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TN REGULATORY AUTHORITY
DOCKET ROOM

November 25, 2002

Ms. Darlene Standley
Regulatory Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee

SUBJECT: Withdrawal of Tariff Filing to Obsolete Message Rate Service, Measured Rate Service, RegionServ Service, and Morristown Area Calling Plan
Docket No. 02-01134

Dear Darlene:

BellSouth disagrees that the obsoleting of a basic service diminishes the quality of service available in Tennessee for purposes of the price regulation statute. Specifically, BellSouth wishes to clarify its position that the obsoleting of these price plans would not affect the availability of the functionality provided by these services, which is simply dial tone. Tennesseans would still be able to obtain from BellSouth the same functionality through a different price plan, which has been deemed affordable under Tennessee law.

As discussed at the Agenda Conference, BellSouth's motivation in obsoleting these services was to eliminate four services (two basic and two non-basic), which Tennesseans increasingly decline to select. Maintenance of services, which are not widely chosen by customers, imposes administrative and cost burdens on BellSouth, limiting BellSouth's ability to place its resources in services that customers demand. As BellSouth introduces new services or as customers' preferences and tastes for certain services change, BellSouth must maintain the ability to obsolete services that customers no longer find appealing, in order to focus on providing quality service for those services that customers do select. The decision to seek to obsolete these services was motivated by these administrative and cost concerns.

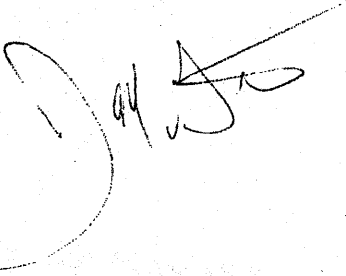
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Given the discussion and the Authority's apparent concern over the fact that the obsoleting of basic services appears to be a question for first impression of the TRA, BellSouth anticipates that proceeding at this time with its tariff to obsolete basic services will require regulatory resources for briefing or other activity before the Authority. In light of this, BellSouth has made the decision at this time not to pursue obsoleting of these services. Although the TRA did approve obsoleting the non-basic services, subject to a 90 day open enrollment period, BellSouth has identified administrative issues associated with obsoleting these services.

In light of the concerns expressed by the TRA during discussions at the November 18, 2002, conference, as well as the administrative issues referenced above, BellSouth has decided to withdraw the tariff filing in Docket 02-01134, Tariff Filing to Obsolete Message Rate Service, Measured Rate Service, RegionServ Service, and Morristown Area Calling Plan, in its entirety. BellSouth's decision not to pursue this matter at this time is motivated solely by the desire to avoid expending the administrative resources necessary to resolve the issue of obsoleting basic services *at this time*. Accordingly, BellSouth expressly reserves the right to raise these issues in the future. Notwithstanding BellSouth's position that the obsoleting of these basic services would not adversely affect the quality of service in Tennessee, BellSouth believes that its administrative resources currently would be better spent on other issues. BellSouth expressly reserves its right to seek to obsolete these basic services at a later date.

Please call me at 214-3815 if you have questions or wish to discuss.

Yours truly,

A handwritten signature in dark ink, appearing to read 'Darlene Standley', is written over a large, faint circular stamp or watermark.