

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
SBC Communications Inc. and) WC Docket No. 05-65
AT&T Corporation)
Applications for Approval of)
Transfer of Control)

COMMENTS OF THE
NEW JERSEY BOARD OF PUBLIC UTILITIES

The New Jersey Board of Public Utilities (“Board”) submits the following comments in response to the Federal Communications Commission’s (“FCC”) Public Notice in the above captioned docket, released on March 11, 2005. In the aforementioned notice the FCC invited interested parties to file written comments regarding the proposed merger of SBC Communications, Inc. (“SBC”) and AT&T Corporation (“AT&T”), thereby becoming full parties to the FCC proceeding in which said merger is being reviewed.

The Board has a substantial interest in the outcome of this proceeding. AT&T currently provides local and interexchange services throughout New Jersey, by way of three Board-authorized, wholly owned subsidiaries: AT&T Communications of NJ, L.P., Teleport Communications New York and TCG Delaware Valley, Inc. Moreover, the AT&T parent corporation is headquartered in New Jersey and has a significant number of employees in this state. Therefore, the outcome of the merger could have a significant impact on the

state of telecommunications competition and economic development in New Jersey.

Since New Jersey's institution of alternative forms of regulation for certain telecommunications carriers under State law in 1992, the Board has been at the forefront of promoting diversity, competition and consumer choice in the telecommunications service market. Furthering these goals should be an important objective of the FCC in its review of the proposed SBC/AT&T merger, and the Board urges the FCC to fully take them into account. In this way, the FCC can promote the Congressional policies of opening local exchange markets to competition, fostering deployment of advanced services and securing lower prices and higher quality services, as set forth in, among other places, the Telecommunications Act of 1996. Preamble, *Telecommunications Act of 1996*, Pub. L. No. 104-104, 110 Stat. 56 (1996).

On February 28, 2005, SBC and AT&T jointly filed a petition requesting Board approval of the aforementioned merger. Pursuant to State law, the Board's review includes, but is not limited to, consideration of the impact of the merger on competition, the rates to be paid by ratepayers affected by the acquisition of control, the employees of the affected utilities, and the provision of safe and adequate service at just and reasonable rates. *See N.J.S.A. 48:2-51.1; N.J.S.A. 48:3-10*. The Board intends to carefully review the petition in accordance with these guidelines. The Board will be holding hearings to consider the positions and input of interested parties and the public. The Board

requests the opportunity to submit further comments as it considers the proposed merger in its own proceeding.

There is obvious overlap in the pro-competition, pro-consumer federal policy scheme and the policy framework set forth under New Jersey state law. Therefore, we urge the FCC to adopt a stance with regard to the merger that adheres to these principles and results in the benefits of the new competitive marketplace being shared by all.

Respectfully submitted,

New Jersey Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

DATED: April 22, 2005

{seal}

_____/s/_____
JEANNE M. FOX
PRESIDENT

_____/s/_____
FREDERICK F. BUTLER
COMMISSIONER

_____/s/_____
CONNIE O. HUGHES
COMMISSIONER

_____/s/_____
JACK ALTER
COMMISSIONER