

**Commonwealth of Kentucky
Before the Public Service Commission**

In the Matter of:

JOINT APPLICATION FOR APPROVAL)	
OF THE INDIRECT TRANSFER OF)	
CONTROL RELATING TO THE)	CASE NO. 2006-00136
MERGER OF AT&T, INC. AND)	
BELLSOUTH CORPORATION)	

POST-HEARING BRIEF OF THE ATTORNEY GENERAL

On March 31, 2006, AT&T, Inc. and BellSouth Corporation [hereinafter jointly referenced as the "Joint Applicants"] filed their Joint Application for Approval of the Indirect Transfer of Control Relating to the Joint Applicants' merger.

On or about April 4, 2006, the Attorney General filed his motion to intervene in the instant action. On or about April 12, 2006, the Commission granted this motion and set a procedural order. Subsequent to the Commission's order of this date, multiple additional parties intervened. The parties were permitted two rounds of discovery requests, and responses to all such requests were filed with the Commission. On or about June 6, 2006, the Joint Applicants together with the Attorney General filed with the Commission a "Joint Stipulation of Facts and Evidence in the Record," which all three such parties signed. On June 7, 2006 a public hearing was held at the Commission's offices regarding the Joint Applicants' application.

Pursuant to KRS 278.020 (5), the Commission shall grant approval of the acquisition of or transfer of control of a utility if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service. Subsection (6) of this statute also requires the Commission to approve an acquisition when it finds the same to be made in accordance with the law, for a proper purpose and is consistent with the public interest.

The Attorney General believes that AT&T has in fact provided sufficient evidence that it meets the standards set forth in this statute. The Attorney General further believes the merger is in accordance with the law, is being made for a proper purpose, and is consistent with the public interest.

The Attorney General therefore believes that the Joint Stipulation represents a fair resolution of the issues in the instant matter, is in the public interest, and thus urges the Commission to adopt the stipulations into its final order.

Respectfully submitted,
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ATTORNEY GENERAL

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Submission of Filing in Paper Medium

Per instructions 11 and 22 of the Commission's 12 April 2006 order, Counsel submits the original of the foregoing document, in paper medium, to be filed by hand delivery on 30 June, 2006 to:

Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

/s/ Lawrence W. Cook
Assistant Attorney General

Certification Regarding Electronic Filing

Pursuant to instructions 11 and 13 of the April 12, 2006 order, counsel certifies submission of the foregoing document in electronic medium. Pursuant to instruction 15, he certifies that: (a) the electronic version of the filing is a true and accurate copy of the original document filed in paper medium; (b) he has, by electronic mail, notified the Commission and the following applicable parties that the electronic version of the filing has been transmitted to the Commission:

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and (c) the date of the electronic filing is June 29th, 2006.

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