



Guy M. Hicks  
General Counsel

AT&T Tennessee  
333 Commerce Street  
Suite 2101  
Nashville, TN 37201-3300

T: 615.214.6301  
F: 615.214.7406  
guy.hicks@att.com

August 30, 2007

VIA HAND DELIVERY

filed electronically in docket office on 08/30/07

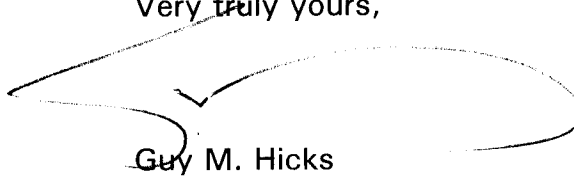
Hon. Eddie Roberson, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Petition for Authority Approval of TCG MidSouth, Inc.'s Divestiture of  
Certain Dark Fiber Facilities in Tennessee to Fulfill Merger Commitment*  
Docket No. 07-00197

Dear Chairman Roberson:

Enclosed are the original and four copies of AT&T's *Petition for Authority  
Approval of TCG MidSouth, Inc.'s Divestiture of Certain Dark Fiber Facilities in  
Tennessee to Fulfill Merger Commitment*.

Very truly yours,



Guy M. Hicks

GMH:ch

cc: Dan Dolan, Esquire  
Level 3 Communications

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee

IN RE:        *Petition for Authority Approval of TCG MidSouth, Inc.'s Divestiture of Certain Dark Fiber Facilities in Tennessee to Fulfill Merger Commitment*

Docket No. \_\_\_\_\_

**AT&T'S PETITION FOR APPROVAL OF TCG MIDSOUTH, INC.'S  
DIVESTITURE OF CERTAIN DARK FIBER FACILITIES IN  
TENNESSEE TO FULFILL MERGER COMMITMENT**

Pursuant to Tenn. Code Ann. § 65-4-112(a), TCG MidSouth, Inc. ("TCG") seeks approval from the Tennessee Regulatory Authority ("TRA" or "Authority") to divest certain fiber facilities located in Tennessee in order to fulfill AT&T's voluntary merger commitment to the Federal Communications Commission ("FCC"). After a thorough review, the FCC approved the proposed divestiture on August 29, 2009.

I.     The Parties

TCG is a Delaware corporation headquartered at One AT&T Way, Bedminster, NJ 07921. TCG is a wholly-owned subsidiary of AT&T, Inc. TCG is authorized to provide facilities-based and resold intraLATA and interLATA telecommunications services pursuant to certificates of public convenience and necessity granted by the Authority.

Level 3 Communications, LLC ("Level 3") is a Delaware limited liability company which has a place of business located at 1025 Eldorado Boulevard, Broomfield, CO 80021. Level 3 provides voice and data services to carriers, ISPs, and other business customers over its IP-based network. Level 3 is authorized to

provide resold and facilities-based local exchange and interexchange telecommunications services pursuant to certificates of public convenience and necessity granted by the Authority. Level 3 is a competitor of AT&T in various lines of business.

## II. The Divestiture

On December 29, 2006, the FCC approved the merger of AT&T, Inc., the parent company of TCG, and BellSouth Corporation. On December 28, 2006, AT&T made a series of voluntary commitments that are enforceable by the FCC. Among those commitments, AT&T committed that:

Within twelve months of the Merger Closing Date, AT&T/BellSouth will sell to an unaffiliated third party(ies) an indefeasible right of use ("IRU") to fiber strands within the existing "Lateral Connections", as that term is defined in the *SBC/AT&T Consent Decree*<sup>1</sup>, to the buildings listed in Attachment B ("BellSouth Divestiture Assets"). These divestitures will be effected in a manner consistent with the divestiture framework agreed to in the *SBC/AT&T Consent Decree*, provided that such divestitures will be subject to approval by the FCC, rather than the Department of Justice.<sup>2</sup>

AT&T has entered into an agreement with Level 3 that fully satisfies this obligation. After a thorough review of the proposed transactions, on August 29, 2007, the FCC approved the consummation of this transaction, which upon closing, will allow AT&T to fulfill its merger commitment. A copy of the FCC approval letter dated August 29, 2007 is attached as Exhibit 1.

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<sup>1</sup> See *United States v. SBC Communications, Inc.*, Civil Action No. 1:05CV02102, Final Judgment (D.D.C. filed Oct. 27, 2005).

<sup>2</sup> See Appendix F to the FCC's Order of December 29, 2006 approving the merger of AT&T, Inc. and BellSouth Corporation in WE Docket No. 06-74.

By this agreement, Level 3 obtains an IRU to use certain strands of optical fiber in Tennessee within the requisite "Lateral Connections", as that term is defined in the SBC/AT&T Consent Decree. The specific facilities being divested are identified in Attachment B to Appendix F of the FCC's Order of December 29, 2006 approving the merger of AT&T, Inc. and BellSouth Corporation. See *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, Memorandum Opinion and Order, 22 FCC Rcd 5662, App. F (2007) (providing for the divestiture of facilities). A copy of Attachment B is attached.

Prior Authority approval of the proposed transaction is a condition to the obligation of AT&T to close the Tennessee divestiture agreement. TCG agreed with Level 3 to promptly apply for approval from the Authority. As stated, the FCC has approved this transaction.

#### Conclusion

TCG respectfully requests prompt TRA approval of its divestiture to Level 3. Upon Authority approval, the parties will close their Tennessee transaction, and AT&T will notify the FCC that this merger commitment has been implemented in Tennessee.

Respectfully submitted,

TCG MidSouth, Inc.

By: 

Guy M. Hicks  
Joelle J. Phillips  
333 Commerce Street, Suite 2101  
Nashville, TN 37201-3300  
615/214-6301

David Eppsteiner  
675 W. Peachtree St., NE, Suite 4300  
Atlanta, GA 30375



Federal Communications Commission  
Washington, D.C. 20554

Adopted: August 29, 2007  
Released: August 29, 2007  
DA 07-3796

Joan Marsh  
Vice President – Federal Regulatory  
AT&T Services, Inc.  
1120 20<sup>th</sup> Street, N.W.  
Suite 1000  
Washington, D.C. 20036

Re: IRU Divestitures in connection with the AT&T/BellSouth Merger

Dear Ms. Marsh:

The Wireline Competition Bureau and the Enforcement Bureau of the Federal Communications Commission have completed the review of the proposed divestiture of an infeasible right of use to fiber strands to the buildings listed in Attachment B to Appendix F of the *AT&T/BellSouth Merger Order* and do not object to the proposed divestiture.<sup>1</sup>

This lack of objection is based on a thorough review of all of the information you provided, including the documents submitted and the representations made by you in your letter of July 30, 2007. Our review was conducted consistent with the divestiture framework agreed to in the *SBC/AT&T Consent Decree*.<sup>2</sup>

Sincerely,

Handwritten signature of Thomas J. Navin in black ink.

Thomas J. Navin  
Chief, Wireline Competition Bureau

Handwritten signature of Kris A. Monteith in black ink.

Kris A. Monteith  
Chief, Enforcement Bureau

<sup>1</sup> See *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, Memorandum Opinion and Order, 22 FCC Rcd 5662, App. F (2007) (providing for the divestiture of facilities) (*AT&T/BellSouth Merger Order*).

<sup>2</sup> See *United States v. SBC Communications, Inc.*, Civil Action No. 1:05CV02102, Final Judgment (D.D.C. filed Oct. 27, 2005).

**Conditions  
ATTACHMENT B**

**Building List**

Metro Area	CLLI	Address	City	State	Zip Code
Atlanta	ALPRGAVP	5965 CABOT PKWY	ALPHARETTA	GA	30005
Atlanta	ATLNGABI	2751 BUFORD HWY NE	ATLANTA	GA	30324
Atlanta	CHMBGAJG	2013 FLIGHTWAY DR	CHAMBLEE	GA	30341
Atlanta	NRCRGAER	6675 JONES MILL CT	NORCROSS	GA	30092
Atlanta	NRCRGAIJ	4725 PEACHTREE CORNERS CIR	NORCROSS	GA	30092
Atlanta	NRCRGANX	3795 DATA DR NW	NORCROSS	GA	30092
Atlanta	NRCRGARC	335 RESEARCH CT	NORCROSS	GA	30092
Birmingham	BRHMALKU	101 LEAF LAKE PKWY	BIRMINGHAM	AL	35211
Charlotte	CHRMNCXI	2605 WATER RIDGE PKWY	CHARLOTTE	NC	28217
Chattanooga	CHTGTNAC	537 MARKET ST	CHATTANOOGA	TN	37402
Jacksonville	JCVNFLHK	10201 CENTURION PKWY N	JACKSONVILLE	FL	32256
Knoxville	KNVLTNHB	8057 RAY MEARS BLVD	KNOXVILLE	TN	37919
Knoxville	KNVNTN82	2160 LAKESIDE CENTER WAY	KNOXVILLE	TN	37922
Miami	BCRTFLAU	851 NW BROKEN SOUND PKWY	BOCA RATON	FL	33487
Miami	BCRTFLCM	501 E CAMINO REAL	BOCA RATON	FL	33432
Miami	DLBHFLDU	360 N CONGRESS AVE	DELRAY BEACH	FL	33445
Miami	JPTRFLAC	100 MARQUETTE DR	JUPITER	FL	33458
Miami	JPTRFLBC	1001 N USHWY 1	JUPITER	FL	33477
Miami	PLNBFLAZ	1601 SW 80TH TER	PLANTATION	FL	33324
Miami	PLNBFLCQ	1800 NW 69TH AVE	PLANTATION	FL	33313
Miami	SUNRFLCF	720 INTERNATIONAL PKWY	SUNRISE	FL	33325
Nashville	BRWDTNEV	210 WESTWOOD PL	BRENTWOOD	TN	37027
Nashville	NSVLTNIH	1215 21ST AVE S	NASHVILLE	TN	37212
Nashville	NSVLTNWL	28 OPRYLAND DR	NASHVILLE	TN	37204
Nashville	NSVNTNFO	252 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTNIJ	332 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTN98	427 OPRY MILLS DR	NASHVILLE	TN	37214
Nashville	NSVPTNJX	540 OPRY MILLS DR	NASHVILLE	TN	37214
Miami	LDHLFLAC	4300 N UNIVERSITY DR	LAUDERHILL	FL	33351
Miami	SUNRFLBD	440 SAWGRASS CORP. PARKWAY	SUNRISE	FL	33325
Orlando	ORLFFLYL	8350 PARKLINE BLVD	ORLANDO	FL	32809

Exhibit 2