

# Exhibit R

[Home](#) > [News Room](#)**AT&T Ready to Bring Choice and Competition to Cable Subscribers in California****Speaker's Legislation to Pave the Way for Company's \$1 Billion Investment****San Francisco, California, March 29, 2006**

AT&T California today announced its financial commitment to bring next-generation interactive television and video services to the state, a move to deliver competitive choice to consumers. The company said it is prepared to invest up to \$1 billion over the next three years upgrading its fiber-optic network in California. This investment represents a portion of the \$4.4 billion AT&T plans to spend on its Project Lightspeed initiative between now and the end of 2008.

Project Lightspeed will bring fiber closer to AT&T customers' homes, continuing the company's aggressive network build in California. More fiber in the ground, closer to customers, will make it possible for AT&T to provide new, next-generation Internet Protocol (IP)-based services over its existing network. These services will include AT&T Yahoo! High-Speed Internet, IP telephony (VoIP) and a new IP-based TV service called AT&T U-verse TV, allowing customers to enjoy features such as hundreds of television channels, movies on demand, electronic program guide, music and more.

At issue is an outdated city-by-city franchising system that significantly impedes California customers' ability to take advantage of a real competitive choice to cable companies. "The technology is available and consumer demand is here, but the current process to bring choice to customers is broken," said Ken McNeely, president, AT&T California.

Under existing regulations developed in the early 1960s, if AT&T were able to secure one municipal franchise agreement a week, it would still take more than seven years for the company to offer customers in California a choice in how they want to receive their TV service. "We simply don't think Californians should have to wait that long," said McNeely. In contrast, in just over seven years AT&T has been able to offer high-speed Internet access to approximately 85 percent or more of its California customer base.

The California Legislature can be the catalyst for delivering these competitive new technologies faster to Californians. McNeely said new legislation authored by Speaker of the Assembly, Fabian Núñez, (D - Los Angeles) and co-authored by Assembly Utilities and Commerce Committee Chair, Lloyd Levine, (D - Van Nuys) will be a major step in the right direction.

"When companies compete, consumers win," said McNeely. "We stand ready to continue our investment in California and our tradition of bringing exciting technologies and new competitive choices to our customers."

**About the New AT&T**

*AT&T Inc. is one of the world's largest telecommunications holding companies and is the largest in the United States. Operating globally under the AT&T brand, AT&T companies are recognized as the leading worldwide providers of IP-based communications services to business and as leading U.S. providers of high-speed DSL Internet, local and long distance voice, and directory publishing and advertising services. AT&T Inc. holds a 60 percent ownership interest in Cingular Wireless, which is the No. 1 U.S. wireless services provider with more than 54 million wireless customers. Additional information about AT&T Inc. and AT&T products and services is available at [www.TheNewATT.com](http://www.TheNewATT.com).*

**Cautionary Language Concerning Forward-Looking Statements**

*Information set forth in this news release contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results may differ materially. A discussion of factors that may affect future results is contained in AT&T's filings with the Securities and Exchange Commission. AT&T disclaims any obligation to update or revise statements contained in this news release based on new information or otherwise.*

© 2003-2006 AT&T Knowledge Ventures. All rights reserved. [Privacy Policy](#)**Residential****Small Business****Enterprise Solutions****Customer Support****Corporate Information****Search**



Refine Search

**Sign-up and Save!**

Exclusive offers and helpful tips from our monthly up2speed email newsletter. [Register](#) | [Update Profile](#)