

# TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway  
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August 3, 2010

## VIA FACSIMILE

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Re: Notice of Suspension and Discontinuance of Service to Freedom  
Letter Dated July 28, 2010

Dear Mr. Hicks and Mr. Walker:

This letter confirms the agreements reached and expresses appreciation to the parties for their cooperation during the telephone conference on July 30, 2010 regarding the above-referenced matter. As stated in previous correspondence, the Tennessee Regulatory Authority ("TRA") received the *Notice of Suspension and Discontinuance of Service* ("Notice") to Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC ("Freedom") on July 28, 2010. The *Notice* filed by BellSouth Telecommunications, Inc. d/b/a AT&T Southeast and AT&T Tennessee ("AT&T") in Docket Nos. 10-00005 and 10-00138 indicated that pursuant to Paragraph 3 of the Memorandum of Understanding ("MOU") between the parties, AT&T intended to terminate the services of Freedom in Tennessee on August 4, 2010.

As discussed during our telephone conference, the MOU previously filed in TRA Docket Nos. 10-00005 and 10-00138 reflects a region-wide agreement between the parties that establishes certain conditions for Freedom to meet to avoid termination of service. It is the position of the TRA that while the MOU was entered into by the parties to address AT&T's complaints and the *Notice of Commencement of Treatment Pursuant to Current Interconnection Agreement* ("Notice of Commencement"), the MOU does not remove or replace the obligations of the parties established in TRA Rule 1220-4-2-.40 which governs notification upon termination by an underlying carrier of service provided to a reseller. The provision in the MOU that permits termination within five business days conflicts with the notice requirements and mandatory time periods for notice found in TRA Rule 1220-4-2-.40.<sup>1</sup>

Based on the discussion regarding customer notification requirements, the parties have reached certain agreements regarding notice to Freedom customers in the event of termination of Freedom services in Tennessee. The parties recognized that the five business day time frame for termination in the MOU would not be applicable in Tennessee due to TRA notice requirements.

<sup>1</sup> In defense of the *Notice* to Freedom AT&T asserts that the *Notice of Commencement* filed on June 21, 2010 was the operative notification for the purposes of the TRA rules.

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Freedom revealed that it does not intend to notify customers of termination prior to August 4, 2010 because the alleged breach of the MOU may be resolved by that date. Nevertheless, Freedom may notify its customers if the breach is not resolved. Because Freedom's statements leave open the possibility that Freedom may not notify customers, subsection (3)(c) of TRA Rule 1220-4-2-.40 may come into play whereby the TRA would notify Freedom customers of termination of service.

AT&T stated that, in accordance with its tariff, it would assist the TRA in providing the information, and possibly the means, necessary to notify Freedom customers in a timely manner. Freedom agreed not to object to AT&T providing phone numbers of Freedom customers to the TRA in the event notification by the TRA becomes necessary. Also, Freedom does not object to the use of AT&T's "automated back talk system" for customer notification.

Because the TRA will not know until end of day on August 4 whether notification by the TRA is appropriate, the parties are in agreement that the TRA will not commence the notification process until after August 4, 2010, and will have through August 11, 2010 to complete notification to Freedom customers if such notice becomes necessary. Inasmuch as Rule 1220-4-2-.40 provides that the TRA should complete notice to customers seven (7) days prior to the termination date, the parties agree that, in Tennessee, the termination of Freedom's service would not take place until August 18, 2010. All parties understand that the change of termination date, the notification process and the use of "automated back talk system" (if necessary) is peculiar to Tennessee and does not modify the terms of the MOU in other states or alter any interpretation of the MOU by other state commissions.

Thank you for your cooperation in working toward a resolution of this matter that will provide appropriate notice to Freedom's customers in Tennessee in the event of termination of service.

Very truly yours,



J. Richard Collier  
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c: Docket file Nos. 10-00005 & 10-00138  
Chairman Mary W. Freeman  
Director Eddie Roberson  
Director Kenneth C. Hill  
Director Sara Kyle  
David Foster, Chief, Utilities Division  
Lisa Cooper, Chief, Consumer Services Division