BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *BellSouth Telecommunications, Inc. dba AT&T Tennessee Petition to Extend Market Regulation to Rate Groups 1 and 2*

Docket No. 10-00108

PETITION TO EXTEND MARKET REGULATION TO RATE GROUPS 1 AND 2

BellSouth Telecommunications, Inc. dba AT&T Tennessee ("AT&T Tennessee") files this petition, pursuant to Tenn. Code Ann. § 65-5-109(o) of the Market Regulation Act of 2009, to extend the application of market regulation to residential local exchange telecommunications services offered as single individually priced services at rate-group specific prices in Rate Groups 1 and 2 and respectfully demonstrates that the statutory test set forth in the Act is satisfied. AT&T respectfully shows the Authority as follows:

1. AT&T Tennessee is an incumbent local exchange provider that elected Market Regulation on October 1, 2009. AT&T Tennessee is facilities-based and serves residential customers in the base rate and zone rate areas of each exchange designated at Rate Groups 1 or 2 in tariffs of AT&T Tennessee.

2. As demonstrated in the attached affidavit of David Weed, there are at least two non-affiliated telecommunications providers that offer service in the base rate and zone rate areas of each exchange designated as Rate Groups 1 or 2 in tariffs of AT&T Tennessee. At least one provider is facilities-based and currently serving residential customers.

3. Having demonstrated, by the facts set forth herein and in the attached affidavit, that the competition standard is satisfied, AT&T Tennessee is entitled to a rebuttable presumption that the competition standard has been satisfied.

4. The Market Regulation Act permits this petition to be filed one year after the effective date of the Market Regulation Act, which is May 21, 2010. Accordingly, this petition is timely.

5. This petition is entitled to an accelerated schedule, with a decision to be rendered on or before August 26, 2010.

The Market Regulation Act sets forth a clear test for the determination of sufficient competition to justify the extension of Market Regulation to residential local exchange telecommunications services offered in Rate Groups 1 and 2. The evidence submitted with this petition clearly satisfies the standard.

For the foregoing reasons, the Authority should issue an order granting the petition.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.
dba AT&T Tennessee

By: _____

Guy M. Hicks
Joelle Phillips
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
(615) 214-6301
Attorneys for AT&T

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *BellSouth Telecommunications, Inc. dba AT&T Tennessee Petition to Extend Market Regulation to Rate Groups 1 and 2*

Docket No. _____

AFFIDAVIT OF DAVID WEED IN SUPPORT OF PETITION TO EXTEND MARKET REGULATION TO RATE GROUPS 1 AND 2

STATE OF TENNESSEE

COUNTY DAVIDSON

My name is David Weed, and I have been retained by AT&T Tennessee to collect data relevant to the competitive test set forth in TCA 65-5-109, known as the Market Regulation Act of 2009.

I am the principle of David Weed Consulting, and I perform consulting services focused on telecommunications, government, and regulatory issues by contract with AT&T Tennessee. Prior to my consulting work, I was employed by Public Strategies, Inc. as Principle. In May of 2001 I received a bachelor's degree in History from The University of Tennessee, Knoxville.

I have identified each zone rate area of each AT&T Tennessee exchange, which is classified as Rate Group 1 or 2 in AT&T's tariff. There are 69 such exchanges in Tennessee. Each exchange has two zone rate areas. A list of identifying each exchange is attached to this affidavit as Attachment 1.

For each exchange listed in Attachment 1, I have studied the availability of telecommunications services. In order to evaluate the availability and providers of such services, I utilized the following process.

I obtained a service area map for each exchange classified as Rate Group 1 or 2. . As shown in these maps, which are on file with the TRA, each exchange consists of a Base Rate Area and a Zone Rate Area.

For each exchange, I identified an address in the Base Rate Area and one for the Zone Rate Area. I was able to determine if the address was inside each of the different areas by comparing the Exchange Rate Maps that I was given with Google Maps.

For each area, I used various means to find providers who offer to provide service at the address. I consulted the telephone book and the internet to identify certified local exchange providers, wireless service providers, and VoIP providers.

Many local exchange providers had websites that allow an individual to sign up for service on line. Each of these companies required different search criteria, either the address, the telephone number or both pieces of information to verify that service was available from that provider for the location in question. For these companies, I entered the required information, and the web site would indicate whether service was available from that company at that address and what type of services and prices were offered. If the company's website confirmed that service was available, then I printed the confirmation and counted that provider as offering to provide service in that area. Each of these certified local exchange providers has applied for and been granted a Certificate of Public Convenience and Necessity by the Tennessee Regulatory Authority as a provider of facilities-based local exchange and resold telecommunications service in Tennessee.

I also investigated whether cable companies offered telephone service at the address that I had chosen for each Exchange Area. Again, using the web sites, I determined whether service was available by entering the required information at the company's website. If the

website confirmed that service was available at the address, then I printed out the confirmation and counted that cable company as offering to provide telephone service in that area.

I also investigated whether wireless companies provided service in each of the areas. As with the certified provider and cable companies, I used the wireless company's website to determine whether service was offered at that location. If the wireless provider showed that service was available, I printed out the confirmation and counted that provider as offering to provide service. If the wireless provider showed that it provided service, but only in a roaming capacity, then I did not count that wireless provider as offering to provide service.

Attached to my affidavit as Attachment 2 is a report of the facts found for each area listed in Attachment 1 as a result of the methodology described above. As stated in detail in the report, my study revealed that each such area "has at least two (2) non-affiliated telecommunications providers that offer service to customers" as required by the statute. When counting the number of providers for each such area, I have applied the requirements set forth in Section (o)(ii), as demonstrated more specifically in the report.

Attachment 2 sets forth the detailed factual findings for each zone rate area. These findings are that each such area has at least two (2) non-affiliated telecommunications providers that offer service to customers in that zone rate area as required by the statute.

Further affiant sayeth not.

David Weed

Sworn to and subscribed before me, this 24th day of May, 2010.

Notary Public

STATE OF TENNESSEE NOTARY PUBLIC DAVIDSON COUNTY, TENN.

My Commission Expires SEPT. 3, 2012

Attachment 1

Exchange Name	Rate Group
Bells	1
Bethel Springs	2
Big Sandy	2C
Blanche	2
Bolivar	2
Brownsville	1
Camden	1
Carthage	1
Cedar Grove	1C
Centerville	1
Copper Hill	2
Cumberland City	1
Cumberland Gap	2
Dover	1
Dyer	2
Dyersburg	2
Elkton	2
Fayetteville	2
Flintville	2
Gibson	2
Gleason	2
Grand Junction	2
Greenfield	2
Halls	1
Hartsville	1
Henderson	1
Henning	1
Hohenwald	1
Hornbeak	2
Humboldt	2
Huntingdon	2
Huntland	2
Kenton	2
La Follette	2
Lawrenceburg	2
Lewisburg	2
Lexington	2
Lyles	2B
Lynchburg	1
Lynnville	2

Exchange Name	Rate Group
Madisonville	2
McEwen	1
McKenzie	2
Medina	2
Middleton	2
Milan	2
Newbern	2
Newport	2
Paris	2
Pulaski	2
Ridgely	1
Ripley	1
Rogersville	2
Savannah	2
Selmer	2
Sewanee	2
Shelbyville	2
Sneedville	1
Summertown	2D
Surgoinsville	2
Sweetwater	2
Tiptonville	1
Trenton	2
Troy	2
Union City	2
Wartrace	2
Waverly	1
Whiteville	2
Winchester	2