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September 14, 2007

filed electronically in docket office on 07-00053

VIA HAND DELIVERY

Hon. Eddie Roberson, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

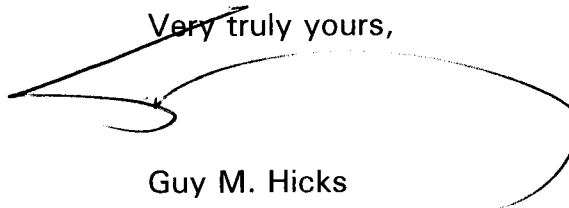
Re: *Complaint of BLC Management, LLC d/b/a Angles Communication Solutions Against BellSouth Telecommunications, Inc. to Resolve Billing Disputes, Enforce the Parties' Interconnection Agreement, and Prevent Interference with Service to Customers*
Docket No. 07-00053

Dear Chairman Roberson:

Enclosed are the original and four copies of the Direct Testimony of Dave J. Egan on behalf of AT&T Tennessee. Exhibit DJE-2 contains proprietary information and is being submitted under separate cover pursuant to the Protective Order entered in this docket.

Copies of the enclosed are being provided to counsel of record.

Very truly yours,



Guy M. Hicks

GMH:ch

690736

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AT&T TENNESSEE
DIRECT TESTIMONY OF DAVID J. EGAN
BEFORE THE TENNESSEE REGULATORY AUTHORITY
DOCKET NO. 07-00053
SEPTEMBER 14, 2007

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH AT&T, AND
YOUR BUSINESS ADDRESS.

A. My name is David J. Egan. I am employed by AT&T Services, Inc. (“AT&T”) as an Associate Director – Credit & Collections. My business address is 722 N. Broadway, Floor 11, Milwaukee, WI 53202.

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND
AND EXPERIENCE.

A. I received a Bachelor of Arts degree in Business Administration from the University of St. Thomas (St. Paul, MN) with a major in Accounting in 1989. I received a Masters in Business Administration from the Keller Graduate School of Management (Milwaukee, WI) in 1999. I am a Certified Public Accountant licensed to practice in the State of Wisconsin.

My career with AT&T spans eight (8) years Ameritech Corporation, SBC and AT&T. During this time I have held various positions within the Credit and

1 Collections organization. I was hired to develop and implement a credit
2 verification process to assess the risk of new competitive local exchange
3 carrier ("CLEC") entrants and to obtain deposits from CLEC customers. In
4 2000, the scope of my responsibility increased to include oversight of the
5 wholesale collection unit, responsible for collecting from non-bankrupt CLEC
6 customers. My primary function is to work with bankrupt customers, CLECs
7 exiting the market for both voluntary and involuntary reasons, large dispute
8 settlements, ensuring that AT&T's wholesale uncollectible reserve is adequate,
9 and testifying in bankruptcy and regulatory proceedings. I have testified
10 extensively on the topics of adequate assurance, customer payment history,
11 deposits, and escrow arrangements. I have been a witness in Texas, Illinois,
12 Michigan, Missouri, Kansas, California and Nevada. I have also testified
13 extensively in Bankruptcy Court. Prior to coming to work at AT&T, I spent
14 nine (9) years in the commercial lending groups of a bank and two finance
15 companies.

16

17 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

18

19 A. The purpose of my testimony is to demonstrate that BLC Management LLC
20 d/b/a Angles Communications Solutions ("Angles") owes a significant sum on
21 its Tennessee resale account that is past due and not subject to any dispute.
22 This undisputed, past due amount of \$180,327.46 must be paid immediately.
23 Importantly, AT&T is not seeking in this docket to collect disputed amounts

1 that are past due. Rather, my testimony focuses on the fact that Angles has
2 accumulated a substantial, undisputed past due balance on its Tennessee resale
3 account. Because Angles has failed to pay such undisputed, past due amounts,
4 AT&T has the right under the parties' Interconnection Agreement ("ICA") to
5 suspend Angles' access to ordering systems (known as LENS) and terminate
6 service provided to Angles consistent with AT&T's tariffed Emergency
7 Service Continuity Plan (Tariff A5.8).¹

8
9 Q. DOES ANGLES CURRENTLY HAVE AN UNDISPUTED, PAST DUE
10 BALANCE ON ITS TENNESSEE RESALE ACCOUNT? IF SO, HOW
11 MUCH?

12
13 A. Yes. As of September 10, 2007, Angles owes \$180,327.46 on its Tennessee
14 resale account that is past due and not subject to any billing dispute. Attached
15 as Exhibit DJE-1 is an aging report that shows current charges, past due
16 charges, disputed charges, promotional credit amounts,² total outstanding
17 charges owed, and total collectible charges (i.e. past due, undisputed charges
18 owed by Angles). The total collectible amount is calculated by taking the total

¹ AT&T's records indicate that Angles serves less than 3,000 customers in Tennessee.

² Angles is a reseller of AT&T Tennessee's services. As a reseller, Angles constantly asserts that it is entitled to the value of certain promotions that AT&T offers to its retail customers. Whether Angles is entitled to certain promotions (for example, whether Angles qualifies for such promotions) is subject to ongoing dispute. Hence, the promotional credit amount changes on a monthly basis. The total amount of the disputed promotional credit amount is shown on the aging report in the promotional credit column. In this proceeding, AT&T is not attempting to collect the promotional credit amount.

1 outstanding amount owed (i.e., the total past due charges) and then subtracting
2 the promotional credit amount and the disputed amount. The aging report
3 shows that as of September 10, 2007, Angles had a past due, undisputed
4 balance of \$180,327.46 for its Tennessee resale account.

5 Q. DOES THE UNDISPUTED, PAST DUE AMOUNT OWED BY ANGLES
6 CHANGE OVER TIME?

7 A. Yes. The past due, undisputed amount owed by Angles constantly changes. In
8 general, every month Angles pays a portion of its Tennessee resale bill and
9 disputes a portion of its Tennessee resale bill. Unfortunately from AT&T's
10 perspective, and notwithstanding Angles' claims to the contrary, the sum of the
11 amount Angles pays and disputes on a monthly basis is less than the amount
12 billed. Thus, the undisputed, past due amount continues to grow. A cursory
13 review of the summary page of Angles' Tennessee resale bill for each month
14 from June 2006 through August 2007 demonstrates at least two things: (1) the
15 past due balance continues to grow (for example, Angles' June 2006 bill shows
16 a past due balance of \$259,212.37; one year later, Angles' June 2007 bill
17 indicates a past due balance of \$418,235.81)³ and (2) the monthly amounts
18 paid and adjustments/credits provided almost always are less than the current
19 charges. The summary page of Angles' Tennessee resale bills from June
20 2006 through July 2007 is designated as Exhibit DJE-2. This Exhibit and is
21 being filed separately as proprietary information in accordance with the
22 Protective Order issued in this Docket.

³ As information, Angles' bill does not show amounts that are subject to dispute. Again, AT&T is not attempting to collect disputed dollars. As Exhibit DJE-1 shows, of the total outstanding amount owed in Tennessee as of September 10, 2007, i.e. \$385,557.00, AT&T is seeking in this docket to collect \$180,327.46 as of September 10, 2007.

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Q. DOES THE PARTIES' INTERCONNECTION AGREEMENT ADDRESS ACTIONS THAT AT&T CAN TAKE IF ANGLES DOES NOT PAY UNDISPUTED CHARGES?

A. Yes. The billing portion of the parties' ICA (Attachment 7) obligates Angles to pay for services provided on or before the next bill date. (ICA, Attachment 7, Section 1.3) In general, Angles breaches its obligation to timely pay its bills every month. Additionally, to protect AT&T from the risks associated with non-payment, the ICA gives AT&T the contractual right to suspend or terminate service for non-payment. Specifically, Attachment 7, Section 1.7.2 provides:

BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 2, is not received by the bill date in the month after the original bill date, BellSouth will provide written notice to BLC Management that additional applications for service may be refused, that any pending orders for service may not be completed, and/or that access to ordering systems may be suspended if payment of such amounts, and all other amounts not in dispute that become past due before refusal, incompleteness or suspension, is not received by the fifteenth day following the date of the notice. In addition, BellSouth may, at the same time, provide written notice to the person designated by BLC Management to receive notices of noncompliance that BellSouth may discontinue the provision of existing services to BLC Management if payment of such amounts, and all other amounts not in dispute that become past due before discontinuance, is not received by the thirtieth day following the date of the initial notice.

Q. HAS AT&T FOLLOWED THE TERMS AND CONDITIONS OF THE ICA ON THE MANY OCCASIONS THAT AT&T HAS NOTIFIED ANGLES

1 THAT ANGLES MUST PAY A SUM CERTAIN TO AVOID SUSPENSION
2 OF ACCESS TO ORDERING SYSTEMS AND/OR TERMINATION OF
3 SERVICE?

4
5 A. Absolutely. In 2006, Angles received at least four suspension/termination
6 notices. These notices are attached hereto as Exhibit DJE-3. The
7 suspension/termination notice that Angles received in February 2007, resulted
8 in Angles commencing this contested case.

9
10 Q. DID ANGLES MAKE PAYMENTS TO AT&T AFTER EACH OF THESE
11 SUSPENSION/TERMINATION NOTICES?

12
13 A. Yes. Angles paid a portion of its outstanding past due balance after receipt of
14 each suspension/termination notice. Because Angles continued to make partial
15 payments, Angles continued to receive suspension/termination notices.

16
17 Q. ANGLES ASSERTS THAT THERE ARE NO UNDISPUTED AMOUNTS
18 OWED TO AT&T. DO YOU AGREE?

19
20 A. Absolutely not. Again, AT&T recognizes that Angles has outstanding
21 disputes. Again, AT&T has deducted Angles' disputes from the total
22 outstanding, past due balance owed. Once this exercise is completed, Angles
23 still owes \$180,327.46 in undisputed, past due charges as of September 10,
24 2007. See Exhibit DJE-1.

25

1 Q. ACCORDING TO ANGLES' COMPLAINT, ANGLES PAID IN FULL ALL
2 UNDISPUTED CHARGES ON JUNE 7, 2006, WHEN ANGLES MADE A
3 PAYMENT OF \$120,402.61, AND HAS REMAINED CURRENT IN ITS
4 PAYMENTS EVER SINCE. DO YOU AGREE?

5
6 A. Absolutely not. In June 2006, because of Angles' failure to pay undisputed
7 amounts that were past due, Angles' access to AT&T's ordering system
8 (known as LENS) was suspended. On June 7, 2006, Angles' LENS access was
9 restored after Angles made a payment of \$120,402.61. As explained below,
10 *AT&T never stated to Angles that its \$120,402.61 payment made on June 7,*
11 *2006, constituted payment in full of all undisputed, past charges owed by*
12 *Angles as of that date.* Rather, on June 7, 2006, AT&T advised Angles that
13 Angles had an undisputed, past due balance of \$385,834.56.

14
15 In response to an AT&T discovery request, Angles produced one document to
16 support its absurd contention that AT&T advised Angles on June 7, 2006, that
17 Angles had an undisputed, past due balance of \$120,402.61. The sole
18 document is an email exchange dated June 7, 2006, between AT&T's Leisa
19 Mangina and Charles Campbell (a billing consultant working for Angles).
20 The email thread is attached hereto as Exhibit DJE-4.

21
22 As an initial matter, the email does not state that Angles has an undisputed,
23 past due balance of \$120,402.61, as of June 7, 2006. To the contrary, the email
24 does in fact state that Angles had a past due balance of \$385,834.56 as of June
25 7, 2006.

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Q. IF ON JUNE 7, 2006, ANGLES HAD AN UNDISPUTED, PAST DUE BALANCE OF \$358,834.56, THEN WHY DID AT&T ADVISE ANGLES TO PAY \$120,402.61 TO RESTORE ANGLES' ABILITY TO ACCESS AT&T'S ORDERING SYSTEM?

A. It was a miscommunication. As I testified to earlier, there are continuous discussions between the parties regarding promotional credits (see footnote 1). It has been Angles' practice to "short pay" its bills in the amount of the promotional credit that Angles believes that it is entitled to. Although I am unaware of any contractual basis for Angles' "self help" tactic of short paying its bills in the amount of a requested promotional credit amount, I am aware that Angles continues to engage in this practice. To state the obvious, Angles' short pay practice regarding promotions increases Angles' past due balance. Because Angles may be entitled to some (but not all) of the promotional credits it seeks through its short pay practice, AT&T has set aside, for collections purposes in this docket, the promotional credit amount.

On June 7, 2006, Angles asserted that the promotional credit amount was different than the amount AT&T was showing in its system for promotion credits. Since AT&T was not seeking payment of promotion credit amounts, Angles could decrease the amount of past due, undisputed charges that it needed to pay restore LENS access, if it could increase the promotional credit amount. Not surprisingly, Angles questioned the promotional credit amount.

1 On June 7, 2006, Angles had a promotional credit amount of \$212,608.86.
2 Again, AT&T was not seeking payment of the promotional credit amount to
3 restore LENS access. Through miscommunication between two AT&T
4 employees, AT&T more than doubled the promotional credit amount that it
5 deducted from the total past due charges owed by Angles as of June 7, 2006.
6 Hence, AT&T demanded payment of \$120,402.61. Attached as Exhibit DJE-5
7 is an AT&T discovery response which further explains this miscommunication
8 and how the figures (\$120,402.61 and \$385,834.56) were derived.
9

10 Regardless of the miscommunication, the bottom line fact remains the same.
11 That is, the email Angles relies on in its vain attempt to side step its obligation
12 to pay over \$265,000 (as of June 7, 2006) simply does not state Angles owed
13 \$120,402.61 in undisputed, past due charges as of June 7, 2006. Again, the
14 actual amount of undisputed past due charges as of June 7, 2006, was
15 \$385,834.56. Accordingly, the Authority should regard Angles' nonsensical
16 assertion for what it is: a disingenuous "smoke and mirrors" attempt to avoid
17 paying over \$265,000.
18

19 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
20

21 A. Yes, with one caveat. Because Angles' past due, undisputed balance
22 constantly changes, I reserve the right to update my testimony regarding such
23 balance.

BCS	customer name	BAN	bill_per	Status	Current	31To60	61To90	91Plus	Disputed Amount	PromoCredit	Total Outstanding	Total Collectible
UNE	BLC MNGMNT LLC DBA		13	L	\$7,722.93	\$99.72	\$1,049.97	\$2,585.92	\$4,321.29	\$0.00	\$3,735.61	(\$535.68)
Rsl	BLC MNGMNT LLC DBA		19	L	\$68,878.18	\$67,111.79	\$62,116.91	\$252,592.69	\$1,490.56	\$190,831.30	\$381,821.39	\$189,499.53
TOTAL					\$76,601.11	\$67,211.51	\$63,166.88	\$255,178.61	\$5,811.85	\$190,831.30	\$385,557.00	\$188,913.85
					Disputes received on 9/10/07 but not loaded in AT&T system					\$8,586.39		
										Total Balance Due as of 9/10/07		\$180,327.46

Date: 5/12/2006
Customer: BLC MNGMNT LLC DBA

Mr. Brian Cox

7850 Stage Hills Blvd
Memphis ,TN 38133

OUR RECORDS INDICATE THAT AS OF 5/12/2006, WE HAVE NOT RECEIVED PAYMENT OF \$293,900.62 FOR BLC MNGMNT LLC DBA. IF PAYMENT OF THIS AMOUNT IS NOT RECEIVED BY 5/27/2006, REQUESTS FOR ADDITIONAL SERVICES WILL BE REFUSED. ALSO, PAYMENTS ARE EXPECTED FOR ANY CURRENT CHARGES THAT MAY BECOME PAST DUE BY 5/27/2006

YOUR END USERS' SERVICE WILL BE INTERRUPTED UNLESS PAYMENT OF YOUR PAST DUE CHARGES IS RECEIVED BY 6/11/2006.

IF YOUR END USERS' SERVICE IS INTERRUPTED FOR NON-PAYMENT OF PAST DUE CHARGES, A RESTORAL FEE WILL APPLY FOR EACH END USER ACCOUNT UPON RESTORAL OF SERVICE. THIS MAY BE THE ONLY WRITTEN NOTIFICATION YOU RECEIVE. IN ADDITION, FURTHER NOTICE MAY NOT BE GIVEN BEFORE DISCONTINUING SERVICE IF A CHECK IS DISHONORED.

IF YOU HAVE PAID YOUR BILL SINCE THIS NOTICE WAS PREPARED PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL 1-800-872-3116

Account Representative

Jackie Whalen
Ext 7766

Date: 7/24/2006
Customer: BLC MNGMNT LLC DBA

Mr. Brian Cox

7850 Stage Hills Blvd
Memphis ,TN 38133

OUR RECORDS INDICATE THAT AS OF 7/24/2006, WE HAVE NOT RECEIVED PAYMENT OF \$503,184.27 FOR BLC MNGMNT LLC DBA. IF PAYMENT OF THIS AMOUNT IS NOT RECEIVED BY 8/8/2006, REQUESTS FOR ADDITIONAL SERVICES WILL BE REFUSED. ALSO, PAYMENTS ARE EXPECTED FOR ANY CURRENT CHARGES THAT MAY BECOME PAST DUE BY 8/8/2006

YOUR END USERS' SERVICE WILL BE INTERRUPTED UNLESS PAYMENT OF YOUR PAST DUE CHARGES IS RECEIVED BY 8/23/2006.

IF YOUR END USERS' SERVICE IS INTERRUPTED FOR NON-PAYMENT OF PAST DUE CHARGES, A RESTORAL FEE WILL APPLY FOR EACH END USER ACCOUNT UPON RESTORAL OF SERVICE. THIS MAY BE THE ONLY WRITTEN NOTIFICATION YOU RECEIVE. IN ADDITION, FURTHER NOTICE MAY NOT BE GIVEN BEFORE DISCONTINUING SERVICE IF A CHECK IS DISHONORED.

IF YOU HAVE PAID YOUR BILL SINCE THIS NOTICE WAS PREPARED PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL 1-800-872-3116

Account Representative

Date: 10/9/2006
Customer: BLC MNGMNT LLC DBA

Mr. Brian Cox

7850 Stage Hills Blvd
Suite 108
Memphis, TN 38133

OUR RECORDS INDICATE THAT AS OF 10/9/2006, WE HAVE NOT RECEIVED PAYMENT OF \$430,877.29 FOR BLC MNGMNT LLC DBA. IF PAYMENT OF THIS AMOUNT IS NOT RECEIVED BY 10/24/2006, REQUESTS FOR ADDITIONAL SERVICES WILL BE REFUSED. ALSO, PAYMENTS ARE EXPECTED FOR ANY CURRENT CHARGES THAT MAY BECOME PAST DUE BY 10/24/2006

YOUR END USERS' SERVICE WILL BE INTERRUPTED UNLESS PAYMENT OF YOUR PAST DUE CHARGES IS RECEIVED BY 11/8/2006.

IF YOUR END USERS' SERVICE IS INTERRUPTED FOR NON-PAYMENT OF PAST DUE CHARGES, A RESTORAL FEE WILL APPLY FOR EACH END USER ACCOUNT UPON RESTORAL OF SERVICE. THIS MAY BE THE ONLY WRITTEN NOTIFICATION YOU RECEIVE. IN ADDITION, FURTHER NOTICE MAY NOT BE GIVEN BEFORE DISCONTINUING SERVICE IF A CHECK IS DISHONORED.

IF YOU HAVE PAID YOUR BILL SINCE THIS NOTICE WAS PREPARED PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL 1-800-872-3116

Account Representative

Date: 12/13/2006
Customer: BLC MNGMNT LLC DBA

Mr. Brian Cox

7850 Stage Hills Blvd
Suite 108
Memphis ,TN 38133

OUR RECORDS INDICATE THAT AS OF 12/13/2006, WE HAVE NOT RECEIVED PAYMENT OF \$577,742.56 FOR BLC MNGMNT LLC DBA. IF PAYMENT OF THIS AMOUNT IS NOT RECEIVED BY 12/28/2006, REQUESTS FOR ADDITIONAL SERVICES WILL BE REFUSED. ALSO, PAYMENTS ARE EXPECTED FOR ANY CURRENT CHARGES THAT MAY BECOME PAST DUE BY 12/28/2006

YOUR END USERS' SERVICE WILL BE INTERRUPTED UNLESS PAYMENT OF YOUR PAST DUE CHARGES IS RECEIVED BY 1/12/2007.

IF YOUR END USERS' SERVICE IS INTERRUPTED FOR NON-PAYMENT OF PAST DUE CHARGES, A RESTORAL FEE WILL APPLY FOR EACH END USER ACCOUNT UPON RESTORAL OF SERVICE. THIS MAY BE THE ONLY WRITTEN NOTIFICATION YOU RECEIVE. IN ADDITION, FURTHER NOTICE MAY NOT BE GIVEN BEFORE DISCONTINUING SERVICE IF A CHECK IS DISHONORED.

IF YOU HAVE PAID YOUR BILL SINCE THIS NOTICE WAS PREPARED PLEASE ACCEPT OUR THANKS AND DISREGARD THIS NOTICE.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL 1-800-872-3116

Account Representative

-----Original Message-----

From: Mangina, Leisa G
Sent: Wednesday, June 07, 2006 10:53 AM
To: 'Charles Campbell'
Subject: RE: Open Angles Comm BS Claims
Importance: High

Chuck,

We don't have \$28K in open disputes. Brian will need to only deduct the amount Keith Deason has given him \$210,950.00 and \$54,408.00 on the promos. I have in open status other than promotional money \$73.95. The balance today is \$385,834.56. The amount to pay to get lens back up will be \$120,402.61.

Wiring instructions

ABA Route #062000019

AmSouth Bank

1900 5th Av N

Birmingham, AL 35203

Account #000000477

Leisa

-----Original Message-----

From: Charles Campbell [<mailto:crcamp@cgminc.com>]
Sent: Wednesday, June 07, 2006 9:55 AM
To: Mangina, Leisa G; Steve Watson; Brian Cox
Subject: Open Angles Comm BS Claims

Leisa,

Can we call you in a couple of minutes about the \$28K of open claims (attached). This is the last issue to be addressed in getting Angles Communications turned back on.

Thanks,

Chuck Campbell

Principal

CGM, LLC

770. 594-3860 x.224

Walker, Henry

From: Steve T Watson [swatson@lostkeytelecom.com]
Sent: Thursday, August 16, 2007 4:44 PM
To: Brian Cox
Cc: Walker, Henry
Subject: FW:

From: Mangina, Leisa G [mailto:Leisa.Mangina@BellSouth.com]
Sent: Wednesday, June 07, 2006 11:19 AM
To: Brian Cox; Deason, Keith
Cc: Steve Watson; Charles Campbell
Subject: RE:

Brian,

I have responded back to Chuck with the amount needed to be paid. I also have included the wiring instructions.

Leisa

-----Original Message-----

From: Brian Cox [mailto:brian@anglescs.com]
Sent: Wednesday, June 07, 2006 9:58 AM
To: Deason, Keith
Cc: Mangina, Leisa G; Steve Watson
Subject: Re:

Quick clarification - it is \$23k.

Thanks for your time Keith - Leisa. Chuck left a message for you and if you can call us at your earliest convenience, that would be super - thanks!

Deason. Keith wrote:

Leisa,

Based on my conversation with Angles Communication, Lost Key Telecom and CGM, we have come to an agreement on the current balanced owed. They told me that they would wire you the full amount once they came to an agreement with you about outstanding disputes that are outside of resale promotions. I would appreciate you emailing me once you have received the discussed amount. The estimate was roughly \$177,479.14, minus any outstanding disputes (they gave me a dollar amount of \$2,800.00) in non promotional disputes.

If you have any questions, please let me know. I look forward to hearing from you with the response once you have received the balance from Angles.

Keith Deason

To change your preferences for receiving commercial electronic mail messages from BellSouth's Small

8/16/2007

Business Services organization. click here <<mailto:sbs.optout@bellsouth.com?subject=UNSUBSCRIBE>> or to unsubscribe from all future commercial electronic mail messages send a reply e-mail to sbs.optout@bellsouth.com <<mailto:sbs.optout@bellsouth.com>> with UNSUBSCRIBE in the subject line.
BellSouth SBS Anti-Spam
1057 Lenox Park Blvd.
Suite 200
Atlanta, GA 30319

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AT&T Tennessee
Tennessee Regulatory Authority
Docket No. 07-00053
Angles' 1st "Round of Discovery"
Item No. 6

REQUEST: Explain AT&T's understanding of the email sent by Leisa Mangina to Charles Campbell on June 7, 2006, in which she requested payment by Angles of \$120,402.61 and explain how she arrived at that amount and what the amount represented.

RESPONSE: AT&T requested Angles to pay \$120,402.61 to have its access to AT&T's Local Exchange Navigation System ("LENS") restored. See attached email. This amount was determined by using the amounts listed in the chart following:

Total Outstanding	\$598,517.37
Subtract Disputed Amount	- \$73.95 backed out twice
Minus Cash Back Promotion Credit	- \$210,950.00
Minus Other Promotion Credits	- \$54,408.00
Minus Cash Back Promotion Credits (loaded in AT&T's system)	- \$212,608.86
Equals Total	\$120,402.61

As the above information plainly indicates, the promotion credit amount is artificially inflated by over \$250,000 (among other things, the \$210,950.00 was already included in the \$212,608.86 that was loaded into AT&T's system). In any event, in the same email which Angles erroneously relies on for its position, AT&T plainly advised Angles that its past due balance (less promotion credits and disputes) was \$385,834.56. This past due amount was determined as follows:

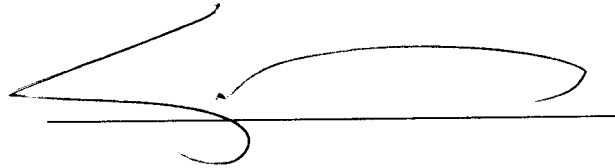
Total Outstanding	\$598,517.37
Minus Disputed Amount	- \$73.95
Minus Promo Credit	- \$212,608.86
Total Collectible	\$385,834.56

CERTIFICATE OF SERVICE

I hereby certify that on September 14, 2007, a copy of the foregoing document was served on the following, via the method indicated:

- ☐ Hand
- ☐ Mail
- ☐ Facsimile
- ☐ Overnight
- ☒ Electronic

Henry Walker, Esquire
Boult, Cummings, et al.
1600 Division St., Suite 700
Nashville, TN 37203
hwalker@boultcummings.com

A handwritten signature in black ink, appearing to be 'H. Walker', written over a horizontal line.