



Jacquelyne Flemming
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February 6, 2008

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: WC Docket No. 06-74, In the Matter of AT&T Inc. and BellSouth Corporation
Application for Transfer of Control – **Annual Compliance Certification**

Dear Ms. Dortch:

In accordance with the voluntary commitments set forth in Appendix F of the Commission's Memorandum Opinion and Order in WC Docket No. 06-74, In the Matter of AT&T Inc. and BellSouth Corporation Application for Transfer of Control ("AT&T/BellSouth Merger Order"), attached please find the declaration of AT&T's Corporate Compliance Officer attesting that AT&T has substantially complied with the terms of these conditions in all material respects.

If you have any questions regarding the attached, please contact me at (202) 457-3032.

Sincerely,

A handwritten signature in black ink that reads "Jacquelyne Flemming". The signature is written in a cursive style and is positioned above a light gray rectangular background.

Attachment

CC: Tim Stelzig (FCC)

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of

AT&T Inc. and BellSouth Corporation.
Application for Transfer of Control

WC Docket No. 06-74

I, Carol Tacker, being of lawful age and duly sworn upon my oath, do hereby state as follows:

1. My name is Carol Tacker. I am Senior Vice President-Compliance for AT&T Inc. ("AT&T"). My duties include responsibility for implementing, monitoring, and reporting on AT&T's compliance with the merger conditions ("Merger Conditions") set forth in Appendix F to the Commission's March 26, 2007 order in the above-referenced docket, as modified by the Commission's March 26, 2007 Order on Reconsideration. See Memorandum Opinion and Order, *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, FCC 06-189 (rel. Mar. 26, 2007) ("Merger Approval Order"); Order on Reconsideration, *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, FCC 07-44 (rel. Mar. 26, 2007) ("Order on Reconsideration").
2. As required by the last commitment in Appendix F, as well as paragraph 227 of the Merger Approval Order, I hereby certify that AT&T Inc. has substantially complied with all of the commitments set forth in Appendix F, as modified by the Order on Reconsideration, in all material respects for the annual period beginning on December 29, 2006 (the "Merger Closing Date") and ending on December 29, 2007.¹

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct based on my information and belief.

Executed on February 5th, 2008



Carol Tacker
Senior Vice President-Compliance
AT&T Inc.

¹ AT&T previously informed Commission staff of four incidents that occurred during this period which relate to the Merger Conditions but which, in AT&T's view, do not constitute material instances of non-compliance with the Merger Conditions. Further information concerning these incidents is provided in Attachment A hereto. AT&T also notes that paragraph 1 of the "Promoting Accessibility of Broadband Service" commitment required AT&T to complete certain actions by December 31, 2007. These actions were in fact completed by AT&T on or before December 29, 2007. Similarly, the "Statement of Video Roll-Out Intentions" commitment required AT&T to provide a written report to the Commission by December 31, 2007. AT&T filed the report with the Commission on December 20, 2007.

ATTACHMENT A

Special Access Commitment No. 2

In August 2007, AT&T discovered that, due to an inadvertent billing error, it had overbilled eight customers for a one month period for some special access circuits that were subject to the rate “freeze” provision of this commitment. The error involved a total of 27 circuits in the 13-state legacy AT&T region, and 2 circuits in the 9-state legacy BellSouth region. Appropriate credits totaling \$3,883 for the 27 circuits in the legacy AT&T 13-state region,¹ and \$194 for the 2 legacy BellSouth region circuits, were issued to the eight affected customers by the end of August 2007.

Special Access Commitment No. 6

AT&T implemented the rate reductions required by this commitment via tariff amendments that became effective April 5, 2007. AT&T subsequently discovered that, due to inadvertent billing errors, certain customers did not initially receive all of the required reductions. Approximately 90 customers were involved. The problem was corrected and appropriate credits, totaling approximately \$3.9 million, were applied to the September/October 2007 bills of the affected customers.

Special Access Commitment No. 11

Subsequent to the 14-day deadline for sending the notices referenced in this commitment, AT&T discovered that it had inadvertently failed to send the required notice to one customer, and had inadvertently referenced the wrong contract number on another customer’s notice. On February 5, 2007, AT&T sent the required notice to the first customer and a revised notice containing the correct contract number to the second customer. The two customers were given forty-five days from February 5, 2007 to respond.

Transit Service Commitment

After the merger close date, AT&T entered into new interconnection agreements and/or amendments to interconnection agreements with eleven CLECs that inadvertently contained an increase in the transit intermediary charge rates from the rates in the CLECs' prior interconnection agreements. After discovering the issue, AT&T transmitted to these customers interconnection agreement amendments that contained the transit rates in effect as of the merger close date. Only one of the customers was actually billed transit charges at the higher rate. AT&T applied an appropriate adjustment of approximately \$20,000 to this customer’s bills in August 2007.

¹ The 27 circuits in the legacy AT&T 13-state region were also covered by paragraph 2 of the SBC/AT&T special access service commitments. AT&T therefore reported this same incident as part of its annual compliance certification for the SBC/AT&T merger commitments, which was filed with the FCC on January 2, 2008.