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T.R.A. DOCKET ROOM
September 3, 2010

VIA HAND DELIVERY

Mr. David Foster
Chief, Utilities Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Revision of Business Rates to Reflect 2010 Ad Valorem Tax Equity Payments
Pursuant to Tenn. Code Ann. 67-6-221 and 222*
Docket No. 10-00136


Dear Mr. Foster:

This letter is in response to your letter of August 10, 2010, requesting information in relation to T.C.A. § 67-6-221 and 222, including revised prices, calculations and revised tariff pages.

AT&T Tennessee now operates pursuant to Market Regulation with respect to all of its retail pricing in Tennessee. Consequently, there is no longer any applicable Price Regulation Plan, as referenced in T.C.A. § 67-6-222. AT&T is no longer required to tariff or otherwise obtain TRA approval for its business rates.

Any adjustments to AT&T's retail pricing in connection with ad valorem tax payments in Tennessee will be conducted in accordance with Market Regulation.¹

Very truly yours,


Kathy Sager

¹ The Market Regulation Act lists numerous areas in which the TRA retains jurisdiction over Market Regulated companies. That list does not include any reference to ad valorem tax payments or the above-referenced sections of the Tennessee Code.