

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP

3050 K STREET, N.W.

SUITE 400

WASHINGTON, D.C. 20007

(202) 342-8400

FACSIMILE

(202) 342-8451

www.kelleydrye.com

BRAD E. MUTSCHELKNAUS

DIRECT LINE: (202) 342-8539

EMAIL: bmutschelknaus@kelleydrye.com

NEW YORK, NY  
TYSONS CORNER, VA  
CHICAGO, IL  
STAMFORD, CT  
PARSIPPANY, NJ  
BRUSSELS, BELGIUM

AFFILIATE OFFICES  
MUMBAI, INDIA

October 26, 2006

**VIA ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: *Ex Parte Notification*: WC Docket No. 06-74: In the Matter of the Application Pursuant to Section 214 of the Communications Act of 1934 and Section 63.04 of the Commission's Rules for Consent to Transfer Control of BellSouth Corporation to AT&T, Inc.

Dear Ms. Dortch:

On October 25, 2006, I was joined on a conference call with Michelle Carey, Legal Assistant to Chairman Martin, by Julia Strow (Cbeyond Communications), Riley Murphy (NuVox Communications), Heather Gold (XO Communications), Earl Comstock (CompTel), James Falvey (Xspedius), and Tamar Finn (Bingham McCutcheon). The purpose of our meeting was to discuss the proposed remedial conditions proposed by AT&T on October 13, 2006, and the comments regarding the proposed conditions filed by CompTel on September 24, 2006. We explained that, while several of the conditions proposed by AT&T could prove beneficial, the package of conditions offered are insufficient to offset the injuries to competition likely to be caused by the proposed merger. We reiterated that no set of conditions can completely redress the harm to competition. However, if the Commission elects to approve the proposed merger subject to conditions, we urged the Commission to impose the conditions proposed by CompTel, rather than those offered up by AT&T.

KELLEY DRYE & WARREN LLP

Marlene H. Dortch, Secretary  
October 26, 2006  
Page Two

In accordance with Sections 1.1203-1206 of the Commission's Rules, this letter is being filed electronically for inclusion in the public record.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "BEM", with a long horizontal flourish extending to the right.

Brad E. Mutschelknaus

BEM:cpa  
cc: Michelle Carey