

INTRODUCTION

1. The Debtors are party to certain interconnection agreements and other agreements under which the AT&T Entities provide services that are impacted by the Fourth Omnibus Motion.

2. The AT&T Entities do not object to the Debtors exercising their business judgment in terminating certain services and rejecting unexpired executory contracts as the Debtors have the right to do the same under the “business judgment test.”

3. The AT&T Entities do assert, however, that for the reasons detailed in their Limited Objection to Debtors’ Second Omnibus Motion For Order Approving Rejection of Unexpired Contracts and Leases *Nunc Pro Tunc* to Petition Date [Dkt. No. 144] (the “AT&T Omnibus Objection”), the contracts should not be rejected *nunc pro tunc* effective as of the date of the filing of the bankruptcy. Such relief effectively eliminates the AT&T Entities’ rights to recover administrative expenses under Bankruptcy Code §503(b) for the services provided since the Petition Date. The AT&T Entities hereby incorporate the arguments made in the AT&T Omnibus Objection by reference and rely on the same in objecting to the *nunc pro tunc* relief sought by the Debtors.

4. The Debtors and the AT&T Entities have been working together on a consensual order that would resolve the issues raised in the AT&T Omnibus Objection and would apply to this limited objection as well. The AT&T Entities are filing this objection out of an abundance of caution while the parties finalize the language of the aforementioned orders.

5. Specifically, the parties agree that the Debtor is seeking to reject certain services (the “AT&T Services”), which may have been the subject of prior disconnect requests and billing disputes.

6. Further, the AT&T Entities will stipulate that they shall honor and immediately process any valid unprocessed disconnect requests submitted by the Debtors.

7. As for services for which the Debtors submitted valid disconnect requests that were rejected by the AT&T Entities, the AT&T Entities have agreed to work with the Debtors on billing and/or disconnect issues by designating appropriate business representatives to resolve the same.

8. The parties acknowledge that prior to resolution of the aforementioned billing/disconnection issues, that the AT&T Entities issued post-petition invoices that included amounts for pre-petition services and such pre-petition amounts may continue to appear on subsequent invoices until the parties resolve issues related to rejected disconnection requests.

9. The parties agree that while sorting out this accounting process, the Debtors will not assert that the AT&T Entities are violating the automatic stay solely in regard to the post-petition billings related to the Exhibit "A" to the Fourth Omnibus Motion for services listed in Exhibit "A" to such Motion provided that the Debtors shall be able to reserve all other rights pursuant to 11 U.S.C. § 362.

10. If the Parties cannot reconcile issues related to disconnection of the AT&T Services listed on the Exhibit "A" to the Fourth Omnibus Motion on or before the last day of July, 2013, the parties agree that either may petition the Court to resolve the same.

11. The AT&T Entities request that all contracts listed on Exhibit "A" to the Fourth Omnibus Motion will be deemed rejected as of the date of the receipt of a valid disconnection request unless Debtors furnish the AT&T Entities with a true and correct copy of a screen shot showing that the Debtors submitted a valid disconnection request that the AT&T Entities failed

to timely process or reject, in which case, the disconnection shall be deemed effective on the date of the attempted disconnection shown on the screen shot.

12. The Debtors agree that to the extent they have not otherwise issued valid disconnect requests as set out above, that they shall timely do so within seven (7) days of entry of an Order granting the Fourth Omnibus Motion and the disconnection will be deemed rejected as of the date of the receipt of a valid disconnection request.

PRAYER FOR RELIEF

WHEREFORE, the AT&T Entities pray that the Debtors' Fourth Omnibus Motion be allowed as qualified herein, that the Debtors issue a formal notice of disconnection in regard to the contracts being rejected as show in the Exhibit "A" attached to the Fourth Omnibus Motion, and that the AT&T Entities receive such other relief as may be deemed just and equitable.

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AT&T Texas; Pacific Bell Telephone Company
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CERTIFICATE OF SERVICE

I hereby certify that on this the 6th day of June, 2013, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following or service was made by U.S. First Class mail as indicated and on those listed on Debtors' Rejection Motion:

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