

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
100 F Street, N.E.
Washington, D.C. 20549



February ____, 2007

Please deliver the following pages to:

Name : Jeremy Kagan, Jeffrey Hersh and Larry Fahn

Organization : As You Sow

Facsimile Number : 415-391-3245

Number of Pages :
(Includes Cover Sheet)

From : Amanda McManus

Facsimile Number : (202) 772-9210

Phone Number : (202) 551-3412

If you do not receive all pages, please telephone the above number for assistance.

NOTE: THIS DOCUMENT MAY CONTAIN PRIVILEGED AND NONPUBLIC INFORMATION. IT IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE, AND OTHERS WHO SPECIFICALLY HAVE BEEN AUTHORIZED TO RECEIVE IT. If you are not the intended recipient of this facsimile, or the agent responsible for delivering it to the intended recipient, you hereby are notified that any review, dissemination, distribution, or copying of this communication strictly is prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original to the above address by regular postal service without making a copy. Thank you for your cooperation.

February 9, 2007

received
2-22-07
3:48 PM

**Response of the Office of Chief Counsel
Division of Corporation Finance**

Re: AT&T Inc.
Incoming letter dated December 11, 2006

The proposal requests that the board issue a report containing specified information regarding disclosure of customer communications to specified government agencies without a warrant, possible steps to ensure customers' privacy rights and the confidentiality of customer information, and AT&T's past expenditures (including attorney's fees and expert's fees) relating to the "alleged program" described in the proposal.

There appears to be some basis for your view that AT&T may exclude the proposal under rule 14a-8(i)(7), as relating to AT&T's ordinary business operations (i.e., litigation strategy). Accordingly, we will not recommend enforcement action to the Commission if AT&T omits the proposal from its proxy materials in reliance on rule 14a-8(i)(7). In reaching this position, we have not found it necessary to address the alternative bases for omission upon which AT&T relies.

Sincerely,



Amanda McManus
Attorney-Adviser