

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 11, 2001

James P. Lamoureux, Esq.
AT&T
Room 4068
1200 Peachtree Street, N.E.
Atlanta, GA 30309

*Re: Joint Petition of TEC Companies and the Consumer Advocate Division
for Approval of Earnings Review Settlement*

Docket #99-00995

Dear Mr. Lamoureux:

The Tennessee Regulatory Authority (TRA) requests the following additional information regarding the above-referenced application:

1. Does AT&T contest the amount of over-earnings for 1999-2001 agreed upon by the TEC Companies and the Consumer Advocate Division (CAD) as referenced in the settlement filed with the Authority on December 30, 1999?
2. If the rate design implemented in this docket leads to a decrease in the amount of access costs that AT&T pays to the TEC companies, does AT&T have any plans to flow through such access rate reductions to its residential and business customers?
3. If the response to item no. 2, above, is in the affirmative, provide a detailed description of AT&T's plans to flow through the access rate reductions to retail customers, including the specific rates and rate plans to be adjusted.

Please submit the requested information by May 21, 2001. If you have any questions, please contact Rosie Gregory at 615-741-2904, extension 156.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. David Waddell', with a stylized, flowing script.

K. David Waddell
Executive Secretary

c: T. G. Pappas, Esq. & R. Dale Grimes, Esq. (TEC)
Timothy Phillips, Esq. (CAD)
Dockets & Records (Docket #99-00995)