353	38%	42%
CHICAGO	Crystal Lake	22,361	20,198	90%	3,123	2,979	14%	15%
CHICAGO	Deerfield	13,176	10,657	81%	1,260	1,059	10%	10%
CHICAGO	Des Plaines	39,863	14,594	37%	9,713	4,282	24%	29%
CHICAGO	Downers Grove	49,359	30,545	62%	9,816	6,409	20%	21%
CHICAGO	Dundee	21,746	13,385	62%	4,077	2,628	19%	20%
CHICAGO	Elgin	53,571	33,901	63%	10,483	6,813	20%	20%
CHICAGO	Elk Grove	24,755	13,096	53%	5,803	3,200	23%	24%
CHICAGO	Elmhurst	30,213	26,527	88%	5,791	5,200	19%	20%
CHICAGO	Evanston	33,276	23,633	71%	8,723	6,300	26%	27%
CHICAGO	Forest (Cook)	11,906	9,920	83%	2,741	2,430	23%	24%
CHICAGO	Fox Lake	9,007	7,413	82%	2,183	1,901	24%	26%
CHICAGO	Frankfort	12,066	9,490	79%	1,376	1,144	11%	12%
CHICAGO	Franklin Park	6,775	5,335	79%	1,964	1,609	29%	30%
CHICAGO	Geneva	10,815	4,389	41%	1,377	611	13%	14%
CHICAGO	Glen Ellyn	16,822	13,284	79%	3,000	2,421	18%	18%
CHICAGO	Glencoe	3,370	2,941	87%	264	224	8%	8%
CHICAGO	Glenview	15,705	6,108	39%	1,960	955	12%	16%

Data as of December 31, 2012

Attachment 2

AT&T Illinois Annual Video Service Access Report

Designated Market Area	Exchange	Telco Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
CHICAGO	Grays Lake	15,494	12,539	81%	1,848	1,496	12%	12%
CHICAGO	Half Day	8,771	7,174	82%	560	477	6%	7%
CHICAGO	Hampshire	4,711	105	2%	808	20	17%	19%
CHICAGO	Harvey	23,977	17,003	71%	9,191	6,743	38%	40%
CHICAGO	Highland Park	10,651	8,612	81%	1,793	1,502	17%	17%
CHICAGO	Hinsdale	29,451	24,938	85%	5,317	4,639	18%	19%
CHICAGO	Homewood	23,309	20,643	89%	4,923	4,471	21%	22%
CHICAGO	Huntley	12,834	4,749	37%	1,357	433	11%	9%
CHICAGO	Itasca	4,566	4,069	89%	548	521	12%	13%
CHICAGO	Joliet	58,603	37,282	64%	19,086	12,694	33%	34%
CHICAGO	Kankakee	31,705	21,609	68%	11,580	8,298	37%	38%
CHICAGO	La Grange	14,349	9,167	64%	3,287	2,471	23%	27%
CHICAGO	Lake Forest	11,784	5,926	50%	1,485	883	13%	15%
CHICAGO	Lake Villa	13,860	11,335	82%	1,408	1,208	10%	11%
CHICAGO	Lake Zurich	12,902	9,732	75%	1,082	834	8%	9%
CHICAGO	Lansing	14,503	12,625	87%	3,902	3,596	27%	28%
CHICAGO	Lemont	42,998	16,511	38%	5,474	2,339	13%	14%
CHICAGO	Libertyville	24,347	18,191	75%	2,951	2,366	12%	13%
CHICAGO	Lockport	30,030	13,297	44%	5,025	2,996	17%	23%
CHICAGO	Lombard	33,960	16,474	49%	7,865	4,615	23%	28%
CHICAGO	Manhattan	3,997	55	1%	627	9	16%	16%
CHICAGO	Marengo	4,459	36	1%	881	9	20%	25%
CHICAGO	Maywood	31,308	27,633	88%	9,407	8,573	30%	31%
CHICAGO	McHenry	20,437	16,158	79%	4,039	3,429	20%	21%
CHICAGO	Minooka	9,493	1,057	11%	1,293	229	14%	22%
CHICAGO	Mundelein	10,917	8,605	79%	1,469	1,202	13%	14%
CHICAGO	Naperville	66,859	30,713	46%	7,483	4,878	11%	16%
CHICAGO	Northbrook	16,523	12,404	75%	2,250	1,790	14%	14%
CHICAGO	Oak Forest South	1,194	557	47%	156	85	13%	15%
CHICAGO	Oak Lawn	60,652	54,696	90%	16,194	15,237	27%	28%
CHICAGO	Oak Park	22,386	18,587	83%	4,633	3,912	21%	21%
CHICAGO	Orland	26,173	22,429	86%	3,084	2,821	12%	13%
CHICAGO	Oswego	13,819	1,297	9%	1,748	171	13%	13%
CHICAGO	Palatine	39,569	18,020	46%	5,823	2,829	15%	16%
CHICAGO	Palos Park	12,102	10,217	84%	2,664	2,467	22%	24%
CHICAGO	Park Ridge	20,996	4,371	21%	4,239	1,298	20%	30%
CHICAGO	Pistakee Highlands	1,444	1,254	87%	272	262	19%	21%

Data as of December 31, 2012

Attachment 2

AT&T Illinois Annual Video Service Access Report

Designated Market Area	Exchange	Telco Footprint	Current Build Footprint	Current Build Coverage %	Footprint LI	Current Build LI	Footprint LI %	Current Build LI%
CHICAGO	Plainfield	30,048	22,762	76%	2,501	2,018	8%	9%
CHICAGO	Plano	5,691	1089	19%	1,213	329	21%	30%
CHICAGO	Plato Center	1,672	176	11%	129	22	8%	13%
CHICAGO	River Grove	32,345	21,671	67%	9,315	6,640	29%	31%
CHICAGO	Riverdale	14,208	11,392	80%	4,888	4,050	34%	36%
CHICAGO	Riverside	10,521	8,579	82%	2,623	2,269	25%	26%
CHICAGO	Roselle	65,445	45,135	69%	10,864	7,979	17%	18%
CHICAGO	Round Lake	16,986	15,114	89%	3,170	2,912	19%	19%
CHICAGO	Skokie *	19,857	14,032	71%	4,105	2,983	21%	21%
CHICAGO	St Charles	21,231	15,670	74%	2,651	2,010	12%	13%
CHICAGO	Sugar Grove	3,991	197	5%	419	24	11%	12%
CHICAGO	Summit	13,133	10,504	80%	4,023	3,257	31%	31%
CHICAGO	Thornton	953	836	88%	270	245	28%	29%
CHICAGO	Tinley Park	22,109	20,035	91%	3,928	3,615	18%	18%
CHICAGO	Wauconda	10,920	9,255	85%	1,818	1,638	17%	18%
CHICAGO	Waukegan	56,196	44,305	79%	16,853	14,032	30%	32%
CHICAGO	West Chicago	12,158	8,535	70%	1,951	1,492	16%	17%
CHICAGO	Western Springs	7,718	6,544	85%	1,040	1003	13%	15%
CHICAGO	Wheaton	42,845	11,166	26%	6,811	1,839	16%	16%
CHICAGO	Wheeling	27,066	22,286	82%	4,695	4,111	17%	18%
CHICAGO	Willow Springs	2,915	2,518	86%	648	580	22%	23%
CHICAGO	Wilmette	11,147	7,195	65%	1,142	817	10%	11%
CHICAGO	Winnetka	6,737	2,109	31%	585	236	9%	11%
CHICAGO	Woodstock	12,143	7,107	59%	3,038	1,932	25%	27%
CHICAGO	Yorkville	8,591	1,600	19%	1,222	374	14%	23%
CHICAGO	Zion	13,709	11,838	86%	3,842	3,419	28%	29%
ST. LOUIS	Alton	23,264	2,968	13%	8,667	1,537	37%	52%
ST. LOUIS	Belleville	37,942	24,964	66%	12,952	8,980	34%	36%
ST. LOUIS	Collinsville	19,407	12,161	63%	6,042	3,819	31%	31%
ST. LOUIS	East St Louis	23,072	4,265	18%	14,446	3,047	63%	71%
ST. LOUIS	O Fallon	15,833	12,148	77%	3,501	2,824	22%	23%

* In the Skokie Exchange the Telco footprint and low income numbers have been limited to areas within the exchange where AT&T has been granted permits to construct video facilities.

Data as of December 31, 2012