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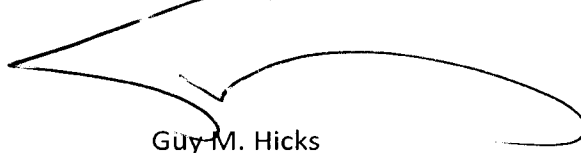
Hon. Sara Kyle, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Generic Docket to Consider Modifying Notice Requirements for Rate Cases*  
Docket No. 10-00040

Dear Chairman Kyle:

Enclosed for filing in the referenced docket are the original and four copies of AT&T's *Initial Comments* in the referenced matter.

Very truly yours,



Guy M. Hicks

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BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee

In Re:           Generic Docket to Consider Modifying Notice Requirements for Rate Cases

Docket No. 10-00040

**INITIAL COMMENTS OF AT&T TENNESSEE**

BellSouth Telecommunications, Inc. dba AT&T Tennessee ("AT&T Tennessee") respectfully submits the following *Initial Comments* in response to the *Notice of Filing Comments* issued by the Authority's General Counsel on March 22, 2010. AT&T Tennessee's *Initial Comments* are necessarily preliminary in nature given the fact that a draft Rule has not been circulated by the Authority Staff to the industry or the public. AT&T Tennessee reserves the right to amend and supplement its *Comments* after reviewing any draft Rule distributed by the Staff for comment.

AT&T Tennessee understands that TRA Rule 1220-4-1-.05 and any amendment thereto resulting from this proceeding (the "Rule") will apply only to retail rate increases for regulated, tariffed services. AT&T further understands that the Rule will not apply to contractual arrangements with either wholesale or retail customers. Notice requirements set forth in wholesale interconnection agreements and retail contracts under Market Regulation will continue to govern the parties' obligations, notwithstanding any amendments to the Rule adopted by the Authority in this proceeding.

AT&T Tennessee responds to the following issues:

1. Whether TRA Rule 1220-4-1-.05 should be amended to provide for alternate methods that a public utility can use to provide notice to customers of a proposed rate increase and the hearing addressing that proposed increase.

Yes, public utilities should be afforded the flexibility to choose from alternate methods of notifying their customers of a proposed rate increase and any hearing addressing the proposed increase. Legal notices published in newspapers provide a uniform means for regulated entities to make information available to customers. Other more direct means of providing notice to customers should be available to public utilities.

2. Whether a public utility should employ a method of direct customer contact, e.g. bill insert, direct mail notification, etc., as a means of providing notice to customers of a proposed rate increase.

Public utilities should be afforded the flexibility to choose from alternative methods of providing notice to customers of a proposed rate increase, including bill insert, bill message, direct mail, email and electronic posting on the Authority's public website.

3. Whether there should be different notification requirements for different public utilities based on the type of service provided and the type of locale(s) served.

If different notification requirements for different public utilities are adopted based on the type of service provided and the type of locale(s) served, maximum flexibility for providing any required notices should be afforded to public utilities who provide services in competition with other providers as compared to utilities that operate pursuant to exclusive franchises. .

4. Whether notification by a public utility through newspaper(s) should continue to be the principal means of notice to customers and, if so, whether the days of publication of such notice should be increased beyond one day.

No. Notification through newspaper(s) should not be the principal means of notice to customers. Methods of direct customer contact, including bill insert, bill message, direct mail, email, and electronic posting on the Authority's public website, should be encouraged by the Authority.

5. Where a public utility's service territory is in a locale that is separate and apart from a significant-sized urban area, whether the public utility should publish notice of a proposed rate increase in a newspaper having general circulation in the locale.

AT&T Tennessee has no comment at this time with respect to question No. 5.

As a general matter, the Tennessee General Assembly has consistently recognized the need for legislative reform to address the fact that the telecommunications market in Tennessee is highly competitive. Any rules promulgated in this docket should be crafted to ensure that investment in the telecommunications market in Tennessee is not thwarted by undue regulation and that rules fashioned for other, less competitive types of utilities are not imposed upon telecommunications providers.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.  
dba AT&T Tennessee

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