

BellSouth Telecommunications, Inc.

333 Commerce Street
Suite 2101
Nashville, TN 37201-3300

guy.hicks@bellsouth.com

Guy M. Hicks

General Counsel

615 214 6301

Fax 615 214 7406

January 8, 2007

VIA HAND DELIVERY

filed electronically in docket office on 01/08/07

Hon. Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

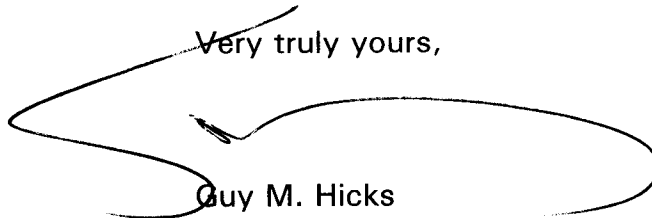
Re: AT&T/BSLD Request for Approval of Customer Notification Pursuant
to Authority Rule 1220-4-1-.08
Docket No. 07-00002

Dear Chairman Kyle:

Attached is a copy of a cover letter and Letter of Credit from Wachovia Bank filed with the Authority on January 2, 2007 in connection with the dba and customer notification filing made by BellSouth Long Distance, Inc. on January 2, 2007. Wachovia's letter was filed without reference to a particular Authority docket number. I am writing to request that the Wachovia letter and Letter of Credit be filed in this docket, No. 07-00002.

Thank you.

Very truly yours,



Guy M. Hicks
For BellSouth Long Distance, Inc.

GMH:ch

WACHOVIA

01/02/07

TENNESSEE REGULATORY AUTHORITY
460 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
ATTN: SARA KYLE, CHAIRMAN

GENTLEMEN:

WACHOVIA BANK, N.A., AT THE REQUEST OF BELLSOUTH LONG DISTANCE DBA AT&T LONG DISTANCE SERVICE, HAS ISSUED OUR IRREVOCABLE LETTER OF CREDIT NO. SM223715W IN THE AMOUNT OF USD 20,000.00, DATED 01/02/07 IN YOUR FAVOR.

THIS WILL CERTIFY THAT SHARON PEACE IS AUTHORIZED TO PROVIDE AND EXECUTE THE MENTIONED IRREVOCABLE LETTER OF CREDIT, THAT THE SIGNATURE APPEARING ON SAID LETTER OF CREDIT IS AUTHENTIC, AND THAT THE BANK HAS COMPLIED WITH ALL FDIC REQUIREMENTS AND OTHER APPLICABLE LAWS IN CONNECTION WITH THE ISSUANCE OF SUCH LETTER OF CREDIT.

This is a True Copy of the original
SINCERELY instrument issued by

Wachovia Bank, N.A. on the
date noted A. Mendenhall

(FILL IN NAME OF SIGNER)
AUTHORIZED SIGNATURE

WACHOVIA BANK, N.A.
401 LINDEN STREET, 1ST FLOOR
WINSTON-SALEM, NORTH CAROLINA
27101

WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER SM223715W

LETTER OF CREDIT AMOUNT	ISSUE DATE	EXPIRY DATE
USD 20,000.00	01/02/07	10/10/08

BENEFICIARY:

TENNESSEE REGULATORY AUTHORITY
460 JAMES ROBERTSON PARKWAY
NASHVILLE, TN 37243
ATTN: SARA KYLE, CHAIRMAN

APPLICANT:

BELLSOUTH LONG DISTANCE DBA AT&T LONG
DISTANCE SERVICE
C/O BELLSOUTH CORPORATION
14E04, 1155 PEACHTREE STREET
ATLANTA, GA 30309

You have requested of Wachovia Bank, National Association (the "Lender") that we establish an Irrevocable Letter of Credit which will remain available on behalf of BellSouth Long Distance dba AT&T Long Distance Service (the "Company") who has applied to the Tennessee Regulatory Authority (the "TRA") for authority to provide telecommunications services in the state of Tennessee. We are advised that the purpose of this Letter of Credit is to secure payment of any monetary sanction imposed against the Company, its representatives, or successors in any enforcement proceeding brought under that certain Title 65 of the Tennessee Code Annotated or that certain Consumer Telemarketing Protection Act of 1990, compiled in Title 47, Chapter 18, Part 15, by or on behalf of the authority.

We hereby establish and issue, in favor of the TRA, an Irrevocable Letter of Credit in the amount of Twenty Thousand United States Dollars (\$20,000.00) lawful money of the United States of America, drawn on Wachovia Bank, National Association, duly endorsed on the reverse side thereof by the beneficiary. The TRA may draw upon this Letter of Credit, at any time and from time to time, by delivering a Letter of Credit Notice, in the form attached as Exhibit I (a "Notice"), which Notice shall specify the amount (the "Draw Amount") to be drawn and the bank account (the "Bank Account") to which the Draw Amount should be delivered and shall be purportedly signed by an official designated and duly authorized by the TRA, to Lender at the address listed below, or to such other address as the Lender shall notify the TRA in writing by certified mail or courier. Promptly after the delivery of each Notice, in compliance with Standby Letter of Credit terms, the Lender hereby covenants and agrees to deliver, by wire transfer of immediately available funds, the Draw Amount to the Bank Account.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without written amendment for one year periods from the present or any future expiry date unless at least Thirty (30) days prior to such expiration date, we send the beneficiary notice at the above stated address by overnight courier that we elect not to extend this Letter of Credit beyond the initial or any extended expiry date thereof.

CONTINUED ON NEXT PAGE WHICH FORMS AN INTEGRAL PART OF THIS
LETTER OF CREDIT

This is a True Copy of the original
instrument issued by
Wachovia Bank, N.A. on the
date noted Spec

WACHOVIA

IRREVOCABLE STANDBY LETTER OF CREDIT NO. SM223715W

PAGE NO. 2

However, this Standby Letter of Credit shall not be extended beyond 10/10/2010 which will be considered the final expiration date. Any reference to a final expiration date does not imply that Wachovia Bank, National Association is obligated to extend this credit beyond the initial expiry date or any extended date thereof.

The Lender hereby represents and warrants that it is qualified and authorized to issue this Letter of Credit.

We hereby agree with you that all draft(s) drawn under and in compliance with the terms of this Letter of Credit shall be duly honored upon presentation of the required documents and the original of this Letter of Credit to our office located at 401 Linden Street, Winston-Salem, NC 27101, Attention: Standby Letter of Credit Department on or before the above stated expiration date or any automatically extended expiration date as provided for herein.

Draft(s) drawn under this Letter of Credit must specifically reference our Letter of Credit number SM223715W.

Except as otherwise expressly stated, this letter of credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce Publication No. 500, or any revisions thereto.

Yours Very Truly,

This is a True Copy of the original
Wachovia Bank, National Association
Wachovia Bank, N.A. on the

Authorized Signature

Printed Name

Title

DKN

THE ORIGINAL OF THIS LETTER OF CREDIT CONTAINS AN EMBOSSED SEAL OVER THE AUTHORIZED SIGNATURE.

PLEASE DIRECT ANY CORRESPONDENCE INCLUDING DRAWING OR INQUIRY QUOTING OUR REFERENCE NUMBER TO:

WACHOVIA BANK, NATIONAL ASSOCIATION
401 LINDEN STREET, MAIL CODE NC6034
WINSTON SALEM, NORTH CAROLINA 27101

OUR CUSTOMER CARE PHONE NUMBER FOR ANY QUERIES IS 800-776-3862
OUR FAX NUMBER IS 336-735-0950

WACHOVIA

EXHIBIT I

FORM OF LETTER OF CREDIT NOTICE

Wachovia Bank, National Association
401 Linden Street
Winston-Salem, North Carolina 27101
Attention: Standby Letter of Credit Dept.

Re: Irrevocable Letter of Credit No. SM223715W

You are hereby notified, and the undersigned hereby certifies, that the undersigned is an official designated and duly authorized by the TRA to deliver this notice and that a monetary sanction in the amount of \$(insert amount) (the "Draw Amount") has been imposed against BellSouth Long Distance dba AT&T Long Distance Service, its representatives or successors in an enforcement proceeding brought under The Consumer Telemarketing Act of 1990, compiled in Title 47, chapter 18, Part 15, by or on behalf of the authority.

Pursuant to that certain Irrevocable Letter of Credit referenced above, we hereby request that you deliver payment of the Draw Amount to the bank account listed below by wire transfer of immediately available funds:

Name of Bank Account: _____
Account Number: _____
ABA Routing Number: _____
Reference: _____
Name of Contact: _____
Telephone Number: _____
Facsimile Number: _____

Please confirm receipt of this Notice and the Federal Reserve wire confirmation number of the delivery of the Draw Amount by sending a facsimile to the person at the number listed above.

Sincerely,

TENNESSEE REGULATORY AUTHORITY

Printed Name: _____

Title: _____