SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K STREET, NW, SUITE 300 99 FEB 19 WASHINGTON, DC 20007-5116 TELEPHONE (202) 424-7500 FACSIMILE (202) 424-7645

MORTON J. POSNER DIRECT DIAL (202) 424-7657 MJPOSNER(#SWIDLAW.COM PACSIMILE (202) 424-7045

New York Office 919 Third Avenue New York, NY 10022-9998 (212) 758-9500 FAX (212) 758-9526

February 18, 1999

VIA OVERNIGHT DELIVERY

Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 ORIGINIAL

Re: <u>Joint Petition of KMC Telecom Inc. and KMC Telecom II, Inc. to Intervene in Docket No. 99-0043-TP</u>

Dear Ms. Bayo:

Enclosed for filing on behalf of KMC Telecom Inc. and KMC Telecom II, Inc. are an original and fifteen (15) copies of their Joint Petition to Intervene in Docket No. 99-0043-TP. Please date-stamp and return the additional copy of this filing in the enclosed self-addressed, pre-paid envelope.

AFA

Should you have any questions concerning this filing, please do not hesitate to contact me.

Respectfully submitted,

Morton J. Posner

Counsel for KMC Telecom Inc. and KMC Telecom II, Inc.

Enclosure

AS ____cc: Mike Duke

Paul B. Hudson

Lone 2/26/99

DOCUMENT NUMBER-DATE

02221 FEB 19 8

270869 1

TROC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION



In re: Petition to Review)	Docket No. 990043-TP
and to Cancel Promotional Tariff)	
of BellSouth Telecommunications)	Filed: January 13, 1999
)	

JOINT PETITION TO INTERVENE OF KMC TELECOM INC. AND KMC TELECOM II, INC.

KMC Telecom Inc. ("KMC") and KMC Telecom II, Inc. ("KMC II"), through their undersigned counsel, and pursuant to Florida Administrative Code § 25-22.039, file this Joint Petition to Intervene in the above-captioned proceeding and state as follows:

KMC and KMC II are each certificated as Alternative Local Exchange Carriers
(ALECs) pursuant to Orders of the Florida Public Service Commission ("Commission"). The
address of both KMC and KMC II is:

1545 Route 206, Suite 300

Bedminster, New Jersey 07921-2567

Telephone: (908) 470-2100 Facsimile: (908) 719-8775

The individuals to notify in this proceeding on behalf of both KMC and KMC II are:

Richard M. Rindler Morton J. Posner Swidler Berlin Shereff Friedman, L.L.P. 3000 K Street, NW, Suite 300 Washington, D.C. 20007-5116 Telephone: (202) 424-7500 Facsimile: (202) 424-7645

KMC and KMC II are not aware of any disputed issues of material fact in this
proceeding. It is undisputed that BellSouth filed its "3 Free" promotional tariff, T-98-1783, with the

DOCUMENT NUMBER - DATE

02221 FEB 198

Commission on December 30, 1998.

- The offering of BellSouth tariff T-98-1783 violates the following state and federal 4. laws and regulations: (1) Section 364.08(1), Florida Statutes, and Section 202 of the federal Communications Act of 1934, as amended, 47 U.S.C. § 202, by offering lower rates to a segment of small business customers that is indistinguishable from all other small business customers; (2) Section 364.08(1), Florida Statutes, by providing free or reduced service; (3) Section 364.09, Florida Statutes, by charging special rates to one group of small business customers when that group is indistinguishable from any other group of small business customers; (4) Section 364.051(6)(a), Florida Statues, by perpetrating an anticompetitive act that unduly discriminates among similarly situated customers; (5) Section 364.3381, Florida Statutes, by cross-subsidizing service to promotion subscribers; (6) Section 251 of the federal Telecommunications Act of 1996, 47 U.S.C. § 251, and Federal Communications Commission Rule 51.613(a)(2), 47 C.F.R. § 51.613(a)(2), by structuring a long-term promotional offer in such a manner that it cannot be made available for resale; and (7) Section 201(b) of the federal Communications Act of 1934, as amended, 47 U.S.C. § 201(b), by perpetrating an unjust and unreasonable practice that impermissibly impairs the ability of KMC and KMC II to compete in the Florida local exchange market.
- 5. The BellSouth promotion, by restricting its subscribers' flexibility to switch carriers for a period of eighteen months, is ill-timed in view of the Commission's ongoing "fresh look" proceeding, In Re Petition to Initiate Rulemaking Pursuant to Section 120.54(5), Florida Statutes, to Incorporate "Fresh Look" Requirements to all Incumbent Local Exchange Company (ILEC) Contracts, Docket No. 980253-TX, in which the Commission is considering allowing BellSouth customers out of long term service arrangements such as tariff T-98-1783.

- 6. In this proceeding, the Commission will determine the legality of BellSouth's proposed promotional tariff, T-98-1783, filed December 30, 1998 and subsequently suspended by the Commission on February 2, 1999. As certificated Alternative Local Exchange Carriers, KMC and KMC II's business subscribers of are likely to be solicited by BellSouth pursuant to its illegal and anticompetitive "3 Free" promotion if the tariff is permitted to become effective. Therefore, KMC and KMC II have substantial interests which will be directly affected by the Commission's determination in this proceeding.
- KMC and KMC II seek to join the Petitioner in this proceeding in requesting the Commission to cancel BellSouth tariff T-98-1783.

WHEREFORE, KMC Telecom Inc. and KMC Telecom II respectfully request that they be allowed to intervene in this proceeding.

Respectfully Submitted,

Richard M. Rindler Morton J. Posner

Swidler Berlin Shereff Friedman, L.L.P.

3000 K Street, NW, Suite 300

Washington, D.C. 20007-5116 Telephone: (202) 424-7500

Facsimile: (202) 424-7645

Counsel for KMC Telecom Inc. and KMC Telecom II, Inc.

Dated: February 18, 1999

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 18th day of February, 1999, a copy of the foregoing Joint Petition to Intervene of KMC Telecom Inc. and KMC Telecom II, Inc. in Docket No.990043-TP was served, via first-class mail, on the following parties:

David B. Erwin 127 Riversink Road Crawfordville, FL 32327

Nancy H. Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street
Suite 400
Tallahassee, FL 32301-1556

Charles J. Pellegrini Wiggins & Villacorta, P.A. 2145 Delta Blvd. Suite 200 P.O. Drawer 1657 Tallahassee, FL 32302

Steve Brown
Intermedia Communications, Inc.
3625 Queen Palm Drive
Tampa, FL 33610-1309

Joeseph A. McGlothlin Vicki Gordon Kaufman McWhirter, Reeves, McGlothlin, Davidson, Decker, Kaufman, Arnold & Steen, P.A. 117 South Gadsden Street Tallahassee, FL 32301

David Dimlich, Legal Counsel Supra Telecommunications and Information Systems, Inc. 2620 SW 27th Ave. Miami, FL 33133

Everett Boyd Ervin Law Firm P.O. Drawer 1170 Tallahassee, FL 32302

Norman Horton Messer Law Firm P.O. Box 1876 Tallahassee, FL 32302

Vernell V. Garey