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September 1, 2005

Ms. Elizabeth O'Donnell Kentucky Public Service Commission 211 Sower Boulevard P.O. Box 615 Frankfort, Kentucky 40601 SEP 2 2005

PITE JO SERVICE COMMISSION

RE: Case No. 2004-00234; Petition by AT&T Communications of the South Central States, LLC and TCG Ohio Inc. For Arbitration of Certain Terms and Conditions of a Proposed Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. Section 252

Dear Ms. O'Donnell:

On August 15, 2005, AT&T and BellSouth advised the Commission that the parties had resolved, in principal, Issue 14, "Under what circumstances will AT&T be allowed to move or rearrange BST facilities while AT&T is performing "Make-Ready" work?" and Issue 35, "Should AT&T be required to provide BellSouth with reciprocal access to network terminating wire (NTW) installed by or on behalf of, AT&T?" At that time, the partiers indicated that there was no agreement on the contractual language to implement this agreement, but that the parties anticipated that such an agreement on language could be reached before September 1, 2005. The parties requested that if they were unable to reach an agreement on the language to implement the disposition of Issues 14 and 35 by September 1, 2005, that the Commission accept filings of Supplemental Direct Testimony on those issues on September 1, 2005, with Rebuttal Testimony to follow on September 15, 2005.

This is to advise the Commission that the parties have been able to come to an agreement on the language and hereby withdraw Issues 14 and 35 from the above-referenced arbitration. BellSouth concurs in this letter which is sent jointly by the parties. Thank you for your assistance.

Sincerely,

C. Kent Hatfield

Counsel for AT&T of the South Central States, Inc.

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Cc: Parties of Record