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## **Georgia Public Service Commission**

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For immediate release

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### **News Release**

#### **PSC Approves AT&T-BellSouth Merger with Conditions**

Atlanta, August 18, 2006 – The Georgia Public Service Commission (Commission) today by a vote of 3-2 accepted the Commission staff recommendation to approve the proposed merger of AT&T, Inc. and BellSouth Corporation (Companies) in Docket Number 22682. However, the Commission approved the merger subject to the following conditions required by Georgia law.

1. AT&T/BellSouth must continue to comply with all obligations of an incumbent local exchange carrier under Georgia law and the Telecommunications Act of 1995.
2. AT&T/BellSouth must request and receive permission before discontinuing any intrastate long distance service.
3. AT&T/BellSouth must report monthly to the Commission on its progress in developing stand-alone Digital Subscriber Line (DSL) Service.
4. AT&T/Bellsouth must file documentation to prove that every Central Office in Georgia has been upgraded to be DSL capable.
5. The Commission will examine whether the penalty payments in the performance plan in Docket Number 7892-U are adequate to provide the necessary incentives to BellSouth in the face of increased revenues resulting from the merger.

In addition, the Commission unanimously approved an amendment offered by Commissioner David Burgess that the Commission will begin a separate proceeding six months after the merger is completed to examine the effects of the merger on Georgia and what, if any, actions should be taken.

The Commission, in a 3-2 vote, turned down motions to require the merged companies to offer stand alone DSL service.

The Companies filed their notice of merger with the Commission on March 31, 2006. The Commission accepted briefs and heard oral arguments from all parties on August 8, 2006.

You can find more information on this issue on the Commission web site, [www.psc.state.ga.us](http://www.psc.state.ga.us).

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