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BellSouth Telecommunications, Inc.
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August 28, 1997

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: Docket No. 960786-TL (Section 271 Docket)

Dear Mrs. Bayo:

Enclosed is an original and fifteen copies of the Late Filed Deposition Exhibits Nos. 1 and 13 of Robert C. Scheye and BellSouth Telecommunications, Inc.'s Notice of Intent to Request Specified Confidential Classification for certain information in those exhibits. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

Sincerely,

J. Phillip Carver
J. Phillip Carver

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
W. J. Ellenberg

This Notice of Intent was filed with Confidential Document No. 08757-97. The document has been placed in the confidential files pending receipt of a request for confidential treatment.

RECEIVED & FILED
Law
RECORDS

DOCUMENT NUMBER-DATE
08756 AUG 28 97
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Consideration of BellSouth)
Telecommunications, Inc. entry)
into InterLATA Services pursuant) Docket No. 960786-TL
to Section 271 of the Federal)
Telecommunications Act of 1996) Filed: August 28 1997
_____)

BELLSOUTH TELECOMMUNICATIONS, INC.'S NOTICE OF
INTENT TO REQUEST SPECIFIED CONFIDENTIAL CLASSIFICATION

COMES NOW, BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), and pursuant to Rule 25-22.006, Florida Administrative Code, files its Notice of Intent to Request Specified Confidential Classification.

1. On August 15, 1997, the Staff of the Florida Public Service Commission requested during the Deposition of Robert C. Scheye in the above-referenced docket Late Filed Exhibits in order to obtain certain information.

2. The information requested in the Late Filed Deposition Exhibit No. 13 is customer specific information that is deemed proprietary by BellSouth. This information is clearly confidential and proprietary under Florida Statutes, Section 364.183 and Rules 25-22.006, Florida Administrative Code.

3. Because this information is proprietary, BellSouth is filing this Notice of Intent to Request Specified Confidential Classification, pursuant to Rule 25-22.006(3)(a), Florida Administrative Code, in order to allow the Staff to take possession of the information without delay. The original of this notice has been filed with the Division of Records and Reporting, and a copy has been served on the Division requesting the information.

DOCUMENT NUMBER-DATE

08756 AUG 28 97

FPSC-RECORDS/REPORTING

Respectfully submitted this 28th day of August, 1997.

BELLSOUTH TELECOMMUNICATIONS, INC.

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CERTIFICATE OF SERVICE
DOCKET NO. 960786-TL

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by Federal Express this 28th day of August, 1997 to the following:

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J. Phillip Carver (P.A.)

BellSouth Telecommunications, Inc.
Florida Public Service Commission
Docket 960786-TL
Scheye Deposition
August 15, 1997
Late File Exhibit No. 1
Page 1 of 1

REQUEST: Identify and cite to specific Florida PSC orders and any order from other BellSouth state PSCs that require ALECs to use the same discount for lifeline service as BellSouth does.

RESPONSE: BellSouth interprets this question to mean that the ALEC must provide the same level of discount for Lifeline that BellSouth provides.

Applicable State Commission/Authority orders in the BellSouth region are cited below. The cover page and cite page reference are provided as attachments:

Alabama: February 6, 1997 Alabama PSC Order adopting the Arbitration Report for Docket No. 25703 (BellSouth/AT&T Arbitration), Page 6.

Florida: December 31, 1996 Order No. PSC-96-1579-FOF-TP, on Arbitration for consolidated Docket Nos. 960833-TP (AT&T), 960846-TP (MCI) and 960916-TP (ACSI), Page 44.

Georgia: (1) December 3, 1996 Georgia PSC Order Ruling on Arbitration for Docket No. 6801-U (BellSouth/AT&T Arbitration), Page 12.

(2) December 17, 1996 Georgia PSC Order Ruling on Arbitration for Docket No. 6865-U (BellSouth/MCI Arbitration), Page 48.

Kentucky: Lifeline service is not currently available in Kentucky.

Louisiana: January 15, 1997 Louisiana PSC Final Order in Docket No. U-22145 (BellSouth/AT&T Arbitration), Page 5.

Mississippi: Mississippi PSC Docket No. 96-AD-0559 (BellSouth/AT&T Arbitration), Arbitration Panel's March 10, 1997 Recommendation (approved by Mississippi PSC May 8, 1997), Page 2, Pages 4-5.

North Carolina: (1) December 23, 1996 North Carolina Utilities Commission Recommended Arbitration Order in Docket No. P-140, Sub 50 (BellSouth/AT&T Arbitration), Page 8.

(2) December 23, 1996 North Carolina Utilities Commission Recommended Arbitration Order in Docket No. P-141, Sub 29 (BellSouth/MCI Arbitration), Page 9.

South Carolina: March 10, 1997 South Carolina PSC Order No. 97-189 on Arbitration for Docket No. 96-358-C (BellSouth/AT&T Arbitration), Page 4.

Tennessee: January 23, 1997 Tennessee Regulatory Authority Second and Final Order of Arbitration Awards for Docket Nos. 96-01152 (BellSouth/AT&T Arbitration) and 96-01271 (BellSouth/MCI Arbitration), Pages 15-16.

INFORMATION PROVIDED BY: Bob Scheye
BellSouth Corporation
675 West Peachtree St.
Atlanta, GA 30375

South Carolina: March 10, 1997 South Carolina PSC Order No. 97-189 on Arbitration for Docket No. 96-358-C (BellSouth/AT&T Arbitration), Page 4.

Tennessee: January 23, 1997 Tennessee Regulatory Authority Second and Final Order of Arbitration Awards for Docket Nos. 96-01152 (BellSouth/AT&T Arbitration) and 96-01271 (BellSouth/MCI Arbitration), Pages 15-16.

INFORMATION PROVIDED BY: Bob Scheye
BellSouth Corporation
675 West Peachtree St.
Atlanta, GA 30375

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petitions by AT&T	)	DOCKET NO. 960833-TP
Communications of the Southern	)	DOCKET NO. 960846-TP
States, Inc., MCI	)	DOCKET NO. 960916-TP
Telecommunications Corporation,)	
MCI Metro Access Transmission	)	ORDER NO. PSC-96-1579-FOF-TP
Services, Inc., American	)	ISSUED: DECEMBER 31, 1996
Communications Services, Inc.)	
and American Communications)	
Services of Jacksonville, Inc.)	
for arbitration of certain terms)	
and conditions of a proposed)	
agreement with BellSouth)	
Telecommunications, Inc.)	
concerning interconnection and)	
resale under the)	
Telecommunications Act of 1996.)	

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
 J. TERRY DEASON
 JULIA L. JOHNSON
 DIANE K. KIESLING
 JOE GARCIA

APPEARANCES:

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On behalf of BellSouth Telecommunications, Inc.

Tracy Hatch, Esquire and Michael W. Tye, Esquire, 101 North Monroe Street, Suite 700 Tallahassee, Florida 32301
On behalf of AT&T Communications of the Southern States, Inc.

Richard Melson, Esquire, Hopping Green Sams & Smith, 123 South Calhoun Street, Tallahassee, Florida 32301, and Martha McMillin, 780 Johnson Ferry Road, Suite 700, Atlanta, GA 30342
On behalf of MCI Telecommunications Corporation and MCI Metro Access Transmission Services, Inc.

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ORDER NO. PSC-96-1579-FOF-TP
DOCKETS NOS. 960833-TP, 960846-TP, 960916-TP
PAGE 44

We find, however, that based on the evidence presented and upon the FCC Order, LinkUp and Lifeline services shall be resold to those end users who are eligible to receive the services. The FCC Order states that there is general agreement that residential services should not be resold to non-residential end users and that restrictions prohibiting such cross-class reselling of residential services are reasonable. The Order further states that Section 251(c)(4)(B) of the Act allows states to make similar prohibitions on the resale of Lifeline, or any other means-tested service offering, to end users not eligible to subscribe to such service offerings. See FCC Order 96-325 at ¶ 962.

N11 including 911/E911

BellSouth's witness Scheye states that N11 services, including 911 and E911, are not retail services provided to end users. BellSouth provides N11 services to other companies or government entities who, in turn, provide the actual service to end user customers. Thus, Witness Scheye states that BellSouth believes it should not be required to offer these services for resale.

AT&T's witness Carroll explains that 911 service provides the facilities and equipment required to route emergency calls made in a particular geographic area to the appropriate Public Safety Answering Point. E911 provides more flexibility by using a database to route calls to the appropriate point. N11 is a service offered to information service providers who, in turn, provide information services to consumers via three digit dialing.

AT&T's witness Sather argues that making N11 and 911/E911 available for resale prevents BellSouth from maintaining monopoly control over the provision of such services. Witness Sather adds that BellSouth provides these services to customers who are not telecommunications carriers and, therefore, must offer them for resale. Witness Sather asserts that permitting resale of these services will ensure that consumers can look to other carriers to provide, at a minimum, the same type and quality of services they have received from the ILEC.

MCI also disagrees with BellSouth's witness Scheye that these services are not retail services because they are offered to a limited class of customers. MCI argues that the Act permits resale of any service offered at retail to any subscribers who are not telecommunications carriers.

We agree with AT&T and MCI's position that 911/E911 and N11 services are subject to resale. These services are sold to customers who are not telecommunications carriers. Pursuant to

COMMISSIONERS:

DAVID N. (DAVE) BAKER, CHAIRMAN
ROBERT B. (BOBBY) BAKER
MAC BARBER
BOB DURDEN
STAN WISE



DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTOR
TERRI M. LYNDALL
EXECUTIVE SECRETARY

Georgia Public Service Commission

244 WASHINGTON STREET, S.W.
ATLANTA, GEORGIA 30334-5701
(404) 656-4501 OR 1 (800) 282-5813

DOCKET NO. 6801-U

ORDER RULING ON ARBITRATION

**In Re: Petition by AT&T for Arbitration of Interconnection Rates, Terms and Conditions
with BellSouth Telecommunications, Inc. Under the Telecommunications Act of 1996**

Hearings held:	November 12-15, 1996
Record Certified to the Commission:	November 22, 1996
Hearing Officer Recommendation:	November 22, 1996
Parties' Briefs on Exceptions:	November 27, 1996
Commission Decision:	December 3, 1996

APPEARANCES

PARTIES:

On behalf of AT&T Communications of the Southern States, Inc.:

Roxanne Douglas, Esq.
Roger Briney, Attorney
Jefferson D. Kirby, III, Attorney

On behalf of BellSouth Telecommunications, Inc.:

Fred McCallum, Esq.
William Ellenberg, Esq.

PARTICIPANTS:

On behalf of the Consumers' Utility Counsel:

Kennard Woods, Esq.
Tammy Stanley, Esq.

Grandfathered services. The FCC rules provide that when an incumbent LEC makes a service available only to a limited group of customers that have purchased the service in the past, the incumbent LEC must also make the service available at wholesale rates to requesting carriers to offer on a resale basis to the same limited group of customers that have purchased the service in the past (47 C.F.R. § 51.615). The Commission rules that grandfathered services shall be offered for resale. Since these services are no longer available to all customers, AT&T shall only be allowed to resell the grandfathered services to subscribers who have already been grandfathered. These services may not be resold to a different group or a new group of subscribers.

LinkUp/Lifeline. The Commission finds that all customers have the right to benefit from local competition; therefore, LinkUp and Lifeline services shall be made available for resale. AT&T may offer LinkUp/Lifeline services only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. AT&T shall discount the LinkUp/Lifeline services by at least the same percentage as now provided by BellSouth. AT&T shall comply with all aspects of the FCC's and Georgia Public Service Commission's Orders which implement LinkUp/Lifeline programs.

N11/911/E911. The Commission finds that BellSouth provides 911/E911 and N11 services to customers who are not telecommunications carriers and, therefore according to provisions of the Act, must offer them for resale. Specifically, 911/E911 are valuable services to the public; therefore the Commission encourages both AT&T and governmental officials responsible for selecting the providers of such services to maintain the integrity of these services. Additionally, State-specific discount plans shall be made available for resale.

Promotions. The FCC rules specifically provide that short-term promotions, which are those offered for 90 days or less, should not be offered at a discount to resellers (47 C.F.R. § 51.613(a)(2)). The Commission rules that long-term promotions, which are those offered for more than 90 days, shall be made available for resale at the promotional rate minus the wholesale discount. BellSouth shall not offer a consecutive series of promotions which exceed 90 days, which are more appropriately tariffed items as opposed to promotions. AT&T shall only offer a promotional rate obtained from BellSouth to customers who would qualify for the promotion if they received it directly from BellSouth.

2. **Issue 2: What terms and conditions, including use and user restrictions, if any, should be applied to resale of BellSouth's services?**

a. **Position of AT&T**

AT&T contends that, other than three enumerated exceptions, the federal Act and FCC Order deem presumptively unreasonable any restrictions which limit who can purchase a service or how that service may be used for resale. 47 U.S.C. § 252(c)(4)(B); FCC Order at ¶ 939. Use and user

COMMISSIONERS:

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DOCKET NO. 6865-U

ORDER RULING ON ARBITRATION

In re: **Petition by MCI for Arbitration of Interconnection Rates, Terms and Conditions with BellSouth Telecommunications, Inc. under the Telecommunications Act of 1996**

Record submitted: November 8, 1996

Date decided: December 17, 1996

APPEARANCES

PARTIES:

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Fred McCallum, Esq.
Nancy White, Esq.
William Ellenberg, Esq.
Douglas Lackey, Esq.
Phil Carver, Esq.

PARTICIPANTS:

On behalf of the Consumers' Utility Counsel:

Jim Hurt, Esq.
Kennard Woods, Esq.
Tammy Stanley, Esq.

The Commission finds that the benefits of competition should be available to all customers; therefore, Lifeline and LinkUp services shall be made available for resale. MCI may offer LinkUp/Lifeline services only to customers who meet the criteria currently applied to subscribers of these services. MCI shall discount the LinkUp/Lifeline services by at least the same percentage as now provided by BellSouth. MCI shall comply with all aspects of the FCC's and Georgia Public Service Commission's Orders which implement LinkUp/Lifeline programs.

The Commission finds that BellSouth provides 911/E911 and N11 services to customers who are not telecommunications carriers and therefore, according to provisions of the Act, must offer them for resale. Specifically, 911/E911 are valuable services to the public; therefore the Commission encourages both MCI and governmental officials responsible for selecting the providers of such services to maintain the integrity of these services.

In addition, State-specific discount plans shall be made available for resale.

The Commission finds that Contract Service Arrangements (CSAs) by definition are in lieu of existing tariff offerings and in most cases priced below standard tariff rates. Rates, charges, terms and individual regulations, if applicable for CSAs, are developed on an individual case basis and include all relevant cost, and should include at least some margin for contribution. Commonly the CSA is developed for a high-volume customer so the discounts from standard tariff rates are in consideration of the higher volumes. The FCC, in its First Report and Order released August 8, 1996, concluded that if a service is sold to end users it is a retail service, even if it is priced as a volume-based discount off the price of another retail service. The FCC further concluded, however, that the avoidable cost for a service with volume discounts may be different from one not subject to volume discounts (FCC Order ¶ 951). This Commission finds that making CSAs available for resale

BEFORE THE
LOUISIANA PUBLIC SERVICE COMMISSION

AT&T COMMUNICATIONS OF THE
SOUTH CENTRAL STATES, INC., *ex parte*

DOCKET U-22145

IN RE: IN THE MATTER OF THE INTERCONNECTION AGREEMENT
 NEGOTIATIONS BETWEEN AT&T COMMUNICATIONS OF THE SOUTH
 CENTRAL STATES, INC. AND BELL SOUTH TELECOMMUNICATIONS, INC.,
 OF THE UNRESOLVED ISSUES REGARDING COST-BASED RATES FOR
 UNBUNDLED NETWORK ELEMENTS, PURSUANT TO THE
 TELECOMMUNICATIONS ACT NUMBER 47 U.S.C. 252 OF 1996

ORDER U-22145
(Decided January 15, 1997)

In February, 1996 Congress passed the Telecommunications Act of 1996¹ (the "Act" or the "federal Act"), which adopts a framework to open all local telecommunications markets to competition by requiring incumbent local telephone companies ("ILECs") to provide to competitors ("CLECs") interconnection and access to unbundled network elements.² The Act also required the Federal Communications Commission ("FCC") to promulgate rules effectuating the Act within six (6) months. The FCC ultimately issued its Order 96-325 (the "FCC Order"), which was almost immediately appealed by numerous parties, including this Commission. The United States Eighth Circuit Court of Appeals has issued a stay of certain portions of that Order pertaining principally to pricing. Those portions of the FCC Order which were not stayed are presently binding, and are utilized to resolve several of the issues presented herein.

¹Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, *to be codified at* 47 U.S.C. §§ 151 *et. seq.*

²"Interconnection" is the physical joining of two networks for the purposes of transmitting calls between them. "Unbundled network elements" are the individual components of the network, including both equipment and functions, that are used in various combinations to provide telephone services.

C) Link Up/Lifeline. These are subsidy programs designed to assist low income residential customers by providing a monthly credit on recurring charges and a discount on nonrecurring charges for basic telephone service. Section 251(c)(4)(B) of the federal Act provides that "[a] State Commission may, consistent with regulations prescribed by the [FCC], prohibit a reseller that obtains at wholesale rates a telecommunications service that is available at retail only to a category of subscribers from offering such service to a different category of subscribers." The FCC Order, at §VIII(C)(4), specifically lists Lifeline service as a service subject to such resale limitations. BellSouth shall be required to re-sell Link Up/Lifeline services to AT&T, with the restriction that AT&T shall offer only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services; AT&T shall discount the Link Up/Lifeline services by at least the same percentage as now provided by BellSouth; and AT&T shall comply with all aspects of any applicable rules, regulations or statutes relative to the providing of Link Up/Lifeline programs.

D) Promotions. The issue of promotional pricing was extensively addressed in the FCC Order, §VIII(C)(2), which specifically provides that short-term promotions, which are those offered for 90 days or less, should not be offered at a discount to resellers. By contrast, promotions which are offered for a term of more than 90 days should be made available for resale. A similar result must issue in this proceeding, with the express restriction that AT&T shall only offer a promotional rate obtained from BellSouth for resale to customers who would qualify for the promotion if they received it directly from BellSouth.

Mississippi Public Service Commission



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JACKSON - FIRST DISTRICT

BO ROBINSON, VICE-CHAIRMAN
HAMILTON - THIRD DISTRICT

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OFFICE OF MOTOR CARRIERS

MAC MOHEAD, MAJOR
OFFICE OF MOTOR CARRIERS

In the Matter of the Interconnection Agreement)
Negotiations Between AT&T Communications)
of the South Central States, Inc., and) Docket No. 96-AD-0559
BellSouth Telecommunications, Inc.)

HEARD: Monday, February 10, 1997 - Wednesday, February 12, 1997,
Jackson, Mississippi.

BEFORE: Samuel J. Nicholas, Jr., Chairman, Keith Howle and John
Antonuk

APPEARANCES

On Behalf of AT&T Communications of the South Central States, Inc.:

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A. Langley Kitchings, Esq., William J. Ellenberg, II, Esq., and
Thomas B. Alexander, Esq., BellSouth Telecommunications Inc.,
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Analysis & Findings - Means-based services, such as Link-Up and LifeLine, are subject to the same argument, i.e., the wholesale discount that BellSouth must offer should just equal its avoided cost. If these services are not made available to CLECs at a wholesale discount, then one entire customer segment will be must less likely to receive the immediate benefits of competition. BellSouth should be required to provide these means-based services at a wholesale discount.

BellSouth argues that 911 and E911 are not retail services provided to end users (because they are provided to governmental entities. This is not relevant. The Act requires reselling at wholesale those retain services that are not provided to telecommunications carriers. 911 and E911 services are not provided to telecommunications carriers, and BellSouth should make them available at wholesale rates.

BellSouth provides no support for its statement that promotional offerings of less than 90 days are not retail services. Promotional offerings of more than 90 days should be offered by BellSouth at wholesale. As with any other retail service, promotional offerings of 90 days or less must be offered for resale, but not with a wholesale discount. Finally, there is no need at this time to anticipate possible violations by BellSouth of the 90 day rule. If AT&T encounters violations by BellSouth of this or any other aspect of the Order, AT&T should use the avenues already available to it in seeking appropriate action.

Discount Amounts

Promotions

AT&T should be permitted to purchase at wholesale any services subject to promotions of less than 90 days. The prices for these services should not

be discounted below BellSouth's promotional rate. However, AT&T should still be allowed to purchase these services at the allowed discount from tariff rates.

AT&T should be permitted to purchase at wholesale services subject to promotions of 90 days or greater. The prices for these services should be discounted by the allowed discount rate, applied to the promotional price.

For any services for which BellSouth grants rolling less-than-90-day promotional discounts (defined as any subsequent promotion that applies to all or part of the prices for the same or similar service and that takes effect within 30 days of the close of a preceding promotion) AT&T should be permitted to purchase at wholesale rates discounted by the allowed discount rate, applied to the weighted promotional price. The weighted promotional prices shall be the tariff price less the average of the monetized value of the two most recent less-than-90-day promotional discounts that qualify as rolled together per the definition of rolling as provided above.

Contract Service Agreements (CSAs) CSAs are, by definition, services provided in lieu of existing tariff offerings and are, in most cases, priced below standard tariffed rates. Requiring BellSouth to offer already discounted CSAs for resale at wholesale prices would create an unfair competitive advantage for AT&T and is rejected. Instead, the Panel finds that all BellSouth Contract Service Arrangements which are in place as of the effective date of this Report shall be exempt from mandatory resale. However, all CSAs entered into by BellSouth or terminating after the effective date of this Report will be subject to resale, at no discount.

Life-Line and Link-Up

BellSouth's position does not fully distinguish costs and the sources of revenue that it receives to offset those costs. Technically, the source of the revenue, or who pays what portion of the bill, should not matter to discount calculation. The proper way to begin the analysis is, as BellSouth suggests, to discount from retail rates. However, the analysis cannot end there because of two factors:

- 1) BellSouth's current rates assume recovery from other retail customers of the amounts of revenue collection it waives in this case.
- 2) BellSouth has an existing source of third-party findings for some portions of that revenue; moreover, the costs of securing that finding are included in its retail costs and are therefore presumably recovered from its total body of retail customers.

Accordingly, AT&T through the purchase of wholesale services is therefore effectively picking up a share of the costs imposed by the waiver of collection and it is already paying for the costs of the activities that BellSouth must undertake to get third-party recovery for an additional portion of the bill to customers whose interests are involved here. Therefore, the following resolution is appropriate:

- 1) AT&T gets the allowed discount
- 2) BellSouth credits AT&T's bill with the amount it waives when it serves such customers.
- 3) BellSouth credits AT&T's bill with the amount of third-party recovery it can obtain for that customer.

The sequence of these activities is important. If the discount is applied first, then effectively none of the waived charges or third-party recovery offsets avoided costs. To the extent that those two sources of funding are not earmarked for particular costs, they should be removed from the revenue stream first; then the discount should be applied. To the extent that those two funding sources are earmarked, they should be applied as intended, unless the parties can demonstrate prior to the final order why this approach is not appropriate.

ISSUE 2: What terms and conditions, including use and user restrictions, if any, should be applied to resale of BellSouth's services?

AT&T Position - AT&T will restrict resale of residential service to residential subscribers and restrict resale of LifeLine and grandfathered services to eligible subscribers. AT&T acknowledges that BellSouth may provide short term promotions at the promotional rate. BellSouth must prove any other restrictions are reasonable and nondiscriminatory.

BellSouth Position - Terms and conditions in BellSouth's retail tariff should apply to resold services and, in fact, terms and conditions are part of the service. Eliminating the terms and conditions could affect both pricing and service availability. Use and user restrictions are class of service restrictions and thus permitted by the Act. The terms and conditions that BellSouth wants AT&T to follow have been approved by the Mississippi Public Service Commission and are contained in BellSouth's tariffs.

Telecommunications Act/FCC Orders - The Act at § 251(c)(4) states that ILECs may not impose unreasonable or discriminatory conditions or limitations on the resale of services.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-141, SUB 29

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Petition of MCI Telecommunications Corporation	)	RECOMMENDED
for Arbitration of Interconnection with BellSouth	)	ARBITRATION
Telecommunications, Inc.	)	ORDER

HEARD IN: Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, on Monday, September 30, 1996, Tuesday, October 1, 1996, through Thursday, October 3, 1996, and Monday, October 7, 1996, through Wednesday, October 9, 1996

BEFORE: Commissioner Jo Anne Sanford, Presiding; and Commissioners Allyson K. Duncan and Ralph A. Hunt

APPEARANCES:

For MCI Telecommunications Corporation:

Ralph McDonald, Bailey & Dixon, LLP, Post Office Box 1351, Raleigh, North Carolina 27602-1351

Marsha Ward, MCI Telecommunications Corporation, 780 Johnson Ferry Road, Suite 700, Atlanta, Georgia 30342

For BellSouth Telecommunications, Inc.:

A.S. Povall, Jr., General Counsel; Leon H. Lee, Jr., General Attorney; William J. Ellenberg, Jr., General Attorney; and R. Douglas Lackey, Associate General Counsel, BellSouth Telecommunications, Inc., 300 South Brevard Street, Room 1521, Charlotte, North Carolina 28202

For the Attorney General:

Karen E. Long, Assistant Attorney General, North Carolina Department of Justice, Post Office Box 629, Raleigh, North Carolina 27602
For: The Using and Consuming Public

3. Lifeline or LinkUp. The Commission finds these to be retail telecommunications services subject to resale, but only as to eligible subscribers. (See FCC Interconnection Order, Paragraph 962.)

4. CSAs. The Commission finds these to be retail telecommunications service subject to resale. See FCC Interconnection Order, Paragraph 948, where the FCC concluded that there was no basis for creating a general exemption from the resale requirement.

5. Promotions. The Commission finds these to be retail telecommunications services subject to resale if the promotion is over 90 days. If the promotion is under 90 days, then the Commission concludes that it is reasonable to consider it not subject to resale. See FCC Interconnection Order, Paragraph 949ff. However, the ILEC should not utilize promotions in such a way as to evade its wholesale rate obligation, as for example with sequential less-than-90-day promotions.

6. N11. The Commission finds this not subject to resale since it is not a retail service offering pursuant to Commission Order. If, however, it should become a retail service offering, it will be subject to resale.

7. Other. Concerning the provision of pay phone lines by ILECs, the Commission observes that the FCC Interconnection Order, Paragraph 876, has provided that "the services independent public pay phone providers obtain from incumbent LECs are telecommunications services that incumbent LECs provide 'at retail to subscribers who are not telecommunications carriers' and that such services should be available to telecommunications carriers". Moreover, the FCC further concluded that, because independent pay phone providers are not "telecommunications carriers," ILECs need not make available service to independent public pay phone providers at wholesale rates." The FCC continued, saying that this was "consistent with our finding that wholesale offerings must be purchased for the purpose of resale by "telecommunications carriers." In essence, Paragraph 876 means that telecommunications carriers would be eligible for a discounted wholesale pay phone rate but independent pay phone providers would not. Moreover, the purchase of a discounted wholesale pay phone line by a telecommunications carrier would only be allowed if the telecommunications carrier turned around and resold it to someone else. In other words, the telecommunications carrier could not buy the discounted line to provide service to its own payphones.

Lastly, the Commission observes that the ILEC's own public pay phone service is not subject to resale because it is not per se a retail service, since no end users presubscribe to it.

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. P-140, SUB 50

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of

Petition of AT&T Communications of the	)	RECOMMENDED
Southern States, Inc., for Arbitration of	)	ARBITRATION
Interconnection with BellSouth Telecom-	)	ORDER
munications, Inc.)	

HEARD IN: Commission Hearing Room 2115, 430 North Salisbury Street, Raleigh, North Carolina, on Monday, September 30, 1996, Tuesday October 1, 1996, through Thursday, October 3, 1996, and Monday October 7, 1996, through Wednesday, October 9, 1996

BEFORE: Commissioner Jo Anne Sanford, Presiding, and Commissioners Allyson K. Duncan and Ralph A. Hunt

APPEARANCES:

For AT&T Communications of the Southern States, Inc.:

Kenneth McNeely and Roger Briney, Attorneys at Law, AT&T Communications of the Southern States, Inc., 1200 Peachtree Street, N.E., Atlanta, Georgia 30309

Kenneth W. Lewis, Attorney at Law, Burford & Lewis, PLLC, 719 W. Morgan Street, Raleigh, North Carolina 27603

Francis P. Mood, Attorney at Law, Sink & Boyd, PA, Post Office Box 11889, Columbia, South Carolina 29211

E. Sanderson Hoe, Thomas Lemmer and Tami Lyn Azorsky, McKenna & Cuneo, Attorneys at Law, 1900 K Street N.W., Washington, D.C. 20006

For BellSouth Telecommunications, Inc.:

A S Povall, Jr., General Counsel, Leon H. Lee, Jr., General Attorney, William J. Ellenberg, Jr., General Attorney, R. Douglas Lackey, Associate General Counsel, BellSouth Telecommunications, Inc., 300 S. Brevard Street, Room 1521, Charlotte, North Carolina 28202

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State of South Carolina



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CHARLES W. BALLEWINE
Executive Director
(803) 737-5120

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Deputy Executive Director
(803) 737-5133

PLEASE DELIVER THIS SHEET WITH MESSAGE

COVER SHEET PLUS 17 PAGE(S)

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Gregg Morton

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Columbia
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FAX NO. 771 4680

Order per your
Request.

FROM:

F. David Butler
General Counsel
(803) 737-5117

Florence P. Belser
Staff Counsel
(803) 737-5118

CT Catherine Taylor
Staff Counsel
(803) 737-5114

GREGG:
NOT MY BEST WORK!
I STUCK TO THE COMMISSIONER'S MOTION.
PLEASE CALL WITH
QUESTIONS - Thanks *C. Ballew*

IF MESSAGE IS NOT CLEAR, PLEASE CALL RIGHT AWAY!

[LEGAL DEPARTMENT - (803) 737-5113]

[OUR FAX NUMBER IS (803) 737-⁵²⁴⁶~~5199~~]

3/10/97

DOCKET NO. 96-358-C - ORDER NO. 97-189
MARCH 10, 1997
PAGE 4

excluded from resale?

The services in dispute on this issue are: promotions, non-recurring services, contract service arrangements ("CSAs"), Lifeline/Linkup, and 911/E911/Nil. The Parties have reached an agreement upon the issue of reselling grandfathered services. AT&T argues that requiring BellSouth to make all services defined by the Act available for resale will benefit South Carolina consumers. Such action by the Commission would provide South Carolina consumers the ability to select the carrier of their choice without loss of any services to which they presently subscribe.

The Commission adopts AT&T's position on this issue with one exception. The Commission holds that the Act requires BellSouth to offer for resale to AT&T at wholesale rates all telecommunications services that BellSouth provides at retail to non-carrier subscribers. However, contract service arrangements ("special assemblies") should not receive a further discount below the contract service arrangement rate. AT&T should receive the same rate as the CSA customer. AT&T will still be allowed to package the service with other services in order to compete with BellSouth or other local entrants.

Resale of these services will insure that all BellSouth customers will have choices for all services presently received from BellSouth. The Act indeed permits reasonable and non-discriminatory conditions or limitations on the resale of telecommunications services, and we therefore

EXHIBIT "B"

BEFORE THE TENNESSEE REGULATORY AUTHORITY

January 23, 1997

SECOND AND FINAL ORDER OF ARBITRATION AWARDS

**IN THE MATTER OF THE INTERCONNECTION AGREEMENT
NEGOTIATION BETWEEN AT&T COMMUNICATIONS OF THE SOUTH
CENTRAL STATES, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC.
PURSUANT TO 47 U.S.C. SECTION 252**

DOCKET NO. 96-01152

**IN THE MATTER OF THE PETITION OF MCI TELECOMMUNICATIONS CORPORATION FOR
ARBITRATION OF CERTAIN TERMS AND CONDITIONS OF A PROPOSED AGREEMENT WITH
BELLSOUTH TELECOMMUNICATIONS, INC. CONCERNING INTERCONNECTION AND RESALE
UNDER THE TELECOMMUNICATIONS ACT OF 1996**

DOCKET NO. 96-01271

(2) the promotional rate (the promotional rate offered by BellSouth will not be discounted further by the wholesale discount rate);

e. When AT&T or MCI obtains a long-term promotional offering at the promotional rate, they will only be permitted to obtain the promotional rate for the period that the promotion is offered by BellSouth. At the time the promotion ends, if AT&T or MCI chooses to continue obtaining the applicable service, they must obtain that service at the stated tariff rate, less the wholesale discount;

f. AT&T and MCI can only offer a promotional rate for a service obtained subject to the provisions of this Paragraph 8 to customers who would have qualified for the promotional rate if the service were being offered by BellSouth;

g. Any benefit of the promotion must be realized within the time period of the promotion and BellSouth may not use promotional offerings to evade the wholesale obligation. If AT&T or MCI believes that such abuse is occurring, they may file a petition with the Authority challenging the promotion and, if such petitions are many in number, the Directors of the Authority may contemplate the establishment of specific rules governing promotional discounts, which may include, not only the provisions listed above, but also additional rules or, in the alternative, the Directors may consider making all promotions available for resale.

10. That the following terms and conditions on the resale of LifeLine Services are reasonable and necessary, and shall be implemented:

a. AT&T and MCI shall only offer LifeLine Service to customers who meet the qualifications outlined in the "means test";

b. LifeLine Services and rates shall be offered by AT&T or MCI in a manner similar to the manner in which LifeLine Services are offered in the market today, that is through a discount to BellSouth's Message Rate Service, General Subscriber Tariff A3.2.4;¹⁸

c. AT&T and MCI shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. AT&T and MCI must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides;

d. The maximum rate which AT&T and MCI may charge for LifeLine Service shall be capped at the retail flat rate offered by BellSouth;

e. BellSouth shall charge the federally-mandated Subscriber Line Charge (currently \$3.50) to AT&T and MCI;¹⁹

f. AT&T and MCI are required to waive the Subscriber Line Charge for the end-user;

g. AT&T and MCI are responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association's interstate toll settlement pool just as BellSouth does today.

11. That the following terms and conditions on the resale of Link-Up Service are reasonable and necessary, and shall be implemented:

a. AT&T and MCI may offer Link-Up Service only to those customers who meet the qualifications outlined in the "means test";

¹⁸ However, if a competitor has a proposal that it believes is just and reasonable, the competitor may file the proposal with the Authority for consideration.

¹⁹ See FCC Report and Order, Paragraph 983.

BellSouth Telecommunications, Inc.
Florida Public Service Commission
Docket 960786-TL
Scheye Deposition
August 15, 1997
Late File Exhibit No. 13
Page 1 of 1

PROPRIETARY

REQUEST: Identify each ALEC who has been provided unbundled ports plus how many per each. Specify if loop/port combos of MCI are included.

RESPONSE: Please see the attached information. This information contains customer specific proprietary information which will be furnished to the FPSC Staff subject to a Notice of Intent to Request Specified Confidential Classification. It will not be served to the parties of record.

INFORMATION PROVIDED BY: Bob Scheye
BellSouth Corporation
675 West Peachtree St.
Atlanta, GA 30375