

COPY

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November 19, 2001

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Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

**Re: Transfer of Ownership of
Concert Communications Sales L.L.C.
from Joint Ultimate Ownership by
British Telecommunications plc and AT&T Corp.
to Sole Ultimate Ownership by BT Group plc and
British Telecommunications plc**

011602-TP

Dear Ms. Bayó:

British Telecommunications plc ("BT") and BT Group plc ("BT Group") hereby notify the Florida Public Service Commission (the "Commission") of the proposed transfer of control of Concert Communications Sales L.L.C. ("Concert") as described herein.

Concert was formed in 1999 as part of a joint venture of AT&T Corp. ("AT&T") and BT to provide global telecommunications services to large multinational enterprises. Currently, Concert, the holder of certificates to provide alternative local exchange telecommunications services and interexchange telecommunications services issued by the Commission, 1/ is indirectly 50 percent owned by AT&T and indirectly 50 percent owned by BT. Pursuant to an agreement between AT&T, AT&T Communications of

1/ Concert was granted authority by the Commission to provide alternative local exchange telecommunications services by Order No. PSC-99-2334-CO-TX (December 2, 1999) in Docket No. 991101-TX and was issued Certificate No. 7253. Concert was granted authority by the Commission to provide intrastate, interexchange telecommunications services by Order No. PSC-00-0626-CO-TI (April 3, 2000) in Docket No. 991102-TI and was issued Certificate No. 7372.

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Jamaica L.L.C., BT, BT (Netherlands) Holdings B.V., and Concert B.V., dated October 15, 2001, AT&T and BT will dissolve their joint venture, with BT becoming the 100 percent indirect owner of Concert. Consequently, in lieu of being 50 percent owned by each of AT&T and BT, Concert will become a wholly owned direct subsidiary of BT North America Inc. ("BTNA"), which itself is an indirect, wholly owned subsidiary of BT. 2/ Concert will continue to be the holder of the certificates issued to it by the Commission. Organizational charts depicting both the current and post-transaction ownership structure of Concert are attached hereto as Attachments A and B, respectively. 3/

Subsequent to the dissolution of the AT&T/BT joint venture, AT&T will no longer have an interest in Concert, but will offer telecommunications services through its other subsidiaries and affiliates. Immediately upon dissolution of the joint venture, AT&T and BT will become competitors, each offering to serve the same type of customers now served by Concert and other providers of global telecommunications services.

Concert's name and service offerings, as reflected in its tariff, will not change as a result of the transaction. 4/ All of Concert's customer arrangements are individually negotiated with large businesses; Concert does not serve any residential or small business customers. As a result of this transaction, certain customers of Concert will become customers of AT&T. Every such customer has been or will be notified of this transaction, and the current terms of its arrangements with Concert will continue to apply to the service provided by AT&T unless the customer and AT&T agree otherwise.

2/ On or about November 19, 2001, BT will be reorganized. As a result, BT Group, a newly formed company, will become the ultimate parent of BT. This is shown in Attachment B.

3/ The charts also note the pending reorganization of BT, which includes the formation of new companies in the vertical ownership chain above BT but no change in ultimate ownership or control.

4/ Of course, Concert may change its service offerings or its name in the future, and Concert will comply with any and all applicable Commission rules and policies at such time.

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Likewise, the customers that remain with Concert will retain the terms of their arrangements with Concert unless the customer agrees otherwise.

After review of the Florida statutes and the Commission's rules and discussions with members of the Commission's staff, it is BT's understanding that prior Commission approval is not necessary to consummate the transaction described herein. However, according to the Commission's staff, notification of a change in control should be provided. This letter is intended to satisfy such requirement.

Twelve copies, in addition to the original, of this letter are enclosed. Please return to the undersigned a date-stamped copy of this letter (an additional copy and a self-addressed, postage pre-paid envelope are enclosed). Please direct communications concerning this matter to the following:

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With copies to:

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Respectfully submitted,

British Telecommunications plc
BT Group plc

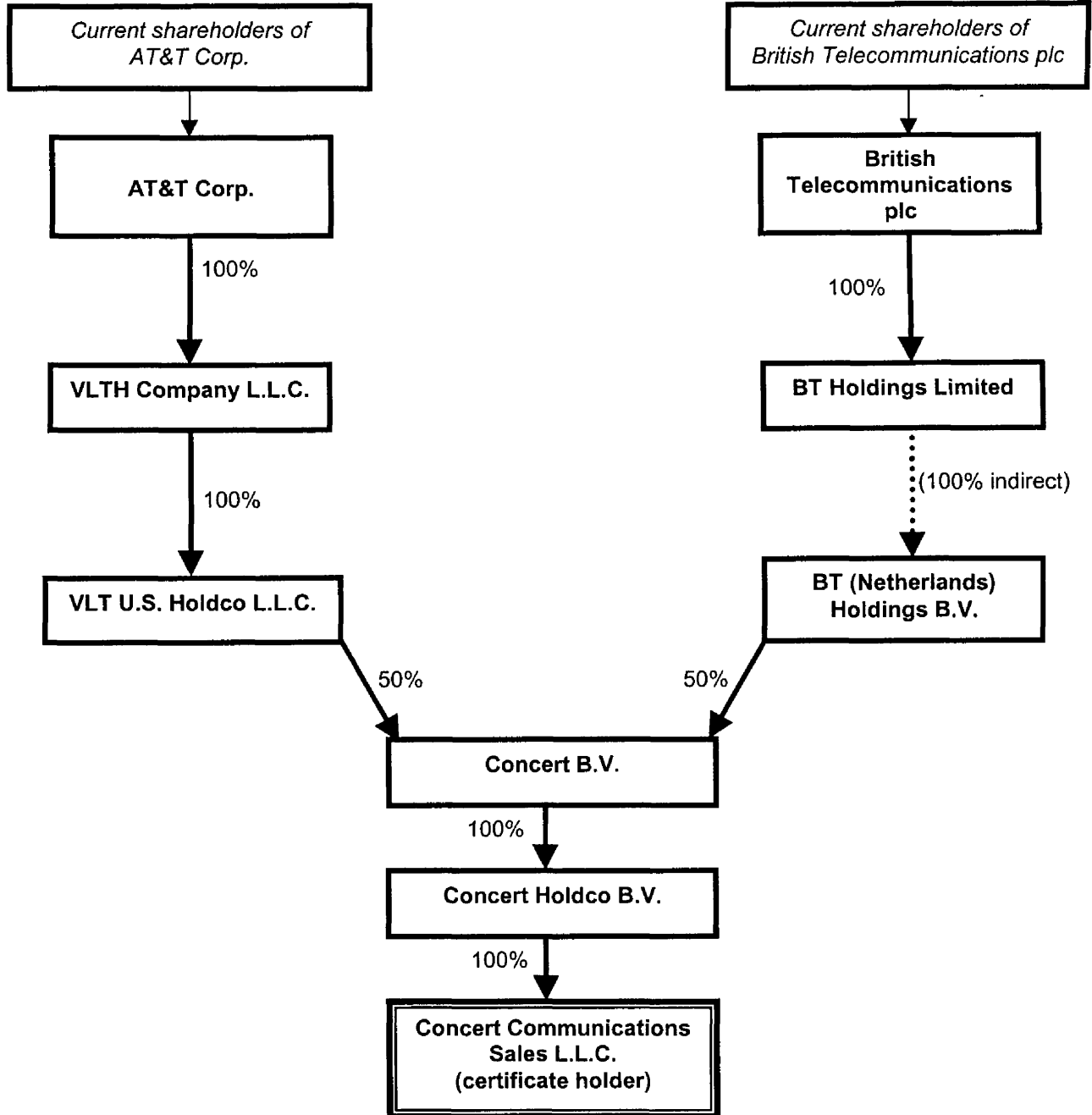
By: Joel S. Winnik

Joel S. Winnik
Their attorney

cc: Thomas E. Williams III, Florida Public Service Commission
A. Sheba Chacko, BT Group Legal Services
Thelma M. Webster, Concert Communications Sales L.L.C.
Lawrence J. Lafaro, AT&T Corp.

ATTACHMENT A

CURRENT OWNERSHIP STRUCTURE OF CONCERT



ATTACHMENT B

POST-TRANSACTION OWNERSHIP STRUCTURE OF CONCERT

