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June 19, 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: Complaint and Petition for Relief of BellSouth Telecommunications, Inc. d/b/a AT&T Southeast d/b/a AT&T South Carolina v. Affordable Phone Services, Inc. d/b/a High Tech Communications, Dialtone & More, Inc., Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC, OneTone Telecom, Inc., dPi Teleconnect, LLC and Image Access, Inc., d/b/a New Phone
Docket No. 2010-14-C, Docket No. 2010-15-C, Docket No. 2010-16-C, Docket No. 2010-17-C, Docket No. 2010-18-C, & Docket No. 2010-19-C

Dear Ms. Boyd:

Enclosed for filing is AT&T South Carolina's Notice of Subsequent Development in Support of Its Motion for Rescission or Amendment of Decision in the above-referenced matters.

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
enclsoure
cc: All Parties of Record
1038292

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

In Re: BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. Affordable Phone Services, Incorporated d/b/a High Tech Communications
Docket No. 2010-14-C

BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. Dialtone & More Incorporated
Docket No. 2010-15-C

BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. Tennessee Telephone Service, LLC d/b/a Freedom Communications USA, LLC
Docket No. 2010-16-C

BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. OneTone Telecom, Incorporated
Docket No. 2010-17-C

BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. dPi Teleconnect, LLC
Docket No. 2010-18-C

BellSouth Telecommunications, Incorporated d/b/a AT&T Southeast d/b/a AT&T South Carolina v. Image Access, Incorporated d/b/a New Phone
Docket No. 2010-19-C

AT&T SOUTH CAROLINA'S NOTICE OF SUBSEQUENT DEVELOPMENT IN SUPPORT OF ITS MOTION FOR RESCISSION OR AMENDMENT OF DECISION

On June 14, 2012, the Texas Commission denied a reseller's motion for reconsideration and upheld the arbitrators' ruling that it is appropriate for AT&T to apply the wholesale discount to the retail amount of any cashback benefit for which a reseller may qualify.[1] Accordingly, AT&T South Carolina's position on the cashback issue in this proceeding is consistent with:

> the only federal court decision resolving the "cashback" issue in this proceeding (the February 19, 2012 Order affirming the North Carolina Commission's

[1] Attachment A to this Notice is a copy of the Texas Commission's Order. AT&T South Carolina filed the ruling that this Order upholds on April 5, 2012.

decision in favor of AT&T in the *dPi v. AT&T North Carolina* complaint proceeding);[2]

the Proposed Recommendation of the administrative law judge on the "cashback" issue in the *dPi v. AT&T Louisiana* complaint proceeding;[3]

the North Carolina Commission's order resolving the "cashback" issue in the *dPi v. AT&T North Carolina* complaint proceeding;[4]

the North Carolina Commission's order in its companion Consolidated Phase proceedings (addressing the same issues as presented in these proceedings);[5]

the Kentucky Commission's order on the "cashback" issue in the *dPi v. AT&T Kentucky* complaint proceeding;[6]

the Texas Commission's order on the "cashback" issue in the *Nexus v. AT&T Texas* complaint proceeding;[7] and

the Louisiana Commission's order in its companion Consolidated Phase proceedings (addressing the same issues as presented in these proceedings).[8]

Each of these tribunals expressly considered and rejected the Reseller's position that the Commission apparently accepted in its Directive of November 9, 2011.

In contrast, no tribunal has adopted the Resellers' position on the cashback issue or on any other issue in these consolidated proceedings.

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[2] *See* AT&T South Carolina's Notice of Subsequent Development filed February 21, 2012.

[3] *See* AT&T South Carolina's Brief at 13; Attachment D.

[4] *See* AT&T South Carolina's Brief at 12-13; Attachments B and C.

[5] *See* AT&T South Carolina's Notice of Subsequent Development filed September 22, 2011.

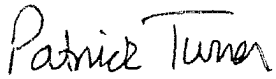
[6] *See* AT&T South Carolina's Notice of Subsequent Development filed January 20, 2012 (Order) and March 5, 2012 (Order on Reconsideration).

[7] *See* Attachment A to this Notice; AT&T South Carolina's Notice of Subsequent Development filed April 5, 2012.

[8] *See* AT&T South Carolina's Notice of Subsequent Development filed April 26, 2012.

Accordingly, AT&T South Carolina respectfully requests that the Commission partially rescind or amend the decision reflected in its Directive of November 9, 2011 and rule that all cashback benefits are subject to the 14.8% resale discount.[9]

Respectfully submitted on this the 19th day of June, 2012.



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[9] *See* AT&T South Carolina's Notice of Subsequent Development and Motion for Rescission or Amendment of Decision filed April 5, 2012.

ATTACHMENT A

PUC DOCKET NO. 39028

PETITION OF NEXUS COMMUNICATIONS, INC. FOR POST-INTERCONNECTION DISPUTE RESOLUTION WITH SOUTHWESTERN BELL TELEPHONE COMPANY D/B/A AT&T TEXAS UNDER FTA RELATING TO RECOVERY OF PROMOTIONAL CREDIT DUE	§ § § § § § § §	**PUBLIC UTILITY COMMISSION OF TEXAS**

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ORDER ON MOTION FOR RECONSIDERATION OF ORDER NO. 15

This Order addresses the motion for reconsideration of Order No. 15 by Nexus Communications, Inc. The Commission finds that the determination of the arbitrators in Order No. 15 is correct. Therefore, the Commission denies Nexus's motion for reconsideration and upholds the arbitrators' ruling in Order No. 15.

SIGNED AT AUSTIN, TEXAS the 14th **day of June, 2012.**

PUBLIC UTILITY COMMISSION OF TEXAS

DONNA L. NELSON, CHAIRMAN

KENNETH W. ANDERSON, JR., COMMISSIONER

ROLANDO PABLOS, COMMISSIONER

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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 BellSouth Telecommunications, LLC d/b/a AT&T South Carolina ("AT&T") and that she has caused AT&T South Carolina's Notice of Subsequent Development in Support of Its Motion for Rescission or Amendment of Decision in Docket Nos. 2010-14-C, 2010-15-C, 2010-16-C, 2010-17-C, 2010-18-C and 2010-19-C to be served upon the following on June 19, 2012:

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(Dialtone & More, Inc.)
(Tennessee Telephone Service, LLC d/b/a Freedom Communications)
(OneTone Telecom, Inc.)
(dPi Teleconnect, L.L.C.)
(Image Access, Inc. d/b/a NewPhone)
(Electronic Mail)

Christopher Malish, Esquire
Malish & Cowan, P.L.L.C.
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(Electronic Mail)

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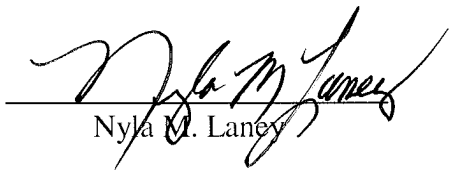

Nyla M. Laney

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