BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

July 13, 2006

IN RE:)	
JOINT FILING OF AT&T INC. AND BELLSOUTH)	DOCKET NO.
CORPORATION, TOGETHER WITH ITS	í	06-00093
CERTIFICATED TENNESSEE SUBSIDIARIES,	ĺ	
REGARDING CHANGE OF CONTROL OF THE)	
OPERATING AUTHORITY OF BELLSOUTH)	
CORPORATION'S TENNESSEE SUBSIDIARIES	í	

ORDER GRANTING INTERVENTIONS, CONVENING A CONTESTED CASE, APPOINTING A HEARING OFFICER AND SETTING A PROCEDURAL SCHEDULE

This matter came before Chairman Ron Jones, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on April 17, 2006.

On March 31, 2006, AT&T Inc. ("AT&T") and BellSouth Corporation ("BellSouth") filed the *Joint Filing of AT&T Inc., BellSouth Corporation, and BellSouth's Certificated Tennessee Subsidiaries Regarding Change of Control*, seeking Authority approval of the change of ultimate control of BellSouth, the parent company of Tennessee subsidiaries, as a result of the Agreement and Plan of Merger jointly executed by BellSouth and AT&T on March 4, 2006. Following the proposed merger, BellSouth will become a wholly-owned subsidiary of AT&T.

On April 10, 2006, Time Warner Telecom of the Mid-South, LP ("Time Warner") filed a Petition to Intervene, stating that, as a competing certified telecommunications service provider, its legal rights, duties, privileges, immunities may be affected by the outcome of this proceeding and its legal interests will not be adequately represented unless allowed to intervene.

On April 13, 2006, AT&T and BellSouth submitted a proposed procedural schedule and requested that the Authority consider the schedule at its April 17, 2006 Authority Conference.

APRIL 17, 2006 AUTHORITY CONFERENCE

Interventions

Tenn. Code Ann. § 4-5-310(a) sets forth the following criteria for granting petitions to intervene:

- (a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if:
 - (1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;
 - (2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of the law; and
 - (3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

At the regularly scheduled Authority Conference held on April 17, 2006, the panel considered Time Warner's Petition to Intervene, as well as the oral motion of NuVox Communications, Inc. ("NuVox") for leave to intervene. Neither AT&T nor BellSouth objected to the requests for intervention. The panel found that the legal rights, duties, privileges, immunities or other legal interests of Time Warner and NuVox might be determined in this proceeding, that both requests for leave to intervene were made timely and that allowing those interventions would not impair the orderly and prompt conduct of these proceedings. For these reasons, and applying the standards set forth in Tenn. Code Ann. § 4-5-310(a), the panel unanimously voted to grant permission for leave to intervene to both Time Warner and NuVox.

Transcript of Proceedings, pp. 65-66 (April 17, 2006).

¹ NuVox made an oral motion for leave to intervene at the Authority Conference. The panel requested that NuVox file a written motion in the docket as well, which NuVox filed on April 21, 2006. *See* Transcript of Proceedings, p. 61 (April 17, 2006).

Procedural Schedule and Appointment of Hearing Officer

The panel addressed the procedural schedule proposed by AT&T and BellSouth on April 13, 2006. After consideration of proposed modifications to that schedule, a majority³ of the panel voted to adopt the following procedural schedule:

May 10, 2006 Deadline for any petition to intervene

May 19, 2006 Discovery requests served, all parties

May 26, 2006 Discovery responses served, all parties

June 2, 2006 Direct testimony served by all parties

June 15, 2006 Rebuttal testimony served by all parties

Week of June 26, 2006 Hearing. Parties will notify the TRA prior to

June 26, 2006 if witnesses can be stipulated

without a live hearing.

July 10, 2006 TRA Deliberations

In addition, the panel voted unanimously to convene a contested case proceeding and to appoint the Authority's General Counsel or his designee to serve as Hearing Officer for the purpose of hearing preliminary matters, making any necessary modifications to the adopted procedural schedule and preparing the matter for a hearing before the panel.

IT IS THEREFORE ORDERED THAT:

- 1. A contested case is hereby convened.
- 2. Time Warner Telecom of the Mid-South, LP and NuVox Communications, Inc. are granted leave to intervene in this docket and each may participate in this proceeding as its interests require and receive copies of any notices, orders or other documents filed herein.
 - 3. A procedural schedule is established as set forth herein.

³ Chairman Jones did not vote with the majority, preferring to appoint a Hearing Officer to address the procedural schedule with directions to move forward in an expeditious manner.

4. The General Counsel or his designee is appointed to serve as Hearing Officer in this docket to hear preliminary matters, make any necessary modifications to the adopted procedural schedule and prepare the matter for a hearing before the panel.

Roy Cones, Civingan

Pat Miller, Director

Sara Kyle, Director