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April 13, 2006

VIA HAND DELIVERY

Hon. Ron Jones, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Joint Filing of AT&T Inc. and BellSouth Corporation together with its
Certificated Tennessee Subsidiaries regarding Change of Control of the
Operating Authority of BellSouth Corporation's Tennessee Subsidiaries*
Docket No. 06-00093

Dear Chairman Jones:

Enclosed for filing is a proposed procedural schedule for the review of BellSouth and AT&T's Joint Filing in support of their proposed merger. The parties respectfully request that this matter be placed on the April 17 Agenda Conference to consider the schedule.

As you will recall, this type of procedure was not needed when the TRA reviewed the applications relating to the Sprint/Nextel, Verizon/MCI, or the SBC/AT&T mergers. In the event that no party intervenes in opposition to the merger, then most of the procedure included in the proposed schedule (including testimony and a hearing) will be unnecessary.

In the event, however, that there are interventions in opposition, BellSouth and AT&T believe it is vital for the agency to establish a schedule to ensure that the TRA has completed its work in this case by late June. This merger between two holding companies at the parent level will be seamless and transparent to consumers in Tennessee and will not result in any change to the entities regulated by this Authority. The transaction at issue here thus will not involve any transfer of assets or certificates of BellSouth Telecommunications, Inc., the regulated ILEC in Tennessee, or of any other subsidiaries of AT&T and BellSouth Corporation that operate in Tennessee. Moreover, nothing in this transaction will affect the Authority's regulatory authority over the BellSouth operating subsidiaries (and the


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AT&T subsidiaries) in Tennessee. The merger, therefore, should be approved by the Authority within the time proposed in the attached schedule.¹

Approval of this schedule is critically important for several reasons. First, this schedule will ensure that the FCC would have the benefit of the TRA's decision prior to the FCC's decision. Second, as the TRA astutely observed in its letter of March 9, 2006 to the members of the Tennessee General Assembly, this merger is in direct response to the rapid competitive and technological changes taking place in our industry. The combination of AT&T and BellSouth will bring advancements in new products and services to Tennesseans. This schedule will facilitate the transaction closing as soon as possible which, in turn, will bring the consumer benefits enumerated in the joint filing to Tennessee sooner than otherwise would be the case.

Thank you for your attention to this important matter.




Guy M. Hicks
For BellSouth

GMH:ch

cc: Hon. Sara Kyle, Director
Hon. Pat Miller, Director

Very truly yours,



Jack W. Robinson, Jr.
Counsel for AT&T

*by Carolyn
Hamesworth
w/permission*

¹ Please see the Cautionary Language Regarding Forward-Looking Statements attached hereto as Exhibit A.

PROPOSED PROCEDURAL SCHEDULE

March 31, 2006	AT&T and BellSouth file joint application for approval of merger with TRA
April 3, 2006	TRA posts joint application on public website
April 13, 2006	AT&T and BellSouth file proposed procedural schedule
May 3, 2006	Deadline for any petition to intervene
May 12, 2006	Discovery requests, all parties
May 19, 2006	Discovery responses, all parties
May 26, 2006	Direct testimony by all parties
June 2, 2006	Rebuttal testimony by all parties
Week of June 12, 2006	1-day Hearing, if needed. Parties will notify the TRA prior to June 12 if witnesses can be stipulated without a live hearing.
June 26, 2006	TRA deliberations

Cautionary Language Concerning Forward-Looking Statements

We have included or incorporated by reference in this document financial estimates and other forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These estimates and statements are subject to risks and uncertainties, and actual results might differ materially from these estimates and statements. Such estimates and statements include, but are not limited to, statements about the benefits of the merger, including future financial and operating results, the combined company's plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the management of AT&T Inc. and BellSouth Corporation and are subject to significant risks and uncertainties and outside of our control.

Readers are cautioned that the following important factors, in addition to those discussed in this statement and elsewhere in the proxy statement/prospectus to be filed by AT&T with the SEC, and in the documents incorporated by reference in such proxy statement/prospectus, could affect the future results of AT&T and BellSouth or the prospects for the merger: (1) the ability to obtain governmental approvals of the merger on the proposed terms and schedule; (2) the failure of BellSouth shareholders to approve the merger; (3) the risks that the businesses of AT&T and BellSouth will not be integrated successfully; (4) the risks that the cost savings and any other synergies from the merger may not be fully realized or may take longer to realize than expected; (5) disruption from the merger making it more difficult to maintain relationships with customers, employees or suppliers; (6) competition and its effect on pricing, costs, spending, third-party relationships and revenues; (7) the risk that any savings and other synergies relating to the resulting sole ownership of Cingular Wireless LLC may not be fully realized or may take longer to realize than expected; (8) final outcomes of various state and federal regulatory proceedings and changes in existing state, federal or foreign laws and regulations and/or enactment of additional regulatory laws and regulations; (9) risks inherent in international operations, including exposure to fluctuations in foreign currency exchange rates and political risk; (10) the impact of new technologies; (11) changes in general economic and market conditions; and (12) changes in the regulatory environment in which AT&T and BellSouth operate. Additional factors that may affect future results are contained in AT&T's, BellSouth's, and Cingular Wireless LLC's filings with the Securities and Exchange Commission ("SEC"), which are available at the SEC's website (<http://www.sec.gov>). Neither AT&T nor BellSouth is under any obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

This document may contain certain non-GAAP financial measures. Reconciliations between the non-GAAP financial measures and the GAAP financial measures are available on the company's website at www.sbc.com/investor_relations.

Exhibit A