ORIGINAL Legal Department

Michael P. Goggin General Attorney

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PAI RGO SEC SER OTH BellSouth Telecommunications, Inc. 150 South Monroe Street Room 400 Tallahassee, Florida 32301 (305) 347-5561

July 17, 2000



Mrs. Blanca S. Bayó Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 991755-TP (MCI)

Dear Ms. Bayó:

Enclosed please find an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement, which we ask that you file in the above-referenced matter.

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 to the parties shown on the attached Certificate of Service.

Sincerely.

Michael P. Goggin

CC: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

RECEIVED & ELLED FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE Docket No. 991755-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

U.S. Mail this 17th day of July, 2000 to the following:

Tim Vaccaro Staff Counsel Florida Public Service Commission Division of Legal Services 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

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MCI World Com Communications, Inc. Ms. Donna C. McNulty 325 John Knox Road, Suite 105 Tallahassee, FL 32303-4131 Tel.: (805) 422-1254 Fax: (850) 422-2586

Richard D. Melson Hopping Green Sams & Smith, P.A. Post Office 6526 123 South Calhoun Street Tallahassee, FL 32314 Tel. No. (850) 222-7500 Fax. No. (850) 224-8551 Atty. For MCI

Michael P. Gogg



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Complaint of MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc. against BellSouth Telecommunications, Inc. for Breach of Approved Interconnection Agreement Docket No. 991755-TP

Filed: July 17, 2000

PRE-HEARING STATEMENT OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth"), in accordance with the provisions of the Order Establishing Procedure, (Order No. PSC-00-1000-PCO-TP) issued May 19, 2000, submits its Pre-hearing Statement.

Witnesses

BellSouth proposes to call the following witness to offer testimony on the issues in this docket, as enumerated in Appendix A of the Order Establishing Procedure:

WitnessIssues1.Cynthia Cox (Direct and Rebuttal)1, 2, 3, 4

BellSouth reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony and witnesses to address issues not presently designated that may be designated by the Pre-hearing Officer at the Pre-hearing Conference to be held on August 2, 2000. BellSouth has listed the witness for whom BellSouth filed testimony, but reserves the right to supplement that list if necessary.

Exhibits

Cynthia Cox (Rebuttal)

CKC-1

Maps of BellSouth's Tandems in the Orlando and Southeast LATAs

DOCUMENT NUMBER-DATE 08615 JUL 178 BellSouth reserves the right to file exhibits to any testimony that may be filed under the circumstances identified above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

Statement of Basic Position

The issue in this docket concerns a dispute between BellSouth and MCImetro Access Transmission Services, LLC and MCI WorldCom Communications, Inc. (jointly "WorldCom") as to whether the terms of their Interconnection Agreement should be amended as a result of the reinstatement of FCC Rule 51.711. BellSouth's interpretation of the Interconnection Agreement reflects the intentions and agreements of the parties and is the more consistent with Florida law. Further, BellSouth's interpretation of FCC Rule 51.711 is more consistent with Federal law and court decisions interpreting the Rule. Therefore, the Florida Public Service Commission ("Commission") should sustain BellSouth's position.

BellSouth's Position on the Issues of Law and Fact

Issue 1: Under FCC Rule 51.711, would MCIm and MWC be entitled to be compensated at the sum of the tandem interconnection rate and the end office interconnection rate for calls terminated on their switches if those switches serve a geographic area comparable to the area served by BellSouth's tandem switches?

Position: The FCC identified two requirements that WorldCom must satisfy in order to be compensated at the tandem interconnection rate: (1) WorldCom's switch must perform functions similar to those performed by BellSouth's tandem switch; and (2) WorldCom's switch must serve a geographic area comparable to the geographic area served by BellSouth. WorldCom fails to show that it satisfies the geographic area prong of the test and does not even allege in the Complaint that it meets the functionality prong.

Further, in accordance with FCC Rule 51.711 and prior Orders of this Commission, as well as the plain language in the current BellSouth/WorldCom Interconnection Agreement, WorldCom should be compensated <u>only</u> for those functions WorldCom actually performs. If a switch is not used to provide a tandem function during a specific call, it is not appropriate to pay reciprocal compensation for the tandem switching function. In short, WorldCom should only be compensated for the functions that it provides.

Issue 2: Do MCIm's and MWC's switches serve geographic areas comparable to those served by BST tandem switches?

Position: Preliminarily, BellSouth notes again that this issue only addresses one prong of a two-prong test that must be satisfied in order for WorldCom to receive reciprocal compensation based on a tandem switching rate. Moving beyond that, BellSouth notes that according to the FCC's Rule 51.711(a)(3), to establish that WorldCom's switch serves a geographic area comparable to that served by the ILEC's tandem switches, WorldCom must show the particular geographic area its switch actually serves, not the geographic area that its switch may be capable of serving. WorldCom has not offered any proof that its switch currently serves areas comparable to BellSouth's tandem and, therefore, has failed to satisfy its burden of proof on this issue.

Issue 3: Should BellSouth be required, pursuant to Part A Section 2.2 or 2.4 of the interconnection agreement, to execute amendments to its interconnection agreements with MCIm and MWC requiring BellSouth to compensate MCIm and MWC at the sum of the tandem interconnection rate and the end office interconnection rate for calls terminated on their switches that serve a geographic area comparable to the area served by BellSouth's tandem switches?

Position: There is nothing in FCC Rule 51.711 that conflicts with the express provisions of the current BellSouth/WorldCom Interconnection Agreement. The essence of the language contained in Part A, Section 2.2 and Section 2.4 is that the parties will negotiate amendments to any provisions that are made unlawful by the promulgation of any rules, regulations, orders issued

by the FCC or this Commission. Contrary to WorldCom's assertion, there are no provisions in the current agreement that are made "unlawful" by the reinstatement of the FCC Rule 51.711.

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Section 2.4.2 in Part IV of the current Interconnection Agreement clearly provides that BellSouth will compensate WorldCom at the appropriate symmetrical interconnection rate(s) for each function WorldCom actually performs in terminating local traffic from BellSouth. This provision comports with FCC Rule 51.711(a)(1), which addresses symmetrical rates as being equivalent rates that two carriers assess upon each other for providing the same services for the transport and termination of local telecommunications traffic received from the other carrier. Thus, there is nothing inconsistent, much less "unlawful," between the provisions of the Interconnection Agreement and FCC Rule 51.711.

Issue 4: Are MCIm and MWC entitled to a credit from BellSouth equal to the additional per minute amount of the tandem interconnection rate from January 25, 1999 to the earlier of (i) the date such amendments are approved by the Commission, or (ii) the date the interconnection agreements are terminated?

Position: BellSouth has appropriately paid WorldCom for terminating BellSouth's local traffic. This payment has been made consistent with FCC Rule 51.711, prior Commission Orders and the current Interconnection Agreement. In no situation is it appropriate for this Commission to require BellSouth to pay or credit monies to WorldCom for transport and termination functions when those functions are not provided, regardless of the geographic area WorldCom's switch may serve. However, should the Commission determine that WorldCom's switch performs the tandem switching function <u>and</u> serves a geographic area comparable to BellSouth's tandem switches, any obligation to pay WorldCom the tandem switching rate should be prospective only from the date WorldCom requested an amendment to the Interconnection Agreement.

Stipulations

None.

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Pending Motions

None.

Other Requirements

None.

Respectfully submitted this 17th day of July 2000.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE

MICHAEL P. GOGGIN Museum Tower - Suite 1910 150 West Flagler Street Miami, Florida 33130 (305) 347-5558

ack R. DOUGLAS/LACKEY

E. EARL EDENFIELD JR. BellSouth Center - Suite 4300 675 W. Peachtree Street, N.E. Atlanta, Georgia 30375 (404) 335-0763

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