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June 6, 2012

The Honorable Jocelyn Boyd
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Joint Application of AT&T Communications of the Southern States, LLC and AT&T Corp. for Approval of Merger
Docket No. 2012-224-C

Dear Ms. Boyd:

Enclosed for filing in the above-referenced docket is a First Amended Joint Application for Approval of Merger.

This First Amended Joint Application adds, as sub-item 5 to Section V (Conclusion), an express request that the Commission grant AT&T Corp. all of the certificates and authorizations AT&T Communications currently has, subject to the same terms and conditions that appear in AT&T Communications' existing certificates and authorizations. With the exception of this addition, this First Amended Joint Application is identical to the Joint Application that was filed on June 1, 2012.

By copy of this letter, I am serving all parties of record with a copy of this pleading as indicated on the attached Certificate of Service.

Sincerely,

Patrick Turner

Patrick W. Turner

PWT/nml
Enclosure
1036979

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

IN RE:

Joint Application of AT&T Communications of the Southern States, LLC and AT&T Corp. for Approval of Merger	)	Docket No. 2012-224-C

FIRST AMENDED JOINT APPLICATION FOR APPROVAL OF MERGER

AT&T Communications[1] is one of more than twenty AT&T affiliates that currently offer various services including without limitation competitive local exchange services, intraLATA services, interexchange services, and/or calling card services in various states and the District of Columbia. The AT&T family of companies would like to merge AT&T Communications and various other AT&T affiliates into a single entity – AT&T Corp. – that will offer these services. This consolidation will benefit customers by streamlining the number of AT&T entities that offer competitive local exchange, intraLATA, interexchange, and calling card services, simplifying customer offers, and reducing customer confusion. Accordingly, AT&T Communications and AT&T Corp. ("Applicants") respectfully request that the Commission enter an order: approving the merger of AT&T Communications and all of its property, powers, franchises, or privileges into AT&T Corp. to occur on or about October 31, 2012; and granting the related relief requested in this Joint Application.

[1] The formal name of this entity is AT&T Communications of the Southern States, LLC.

I. APPLICANTS AND THEIR AUTHORIZED REPRESENTATIVE

1. The name and address of the Applicants are:

AT&T Communications of the Southern States, LLC
One AT&T Way
Bedminster, NJ 07921

AT&T Corp.
One AT&T Way
Bedminster, NJ 07921

2. AT&T Communications' and AT&T Corp.'s authorized representative in this proceeding is:

Patrick W. Turner
1600 Williams Street, Suite 5200
Columbia, South Carolina 29201
Telephone: (803) 401-2900
Facsimile: (803) 254-1731
Email: pt1285@att.com

Correspondence or communication relative to this Joint Application should be addressed to this authorized representative.

3. In addition to the information set forth in this Joint Application and its Attachment A, the relief requested by the Applicants is further supported by the verified, pre-filed testimony of James F. Dionne. Mr. Dionne's verified testimony is being filed with the Commission contemporaneously with this Joint Application.

4. Applicants, individually or together with their affiliates, have invested at least five million dollars in telecommunications facilities in the State of South Carolina.

II. AT&T COMMUNICATIONS

5. AT&T Communications is a limited liability company formed and existing under the laws of the State of Delaware and is a wholly-owned subsidiary of AT&T Corp.

6. AT&T Communications is authorized to provide, and does provide, the following services in the State of South Carolina:

A. interLATA telecommunications services pursuant to a Certificate of Public Convenience and Necessity the Commission granted in Order No. 83-883 in Docket No. 83-416-C;

B. intraLATA telecommunications services pursuant to the authority granted by the Commission in Order Nos. 92-919 and 93-462 in Docket Nos. 92-182-C, 92-183-C, and 92-200-C;

C. consumer card and operator services pursuant to the authority granted by the Commission in various orders, including without limitation Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C;

D. local exchange telecommunications services pursuant to the authority granted by the Commission in Order No. 96-494 in Docket No. 96-073-C. Pages 6 through 8 of this Order incorporate the same substantive terms and conditions that are set forth in the Stipulation that AT&T affiliates authorized to provide local exchange service typically execute with the South Carolina Telephone Coalition (*see, e.g.,* Stipulation between BellSouth BSE and the Coalition in Docket No. 97-3610C).

7. AT&T Communications intends to merge all of its assets, including without limitation accounts receivable, customer base, and all certificates and authorizations described in Paragraph 6 above, into AT&T Corp. on or about October 31, 2012.

8. This corporate change is strictly *pro forma* and will not impact the provision of telecommunications services in South Carolina. There will be no change in the ultimate ownership, control or management or the day-to-day operations of the authorized carrier.

Service will be provided using the same network, billing systems, and customer service operations used by AT&T Communications today. After the merger is complete, AT&T Corp. will provide current AT&T Communications customers with the services they are currently receiving from AT&T Communications pursuant to AT&T Corp. contracts and tariffs that offer such services under the same rates, terms and conditions as these customers currently receive.

III. AT&T CORP.

9. AT&T Corp. is a corporation that was formed and existing under the laws of the State of New York on or about March 3, 1885, and it is a wholly-owned subsidiary of AT&T Inc.

10. AT&T Corp. is not currently certificated or otherwise authorized to provide, and does not provide, any regulated telecommunications services in South Carolina. After the merger is complete, AT&T Corp. will provide competitive local exchange services, intraLATA services, interexchange services, and/or calling card services in South Carolina pursuant to the certificates and authorizations described in Paragraph 6 above. This is consistent with state law, including without limitation Section 58-9-280(B), because:

A. All of the technical and managerial resources (including without limitation employees) of AT&T Communications will be merged into AT&T Corp. upon completion of the merger. The sufficiency of AT&T Communications' technical and managerial resources has not been called into question at the Commission in the nearly three decades that it has been providing service in South Carolina. Accordingly, AT&T Corp. will have technical and managerial resources sufficient to provide the services that AT&T Communications currently is certificated to provide in the State of South Carolina.

B. All of the financial resources of AT&T Communications will be merged into AT&T Corp. upon completion of the merger. The sufficiency of AT&T Communications' financial resources has not been called into question at the Commission in the nearly three decades that it has been providing service in South Carolina. Accordingly, AT&T Corp. will have technical and managerial resources sufficient to provide the services that AT&T Communications currently is certificated to provide in the State of South Carolina.

C. After the merger is complete, AT&T Corp. will provide services that will meet the applicable service standards that the Commission has adopted and that the Commission may adopt.

D. After the merger is complete, AT&T Corp.'s provision of service will not adversely impact the availability of affordable local exchange service.

E. After the merger is complete, AT&T Corp., to the extent that it may be required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates.

F. After the merger is complete, AT&T Corp.'s provision of service will not otherwise adversely impact the public interest.

11. After the merger is complete, AT&T Corp.'s contact for regulatory matters will be:

Cindy Cox
Executive Director
1600 Williams Street, Suite 5470
Columbia, South Carolina 29201
803-401-2252 (phone)
803-771-4680 (fax)
cc2283@att.com

12. After the merger is complete, AT&T Corp.'s contact regarding financial matters will be:

James F. Dionne
Executive Director – Accounting
One AT&T Way, Room 2B119
Bedminster, New Jersey 07921
908-234-5276 (phone)
908-532-1808 (fax)
jdionne@att.com

13. After the merger is complete, AT&T Corp. will make appropriate filings to convert any AT&T Communications tariffs that may exist to AT&T Corp. tariffs and to operate under one or more d/b/a's as appropriate.

14. Attachment A to this Joint Application is representative of language that will appear on AT&T Communications' bills, beginning on or about June 1, 2012, to provide customers advance notice of the impending merger. The actual language that will appear on a given customer's bill will vary depending on factors including, without limitation, the type of customer (residential/small business, large business, etc.) and whether AT&T Communications provides local services, long distances services, or both to the customer.

15. AT&T Corp. has no plans to offer local exchange telecommunications services to a customer located in a rural incumbent LEC's service area. Should those plans change in the

future, however, AT&T Corp. will honor the terms and conditions set forth at pages 6 through 8 of Order No. 96-494, which are the same substantive terms and conditions that are set forth in the Stipulation that AT&T affiliates authorized to provide local exchange service typically execute with the South Carolina Telephone Coalition.

IV. REQUESTS FOR COMMISSION APPROVALS

Applicants respectfully request that the Commission expeditiously grant the following approvals:

A. Approval Pursuant to Section 58-3-310.

Section 58-9-310 of the South Carolina Code provides, in pertinent part, that "[n]o telephone utility, without the approval of the Commission . . . may sell, transfer, lease, consolidate, or merge its property, powers, franchises, or privileges or any of them . . . ." Applicants respectfully request approval of the Commission to merger of all property, powers, franchises and privileges of AT&T Communications into AT&T Corp. on or about October 31, 2012.

B. Approval Pursuant to Section 58-9-300.

Section 58-9-300 of the South Carolina Code provides, in pertinent part, that "no telephone utility shall abandon all or any portion of its service to the public . . . unless written application is first made to the commission for the issuance of a certificate authorizing such abandonment, nor until the commission in its discretion issues such certificate." To the extent that the merger arguably constitutes the abandonment of service by AT&T Communications, the Applicants respectfully request the Commission's approval of such abandonment.

C. Slamming Waivers.

"Slamming" occurs when a company changes a subscriber's carrier selection without that subscriber's knowledge or explicit authorization.[2] Section 58-3-230 of the South Carolina Code addresses slamming, and it provides in pertinent part that a telephone utility "may not submit a change request for a customer's utility service until the customer's authorization for the change is obtained by using marketing or anti-slamming guidelines approved by the [FCC] and [this Commission]." Applicants will comply with all marketing or anti-slamming guidelines approved by the FCC.

Applicants are not aware of any Commission-approved "marketing or anti-slamming guidelines" that apply to this situation.[3] Upon request in prior proceedings, however, the Commission has waived any "slamming" regulations that arguably would apply to similar transactions.[4] Applicants, therefore, respectfully request that the Commission waive any

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[2] *See* Second Report and Order and Further Notice of Proposed Rulemaking, In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, 14 F.C.C.R. 1508 at ¶1 (December 23, 1998).

[3] The Commission has adopted marketing guidelines that apply to interexchange carriers and that prohibit certain misleading marketing practices, *see* Order Addressing Marketing Practices and Marketing Guidelines, *In Re: Proceeding Addressing Marketing Guidelines for Telecommunications Companies*, Order No. 95-658 in Docket No. 94-559-C (March 10, 1995), but those guidelines do not apply to merger that is the subject of this docket.

[4] *See, e.g.*, Order Approving Transfer, In Re: Petition of Verizon Communications, Inc. to Approve Transfer of Customers Between Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance and Verizon Select Services, Inc., Order No. 2001-508 in Docket No. 2001-191-C (May 29, 2001); Order Granting Expedited Review and Approving Merger, In Re: Application of MCI, Inc. for Approval of a Merger of SouthernNet of South Carolina, Inc., SouthernNet Service, Inc. and MCI WorldCom Network Services, Inc. and Related Intra-Corporate Transactions undertaken to Streamline MCI, Inc.'s Corporate Structure, Order No. 2004-647 in Docket No. 2004-319-C (December 30, 2004); Order Approving Transfer and Waiving Regulations, In Re: Joint Application of Matrix Telecom, Inc. and Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc. and Global Crossing Telemanagement, Inc. for Expedited Approval of a Transfer of Certain Assets and a Waiver of Applicable Anti-Slamming Regulations, Order No. 2005-496 in Docket No. 2005-75-C (September 27, 2005); Order Granting Certificate, Approving Modified Alternative Regulation

"slamming" regulations that arguably would be violated by this merger. Such a limited waiver is in the public interest because after the merger is complete, AT&T Corp. will provide current AT&T Communications customers with the services they are currently receiving from AT&T Communications pursuant to AT&T Corp. contracts and tariffs that offer such services under the same rates, terms and conditions as these customers currently receive. Additionally, the transfer will have no effect on the ability of residential local exchange customers to switch to another carrier after the merger is completed.

D. Approval to Remove Local Carrier Freezes from Accounts of AT&T Communications Customers

To the extent that it may be necessary to remove a local carrier freeze from a customer's account in order to transition the customer from AT&T Communications to AT&T Corp., Applicants respectfully seek Commission approval to do so.

V. CONCLUSION

WHEREFORE, for the reasons stated above, AT&T Communications and AT&T Corp. respectfully request that the Commission enter an order:

1. granting approval pursuant to Section 58-9-310 of the merger of all property, powers, franchises and privileges (including without limitation the merger of AT&T Communications' existing certificates and authorizations to provide services) of AT&T Communications into AT&T Corp. to occur on or about October 31, 2012;

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and Flexible Regulation, and Approving Acquisition of Assts, In Re: Application of Comtel Telecom Assets LP DBA VarTec Telecom, Clear Choice Communications, Excel Telecommunications and VarTec Solutions for a Certificate of Public Convenience and Necessity to Provide Interexchange and Local Exchange Telecommunications Services, for Flexible Regulatory Treatment, Alternative Regulation, and for Approval to Acquire Certain Assets of VarTec Telecom, Inc., Excel Telecommunications, Inc. and VarTec Solutions, Inc., Order No. 2006-107 in Docket No. 2005-342-C (February 15, 2006).

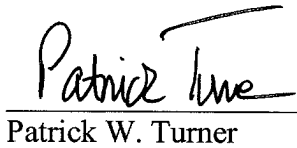
2. granting any approval that is required pursuant to Section 58-9-300;

3. waiving any "slamming" regulations that arguably would be violated by the merger;

4. approving the removal of any local carrier freezes that are necessary to implement the merger; and

5. granting AT&T Corp. all of the certificates and authorizations AT&T Communications currently has, subject to the same terms and conditions that appear in AT&T Communications' existing certificates and authorizations.

Respectfully submitted this 1st day of June, 2012.



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ATTORNEY REPRESENTING AT&T COMMUNICATIONS AND AT&T CORP.

STATE OF SOUTH CAROLINA)
) CERTIFICATE OF SERVICE
COUNTY OF RICHLAND)

The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for AT&T South Carolina ("AT&T") and that she has caused AT&T Communications of the Southern States, LLC and AT&T Corp.'s First Amended Joint Application for Approval of Merger to be served upon the following on June 6, 2012:

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Nyla M. Laney

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