

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Petition of AT&T Inc. For Forbearance)	
Under 47 U.S.C. § 160 From Enforcement)	
of Certain of the Commission’s Cost)	
Assignment Rules)	WC Docket No. 07-21
)	
Petition of BellSouth Telecommunications,)	
Inc. For Forbearance Under 47 U.S.C. § 160)	
From Enforcement of Certain of the)	
Commission’s Cost Assignment Rules)	

ORDER

Adopted: January 7, 2008

Released: January 7, 2008

By the Chief, Wireline Competition Bureau:

1. In this order, pursuant to section 10(c) of the Communications Act of 1934, as amended (the Act),¹ we extend by 90 days the date on which the petition requesting forbearance filed by AT&T Inc. on behalf of certain of its legacy SBC affiliates (AT&T) shall be deemed granted in the absence of a Commission decision that the petition fails to meet the standards for forbearance under section 10(a) of the Act.

2. In this order, we also extend by 90 days the date on which the petition requesting forbearance filed by AT&T on behalf of BellSouth Telecommunications, Inc. and its affiliates (BellSouth) shall be deemed granted in the absence of a Commission decision that the petition fails to meet the standards for forbearance under section 10(a) of the Act.²

3. On January 25, 2007, AT&T filed a petition requesting that the Commission forbear from applying certain of its cost assignment rules to AT&T.³ Specifically, AT&T seeks forbearance from: section 32.23 (Nonregulated activities); section 32.27 (Transactions with affiliates); Part 64 Subpart I (Allocation of costs); Part 36 (Jurisdictional separations procedures); Part 69, Subparts D and E (referred to as “cost apportionment rules”); and other related rules that are derivatives of, or dependent on, the foregoing rules.⁴

¹ See 47 U.S.C. § 160(c).

² See 47 U.S.C. § 160(a).

³ Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission’s Cost Assignment Rules, WC Docket No. 07-21, at n.2 (filed Jan. 25, 2007) (AT&T Petition) (Attachment 1 of the AT&T Petition lists each rule from which AT&T seeks forbearance).

⁴ See 47 C.F.R. §§ 32.23, 32.27, 64 Subpart I, 36, and 69 Subparts D and E.

4. On December 6, 2005, BellSouth filed a petition requesting that the Commission forbear from applying certain of its “cost assignment rules” to BellSouth.⁵ BellSouth sought forbearance from: section 32.23 (Nonregulated activities); section 32.27 (Transactions with affiliates); Part 64 Subpart I (Allocation of costs); Part 36 (Jurisdictional separations procedures); Part 69, Subparts D and E (referred to as “cost apportionment rules”); and other related rules that are derivatives of, or dependent on, the foregoing rules.⁶

5. While BellSouth’s petition for forbearance was pending, AT&T acquired BellSouth.⁷ On February 9, 2007, AT&T, on behalf of BellSouth, withdrew the BellSouth Petition and simultaneously resubmitted it.⁸ At that time AT&T also requested that the Commission “synchronize the comment cycles for the AT&T petition and the resubmitted BellSouth petition.”⁹ The Commission released a Public Notice establishing a comment cycle for both petitions on February 16, 2007.¹⁰

6. Section 10(c) of the Act states that a petition for forbearance shall be deemed granted if the Commission does not deny the petition for failure to meet the requirements for forbearance under subsection (a) within one year after the Commission receives the petition, unless the Commission extends the one-year period.¹¹ The Commission may extend the initial one-year period by an additional 90 days if the Commission finds that an extension is necessary to meet the requirements of section 10(a).¹²

7. The petitions under review raise significant questions regarding whether forbearance from application of certain of the Commission’s “cost assignment rules” meets the statutory requirements set forth in section 10(a). The Bureau thus finds that a 90-day extension for both petitions is warranted under section 10(c).

8. Accordingly, IT IS ORDERED that, pursuant to section 10 of the Communications Act of 1934, as amended, 47 U.S.C. § 160, and the authority delegated under sections 0.91 and 0.291 of the Commission’s rules, 47 C.F.R. §§ 0.91 and 0.291,¹³ the date on which the petition seeking forbearance filed by AT&T Inc. shall be deemed granted, in the absence of a Commission denial of the petition for failure to meet the statutory standards for forbearance, is extended to April 24, 2008.

⁵ Petition of BellSouth Telecommunications, Inc. For Forbearance Under 47 U.S.C § 160 From Enforcement of Certain of the Commission’s Cost Assignment Rules, WC Docket No. 05-342, at 1 (refiled Feb. 9, 2007) (BellSouth Petition) (Appendix 1 of the BellSouth Petition lists each rule from which BellSouth seeks forbearance).

⁶ See 47 CFR §§ 32.23, 32.27, 64 Subpart I, 36, and 69 Subparts D and E.

⁷ *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, Memorandum Opinion and Order, 22 FCC Rcd 5662 (2007); Order on Reconsideration, 22 FCC Rcd 6285 (2007).

⁸ See Letter from Theodore Marcus, Senior Attorney, AT&T Services, Inc. to Marlene H. Dortch, Secretary, Federal Communications Commission at 2 (Feb. 9, 2007).

⁹ See *id.*

¹⁰ *Pleading Cycle Established for AT&T Inc. Petition for Forbearance from the Commission’s Cost Assignment Rules*, WC Docket No. 07-32, Public Notice, 22 FCC Rcd 3332 (2007).

¹¹ See 47 U.S.C. § 160(c).

¹² See, e.g., *Petition of the Verizon Telephone Companies for Forbearance under 47 U.S.C. § 160(c) from Title II and Computer Inquiry Rules with Respect to Their Broadband Services*, WC Docket No. 04-440, Order, 20 FCC Rcd 20037 (Wireline Comp. Bur. 2005).

¹³ See 47 U.S.C. § 155(c).

9. IT IS FURTHER ORDERED that, pursuant to section 10 of the Communications Act of 1934, as amended, 47 U.S.C. § 160, and authority delegated under sections 0.91 and 0.291 of the Commission's rules, 47 C.F.R. §§ 0.91 and 0.291,¹⁴ the date on which the petition seeking forbearance filed by AT&T Inc. on behalf of BellSouth Telecommunications, Inc. shall be deemed granted, in the absence of a Commission denial of the petition for failure to meet the statutory standards for forbearance, is extended to May 9, 2008.

FEDERAL COMMUNICATIONS COMMISSION

Dana R. Shaffer
Chief, Wireline Competition Bureau

¹⁴ *See id.*