BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for certificate to provide interexchange telecommunications service by BellSouth Long Distance, Inc.

DOCKET NO. 960902-TI ORDER NO. PSC-98-0826-S-TI ISSUED: June 23, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman J. TERRY DEASON SUSAN F. CLARK JOE GARCIA E. LEON JACOBS, JR.

ORDER APPROVING JOINT STIPULATION AND AMENDING ORDER NO. PSC-97-1136-FOF-TI

BY THE COMMISSION:

On August 9, 1996, BellSouth Long Distance, Inc. (BLD) filed an application with this Commission for a certificate to provide interexchange telecommunications service in Florida. BLD is a subsidiary of BellSouth Corporation. BLD will be the separate affiliate of BellSouth Telecommunication, Inc. to provide in-region interLATA telecommunications services when the Federal Communications Commission (FCC) approves a BellSouth application to provide such service in accordance with the requirements of 47 U.S.C. § 271 of the Telecommunications Act of 1996 (the Act).

In Proposed Agency Action Order No. PSC-97-1136-FOF-TI, we granted BLD a certificate to provide interexchange telecommunications services in Florida for purposes other than the provision of full in-region originating intrastate interLATA services, including conducting testing of its network infrastructure, and providing intrastate "incidental interLATA"

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services" as defined in the Act. On October 20, 1997, MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. (collectively MCI) filed a timely protest of Order No. PSC-97-1136-FOF-TI. MCI objected to that part of the Order that addressed testing of BLD's network. The parties successfully resolved MCI's concerns and they filed a joint stipulation (Attachment A) in resolution of MCI's protest on February 18, 1997. In their joint stipulation BLD and MCI agreed that:

- 1. BLD will not conduct network testing or provide interLATA service in Florida that in any way violates Federal law or Commission rules. BLD will conduct testing of its network using either "manufactured calls" or "contrived calls" that originate over a test line and have no other purpose than testing BLD's network systems, related systems, and billing systems.
- 2. The stipulation is conditioned upon the Commission issuing a Final Order approving the Stipulation without modification and amending Order No. PSC-97-1136-FOF-TI to eliminate the following highlighted language regarding testing:
 - ... for purposes other than the provision of full in-region originating interstate interLATA services, including conducting testing of its network infrastructure and providing intrastate "incidental interLATA services" as defined in the Act. In order for BLD to conduct testing BLD must obtain network routing Carrier Identification Codes from BellSouth Telecommunications, Inc., and BellSouth Telecommunications, Inc. must activate those codes in a limited number of its central offices. BellSouth Telecommunications, Inc. cannot activate the codes unless BLD has the proper certificate from this Commission.
- 3. Upon approval of the stipulation and issuance of the Order amending Order No. PSC-97-1136-FOF-TI, MCI will be deemed to have withdrawn its protest of that Order.

We approve the terms of the stipulation. MCI did not object to our main decision to approve BLD's certification subject to the interLATA restrictions imposed by section 271 of the Act. MCI only objected to our approval of the ancillary matter of BLD's network testing, which is not a matter essential to the primary certification decision, or one that even necessarily requires our

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approval. Since the parties have been able to resolve the testing matter to their mutual satisfaction, we find that it is reasonable to support their agreement and amend our initial Order to delete the language dealing with testing.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulation between BellSouth Long Distance, Inc. and MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. is hereby approved. It is further

ORDERED that Order No. PSC-97-1136-FOF-TI is amended as described in the body of this order. It is further

ORDERED that Order No. PSC-97-1136-FOF-TI is reaffirmed in all other respects and reinstated as a final order. It is further

ORDERED that MCI's withdrawal of its protest is acknowledged. It is further

ORDERED that this docket shall be closed.

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By ORDER of the Florida Public Service Commission this $\underline{23rd}$ day of \underline{June} , $\underline{1998}$.

BLANCA S. BAYÓ, Director Division of Records and Reporting

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Kay Flynn, Chief Bureau of Records

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ATTACHMENT A

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Certificate to provide interexchange telecommunications service by BellSouth Long Distance, Inc.

Docket No. 960902-TI

Filed: February -___, 1998

STIPULATION

This is a stipulation dated as of February 9, 1998, among BellSouth Long Distance, Inc. ("BSLD") and MCI Telecommunications Corporation and MCImetro Access Transmission Services, Inc. (collectively "MCI").

WHEREAS, on September 29, 1997, the Florida Public Service Commission (the "Commission") issued Order No. PSC-97-1136-FOF-TI (the "Order") setting forth its notice of proposed agency action granting an interexchange company ("IXC") certificate to BSLD subject to certain conditions and stating that BSLD has sufficient technical, managerial and financial capabilities in the provision of telecommunication service to meet the requirements of Section 364.337(3), Florida Statutes;

WHEREAS, the body of the Order states that BSLD:

...will be the separate affiliate of BellSouth Telecommunications, Inc. that will provide in-region interLATA telecommunications services when the Federal Communications Commission (FCC) approves a BellSouth application to provide such service in accordance with the requirements of 47 U.S.C. §271 of the Telecommunications Act of 1996 (the Act).

WHEREAS, the body of the Order states that BSLD seeks certification:

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interLATA services" as defined in the Act. In order for BLD to conduct network testing BLD must obtain network routing Carrier Identification Codes from BellSouth Telecommunications, Inc., and BellSouth Telecommunications, Inc. must activate those codes in a limited number of its central offices. BellSouth Telecommunications, Inc. cannot activate the codes unless BLD has the proper certificate from this Commission.

WHEREAS, the body of the Order grants BSLD the authority to:

...provide interlata services other than full originating in-region interlata services, including "incidental interlata services," as defined in Section 271(g) of the Telecommunications Act of 1996; and to provide full originating in-region, interLATA services in Florida once it has obtained the necessary authorization by the Federal Communications Commission, acting in consultation with this Commission, under the Telecommunications Act of 1996.

WHEREAS, on October 20, 1997, MCI filed its Protest of the Order;

WHEREAS, MCI's Protest concedes that BSLD satisfies the statutory criteria in Section 364.337(3), Florida Statutes, (i.e. the technical, managerial and financial capability to provide service) for the issuance of an IXC certificate and does not challenge the grant of a certificate to provide intraLATA service, "incidental" interLATA service, or the grant of a certificate for in-region interLATA service once BSLD has obtained the necessary authorization by the Federal Communications Commission, acting in consultation with the Florida Public Service Commission, under Section 271 of the Telecommunications Act of 1996; and

WHEREAS, MCI does challenge that the Order could be interpreted by BSLD as authorization to engage in "network testing" activities which could violate the in-region interlata service restrictions of Federal Telecommunications Act of 1996;

WHEREAS, on October 27, 1997, BSLD filed a Motion to Dismiss MCI's Protest;

WHEREAS, on November 4, 1997, MCI filed its Response In Opposition to BSLD's Motion to Dismiss; and

WHEREAS, BSLD and MCI have conducted a series of meetings and teleconferences through which MCI has become more fully informed of the scope and nature of BSLD's proposed network testing activities in Florida.

NOW, THEREFORE, in consideration of the foregoing, BSLD and MCI hereby agree as follows:

- 1. BSLD will not now or in the future (i) conduct network testing or (ii) provide interLATA service, with or without compensation, in Florida that in any way violates Federal law or Commission rules. At present, BSLD will conduct testing using either "manufactured calls" or "contrived calls" which originate over a test line located in a BSLD or BellSouth Telecommunications, Inc. facility and which have no purpose other than the testing of the BSLD network systems, related systems, and billing systems. In the event that technological advances permit other methods of testing that are not available today, such testing shall be permitted, provided that any such testing has no purpose other than the testing of the BSLD network systems, related systems, and billing systems.
- 2. This Stipulation is conditioned upon the Commission issuing a Final Order approving the Stipulation without modification and amending the Order to eliminate the following highlighted language regarding network testing:

... for purposes other than the provision of full in-region originating intrastate interlata services, including conducting testing of its network infrastructure and providing intrastate "incidental interLATA services" as defined in the Act. In order for BLD to conduct network testing BLD must obtain network routing Carrier Identification Codes from BellSouth Telecommunications, Inc., and

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ATTACHMENT A

BellSouth Telecommunications, Inc. must activate those codes in a limited number of its central offices. BellSouth Telecommunications, Inc. cannot activate the codes unless BLD has the proper certificate from this Commission.

All other provisions of the Order shall remain in effect.

- Upon approval of the Stipulation and issuance of the Final Order referenced in paragraph 2 herein, MCI will be deemed to have withdrawn its Protest of the Order.
- BSLD and MCI agree to cooperate in the preparation and prompt filing of a joint motion for Commission approval of this Stipulation.
- BSLD and MCI shall each be solely responsible for any attorneys fees and costs
 they have incurred, or will incur, up to the entry of the Final Order in this matter.
- This Stipulation may not be modified except by a writing signed by both BLSD and MCI.
- The undersigned represent that they have been authorized by their respective clients to execute this stipulation.

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