
At&t Uverse Imposes Monthly Cap Limitations On Internet Usage

DSL users are capped at 150 GB/month and Uverse users capped at 250 GB/month

Springfield, MO (prHWY.com) March 14, 2011 - Broadband Reports was the first to learn, and has confirmed with AT&T, that the company will be implementing a new 150GB monthly usage cap for all DSL customers and a new 250 GB cap on all U-Verse users starting on May 2. From March 18 to March 31, AT&T users are going to be receiving notices informing them of the change in the company's terms of service. AT&T spokesman Seth Bloom confirmed the news to Broadband Reports after we initially contacted him last Friday concerning a leaked copy of the upcoming user notification. According to Bloom, the cap will involve overage charges. However, only users who consistently exceed the new caps will have to deal with these charges.

Contact AT&T at 877-377-0414 to express your concerns!

This is how it will work: only users who exceed the new usage cap three times -- across the life of your account, not per month -- will be forced to pay these new per byte overages. Overages will be \$10 for every 50GB over the 150 GB or 250GB limit they travel.

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AT&T claims their average DSL customer uses around 18GB a month, and these changes will only impact about 2% of all DSL customers -- who the company states consume "a disproportionate amount of bandwidth."

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"Using a notification structure similar to our new wireless data plans, we'll proactively notify customers when they exceed 65%, 90% and 100% of the monthly usage allowance," AT&T tells us. The company also says they'll provide users with a number of different usage tools, including a usage monitor that tracks historical usage over time, and a number of different usage tools aimed at identifying bandwidth-hungry services.

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Regular readers will recall that this isn't AT&T's first experimentation with usage-based-billing. The company conducted trials of capped services and overages in Reno, Nevada and Beaumont, Texas in 2008. Those trials involved users facing caps ranging from 20GB to 150GB -- and per gigabyte overages up to \$1 per gigabyte. The efforts were discontinued in early 2010. In contrast to those trials, which involved capturing nearly all users in an overage net -- this effort is aimed squarely at what AT&T considers consistently heavy users.

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"We are committed to providing a great experience for all of our Internet customers," AT&T tells Broadband Reports. "We will communicate early and often with these customers so they are well aware of their options before they incur any additional usage charges," the company says. "Importantly, we are not reducing the speeds, terminating service or limiting available data like some others in the industry."

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Keep in mind that AT&T is an investor in bandwidth-intensive services like OnLive's HD game streaming platform, and that the heavy user of today is inevitably the standard user of tomorrow. There's several questions reporters and consumers should now ask, such as whether such overages would be possible in truly competitive markets, or if AT&T has any raw congestion data proving this kind of action is truly necessary. The predominant question however should be: does AT&T scale these caps and overages to accommodate for the dropping cost of bandwidth and hardware moving forward, or will they bend to inevitable investor pressure and continually tighten the metered billing noose?

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