



Wire Center Grandfathering & Copper Exit Strategy

Frontline Leader Talking Points

Overview:

On Jan. 15, 2025, notifications were sent to about 175,000 consumer and business customers in parts of 18 states in our Wireless First areas, informing them that effective on or after March 17, 2025, pending regulatory approval, we'll no longer accept new orders or any changes, including service location changes to their traditional landline phone service, known as AT&T Residential Local Service (POTS) or AT&T Phone (VoIP), in their area. We now have newer, high quality phone service available in these areas that may be less expensive, so we're no longer offering traditional landline phone service to new customers. Additionally, we currently provide legacy voice service to **less than 5%** of housing units in these areas.

- **Existing customers** – Existing customers may continue using their home phone service as they do today, and they can cancel the service at any time. We won't accept changes to their existing service, including moving service to a new location. They also have other options for phone service, such as AT&T Wireless or AT&T Phone – Advanced (“AP-A”).
- **New customers** – They have other options for phone service, such as AT&T Wireless or AT&T Phone – Advanced (“AP-A”).
- In addition to POTS and VoIP, all legacy copper services will be grandfathered in these areas, including copper broadband, special access and other legacy business services sold in these areas.
- You can find a complete list of impacted wire centers [here](#).

How this aligns with our copper exit strategy:

- We are cementing our position to be the best converged connectivity provider in America, and we are ready to meet the heightened demand for data and connectivity. We're planning to reach 50M+ fiber locations by the end of 2029.
- **As part of that, we plan to exit our copper network across the large majority of our wireline footprint by the end of 2029.**
- Our legacy services are no longer meeting our customers' needs for speed, reliability, and always on-connectivity. We will continue to work with our customers and regulators in certain areas throughout our wireline footprint to transition from copper to newer technologies like fiber and wireless.
 - For the remaining customers still using copper-based services, we will help them upgrade to fiber and wireless products, leveraging our “Fiber First” and “Wireless First” connectivity strategies.
 - **Fiber First** is defined as the wire center areas where we currently have or plan to build residential fiber. Fiber First areas represent about **50% of our land area, but it's 90% of the population**. In these areas, we'll work with our customers to upgrade their services to fiber–**targeting migrations through 2029**. Not every customer location will be reached with fiber and we will serve some of these customers with wireless alternatives.
 - **Wireless First** is our name for the wire center areas where we have not built and do not plan to build residential fiber. These wire centers may still have fiber supporting businesses or cell sites, but **no consumer fiber will be built**. This is about **50% of our land area, but it's only 10% of the population**. In these areas, we will be offering customers a better experience with our mobility and fixed wireless solutions, including AT&T Phone – Advanced and AT&T Internet Air. We'll also rely on competitive alternatives and satellite connectivity to ensure these customers stay fully connected. The plan is to have no customers using copper services in these wire centers by the end of 2027.



- No customer will be left without voice or 911 service, and we'll work with our customers through the transition.

Watch this [~2-minute video from Analyst & Investor Day](#) for more on our “Fiber First” and “Wireless First” strategies.

Q&A

Customer Focus

What does this change mean?

- This is not a discontinuance, but it does mean that we will no longer offer AT&T Residential Local Voice or AT&T Phone to new customers in these areas. Existing customers' service is not impacted by this change.
- This will be for parts of 18 states across our wireline footprint. The states not currently impacted in our footprint are Kansas, Nevada and California. You can find a complete list of impacted wire centers [here](#).

What is the impact to our customers in these areas?

- **Existing customers** may continue using their home phone service as they do today, and they can cancel the service at any time. We won't accept changes to their existing service, including moving their service to a new location. They also have other options for phone service, such as AT&T Wireless or AT&T Phone – Advanced (“AP-A”).
- **New customers** can take advantage of other options for phone service, such as AT&T Wireless or AT&T Phone – Advanced (“AP-A”).

Is this for POTS only? If not, what other products are included?

- All legacy copper services will be grandfathered, including POTS, VoIP, copper broadband, special access and other legacy business services sold in these areas.

If the customer has detailed questions, where can I point them?

- Customers can call 888.994.7035 for questions.

Operations

How and when will I know if this impacts me?

- We don't expect to see significant changes to your job. On average, in these wire centers we only install 2 POTS orders/year.
- You can continue to follow current processes to serve our customers as you always have. For questions on specific scenarios, please contact your supervisor.
- We will continue to update you as we make other changes.

Does this impact how I service repairs, including a single customer or cable failure?

- No. You can continue to follow current processes to serve our customers as you always have. For questions on specific scenarios, please contact your supervisor.

Strategy

Why are we doing this?

- Our legacy services are no longer meeting our customers' needs for speed, reliability and always on-connectivity.
 - OUR NPS scores for Fiber are 5 times higher than copper broadband.
- Customers are voting with their feet and moving off of 70-year-old copper services.
 - In fact, only 5% of our residential customers are still using copper voice technology.

Do we plan to eventually discontinue service in these areas, if so, what is the timing for this change?

- These wire centers are currently in “Wireless First” areas. The plan is to have no customers using copper services in these wire centers by the end of 2027.
- We will continue to inform you as we make changes to our copper services in these wire centers.

Do we plan to expand beyond the current number of wire centers impacted?

- Yes. We plan to exit our copper network in the large majority of our footprint by end of 2029.
- We are exiting copper wire center-by-wire center. Our path to migrate customers and exit copper will be carefully orchestrated and sequenced, based on profitability of the wire centers and the plan for our fiber build.
- We will continue to inform you as we make changes to our copper services in wire centers.

Why is AP-A the right product to replace POTS?

- We’re proud to offer AT&T Phone – Advanced, a new product that meets FCC requirements to replace traditional landlines. It uses broadband or wireless service to connect customers like a landline would.
- AP-A was designed to meet the FCC’s criteria as an adequate replacement for traditional landline phone service.
- AP-A, works like a traditional landline and with many of the existing services our POTS customers are used to using like fax machines, medical monitoring devices, alarm systems, and elevators. It connects over our wireless network or a Broadband connection and can serve most of our existing copper-based landline customers.
- It is \$45/month, less than what most of our customers pay for traditional landline service.
- We also offer technician installations for our customers signing up for AT&T Phone – Advanced.

Does this mean that you won’t bid on BEAD in the Wireless First areas?

- No. We will continue to evaluate all BEAD eligible areas, whether in a Wireless First area or a Fiber First area.

Other**How will jobs be impacted?**

- Throughout our history, our customers have continuously moved from older to more advanced technologies.
- We’ve managed through this evolution before and will continue to work with our employees and their union representatives to address the impacts of technological advances.
- Similarly, our workforce is always evolving to address new challenges in the marketplace. To that end, we have policies, procedures and contractual processes in place to help us adapt as we transform our network.
- Like similar transitions we’ve made in the past, we’ll determine where our employees are needed while identifying new opportunities that can help us build for the future.