

75

SUZANNE FANNON SUMMERLIN  
ATTORNEY AT LAW

ORIGINAL

1311-B Paul Russell Road, Suite 201  
Tallahassee, Florida 32301

TELEPHONE (850) 656-2288  
TELECOPIER (850) 656-5589

May 11, 2001

Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
4075 Esplanade Way, Room 110  
Tallahassee, Florida 32399-0850

RECEIVED FPSC  
01 MAY 11 PM 4:14  
RECORDS AND  
REPORTING

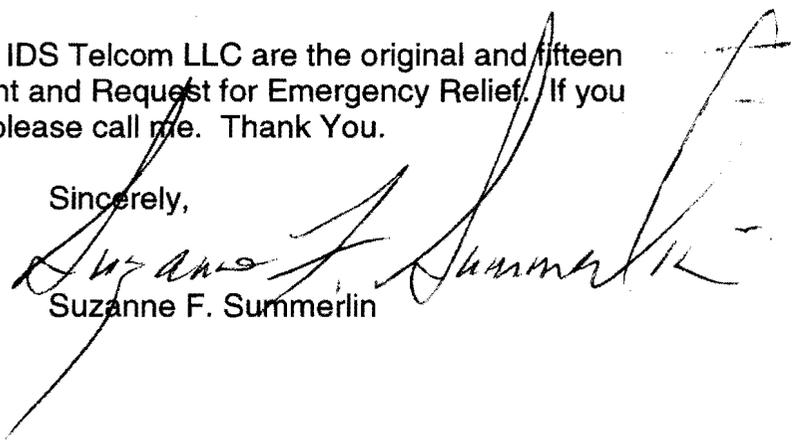
010740-TP

RE: Complaint of IDS Long Distance, Inc. n/k/a IDS Telcom, L.L.C.,  
Against BellSouth Telecommunications, Inc., and Request for  
Emergency Relief.

Dear Ms. Bayo:

Enclosed for filing on behalf of IDS Telcom LLC are the original and fifteen  
copies of IDS Telcom LLC's Complaint and Request for Emergency Relief. If you  
have any questions about this filing, please call me. Thank You.

Sincerely,



Suzanne F. Summerlin

SFS/bb  
Enclosures

RECEIVED & FILED

FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05935 MAY 11 2001

FPSC-RECORDS/REPORTING

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Complaint of IDS Long Distance, Inc. )  
n/k/a IDS Telcom, L.L.C., Against )  
BellSouth Telecommunications, Inc., and )  
Request for Emergency Relief. )  
\_\_\_\_\_ )

Docket No. 010740-TP  
Filed May 11, 2001

**COMPLAINT AND REQUEST FOR EMERGENCY RELIEF**

Comes now IDS Long Distance, Inc. n/k/a IDS Telcom, L.L.C., ("IDS"), by and through its undersigned counsel and pursuant to Section 252 of the Telecommunications Act of 1996 ("Act"), Sections 364.01, 364.03, and 364.05, Florida Statutes, and Rule 25-22.036(5), Florida Administrative Code, and hereby files this Complaint against BellSouth Telecommunications, Inc. ("BellSouth"), for breach of the Interconnection Agreement between the parties, for consistent failure to provide OSS and UNEs at parity with those provided to BellSouth's own retail division and retail customers, and for unlawful and outrageous anticompetitive activities.

**The Parties**

1. The name and address of the Complainant is:

IDS Long Distance, Inc. n/k/a IDS Telcom, LLC  
1525 Northwest 167th Street, Second Floor  
Miami, Florida 33169

IDS is a limited liability corporation organized and formed under the laws of the State of Florida with its principal place of business at 1525 Northwest 167<sup>th</sup>

DOCUMENT NUMBER-DATE

05935 MAY 11 2001

FPSC-RECORDS/REPORTING

Street, Second Floor, Miami, Florida 33169. IDS is a local and long distance company providing various types of telecommunications services. IDS has Certificates of Authority issued by the Florida Public Service Commission that authorize IDS to provide alternative local exchange services and interexchange services in Florida. IDS is a “telecommunications carrier” and a “local exchange carrier” under the Telecommunications Act of 1996.

2. Copies of all pleadings, notices, orders, discovery, and correspondence regarding this Complaint should be provided to the following on behalf of IDS:

Suzanne F. Summerlin, Esq.  
1311-B Paul Russell Road, Suite 201  
Tallahassee, Florida 32301  
(850) 656-2288 (telephone)  
(850) 656-5589 (fax)  
[summerlin@nettally.com](mailto:summerlin@nettally.com)

3. The name and principal place of business of the Respondent to this Complaint is:

BellSouth Telecommunications, Inc.  
150 West Flagler Street  
Suite 1910  
Miami, Florida 33130

BellSouth is a corporation organized and formed under the laws of the State of Georgia, having an office at 675 West Peachtree Street, Atlanta, Georgia 30375. BellSouth provides local exchange and other services within its franchised areas in Florida. BellSouth is a “Bell Operating Company” and an “incumbent local exchange carrier” (“ILEC”) under the terms of the Telecommunications Act of 1996.

## Introduction

4. IDS is an interexchange carrier (“IXC”) and an alternative local exchange carrier (“ALEC”) operating in the States of Florida, Alabama, Georgia, Kentucky, and South Carolina. IDS began its operations in 1989 as an IXC and built an excellent reputation as a quality provider of long distance services. Subsequent to the passage of the Telecommunications Act of 1996, IDS began offering local exchange services as an ALEC primarily to small and medium-sized businesses. IDS also provides service to some residential customers. IDS has offered long distance services in Florida for eleven years. IDS has offered local exchange services in Florida for the past two years and plans to rapidly expand its operations throughout the BellSouth territory. IDS began offering local exchange services on a resale basis, but once it became legally and technically possible to purchase unbundled network elements (“UNEs”) to provide such services, IDS began ordering UNEs from BellSouth. Since May 2000, IDS has been ordering UNEs from BellSouth.

5. IDS has experienced tremendous problems in its dealings with BellSouth since IDS began to provide local exchange services two years ago. In spite of the fact that the Interconnection Agreement between IDS and BellSouth explicitly states that BellSouth shall provide Operational Support Systems (“OSS”) and UNEs to IDS at parity to BellSouth’s own internal OSS and the UNEs it provides its own retail customers, this has never happened. One of the fundamental problems IDS has experienced has been BellSouth’s consistent failure to process IDS’ orders in a timely and competent manner. BellSouth has

monumentally failed to provide OSS to IDS that is equivalent to the OSS BellSouth uses internally. This translates to IDS' customers being subjected to having their telephone service disconnected completely for an indefinite period of time, having their voicemail lost, waiting a much longer period of time to obtain IDS' services than they would wait for equivalent BellSouth service, incompetent installations of service, incompetent repairs of service, and on and on.

6. A second fundamental problem IDS has experienced is that BellSouth has not provided UNEs to IDS' customers in a fashion that is equivalent to the provisioning of UNEs to BellSouth's own retail customers. Due to BellSouth's failures in its OSS in regard to the provisioning of UNEs, IDS has lost countless customers. IDS' customers wait for a much longer time than BellSouth's retail customers to get their service connected. IDS' customers do not get service that is equivalent to that provided to BellSouth's customers. As a matter of fact, BellSouth refused to provide UNEs to IDS for many months, requiring IDS to continue paying the substantially higher rates associated with resale of local exchange services. BellSouth has credited IDS a portion of the excess cost IDS paid for resale rates during the period BellSouth failed to provision the requested UNEs, but BellSouth has yet to reimburse IDS for its full costs.

7. A third, and the most significant, problem IDS has experienced is that BellSouth has been waging an anticompetitive war against IDS. This war has included the utilization of a promotional tariff called the "Full Circle Program" in which BellSouth offers IDS' customers substantial discounts (some under cost)

to come back to BellSouth and enter into an extended term agreement. What makes this promotional tariff truly devastating is that BellSouth uses it when IDS' customers call BellSouth to find out why their service has been disconnected (prior to the due date for their conversion to IDS) or otherwise impaired (BY BELLSOUTH!). Not only does BellSouth utilize its own OSS and UNE-provisioning errors and mistakes and negligence, if not downright *intentional* errors and mistakes and negligence, to capitalize on winning back IDS' customers, BellSouth has actual telemarketing campaigns targeting IDS' customers with misrepresentations about IDS. BellSouth's telemarketers have called IDS' customers, both prior to and immediately after their conversion to IDS, and stated to those customers that IDS is "going out of business" or "ready to declare bankruptcy" or otherwise unable to provide good service to them. Affidavits of customers attached to this Complaint substantiate these allegations.

8. This anticompetitive war has resulted in BellSouth winning back thousands of IDS' customers and making IDS' effort to provide alternative local exchange services in the State of Florida (already practically impossible) completely impossible. Neither IDS, nor any other ALEC, can survive the onslaught of BellSouth's anticompetitive tactics any longer. The Affidavit of IDS' Vice President Keith Kramer attached hereto details IDS' financial damages incurred as a result of BellSouth's anticompetitive activities. IDS requires immediate, dramatic and comprehensive relief from the Florida Public Service Commission ("the Commission"). IDS requests that the Commission immediately suspend the Full Circle Program and all other BellSouth win back programs. IDS

requires that the Commission order BellSouth to refund the monies collected from IDS that BellSouth has not earned by its provisioning of sub-parity OSS and UNEs. IDS requests that the Commission order BellSouth to place all future monies paid by IDS subject to refund pending BellSouth's conclusive proof to the Commission that it is providing IDS OSS and UNEs at parity to those provided for its own retail division and customers.

9. IDS also requests that the Commission immediately initiate a show cause proceeding to investigate and properly sanction BellSouth for the anticompetitive activities that have caused such serious harm to IDS and, most especially, to IDS' customers. BellSouth is no longer simply harming baby telephone companies, BellSouth is harassing and hassling and interfering with citizens of the State of Florida in its vicious and desperate effort to hang on to its monopoly in the provision of local telephone service in the State of Florida.

### **Jurisdiction**

10. The Florida Public Service Commission has statutory powers and jurisdiction over, and in regard to, all telecommunications companies operating in the State of Florida, including BellSouth. Section 364.01, Florida Statutes.

11. The Commission has exclusive jurisdiction in all matters set forth in Chapter 364, Florida Statutes, regarding the regulation of telecommunications companies. Section 364.01(2), Florida Statutes. This exclusive jurisdiction has been granted the Florida Public Service Commission to:

- (a) Promote competition by encouraging new entrants into telecommunications markets. Section 364.01(4)(d), Florida Statutes.

(b) Ensure that all providers of telecommunications services are treated fairly, by preventing anticompetitive behavior and eliminating unnecessary regulatory restraint. Section 364.01(4)(g), Florida Statutes.

(c) Encourage competition through flexible regulatory treatment among providers of telecommunications services in order to ensure the availability of the widest possible range of consumer choice in the provision of all telecommunications services. Section 364.01(4)(b), Florida Statutes.

(d) Protect the public health, safety, and welfare by ensuring that basic local telecommunications services are available to all consumers in the state at reasonable and affordable prices. Section 364.01(4)(a), Florida Statutes.

(e) Recognize the continuing emergence of a competitive telecommunications environment through the flexible regulatory treatment of competitive telecommunications services, where appropriate, if doing so does not reduce the availability of adequate basic local telecommunications service to all citizens of the state at reasonable and affordable prices, if competitive telecommunications services are not subsidized by monopoly telecommunications services, and if all monopoly services are available to all competitors on a nondiscriminatory basis. Section 364.01(4)(h), Florida Statutes.

12. Sections 251 and 252 of the Telecommunications Act of 1996 contain specific requirements for Incumbent Local Exchange Companies (“ILECs”) in the provision of interconnection to competing local providers.

Section 252(c)(2)(C) provides that ILECs have the duty to provide interconnection with the facilities and equipment of any requesting telecommunications carrier, that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection.

13. IDS and BellSouth are parties to an Interconnection Agreement approved by the Commission. The Commission has jurisdiction to enforce the terms of the Interconnection Agreement pursuant to both Sections 251 and 252 of the Telecommunications Act of 1934, as amended by the Telecommunications Act of 1996, 47 U.S.C. ss. 151 et seq. ("Act")<sup>1</sup>, Section 364.01, 364.03, and 364.05, Florida Statutes, Rule 25-22.036(5), Florida Administrative Code, and Order No. PSC-97-1265-FOF-TP. The Commission thus has jurisdiction to enforce the rates and charges contained in the Interconnection Agreement between the parties. Part A, Section 11, of the Interconnection Agreement dated January 27, 1999, also provides for Commission resolution of any disputes that arise concerning the interpretation and enforcement of the Interconnection Agreement.

### **The Facts Leading to This Complaint**

14. IDS and BellSouth entered into a one-year Interconnection Agreement on January 27, 1999. The Interconnection Agreement and the rates and charges therein were approved by the Commission. The Interconnection Agreement has been extended twice for six-month periods. It has been

---

<sup>1</sup> Iowa Utilities Board vs. Federal Communications Commission, 120 F.3d 753 (8<sup>th</sup> Cir. 1997) Part D. of the opinion)

amended twice. The first Amendment, which was executed November 2, 1999, requires BellSouth to provide combinations of unbundled network elements for IDS (otherwise known as the "UNE-P Agreement"). A second Amendment was executed March 27, 2000, which incorporated the FCC's decisions in the UNE Remand 319 Order.

15. IDS has unsuccessfully attempted to renegotiate the interconnection agreement that is the subject of a current arbitration proceeding before the Florida Public Service Commission. See *In the Matter of Petition for Arbitration of IDS Telcom, LLC, Pursuant to Section 252(b) of the Communications Act of 1934*, Docket No. 000127.

16. BellSouth is a telecommunications company with more than \$26 billion in annual revenues, and operates as an incumbent local exchange carrier ("ILEC") in nine southeastern states. BellSouth is the largest ILEC in Florida, and still controls over 90% of the access lines in its service territory.

17. Recent market share data from the Federal Communications Commission ("FCC") demonstrates that ALECs service only 6.7% of local telephone lines nationally. *Local Telephone Competition* (December 2000). Florida should lead the national telecommunications market in the development of competition based on its demographics. However, Florida struggles behind the national average with ALECs having only 6.1% of the market share in the state. *Competition in Telecommunications Markets in Florida*, FPSC Report at 7 (December 2000).

18. Section 4 of Part A of the Interconnection Agreement between BellSouth and IDS provides as follows:

4. Parity

The services and service provisioning that BellSouth provides IDS Long Distance for resale will be at least equal in quality to that provided to BellSouth or any BellSouth subsidiary, affiliate or end user. **In connection with resale, BellSouth will provide IDS Long Distance with pre-ordering, ordering, maintenance and trouble reporting, and daily usage data functionality that will enable IDS Long Distance to provide equivalent levels of customer service to their local exchange customers as BellSouth provides to its own end users. BellSouth shall also provide IDS Long Distance with unbundled network elements, and access to those elements, that is at least equal in quality to that which BellSouth provides BellSouth, or any BellSouth subsidiary, affiliate or other CLEC.** BellSouth will provide number portability to IDS Long Distance and their customers with minimum impairment of functionality, quality, reliability and convenience.

(emphasis supplied)

19. As is clear from the precise language in the Interconnection Agreement, BellSouth is legally obligated to provide IDS OSS and UNEs at parity with the OSS used by BellSouth internally and the UNEs provided to its retail customers. BellSouth has breached the Interconnection Agreement by failing to fulfill these obligations.

20. In late 1998 and early 1999, IDS began providing local exchange services through the resale of BellSouth's service.

21. In November 1999, IDS and BellSouth executed a Network Combinations contract by which IDS would provision local exchange services to its customers by purchasing combinations of unbundled network elements ("UNEs") from BellSouth. IDS is specifically using what is known in the industry

as the Unbundled Network Element Platform (“UNE-P”) model. IDS intended to convert its base of resale customers to the UNE-P model going forward.

22. IDS chose to utilize the UNE-P model because it is the only economically-viable model by which to provide alternative local exchange services. The cost of providing local exchange services by the UNE-P model is dramatically less than the cost of providing local exchange services on the resale model. The resale model provides a very slender margin, a “wholesale” discount of 16.839 percent off BellSouth’s retail prices, by which an ALEC may make any profit.

23. From November 1999 forward, IDS has experienced extreme difficulties with BellSouth’s OSS and Order Processing Systems in the provisioning of these combinations of UNEs. Shortly after executing the Network Combinations contract, IDS attempted to utilize BellSouth’s Electronic Data Interface (“EDI”) gateway to submit its orders for UNE-Ps. After numerous unsuccessful attempts, BellSouth informed IDS that the problem resided with IDS’ failure to properly submit the orders and that IDS needed to send its personnel for EDI training.

24. IDS sent its personnel to a BellSouth training program. After the training, IDS’ personnel attempted again to submit orders for UNE-Ps through BellSouth’s EDI gateway without success. BellSouth again stated that it was IDS’ fault because IDS was not properly submitting the orders. BellSouth suggested more training was required. IDS arranged for BellSouth to send trainers on site to teach IDS how to submit orders for UNE-Ps through

BellSouth's EDI gateway. During the course, which was a repeat of prior training IDS' personnel had received, BellSouth's trainers attempted to submit orders for UNE-Ps through BellSouth's EDI gateway. BellSouth's personnel were unable to successfully submit orders for UNE-Ps through their own EDI gateway. The BellSouth trainers informed IDS that "there were some problems with EDI" and they would get back to IDS later with additional information. BellSouth never gave IDS additional information on how to utilize EDI and no orders were ever successfully submitted through BellSouth's EDI gateway by IDS or by any BellSouth personnel on IDS' behalf.

25. BellSouth later approached IDS regarding the purchase of BellSouth's TAG GUI interface, which is called "RoboTAG". BellSouth sent an individual to demonstrate RoboTAG to IDS' personnel. IDS had been seeking other alternatives and had chosen to utilize another TAG GUI interface called CLECWare, a software system designed by Mantiss. Once IDS had CLECWare installed, BellSouth stated that IDS must have new trunks installed and tested between BellSouth's and IDS' systems. Accordingly, IDS requested the new trunks in mid-February 2000, but BellSouth responded that the new trunks would not be installed and tested prior to May 2000. IDS threatened BellSouth that it would complain to the Florida and Georgia Public Service Commission about this delay. BellSouth revised the installation date to mid-March 2000.

26. After the installation and testing of BellSouth's and IDS' systems, IDS made numerous unsuccessful attempts to submit orders for UNE-Ps. After numerous calls to BellSouth by IDS to determine the problem, finally, on a Friday

in mid-April 2000, BellSouth provided IDS the correct Uniform Service Order Codes ("USOCs"). IDS was finally able to submit its first orders. However, on the following Monday, using the exact same procedure as the Friday before, IDS' orders were rejected by BellSouth's system.

27. After numerous attempts to find out what was going on with BellSouth's system, BellSouth finally informed IDS that IDS' accounts had been placed on a local service freeze. BellSouth stated that in order for IDS to move these accounts from resale to UNE-P, IDS would have to get local freeze releases from each of their customers before BellSouth would lift the freeze. Local service freezes are intended to protect a customer from having their service moved to a different carrier, not to prohibit moving them to a different service with the same carrier. After IDS expressed its outrage at this tactic, BellSouth finally relented and agreed to lift the local service freeze and permit IDS' to process its orders.

28. Prior to IDS moving its resale customers to UNE-P, BellSouth announced at a CLEC Forum in early May 2000 that it had a new bulk-ordering option through LENS that would permit large numbers of orders to be processed at once. IDS checked the BellSouth Website and confirmed that the bulk ordering option was presented there as ready for CLECs to use.

29. IDS was completely unaware that BellSouth was offering this system **WITHOUT** testing it for functionality. When IDS converted its resale base, over 1,400 customers, representing 5,500 lines, had their services interrupted. It took BellSouth over two weeks to fully correct this problem.

Incredibly, during this service outage, BellSouth's retail division told IDS' customers that IDS was to blame for the service outage, and switching back to BellSouth would mean an immediate restoration of their services.

30. After only three days, BellSouth took down the LENS bulk ordering service. It took BellSouth over two weeks to get all of IDS' customers' service restored. Half of IDS' customers went back to BellSouth as a result of this fiasco. BellSouth's response to this catastrophic loss for IDS was a letter of apology admitting that these problems were caused by BellSouth from Glen Estell, a Vice President at BellSouth, and a credit on IDS' bill for \$31,000. (See Exhibit A, Letter of Glen Estell, dated May 17, 2000, attached hereto.)

31. IDS has continued to experience serious problems with BellSouth's OSS and order processing. In September 2000, BellSouth upgraded its OSS software, and IDS began having customers go out of service. IDS has learned that many times its customers lose service because BellSouth's service representatives fail to put a code on both the disconnect ("D") order and the associated new ("N") order.

32. In October 2000, IDS informed BellSouth that their OSS systems were tearing down voice mailboxes of IDS' customers during the conversion process. IDS told BellSouth specifically what systems were involved and how to fix the problem. BellSouth agreed that it was a problem and scheduled a release to fix it in November 2000. However, BellSouth's fix failed to include one of the front-end systems IDS had identified as contributing to the problem, and as a result the problem was not fully corrected until early April 2001.

33. Numerous other problems with BellSouth's OSS occurred in November and December 2000 when, although hundreds of IDS' orders were being submitted correctly, very few Firm Order Confirmations ("FOCs") and completed orders were trickling out. At one point, only 40% of IDS' orders were being completed on a timely basis.

34. BellSouth's LENS, the electronic interface for the transfer and management of end user accounts, has continued to fail on a widespread basis. BellSouth's internal OSS and personnel often terminate service to new IDS customers without actually initiating IDS' service to them. When these customers inquire with BellSouth regarding the termination of their service, the BellSouth customer service representatives respond by stating that the problem was caused by IDS and, if they choose to return to BellSouth's service, their service can be reconnected immediately and no further interruptions will occur. In almost every instance in which BellSouth uses this strategy, the customer returns to BellSouth's service. Unbelievably, BellSouth often charges IDS for one month's customer usage and a disconnection fee for these types of situations.

35. Throughout this period, BellSouth has failed to provide IDS OSS at parity with that it provides to its own retail division. IDS has received thousands of complaints from business customers regarding the fact that, when an order for conversion of their service to IDS was submitted to BellSouth, their phone service was either partially or completely disconnected.

36. BellSouth's OSS failures in UNE-P conversions are so pervasive that this must be considered a major win back strategy for BellSouth. From

November 2000 through February 2001, a mere four months, BellSouth won back over 3,100 IDS customers. At least 2,000 of these customers were won back as a direct result of BellSouth's OSS failures in the conversion process.

37. Not all services provided by IDS are capable of being provided in the UNE-P arrangement. In cases where a customer receives resale services, for example Watch Alert and ADSL services, as well as other services that can be provided through UNE-P, it is necessary to have BellSouth provide the "hunt grouping" function between these different classes of services. In approximately early April 2001, BellSouth informed IDS that it was changing its policy regarding the provision of the "hunt grouping" function between different classes of service. If BellSouth does not provide the "hunt grouping" function among different classes of service, IDS will not be able to service a significant number of its customers with ADSL. Additionally, many customers who want ADSL or who already have this type of data service, but utilize IDS for voice on UNE-P, are now being forced to return to BellSouth. BellSouth made this policy change with no advance notice to IDS, or apparently to other ALECs, and has refused to discuss the reasons behind this policy decision or to reconsider it in light of the significant adverse impact it has had on IDS.

38. The customers of IDS' business customers, innocent parties to the competition battle waged by BellSouth against IDS and other ALECs, have suffered in a variety of ways. In one case, an IDS business customer, a church, had to endure losing its voice mail for several days when it dared to agree to convert its local exchange service to a competitor of BellSouth, IDS. The

church's office lost messages left on voicemail from parishioners. Such messages can involve life and death matters. No satisfactory explanation was ever provided to IDS or the church for this loss of service. (See Exhibit B, Affidavit of Ms. Leonora Suglio, attached hereto.)

39. Another example of the thousands of customers affected by BellSouth's anticompetitive actions is that of an IDS business customer that is a major auto parts dealer with many locations. The very first location to be converted to IDS lost its phone service for several hours when IDS first submitted the order for UNEs to BellSouth. This disconnection of service, which was attributed to IDS, occurred prior to IDS even receiving a FOC. The customer's ability to do its business was so negatively affected by BellSouth's either intentionally anticompetitive behavior or gross negligence that IDS almost lost the account altogether. As such, the customer is unwilling to convert any more locations to IDS' services.

40. Another customer, Mr. Mason Tolman, the Executive Director of the Key West Innkeepers Association, found that when he authorized the conversion of his telephone services to IDS, he lost his voicemail on the day of the conversion and three full days afterward as a result of BellSouth's OSS errors. Mr. Tolman's business is responsible for the promotions for various Inns and Bed and Breakfast establishments. The business revenue he lost because of the loss of voicemail messages is impossible to calculate. (See Exhibit C, Affidavit of Mr. Mason Tolman, attached hereto.)

41. Another customer, Mr. Alvaro Lozano, President of Interstate Beverage Corporation, received approximately seven phone calls from a telemarketer claiming to represent BellSouth, beginning on or about April 3, 2001. This telemarketer stated to Mr. Lozano that he should switch back to BellSouth because IDS "was going out of business" and BellSouth could now offer his business savings that matched or beat IDS' rates. This telemarketer has harassed Mr. Lozano by calling him day after day with misrepresentations about IDS. (See Exhibit D, Affidavit of Mr. Alvaro Lozano, attached hereto.)

42. On April 5, 2001, an IDS customer, Ms. Laura Tirse, General Manager of M & L Interiors in Hialeah, Florida, received a phone call from an individual stating she represented BellSouth. The individual stated to Ms. Tirse: "IDS Telcom is going into bankruptcy and you need to choose a new carrier in order to avoid any disruption of telephone service." Ms. Tirse's office received at least two other similar phone calls from individuals representing BellSouth. (See Exhibit E, Affidavit of Ms. Laura Tirse, attached hereto.)

43. In May 2000, Ms. Suki York decided to convert her telephone service to IDS. On June 6, 2000, BellSouth made the conversion. Ms. York, who is the Marketing Director for Southpoint Divers, lost her voicemail on that date and for eight days afterward. The amount of business revenue associated with that loss is impossible to calculate. Ms. York received at least six phone calls from BellSouth beginning in late February 2001, attempting to persuade her to return to BellSouth by offering her a 20% discount if she agreed to sign a 36-month agreement. The BellSouth representative stated to Ms. York that, with

IDS, she did not receive “real operator services” and that, with BellSouth, she would receive “real and direct” service from BellSouth. (See Exhibit F, Affidavit of Ms. Suki York, attached hereto.)

44. Another IDS customer, Ms. Vanessa McCaffrey, the Vice President of Vacation Key West, attempted to relocate her business in November 2000. Ms. McCaffrey’s business lost dial tone during the conversion from November 16, 2000, through November 20, 2000, as a direct result of BellSouth’s OSS failures. The tremendous upset this caused Ms. McCaffrey included rumors that she had gone out of business because she could not be reached at her business office. The revenue loss associated with this outage was approximately \$5,000, but the damages to this business’ reputation and the tremendous hassle and stress caused Ms. McCaffrey is impossible to quantify. (See Exhibit G, Affidavit of Ms. Vanessa McCaffrey, attached hereto.)

45. Mr. Gregg McGrady, the owner of Key West Information Center, a tourist information business that relies heavily on telephone service and features to obtain and serve its clients, authorized the conversion of its telephone services to IDS in May 2000. On June 6, 2000, when BellSouth converted the customer, Mr. McGrady’s voicemail was disconnected. Mr. McGrady cannot estimate what revenue was lost through this BellSouth OSS failure. Mr. McGrady received a phone call from BellSouth in February 2001, asking “what would it take to persuade me to switch my services back to them.” The BellSouth representative also offered Mr. McGrady a 20% discount off his business’ current line charges and one month of free service for all of the business’ lines (26 business lines

excluding DSL lines) to induce him to return to BellSouth. (See Exhibit H, Affidavit of Mr. Gregg McGrady, attached hereto).

46. Ms. Jennifer Cleaver, General Manager of The Welcome Center of the Florida Keys, Inc., and The Key West Cuban Club, Inc., authorized the conversion of their telephone services to IDS on November 5, 2000. During the conversion, BellSouth's OSS caused the business' voicemail to be deactivated. Within two to three days of her business' conversion to IDS, Ms. Cleaver received a phone call from a BellSouth representative attempting to persuade her to switch back to BellSouth. The representative offered her "the same program if not a better discount than IDS could give her" if she switched back to BellSouth. In March 2001, Ms. Cleaver received two more phone calls from BellSouth offering her a 20% discount to return to BellSouth. (See Exhibit I, Affidavit of Ms. Jennifer Cleaver, attached hereto.)

47. On July 21, 2000, Mr. Michael Larson, owner of Century 21 All Keys, Inc., authorized the conversion of his telephone services for four separate business locations to IDS. On August 30, 2000, BellSouth converted Mr. Larson's business lines to IDS. Mr. Larson realized on that date that his voicemail at all of his business locations was inoperable. The business revenue associated with this disruption of service to his very busy real estate business is impossible to quantify. (See Exhibit J, Affidavit of Mr. Michael Larson, attached hereto.)

48. Eagle Steel, Inc., has been a satisfied IDS long distance customer since November 1998 and a local services customer since June 2000. On April

6, 2001, Ms. Ennette Auter, Eagle Steel, Inc.'s bookkeeper, received a phone call from a Bellsouth representative who asked what company provided Ms. Auter's phone services. When Ms. Auter replied that IDS was her provider, the Bellsouth representative stated: "That is good news for us (BellSouth) and bad news for you (Eagle Steel, Inc.) because IDS is going into bankruptcy and you (Eagle Steel, Inc.) need to choose a new telephone carrier. BellSouth is offering \$23.64 per line." (See Exhibit K, Affidavit of Ms. Ennette Auter, attached hereto.)

49. On October 2, 2000, Ms. Becky Pleus, manager of The Angelina Guest House, authorized the conversion of her business' telephone services to IDS. On October 12, 2000, BellSouth converted her services to IDS and she realized later that her voicemail was no longer operating. (See Exhibit L, Affidavit of Ms. Becky Pleus, attached hereto.)

50. Mr. Joseph A. Neves, owner of Seven Services, Inc., has been an IDS long distance customer since March 2000 and an IDS local services customer since October 2000. On April 4, 2001, Mr. Neves received a phone call from a BellSouth representative who attempted to persuade him to return to BellSouth. The BellSouth representative stated: "Did you know that IDS is going out of business?" (See Exhibit M, Affidavit of Mr. Joseph A. Neves, attached hereto.)

51. Mr. Robert J. Eury, owner of Curry House in Key West, Florida, converted his local telephone services to IDS in June 2000. On or about March 2, 2001, Mr. Eury received a telephone call from a BellSouth representative who stated Mr. Eury might experience problems or delays getting service because he

had his service with IDS. The BellSouth representative stated that because BellSouth owned the lines, Mr. Eury would not have to wait for services to be provided if he switched back to BellSouth. (See Exhibit N, Affidavit of Robert J. Eury, attached hereto.)

52. When IDS submits orders to complete moves, adds or changes, BellSouth's wholesale division rarely completes these orders prior to a five-day period, whereas similar BellSouth retail customers can get many of these changes completed in hours.

53. BellSouth does not process IDS' orders to convert customers in a timely fashion. BellSouth disconnects service to customers that wish to convert to IDS for hours, days or weeks prior to reestablishing the customers' service pursuant to IDS' "conversion as is" orders. BellSouth does not permit IDS to convert customers to IDS' service without delays and errors and problems resulting in tremendous hardships to customers that wish to transfer to IDS. This is not OSS at parity with that utilized by BellSouth's retail operations. The attached Affidavits of Keith Kramer and William Gulas, both Vice Presidents of IDS, support the above allegations regarding IDS' history of problems with BellSouth and its need for emergency relief. (See Exhibits O and P, Affidavits of Keith Kramer and William P. Gulas, attached hereto.)

54. On January 15, 2001, BellSouth filed a tariff promotion, referred to as the "Full Circle Program," that was approved by the Florida Public Service Commission. (See Exhibit Q, BellSouth Full Circle Program Tariff, attached hereto.) The provisions of this tariff state:

Former BellSouth business customers who have changed to another local service provider in the previous two years, beginning January 1, 2001, with BST revenue of \$70 to \$12,500 and return to BellSouth are eligible. Customers signing an election agreement of 18, 24 or 36 months will receive a 10%, 15%, or 20% discount, respectively.

55. The Full Circle Program is offered only to small to medium-sized business customers who were originally BellSouth customers, but left BellSouth and became ALEC customers. Moreover, the offer is based on a term contract with discounts that match IDS' discounts and requires the customer to sign up to a three-year term. Additionally, the Full Circle Program targets IDS' primary market. Since the passage of the Act, BellSouth has established a pattern of destroying competition by offering attractive pricing programs and "win back" provisions to high value customers that it has lost. The Full Circle Program's anticompetitive impact is compounded by BellSouth's long term "Contract Service Agreements" ("CSA"), that further decrease customers' interest in dealing with competitors.

### **Count One**

#### **BellSouth Has Breached the Interconnection Agreement by Failing to Provide IDS OSS and UNEs at Parity**

56. Complainants incorporate by reference, as if fully set forth herein, the allegations contained in paragraphs 1 through 55.

57. As the above allegations demonstrate, BellSouth has breached the requirement in the Interconnection Agreement to provide OSS and UNEs to IDS

at parity. This lack of parity in BellSouth's provision of OSS to IDS has crippled IDS' performance and harmed IDS' reputation with long-standing customers. IDS' has suffered tremendous financial harm as a result of BellSouth's failures in the provision of OSS, as delineated in the Affidavit of Keith Kramer, Senior Vice President of IDS, attached hereto as Exhibit O.

58. BellSouth has breached the Interconnection Agreement and the Telecommunications Act of 1996 by failing to provide UNEs to IDS at parity with its provision of UNEs to its own retail customers.

59. BellSouth has continued to stifle any possibility of competition in the local exchange services market by aggressively resisting the provision of UNEs to IDS.

### **Count Three**

#### **BellSouth has Perpetrated an Anticompetitive Campaign of Win Back Tactics Against IDS, including the Full Circle Program and Fraudulent Telemarketing Schemes**

60. Complainants incorporate by reference, as if fully set forth herein, the allegations contained in paragraphs 1 through 59.

61. Section 364.01(4), Florida Statutes, states that the Florida Public Service Commission is to exercise its exclusive jurisdiction to:

Ensure that all providers of telecommunications services are treated fairly, by preventing anti-competitive behavior and eliminating unnecessary regulatory restraint.

62. Beyond setting out the global statutory framework to bring about competition throughout the telecommunications industry and, most specifically, the local exchange services market, The Telecommunications Act of 1996, in Section 253(b), provides that:

Nothing in this section shall affect the ability of a State to impose, on a competitively neutral basis and consistent with section 254, requirements necessary to preserve and advance universal service, protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers.

63. It is clear from the allegations in this Complaint and in the attached sworn Affidavits that BellSouth is guilty of blatantly anticompetitive behavior against IDS to the detriment of IDS and IDS' customers. It is also clear that Chapter 364, Florida Statutes, and the Telecommunications Act of 1996 give the Commission the power to act to effectively address this anticompetitive behavior.

64. BellSouth has perpetrated a campaign of anticompetitive activities that have resulted in serious harm to IDS. These anticompetitive activities include, among others, win back promotions capitalizing on the opportunities created by BellSouth's failures to provide OSS at parity and telemarketing campaigns that misrepresent the facts regarding where the fault lies for customer service problems, as well as direct falsehoods to customers regarding IDS.

65. BellSouth has actively sought to destroy IDS' reputation as a successful, reliable telecommunications provider to customers that IDS has served for many years as a long distance company. BellSouth has accomplished these goals by unreasonable delays in the provision of OSS, UNEs, and other

services, by outright unlawful misrepresentations, by the use of win-back tactics, by abuse of IDS' customers and, ultimately, by abuse of the citizens of Florida who obtain goods and services from IDS' business customers.

66. BellSouth has violated Section 364.01(4)(g), Florida Statutes, and the Telecommunications Act of 1996 by utilizing various strategic tactics and practices, including its "Full Circle Program," to win back customers prior to even completing their conversion to IDS.

67. Section 364.01(4)(h), Florida Statutes, provides for:

. . . the flexible regulatory treatment of competitive telecommunications services, where appropriate, if doing so does not reduce the availability of adequate basic local telecommunications service to all citizens of the state at reasonable and affordable prices, **if competitive telecommunications services are not subsidized by monopoly telecommunications services**, and if all monopoly services are available to all competitors on a nondiscriminatory basis.

(emphasis added)

68. BellSouth maintains that the resale discount of 16.839% represents avoided cost on business lines. Considering the associated high marketing acquisition costs, it is economically unfeasible for BellSouth to offer ALEC customers up to a 20 percent discount to win them back.

69. BellSouth's maximum discount of 20 percent offered in the Full Circle Program appears to permit BellSouth to price its service below cost and thus subsidize its "**competitive telecommunications service**" by its "**monopoly telecommunications services**" in violation of Section 364.01(4)(h), Florida Statutes. This practice is not only discriminatory to IDS and other ALECs, but also to BellSouth's loyal customers.

70. The Full Circle Program and other similar win back programs discriminate against loyal small to midsize business customers of BellSouth. While BellSouth is offering discounts to the ALEC business customers, it is raising the rates of its loyal customers. Since the initiation of the Full Circle Program, BellSouth has raised the rates for its own business customers by approximately 15 percent.

71. BellSouth has violated Section 364.01(4)(g), Florida Statutes, and the Telecommunications Act of 1996 by waging telemarketing campaigns in which its representatives fraudulently misrepresent to Florida customers that errors made by BellSouth are the fault of IDS, that IDS is “going out of business” or “ready to declare bankruptcy”, or otherwise will be unable to provide good service. These allegations are supported by the sworn affidavits of IDS’ customers attached hereto.

72. The Full Circle Program and other similar win back programs are barriers to local competition because their implementation results in discriminatory access to OSS. ALECs like IDS, who use BellSouth’s OSS, wait much longer than BellSouth’s retail division to gain access to BellSouth’s network so they can provide local telephone services. Thus, the ALEC customers are subjected to confusion, outages and errors. When such poor performance results in service interruption, BellSouth misleads the ALEC customer into believing the ALEC caused the resulting service problems, and that the problem was caused when the ALEC submitted the order to convert service. This is clearly designed to mislead the ALEC customer into believing it was the ALEC’s

fault when, in fact, BellSouth caused the service interruption. This combined with the “Full Circle Program” leaves most customers with no choice but to return to BellSouth in order to have service restored.

73. The misleading marketing campaigns and the OSS parity problems associated with the Full Circle Program and other similar win back programs are designed to destroy the reputation of ALECs. In light of the current dilemmas facing ALECs as a whole in today’s telecommunications market, an ALEC that wrongfully acquires a poor reputation for service may never fully recover. *Ameritech-SBC Merger Order*, paragraph 237 (harms to an ALEC’s reputation inflicted by ILECs limit the ability of ALECs to enter the local telephone services market).<sup>2</sup>

74. BellSouth’s Full Circle Program’s misleading marketing campaign instills unjustified fear in the ALECs’ customers. When an ALEC customer suffers from an OSS failure and BellSouth knowingly misleads the customer as to who is at fault, the customer becomes so upset that it will never leave BellSouth again for any reason. The harm created by BellSouth in this instance is far wider than simply harm to IDS—it destroys any chance for the development of competition in the local exchange services market.

75. BellSouth has utilized the Full Circle Program to capitalize on the failures in the OSS it provides IDS. BellSouth targets the small to medium-sized businesses, the market niche IDS is seeking to serve. BellSouth’s telemarketing representatives and customer service representatives zero in on IDS’ customers

immediately after the order for the conversion of their service is somehow stymied or mishandled and blames the problems on IDS in order to win the customers back to BellSouth. BellSouth's actions are anticompetitive and flagrantly violative of the Telecommunications Act of 1996.

### **Count Three**

#### **BellSouth Has Permitted the Sharing of IDS' Customer Proprietary Network Information Between its Retail and Wholesale Divisions in Violation of the Telecommunications Act of 1996**

76. Complainants incorporate by reference, as if fully set forth herein, the allegations contained in paragraphs 1-75.

77. BellSouth has violated the Telecommunications Act of 1996 by providing the names of IDS' customers obtained from orders submitted to BellSouth's wholesale division to BellSouth's retail division and permitting the retail division to contact these customers prior to the wholesale division's completion of their conversion to IDS' services.

78. When an ALEC places an order with BellSouth to switch a customer, the customer automatically receives correspondence from BellSouth seeking to have the customer "return to BellSouth". It is impossible for BellSouth to act so expeditiously unless there is internal sharing of Customer Proprietary Network Information ("CPNI") between its retail and wholesale divisions to win back the ALEC customer.

---

*2 In Re Applications of Ameritech Corp. and SBC Communications, Inc. for Consent to Transfer Control of Corporation Holdings, Commission Licenses and Lines, Memorandum Opinion and Order, CC Docket No. 98-141, FCC No. 99-279, (Rel. October 8, 1999) ("Ameritech-SBC Merger Order").*

79. It is abundantly clear that there will be no competition in the local exchange services market as long as BellSouth's wholesale and retail operations are intimately connected as they are today. BellSouth's retail division has targeted potential IDS customers for telemarketing calls and for aggressive marketing pitches even prior to BellSouth's wholesale division concluding the actual transfer of such customers to IDS as their provider. This cannot happen without some sort of transfer of information between these divisions or some other inappropriate access being provided. The simple fact is that BellSouth is one company and its wholesale division only provides services to ALECs and CLECs because a gun is being held to its corporate head. BellSouth's retail division is desperately and aggressively fighting for its corporate benefit by keeping and getting customers at all costs. No ALEC or CLEC can have any expectation of success in this type of situation. The track record that exists as of today, of no viable competition in the local exchange services market five years after the passage of the Telecommunications Act of 1996, clearly demonstrates this.

#### **Count Four**

#### **The Commission Should Immediately Initiate a Show Cause Proceeding to Investigate and Sanction BellSouth for its Anticompetitive Activities that Have Harmed Citizens of the State of Florida**

80. Complainants incorporate by reference, as if fully set forth herein, the allegations contained in paragraphs 1-79.

81. Section 364.01(4)(a), Florida Statutes, states that the Florida Public Service Commission shall exercise its exclusive jurisdiction to:

Protect the public health, safety, and welfare by ensuring that basic local telecommunications services are available to all consumers in the state at reasonable and affordable prices.

82. As the allegations of this Complaint have shown, and as the customer affidavits attest, the public health, safety, and welfare is in danger as a result of BellSouth's anticompetitive actions against IDS. IDS' customers have suffered the disconnection of their telecommunications services, including loss of dial tone and loss of voicemail services. Citizens of the State of Florida have been harassed on a frequent, continual basis over their choice of local exchange telecommunications service provider. Without dial tone, customers have no access to "911" and other basic telecommunications necessities. Customers have had misrepresentations made to them on a consistent basis regarding the source of their service problems and the reliability of telecommunications companies that compete with BellSouth.

83. BellSouth's actions have gone beyond simply outrageous anticompetitive tactics harming incipient competitors in the telecommunications industry. BellSouth's actions have risen to a new level of endangering the public health, safety and welfare. This has happened because the third parties that are daily affected by BellSouth's intentional anticompetitive activities and gross negligence are citizens of the State of Florida. These citizens are the owners of businesses. These citizens are the customers of businesses served by IDS. These citizens have taken the word of the Florida Public Service Commission that competition in the provision of local exchange telecommunications services

is legally mandated and is developing in an appropriate fashion. Relying on your representations that they have viable competitive alternatives for telecommunications services, these citizens have attempted to purchase local exchange telecommunications services from competitors of BellSouth. These citizens have dared to place the financial health of their businesses at risk. In return for their reliance on these representations about competition in the local exchange services market, these business customers have suffered financial harm and difficulty in the operation of their businesses. The ultimate customers of IDS' business customers have suffered various types of harm, including endangerment, as a result of BellSouth's flagrant tactics to stifle the development of any competition in the local exchange services market.

#### **Request for Permanent Relief**

84. IDS requests that the Florida Public Service Commission:
- a) Hold an expedited hearing due to the emergency nature of this situation and the severe financial harm being incurred by IDS.
  - b) Determine that BellSouth has breached the Interconnection Agreement and the Telecommunications Act of 1996 by failing to provide OSS at parity with that provided to its own retail division, by failing to provide UNEs at parity with its provision of UNEs to its own customers, and by waging an anticompetitive war against IDS and its customers through various win back tactics, including the Full Circle Program.

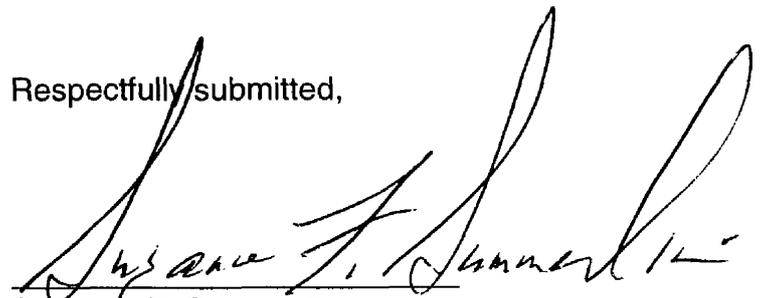
- c) Order the suspension of the Full Circle Program tariff and place a moratorium on all win back activities by BellSouth for twelve months after BellSouth proves conclusively to the Florida Public Service Commission that it is offering OSS and UNEs at parity.
- d) Place all monies paid by IDS' to BellSouth subject to refund until such time as BellSouth proves conclusively to the Florida Public Service Commission that it is offering OSS and UNEs at parity with the OSS and UNEs that it provides its retail division.
- e) Determine the actual cost of BellSouth's provision of sub-parity services to IDS over the past two years and order BellSouth to refund IDS monies in excess of that cost.
- f) Initiate a show cause proceeding against BellSouth to investigate and sanction its anticompetitive activities that have harmed IDS and IDS' customers, as well as other ALECs and their customers.
- g) Grant such other relief as the Commission deems appropriate.

### **Request for Emergency Relief**

85. Based on the sworn affidavits attached to this Complaint demonstrating the irreparable harm being incurred by IDS and IDS' customers as a result of BellSouth's anticompetitive activities in violation of Chapter 364.01(4)(g), Florida Statutes, and the Telecommunications Act of 1996, as well as BellSouth's breach of the Interconnection Agreement, IDS requests the Florida Public Service Commission to take emergency action within thirty days of the filing of this Complaint. IDS requests the Commission to:

- a) Order the suspension of the Full Circle Program tariff and place a moratorium on any and all win back activities of BellSouth pending the conclusion of this proceeding.
- b) Order all monies IDS pays in the future to BellSouth subject to refund pending the conclusion of this proceeding.
- c) Grant such other relief as the Commission deems appropriate on an emergency basis.

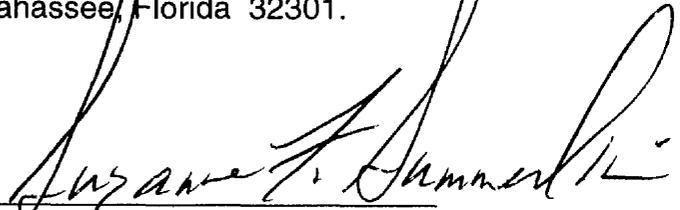
Respectfully submitted,



Suzanne F. Summerlin  
Florida Bar No. 398586  
1317-B Paul Russell Road  
Suite 201  
Tallahassee, Florida 32301  
(850) 656-2288  
Attorney for IDS Long Distance, Inc.  
n/k/a IDS Telcom, LLC

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing COMPLAINT AND REQUEST FOR EMERGENCY RELIEF was furnished by U.S. Mail, Certified Return Receipt Requested, this 11<sup>th</sup> day of May, 2001, to Nancy White, Esquire, General Counsel, BellSouth Telecommunications, Inc., 150 South Monroe Street, Suite 400, Tallahassee, Florida 32301.

  
\_\_\_\_\_  
Suzanne F. Summerlin

4511 BellSouth Center  
675 West Peachtree Street, N.E.  
Atlanta, Georgia 30375

Phone: 404 927-7020  
Fax: 404 521-2311

**Glen Estell**  
President - Interconnection Services

May 17, 2000

Mr. Joe Millstone, CEO  
IDS Telcom  
1525 Northwest 167<sup>th</sup> Street, Suite 200  
Miami, FL 33169

Dear Mr. Millstone:

Mr. Ackerman asked me to respond to your letter of May 12, 2000. Also, this will confirm our conference call discussion of May 15, 2000.

IDS experienced many problems when placing a large quantity of end user orders during the week of May 8, 2000. As you know, IDS utilized new functionality within a BellSouth software program to submit these orders. Unfortunately, BellSouth's mechanized systems experienced software problems that were not detected in the standard development and implementation process utilized by BellSouth when bringing new functions up for commercial use. The problems with the programs were discovered when IDS' orders completed through the system.

We regret that this situation occurred and hope that we can work through this issue and prevent any such difficulties with IDS orders in the future.

Please accept BellSouth's apologies and share them with any IDS customer whose service may have been affected during the past several days.

Sincerely,



Glen Estell  
President, BellSouth - Interconnection Services

**AFFIDAVIT OF LEONORA SUGLIO**

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, personally appeared Loenora Suglio, who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the Administrative Assistant of Community of Hope Church. My name is Leonora Suglio and I am over 18 years of age. I am the Administrative Assistance of Community of Hope Church. Our physical address is 11388-B Okeechobee Blvd., Royal Palm Beach, Florida, 33411. Our telephone number is (561) 793-8484.
3. On Monday February 26, 2001 I arrived at Community of Hope at approximately 8:00 AM. I attempted to shut off the Voice Mail service and I found that it did not go through its usual procedure to shut off.
4. That morning I received a call from a Church member who had left a message that I was unaware of and unable to retrieve. Subsequently I received a call from another Church member who also left a message that I was unable to retrieve. When I was leaving for lunch, I attempted to turn on the voice mail service, and it would not connect, indicating to me that something was wrong with the voice mail.
5. Because the Church had recently subscribed to IDS Telcom for its local telephone services and I knew the conversion would be proceeding in the very near future, I contacted our telephone service agent Mr. Jeff McDonald to find out if the cause of the Voice Mail disruption was due to the conversion. Mr. McDonald verified through IDS that our pending conversion was scheduled for February 27, 2001 the very next day and indicated that there should be no disruption of services during the conversion.
6. So, because I was technically still a BellSouth customer, I contacted BellSouth. They verified that the conversion to IDS Telcom was in fact scheduled for February 27, 2001. The BellSouth representative indicated that it was because of something IDS Telcom did in the conversion order that caused our Voice Mail to become inoperable and that I should contact IDS because BellSouth could do nothing for me even though the Church was still a BellSouth customer as of that time. I felt that because the Church was still a BellSouth customer, BellSouth should fix the Voice Mail issue immediately. The BellSouth representative stated she could do nothing more for me due to the pending conversion order, and ended the call.
7. In the morning of February 28, 2001, I called BellSouth again because the Voice Mail issue had yet to be resolved. The person I spoke with was extremely rude and offered no information to assist me. She indicated that something was wrong with the IDS order however she refused to tell me where the problem was, stated she could not read the IDS conversion orders to see if there was an error in them that would have caused the Voice Mail to be canceled, but insisted that there had to be an error on IDS' orders and stated that because I was now an IDS customer, she could not speak with me about my services and I should call IDS.

8. On March 1, 2001, the Voice Mail was still inoperable so I contacted IDS' Agent Support Representative, Amanda Ladue. Ms. LaDue placed a call to the BellSouth repair center and spoke with (Martha) while I held on the line for approximately one half hour. When Ms. LaDue came back on the line, she was noticeably upset and she stated that she had been spoken to very rudely by the BellSouth representative as well as having been misinformed regarding the problem and how to proceed to correct it. She explained that BellSouth (Martha) as well as others in the repair center refused to correct the mailbox until an order to add Call Forwarding was placed by IDS. This was unacceptable and made no sense because we would have Call Forwarding answering a mailbox that was not in service.
9. I again contacted BellSouth myself, spoke with Mr. Seimens in the business department and explained that Community of Hope Church receives various life and death calls from people in need of our assistance and counseling and that not having the messaging features was causing great concern which could have serious consequences as a result. This problem started when I was a BellSouth customer and got worse after I switched to IDS. I demanded an explanation from BellSouth as to why our Voice Mail went down while the Church was a BellSouth Customer and why did they not correct the problem then. I consider this a BellSouth error yet they refused to correct the problem.
10. I placed the BellSouth representative on the hold for just a moment and he hung up before I could get back to him.
11. Today, Voice Mail has been restored and I have yet to receive an explanation from BellSouth about this matter.

FURTHER AFFIANT SAYETH NOT:

*Leonora Suglio*  
 Leonora Suglio, Affiant

Sworn to and subscribed before me this 16<sup>th</sup> day of March, 2001 by Leonora Suglio who is personally known to me or who produced \_\_\_\_\_ as identification.

*Pamela L. Beach*  
 \_\_\_\_\_  
 (Signature of Notary Public - State of Florida)



Pamela L. Beach  
 MY COMMISSION # CC926847 EXPIRES  
 May 7, 2004  
 BONDED THRU TROY FAIN INSURANCE, INC.

\_\_\_\_\_  
 (Print, Type or Stamp Commissioned Name of Notary)

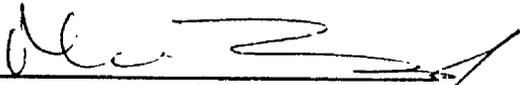
## AFFIDAVIT OF MASON TOLMAN

STATE OF FLORIDA  
COUNTY OF MONROE

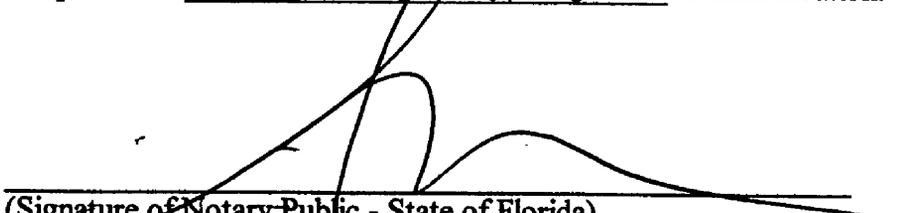
BEFORE ME, the undersigned authority, personally appeared Mason Tolman who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the Executive Director of the Key West Innkeepers Association. Our physical address is 922 Caroline Street, Key West, Florida 33040. My business telephone number is (305) 295-1334.
3. On June 6, 2000—I authorized IDS Telcom to convert the above businesses' local telephone service from BellSouth to IDS Telcom. On June 20, 2000 BellSouth converted the service to IDS.
4. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telcom. On the day the conversion took place, I found that I could not retrieve or receive any voice mail messages whatsoever at any of the above locations.
5. I contacted IDS Telcom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
6. On or about February 26, 2001, I received a telephone call from a BellSouth representative offering local telephone services at a 25% discount if I signed a term contract. I informed the caller that I already enjoyed a 20% discount off of the current BellSouth rates through IDS and they do not require a contract. On or about March 5, 2001, I received an oversized postcard advertisement offering the same 25% discount.
7. I own and operate a very that busy association that is responsible for all the promotions for various Inns and Bed & Breakfasts. My staff and me rely on the telephone service and features for obtaining and servicing potential and existing customers, proprietors and guests. During the conversion and for 3 full days afterward, I lost an incalculable amount of business revenue due to the inoperability of the voice mail feature.

FURTHER AFFIANT SAYETH NOT:

  
Mason Tolmac, Affiant  
mf

Sworn to and subscribed before me this 21<sup>ST</sup> day of March 2001 by Mason Tolmac who has produced T4SS-540-06-011-0 <sup>exp. 01/01/02</sup> as identification.

  
(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF ALVARO LOZANO**

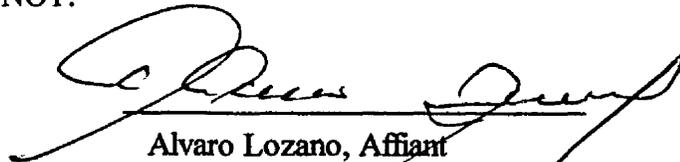
STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

BEFORE ME, the undersigned authority, personally appeared Alvaro Lozano who after being duly sworn, did depose and say:

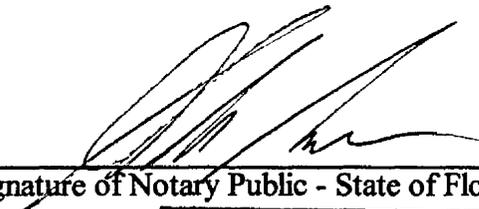
1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the President of Interstate Beverage Corporation. Our physical address is 1915 West 8<sup>th</sup> Avenue, Hialeah, Florida 33010. My business telephone number is (305) 883-6004.
3. I have been an IDS Telcom customer since August 2000 and IDS currently provides local and long distance services for my business.
4. On or about April 3, 2001 I received the first of approximately seven (7) calls to date from Ivan Cameron who represented himself as working for a company by the name of Telechoice. His number is (561) 616-9000. He further indicated that Telechoice was working on behalf of BellSouth's Win Back Department.
5. Mr. Cameron began insisting that I switch my local telephone services to BellSouth because IDS Telcom was "going out of business". Furthermore, BellSouth could now offer my business savings that match or beat what IDS was currently offering.
6. I questioned Mr. Cameron as to why BellSouth had not previously offered these savings to me before I switched my services to IDS. Mr. Cameron explained that due to recent government approvals, BellSouth could now offer savings similar to or better than IDS Telcom.
7. Mr. Cameron continued to be very insistent that I switch my services back to BellSouth and reiterated that IDS was going out of business. I told him that I would have to investigate his claim about IDS and that I was not prepared to make a decision at that time.
8. On April 6, 2001, Mr. Cameron called me again reiterating that IDS was going out of business and that I should seriously consider switching my services back to BellSouth in order to avoid any disruption of my services. I did not entertain a conversation at that time and ended the call.
9. Mr. Cameron has called every day beginning again on April 9, 2001 through today April 12, 2001 and I suspect he will continue to call.

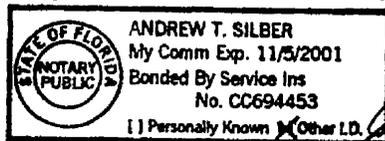
10. I contacted IDS Telcom and they have assured me that the representation made by Mr. Cameron is false and that they will bring this issue up with the appropriate authorities.
11. I am upset that BellSouth has made such representations concerning IDS Telcom because I do not want to feel as though my carrier has financial problems that would affect my telephone services in any way. I rely on my telephone services for my business and any disruption would be very costly. I have lost valuable time speaking with Mr. Cameron and having to investigate a matter, which now appears to be false. I want BellSouth to stop calling my business and making misrepresentations as stated above.

FURTHER AFFIANT SAYETH NOT:

  
Alvaro Lozano, Affiant

Sworn to and subscribed before me this 16<sup>th</sup> day of April 2001 by Alvaro Lozano who produced FL. DRIVER LICENSE as identification.  
L256-000-48-006.

  
\_\_\_\_\_  
(Signature of Notary Public - State of Florida)



\_\_\_\_\_  
(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF LAURA TIRSE**

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

BEFORE ME, the undersigned authority, personally appeared Laura Tirse who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the General Manager of M & L Interiors. Our physical address is 680 West 84<sup>th</sup> Street, Hialeah, Florida 33014. My business telephone number is (305) 819-7506.
3. M & L Interiors has been an IDS Telcom customer for local services since January 2001.
4. On April 5, 2001 I personally received a telephone call from an individual who stated her name was Jaime Lee. Jamie Lee stated that she was calling on behalf of BellSouth and that her records indicated that our local services are being provided by IDS Telcom. I asked her if she was with BellSouth and she stated that her company is part of BellSouth.
5. Jamie Lee then stated that "IDS Telcom is going into bankruptcy and we (M & L Interiors) needed to choose a new carrier in order to avoid any disruption of telephone service".
6. I indicated to Jamie Lee that I was not aware of IDS having any trouble and that I would need to confirm that information before making any decisions regarding or telephone services. Jamie Lee then gave me the number (561) 616-9000 and asked that I contact her if we decided to make the switch back to BellSouth.
7. I immediately contacted IDS Telcom and spoke with the receptionist who transferred me to Connie Mason. Ms. Mason assured me that IDS was not going into bankruptcy nor did it have any issues in that regard.
8. I then attempted to contact Jamie Lee at the above number and I was told by the receptionist that there was no one by the name of Jamie Lee at that number.
9. Additionally, my office has been called at least two other times in the last couple of weeks representing the same kind of issue about IDS Telcom. Unfortunately, my employees received the calls and only reported them to me. So, I instructed my employees to pass any further calls related to our telephone services to me. When BellSouth called again on April 5, 2001 the call was forwarded to me whereby I had the aforementioned discussion with Jamie Lee.

FURTHER AFFIANT SAYETH NOT:

*[Handwritten Signature]*

Laura Tirse, Affiant

Sworn to and subscribed before me this 10<sup>th</sup> day of April 2001 by Laura Tirse who is personally known to me or who produced FLA. DRIVER LIC. # T620-539-70-6118 identification.

EXP. 4/21/01

*[Handwritten Signature]*

(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

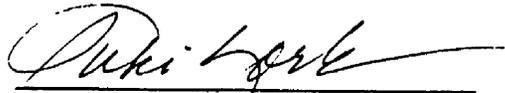
## **AFFIDAVIT OF SUKI YORK**

STATE OF FLORIDA  
COUNTY OF MONROE

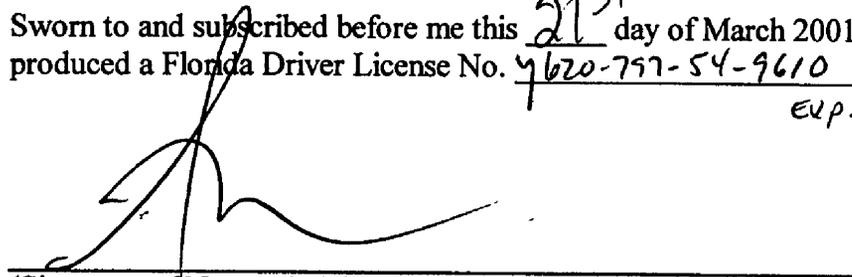
BEFORE ME, the undersigned authority, personally appeared Suki York who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the Marketing Director of Southpoint Divers. Our physical address is 714 Duval Street, Key West, Florida 33040. Our business telephone number is (305) 292-9778.
3. On May 18, 2000 I authorized IDS Telcom to convert my local telephone services from BellSouth to them. On June 6, 2000 BellSouth converted the local telephone service to IDS Telcom.
4. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telcom. On the day the conversion took place, I realized that I could not retrieve or receive any voice mail messages whatsoever for the business.
5. I did not immediately notice that the Voicemail feature was disabled. When I did realize it, I contacted IDS Telcom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
6. Over the past month beginning late February, I have received at least six (6) calls from BellSouth attempting to persuade me to switch back to them for local telephone services.
7. Each time, the BellSouth representative had offered a 20% discount as long as I agreed to sign a 36-month agreement. I informed the caller that I already enjoyed a 20% discount off of the current BellSouth rates through IDS. The caller responded by stating that with IDS, I don't get real operator services. The callers also stated that as a BellSouth customer I would receive real and direct service from BellSouth.
8. I own and operate a dive center that relies heavily on its telephone service and features for obtaining and servicing potential and existing customers. During the conversion and for eight (8) days afterward, I lost an untold amount of business due to the inoperability of the voice mail feature.

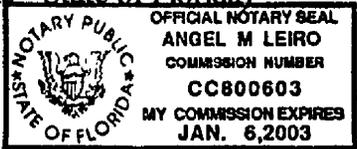
FURTHER AFFIANT SAYETH NOT:

  
Suki York, Affiant

Sworn to and subscribed before me this 21<sup>st</sup> day of March 2001 by Suki York who has produced a Florida Driver License No. 9620-797-54-9610 as identification.  
Exp. 12/21/02



(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF VANESSA McCAFFREY**

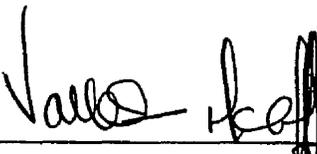
STATE OF FLORIDA  
COUNTY OF MONROE

BEFORE ME, the undersigned authority, personally appeared Vanessa McCaffrey who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the Vice President of Vacation Key West. Our physical address is 513 Fleming Street, Suite 3, Key West, Florida 33040. My business telephone number is (305) 295-9500.
3. I had been a satisfied customer of IDS Telcom for over one year when I decided to move my business location. On November 16, 2000 I was scheduled to move my telephone service from our old location to the above address. We worked extremely hard to make sure there would be no disruption during this move and I was assured by both BellSouth and IDS Telcom that there would be no disruption of my service during the move.
4. Ben Ulrich, an employee of mine advised me on November 16, 2000 that there was no dial tone and that a message was being played when customers called the office stating that (305) 295-9500 had been "disconnected".
5. I contacted IDS Telcom and informed them that I had lost dial tone. By this time it had been for most of the business day. My agent suggested that we forward our calls to my cellular phone temporarily until services could be restored. This was a good solution for what I had hoped would be a temporary problem. I have three voice lines and 2 computer/fax lines that were affected. I worked with my agent and IDS Telecom from my home until approximately 10:00 PM November 16, 2000 trying to get assurances that this problem would be resolved by the next day.
6. The next morning, Friday November 17, 2000 a BellSouth technician came to my new location to work on installing a new line that I had requested. I explained that we had lost dial tone the day before and he proceeded to try and resolve the matter. The technician worked for over 4 hours to correct the dial tone issue and when he finished for the day, he indicated that services had been restored.

7. On Saturday, November 18, 2000, I again had no dial tone and because it was Saturday, I was unable to have any service performed at all. Therefore I was without dial tone for the entire weekend and completely unable to conduct any business whatsoever. This included credit card transactions, reservation confirmations, new reservations and inquiries.
8. On Monday November 20, 2000 my service was finally restored.
9. I cannot begin to express the anguish that was a caused by this disaster. Because my business is well known and in a small city (Key West, Florida) within hours, rumors were circulating that I had gone out of business. I lost several confirmed bookings and left nervous customers with no way to contact me for what were expected arrivals at various guest houses in the area.
10. I have calculated that during the preceding weeks I had been booking approximately \$1,000 per day- A conservative estimate of my initial monetary losses was approximately \$5,000. The damages to my business however are incalculable in ways I cannot express.

FURTHER AFFIANT SAYETH NOT:

  
 \_\_\_\_\_  
 Vanessa McCaffrey, Affiant

Sworn to and subscribed before me this 28<sup>th</sup> day of March 2001 by Vanessa McCaffrey who has produced a Florida Driver License No. \_\_\_\_\_ as identification. PERSONALLY KNOWN TO ME.

  
 \_\_\_\_\_

(Signature of Notary Public - State of Florida)



\_\_\_\_\_  
 (Print, Type or Stamp Commissioned Name of Notary)

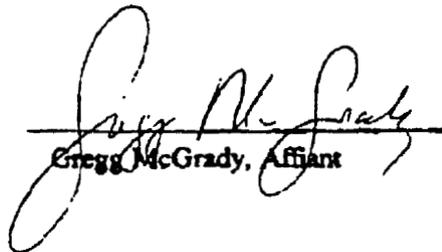
## AFFIDAVIT OF GREGG MCGRADY

STATE OF FLORIDA  
COUNTY OF MONROE

BEFORE ME, the undersigned authority, personally appeared Gregg McGrady who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the owner of Key West Information Center. Our physical address is 1601 N. Roosevelt Blvd, Key West, Florida 33040. My business telephone number is (305) 292-5000.
3. On may 12, 2000 I authorized IDS Telecom to convert the above businesses' local telephone service from BellSouth to IDS Telecom. On June 6, 2000 BellSouth converted the service to IDS.
4. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telecom. On the day the conversion took place, I found that I could not retrieve or receive any voice mail messages whatsoever. The telephone number affected was (305) 292-5000.
5. When I realized that there was a problem with the Voicemail, I contacted IDS Telecom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
6. On about my out February 28, 2001 I received a call from BellSouth soliciting my business to switch our local services back to them. During the call, BellSouth offered to reduce my rates by 20% off of their current lines charges.
7. In addition, BellSouth stated asked "what would it take to persuade me to switch my services back to them. They also offered one (1) month of free service for all my lines. (I currently have approximately 26 business lines excluding my DSL lines.)
8. I own and operate a very busy tourist information business that relies heavily on its telephone service and features for obtaining and servicing clients. I estimate that I had no Voicemail for at least 2 days after my conversion to IDS Telecom. This disruption caused an un-calculable loss of business revenue due to the inoperability of the voice mail feature.

FURTHER AFFIANT SAYETH NOT:

  
Gregg McGrady, Affiant

Sworn to and subscribed before me this 25 day of March 2001 by Gregg McGrady who produced Florida, Drivers License as identification.

  
\_\_\_\_\_  
(Signature of Notary Public - State of Florida)

 Daniel J. McMahon  
Commission # CC 749034  
Expires June 7, 2002  
BONDED THRU  
ATLANTIC BONDING CO., INC.

\_\_\_\_\_  
(Print, Type or Stamp Commissioned Name of Notary)

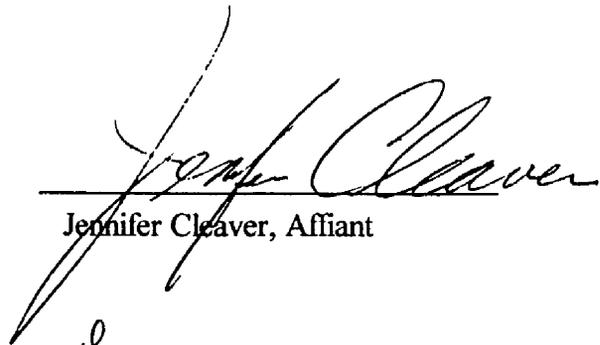
## AFFIDAVIT OF JENNIFER CLEAVER

STATE OF FLORIDA  
COUNTY OF MONROE

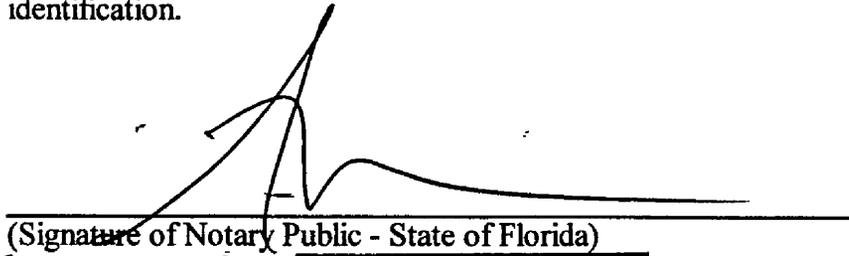
BEFORE ME, the undersigned authority, personally appeared Jennifer Cleaver after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the General Manager of The Welcome Center of the Florida Keys, Inc. Our physical ad located at 3840 Roosevelt Blvd., Key West Florida 33040. The business telephone number is (305) 296-4444. I also manage The Key West Cuban Club, Inc. The physical address is 422 Amelia Street, Key West, Florida 33040. The business telephone number-is (305) 296-0465.
3. On November 5, 2000 I authorized IDS Telcom to convert the business telephone services from BellSouth. On November 17, 2000, BellSouth converted the local telephone service to IDS Telcom.
4. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telcom. On the day the conversion took place, I found that I could not retrieve or receive any voice mail messages whatsoever. The affected telephone line number was (305) 296-4444.
5. Upon realizing that my voice mail feature was inoperable, I contacted IDS Telcom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
6. Within two or three days after I converted services to IDS Telcom, BellSouth called inquiring why I had switched my services and asking what they could do to get me to switch back to them. They requested information concerning what I had been offered by IDS to switch to them and offering "the same program if not a better discount than IDS could give me" if I switched back to BellSouth.
6. Within the past two weeks, I received two further calls BellSouth representatives offering local telephone services at a 20% discount. I informed the caller that I already enjoyed a 20% discount off of the current BellSouth rates through IDS.
7. I own and operate two extremely busy tourist businesses that rely heavily on their telephone service and features for obtaining and servicing potential and existing customers. Due to the disruption, I lost an untold amount of business revenue due to the inoperability of the voice mail feature.

FURTHER AFFIANT SAYETH NOT:

  
Jennifer Cleaver, Affiant

Sworn to and subscribed before me this 22<sup>nd</sup> day of March 2001 by Jennifer Cleaver who has produced a Florida Driver License No. C416-433-67-678-0 as exp. 05-18-05 identification.

  
\_\_\_\_\_  
(Signature of Notary Public - State of Florida)



\_\_\_\_\_  
(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF MICHAEL LARSON**

STATE OF FLORIDA  
COUNTY OF MONROE

BEFORE ME, the undersigned authority, personally appeared Michael Larson who after being duly sworn, did depose and say:

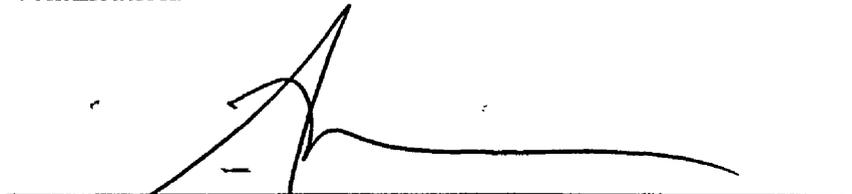
1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the owner of Century 21 All Keys Inc. Our physical address is 1720 N. Roosevelt Blvd., Key West, Florida 33040. Our business telephone number is (305) 294-4200.
3. I also have three other business accounts with locations and numbers as follows: 5300 U.S. 1, Key West, Florida 33040, (305) 292-2480 and 3605 College Road, Unit 101-A, Key West, Florida 33040 (305) 294-2020. P.O. Box 4013, Key West, Florida 33041 (305) 745-1278
4. On July 21, 2000 I authorized IDS Telcom to convert our business telephone service from BellSouth to them. On August 30, 2000 BellSouth converted all of the above businesses' local telephone services to IDS.
5. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telcom. On the day the conversion took place, I found that I could not retrieve or receive any voice mail messages whatsoever at either of the following telephone numbers (305) 295-0007 and (305) 294-4200.
6. When I realized that there was a problem with the voice mail, I contacted IDS Telcom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
7. I own and operate a very busy real estate business that relies heavily on its telephone service and features for obtaining and servicing clients. This disruption caused an enormous loss of business revenue due to the inoperability of the voice mail feature. Pending and potential clients were unable to communicate pertinent information concerning ongoing transactions and negotiations.

FURTHER AFFIANT SAYETH NOT:



Michael Larson, Affiant

Sworn to and subscribed before me this 21<sup>st</sup> day of March 2001 by Michael Larson who has produced Florida Driver License No. 2625 541-50290-0 as exp. 08/10/01 identification.



(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF ENNETTE AUTER**

STATE OF FLORIDA  
COUNTY OF VOLUSIA

BEFORE ME, the undersigned authority, personally appeared Ennette Auter who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the Bookkeeper for Eagle Steel, Inc. Our physical address is 507 A Herbert Street, Port Orange, Florida 32119. My business telephone number is (386) 761-0824.
3. Eagle Service, Inc. has been a long distance customer of IDS Telcom ("IDS") since November 1998 and a local services customer since June 2000 and we are satisfied with IDS' services.
4. On April 6, 2001 I received a telephone call from a BellSouth representative who did not provide her name. This individual indicated that she was calling about our local telephone services. She further stated that BellSouth's records indicated that IDS is our local telephone services provider.
5. I acknowledged that our services are with IDS. The caller then stated "that is good new for us (BellSouth) and bad news for you (Eagle Steel) because IDS is going into bankruptcy and you (Eagle Steel) need to choose a new telephone carrier. BellSouth is offering \$23.64 per line." She then asked if I would like to switch carriers at that time and I told her that I needed to verify the information concerning IDS. She told me she would call me back.
6. I did not ask for a name and none was given. The caller then stated that she would call me back later in the day or the following week and left no number where I could contact her.
7. I immediately contacted my agent Mina Kelly and informed her about my conversation with BellSouth and Ms. Kelly assured me that this was false and that IDS was not going into bankruptcy nor did they have any such problem.
8. On April 10, 2001 I received a call from a gentleman who said his name was Steve Leventhal and he was calling on behalf of BellSouth. I could not speak with Mr. Leventhal at the time as I was attending to customers and he left a number where I could reach him (800) 436-7262.
9. The representation made by the BellSouth representative was very disturbing to me because Eagle Steele has a good business relationship with IDS and has no intention of

switching carriers. This type of misrepresentation should not be allowed to continue as it causes unnecessary alarm to customers who are trying to operate their businesses and have enough issues to deal with on a daily basis.

FURTHER AFFIANT SAYETH NOT:

*Ennette Auter*

Ennette Auter, Affiant

Sworn to and subscribed before me this 10th day of April 2001 by E Auter who is personally known to me or who produced \_\_\_\_\_ --as identification.

*Donald E. Mathers, Jr.*

(Signature of Notary Public - State of Florida)

(Print, Type or Stamp Commissioned Name of Notary)



Donald E. Mathers, Jr.  
MY COMMISSION # CC706708 EXPIRES  
May 1, 2002  
BONDED THRU TROY FAIR INSURANCE, INC.

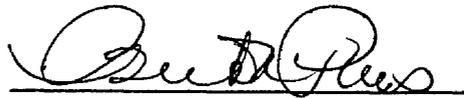
**AFFIDAVIT OF BECKY PLEUS**

STATE OF FLORIDA  
COUNTY OF MONROE

BEFORE ME, the undersigned authority, personally appeared Becky Pleus who after being duly sworn, did depose and say:

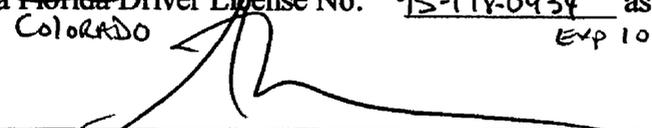
1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the manager of The Angelina Guest House. Our physical address is 302 Angela Street, Key West, Florida 33040. My business telephone number is (305) 294-4480.
3. On October 2, 2000, I authorized IDS Telcom to convert the above businesses' local telephone service from BellSouth to them. On October 12, 2000 BellSouth converted the services to IDS Telcom.
4. I understood that there would be no disruption of service during the conversion of my telephone service from BellSouth to IDS Telcom. On the day the conversion took place, I found that I could not retrieve or receive any voice mail messages whatsoever. The affected number was (305) 294-4480.
5. I contacted IDS Telcom and they provided a temporary pass code for access to the voice mail however, all the messages I had archived had been erased and were un-retrievable.
6. I own and operate a small business that relies on its telephone service and features for obtaining and servicing potential and existing customers. During the conversion and for one day afterward, I lost an untold amount of business revenue due to the inoperability of the voice mail feature as well as the frustration and lost time trying to resolve the problems brought on by this disruption.

FURTHER AFFIANT SAYETH NOT: .



Becky Plues, Affiant

Sworn to and subscribed before me this 22<sup>nd</sup> day of March 2001 by Becky Plues who has produced a ~~Florida~~ Driver License No. 95-178-0934 as identification.  
Colorado Exp 10/5/01



(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

**AFFIDAVIT OF JOSEPH A. NEVES**

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

BEFORE ME, the undersigned authority, personally appeared Joseph A. Neves who after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the owner of Seven Services, Inc. Our physical address is 15566 NW 5<sup>th</sup> Street, Pembroke Pines, 33028. My business telephone number is (954) 436-4673.
3. I have been an IDS Telcom Long Distance customer since March 2000 and a local services customer since October 2000.
4. On April 4, 2001, I received a telephone call from a BellSouth representative who stated her name was Carol. She gave no last name. Carol's telephone number is (800) 966-2355 Extension 4030.
5. Carol solicited me to switch my local services back to BellSouth from IDS. I informed her that I was satisfied with my services from IDS and that I did not wish to switch my services back to BellSouth. Carol then stated, "did you know that IDS is going out of Business". I said I did not know that and I ended the call at that time.
6. This call was very disturbing to me because I have a good relationship with IDS and I am happy with their services and I was very surprised that they would be going out of business. I then contacted my agent Ronald McClusky and he assured me that IDS was not going out of business.

FURTHER AFFIANT SAYETH NOT:

  
\_\_\_\_\_  
Joseph A. Neves, Affiant

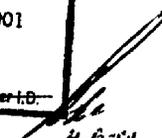
Sworn to and subscribed before me this 6<sup>th</sup> day of April 2001 by who produced FLORIDA DRIVERS LICENSE as identification.

  
\_\_\_\_\_  
(Signature of Notary Public - State of Florida) 04-06-2001

ANDREW SILBER  
(Print, Type or Stamp Commissioned Name of Notary)

STATE OF FLORIDA  
NOTARY PUBLIC

ANDREW T SILBER  
My Comm Exp. 11/3/2001  
Bonded By Service Ins  
No. CC694453  
 Personally Known  Other

  
4-6-01

**AFFIDAVIT OF ROBERT J. EURY**

STATE OF FLORIDA  
COUNTY OF MONROE

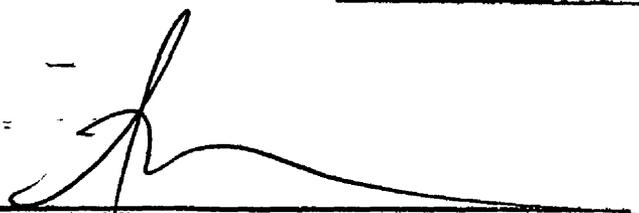
**BEFORE ME, the undersigned authority, personally appeared Robert J. Eury who after being duly sworn, did depose and say:**

1. All statements made herein are made of my own personal knowledge and are true and correct to the best of my knowledge and belief.
2. I am the owner of Curry House. Our physical address is 806 Fleming Street, Key West, Florida 33040. My business telephone number is (305) 294-6777.
3. On June 16, 2000 BellSouth converted the local telephone service to IDS Telecom pursuant to my authorization.
4. On or about March 2, 2001, I received a telephone call from a BellSouth representative soliciting my local telephone service.
5. The representative stated that because I had my local service with IDS Telecom, I might experience problems or delays getting service. He also indicated that because BellSouth owned the lines, I would not have to wait for services to be provided, as I would have to with IDS.
6. I explained that I have not had to wait for services while an IDS customer any more than I would have had too if I was a BellSouth customer when service was needed and IDS Telecom has always responded timely to my needs. I also save approximately \$300 to \$350 per month on my basic services in addition to my long distance saving as an IDS Telecom customer.
7. The BellSouth representative was very persistent during our conversation and at all times I was clear that I did not wish to switch back to BellSouth and I would not. Finally, when the caller realized I would not switch, he ended the call.

FURTHER AFFIANT SAYETH NOT:

  
 \_\_\_\_\_  
 Robert J. Eury, Affiant

Sworn to and subscribed before me this 30 day of March 2001 by Robert J. Eury who has produced a Florida Driver License No. FL00-710-SI-227-G as identification.



(Signature of Notary Public - State of Florida)



(Print, Type or Stamp Commissioned Name of Notary)

AFFIDAVIT OF KEITH KRAMER

STATE OF FLORIDA

COUNTY OF DADE

BEFORE ME, the undersigned authority, personally appeared KEITH KRAMER, who, after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge.
2. My home address is 18459 N.W. 9<sup>th</sup> Street, Pembroke Pines, Florida 33029.
3. I am the Senior Vice President of Local Services of IDS Telcom, L.L.C. ("IDS") located at 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169.
4. I joined IDS in November 1994 and, since that time, I have held a number of positions. In my current position as Senior Vice President, I oversee all aspects of daily operations at IDS, including provisioning and customer service. In addition, I oversee IDS' business development, the executive staff, and regulatory department. I was instrumental in the development of a provisioning system capable of converting 50,000 plus lines per month into UNE-P service. I am also the team leader for negotiations of IDS' Interconnection Agreement with BellSouth Telecommunications, Inc. for all nine states.
5. I have personal knowledge of and am completely and intimately familiar with the facts and allegations contained in the attached Complaint filed by IDS against BellSouth Telecommunications, Inc. All of these facts and allegations are completely true and accurate to the best of my knowledge and belief.

6. I have been personally involved on a day-to-day basis since IDS began providing local exchange services through the purchase of UNEs from BellSouth. I have experienced IDS' struggle against BellSouth's misleading and unlawful tactics in its win back program known as the "Full Circle Program". I have become convinced that BellSouth's OSS systems are designed to function poorly to be utilized purposely as a win back strategy. I believe that without immediate relief from the Florida Public Service Commission, neither IDS nor any other ALEC will be able to survive, much less successfully compete, in the State of Florida.

7. I have personally communicated with individuals at all levels of BellSouth to attempt to resolve the many problems and issues raised in the attached IDS Complaint with no success. On the many occasions when I have personally complained to BellSouth, I have yet to receive an adequate response to the problems IDS has experienced. When BellSouth caused 1,400 of IDS' resale customers to lose their services when converting them to UNE-P, I personally spoke with Duane Ackerman's Assistant. The total response was in the form of an apology letter from Glenn Estelle, Vice President of BellSouth. This letter was apparently intended to help IDS keep its customers. However, BellSouth took no internal action to prevent the retail division from using this event to win back customers. The win back tactics are still being used, and it is my opinion that BellSouth actually encourages this behavior.

8. The anticompetitive behavior on BellSouth's part is not only unlawful, but it goes beyond any moral or ethical concept of business practice. IDS has been in business since 1989. IDS has enjoyed a stellar reputation with our customers until recently. The damage BellSouth has caused IDS is staggering and it may last for years. We have made every effort to get these customers return to our service, even offering six months free service. BellSouth had done such a tremendous job in convincing these customers that their service interruptions were caused by IDS that these customers would never leave BellSouth for an ALEC. These scare tactics have affected not only IDS, but the entire ALEC industry. BellSouth has used its OSS failures, by design, to destroy competition in Florida, thus making the Telecommunications Act of 1996 ineffective in creating competition in Local services.

9. Serious financial harm has been inflicted on IDS. Since IDS converted its resale base to UNE-P through the LENS Bulk Ordering System, IDS has sustained significant customer and line losses. These were long-established customers from whom IDS received revenue through two streams--local and long distance.

10. The combination of BellSouth's OSS failures and win back tactics have created such a high monthly customer attrition rate that in some months, it has exceeded 71.5 percent. Prior to IDS doing UNE-P with BellSouth, IDS' attrition rate (since 1989) was less than three percent annually. High attrition rates have influenced the market valuation of the A-LEC companies. Financial Institutions, such as "Brown

Brothers and Legg Mason," require a company to have a monthly attrition rate of less than three percent. IDS, with its current attrition rate, is having difficulty being considered for capitalization. IDS, like all other companies, requires capital infusion from time to time to sustain growth. What BellSouth has successfully done is to shut off monies that IDS needs for growth. Unless the Florida Public Service Commission can get BellSouth to play by the rules, IDS will not be able to lower the attrition rate to industry standard.

11. It is one thing to try to work with BellSouth on their OSS failures, but when they combine these failures with a win back campaign as aggressive as the "Full Circle Program", and continue to blame its OSS failures on IDS, IDS is put in a most difficult position. IDS requests immediate relief from BellSouth's win back tactics and other anticompetitive actions. It is important that BellSouth be prevented from winning back customers until BellSouth provides OSS and UNEs at parity to what it provides its own retail division and its own customers.

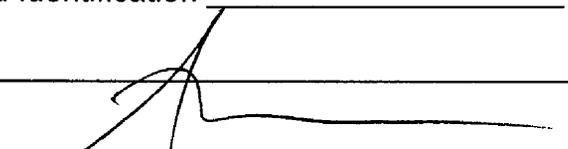
FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
KEITH G. KRAMER  
SENIOR VICE PRESIDENT  
IDS TELCOM, LLC

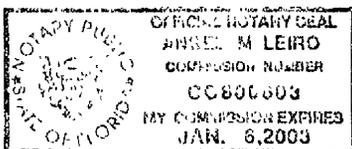
Sworn to and subscribed before me this 10<sup>th</sup> day of May, 2001.

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

  
\_\_\_\_\_  
Notary Public, State of Florida

My commission expires:



AFFIDAVIT OF WILLIAM P. GULAS

STATE OF ALABAMA

COUNTY OF JEFFERSON

BEFORE ME, the undersigned authority, personally appeared WILLIAM P. GULAS, who, after being duly sworn, did depose and say:

1. All statements made herein are made of my own personal knowledge.
2. My home address is 2530 Kanawha Circle, Birmingham, Alabama 35244.
3. I am the Vice President of Local Services of IDS Telcom, L.L.C. ("IDS") located at 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169.
4. Before joining IDS, I worked for the past 11 years at BellSouth Telecommunications Inc. ("BellSouth"), most recently as product manager for the switched combination services. As product manager for what is known as the unbundled network element platform ("UNE-P") product, I designed the product, defined its characteristics complying with legal and regulatory requirements, wrote the marketing plan, guided the product team through its development of the service, and educated both senior management and the sales force about the product. I was also involved in negotiating interconnection agreements with competitive local exchange carriers ("CLECs"), including AT&T, WorldCom, and Sprint, and I helped the sales force by making presentations to customers about the product and answering their questions. Before becoming a product manager, I worked in the competitive analysis and marketing research groups in BellSouth

and as such I am very familiar with the competitive telecommunications industry landscape.

5. I hold a Masters Degree in Marketing from the University of Alabama and a Masters Certificate in Project Management from George Washington University.

6. I joined IDS in May 2000. My duties and functions include responsibility for ordering services, managing the customer service department, and negotiating and administering interconnection agreements between IDS and incumbent LECs.

7. As a result of my extensive experience at BellSouth and my duties at IDS, I am very familiar with the problems IDS has experienced with BellSouth.

8. I have personal knowledge and familiarity with the allegations in the attached Complaint of IDS against BellSouth, including the OSS and UNE-P issues. These allegations are completely true and accurate to the best of my knowledge and belief.

9. If the OSS systems BellSouth has provided IDS worked as accurately and robustly as BellSouth's own internal OSS systems (such as DOE and SONGS), and BellSouth acknowledged to IDS' customers when BellSouth is at fault for service disruptions or outages, IDS would not be filing this Complaint. However, BellSouth's systems cause customers to lose features, reinitiate voice mailboxes, alter hunting sequences, or bring the customers down. When confronted by customers of IDS, BellSouth distorts the facts to our customers that these problems, which are completely within BellSouth's control and not IDS'

control, are IDS' fault. BellSouth then goes further to capitalize on these problems to win the customer back to BellSouth. Not only does the customer go back to BellSouth, the customer will never leave BellSouth again for any CLEC because of the bad experience.

10. IDS has attempted to win back customers from BellSouth by offering them 200 minutes of free long-distance per month and six months free local service. The customers are never interested in leaving BellSouth again because of the bad experience they have had with their conversion--they go back and stay with BellSouth not because of anything IDS did wrong, but because of BellSouth's failures. IDS has lost countless numbers of customers based on BellSouth's OSS failures. Based on what I have seen and experienced working with IDS, BellSouth's incentive to fix its OSS problems is countered by the advantage BellSouth's subpar CLEC OSS provides BellSouth's win back program as detailed in the Complaint.

11. For these reasons, we at IDS are asking this Commission to prohibit BellSouth from engaging in any win back programs for up to 12 months after BellSouth creates systems for CLECs at parity with BellSouth's internal OSS systems, including DOE and SONGS.

FURTHER AFFIANT SAYETH NOT.

William P. Gulas  
WILLIAM P. GULAS, AFFIANT

Sworn to and subscribed before me this 10<sup>th</sup> day of May, 2001.

Personally Known \_\_\_\_\_ OR Produced Identification   
Type of Identification Produced Alabama Drivers License

Kenzie L. White  
Notary Public, State of Alabama

My commission expires:

MY COMMISSION EXPIRES OCTOBER 15, 2002



BELLSOUTH  
 TELECOMMUNICATIONS, INC.  
 FLORIDA  
 ISSUED: December 21, 2000  
 BY: Joseph P. Lacher, President -FL  
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Tenth Revised Page 34.0.2  
 Cancels Ninth Revised Page 34.0.2

EFFECTIVE: January 15, 2001

**A2. GENERAL REGULATIONS**

**A2.10 Special Promotions (Cont'd)**

**A2.10.2 Descriptions (Cont'd)**

A. The following promotions are approved by the Commission: (Cont'd)

Area of Promotion (DELETED)	Service	Charges Waived	Period	Authority
BellSouth's Service Territory <sup>1</sup>	2000 Key Customer Program -for business customers served from wire centers in competitive situations	-Eligible monthly revenue is discounted at percentages listed below based on monthly total billed revenue (TBR) and applied as a credit each month on the customer's bill: Monthly TBR - 12 months \$4,500 - \$6,000 8% \$3,000 - \$4,499.99 7% \$1,500 - \$2,999.99 6% \$150 - \$1,499.99 5% Monthly TBR - 24 months \$4,500 - \$6,000 12% \$3,000 - \$4,499.99 11% \$1,500 - \$2,999.99 10% \$150 - \$1,499.99 9% Monthly TBR - 36 months \$4,500 - \$6,000 16% \$3,000 - \$4,499.99 15% \$1,500 - \$2,999.99 14% \$150 - \$1,499.99 13% -An additional reward of 6% will be given on MegaLink <sup>k</sup> service and ISDN PRI service -Line Connection Charges will be waived during the promotion sign-up period.	06/26/00 to 06/25/01	(D)
BellSouth's Service Territory <sup>1</sup> -From Central Offices where BellSouth <sup>®</sup> Centrex service is available.	BellSouth <sup>®</sup> Centrex service	-Nonrecurring charges for new customers selecting 24 or 36 months contract. -Nonrecurring and one month's recurring charges for new customers selecting 48 months or greater contract. -Three (3) months' recurring charges for Common Equipment for ESSX <sup>®</sup> and Digital ESSX <sup>®</sup> converting to BellSouth <sup>®</sup> Centrex for contracts of a minimum of 36 months.	01/16/01 to 03/31/01	(N)

(DELETED)

Note 1: Customer may elect to participate only once during each promotion.

<sup>k</sup> Registered Service Mark of BellSouth Intellectual Property Corporation

BELLSOUTH  
 TELECOMMUNICATIONS, INC.  
 FLORIDA  
 ISSUED: December 21, 2000  
 BY: Joseph P. Lacher, President -FL  
 Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Eleventh Revised Page 35.1  
 Cancels Tenth Revised Page 35.1

EFFECTIVE: January 15, 2001

**A2. GENERAL REGULATIONS**

**A2.10 Special Promotions (Cont'd)**

**A2.10.2 Descriptions (Cont'd)**

A. The following promotions are approved by the Commission: (Cont'd)

Area of Promotion	Service	Charges Waived	Period	Authority
BellSouth's Service Territory -From Central Offices where business services are available.	Full Circle Program will include services from the "A" and "B" tariffs excluding Analog Private Line service	Former BellSouth business customers who have changed to another local service provider in the previous two years, beginning January 1, 2001, with monthly BST revenue of \$70 to \$12,500 and return to BellSouth are eligible. Customers signing an election agreement of 18, 24 or 36 months will receive a 10%, 15% or 20% discount, respectively. Eligible revenue consists of recurring, nonrecurring and usage charges excluding: <ul style="list-style-type: none"> <li>• Nonregulated charges</li> <li>• Taxes</li> <li>• Late Payment Charges</li> <li>• Charges billed pursuant to Federal or State Access Service Programs</li> <li>• Charges collected on behalf of municipalities (including, but not limited to, surcharges for 911 service and dual party relay service)</li> <li>• Charges for services provided by other companies</li> </ul> -Contract Service Arrangements (Product Level or Volume and Term) are not eligible for this program. -Line Connection Charges will be waived on the initial service order establishing that service.	01/15/01 to 07/13/01	(N)
BellSouth's Service Territory -From Central Offices where Complete Choice for Business® packages are available.	Complete Choice for Business®	A coupon that may be redeemed for a check in the amount of the Line Connection charges will be given to business customers when 1-3 lines are added to an existing Complete Choice for Business® package.	01/01/01 to 02/16/01	

® Registered Service Mark of BellSouth Intellectual Property Corporation

BELLSOUTH  
 TELECOMMUNICATIONS, INC.  
 FLORIDA  
 ISSUED: December 21, 2000  
 BY: Joseph P. Lacher, President -FL  
 Miami, Florida

PRIVATE LINE SERVICES TARIFF

Second Revised Page 70  
 Cancels First Revised Page 70  
 EFFECTIVE: January 15, 2001

**B2. REGULATIONS**

**B2.7 Special Promotions (Cont'd)**

**B2.7.2 Descriptions (Cont'd)**

A. The following promotions are approved by the Commission: (Cont'd)

Area of Promotion (DELETED)	Service	Charges Waived	Period	Authority
BellSouth's Service Territory -From Central Offices where business services are available,	Full Circle Program will include services from the "A" and "B" tariffs (excluding Analog Private Line service).	Former BellSouth business customers who have changed to another local service provider in the previous two years, beginning January, 2001, with monthly BST revenue of \$70 to \$12,500 and return to BellSouth are eligible. Customers signing an election agreement of 18, 24, or 36 months will receive a 10%, 15% or 20% discount, respectively. Eligible revenue consists of recurring, non-recurring and usage charges excluding: <ul style="list-style-type: none"> <li>• Non-regulated charges</li> <li>• Taxes</li> <li>• Late Payment charges</li> <li>• Charges billed pursuant to Federal or State Access Service Programs</li> <li>• Charges collected on behalf of municipalities (including, but not limited to surcharges for 911 service and dual party relay service)</li> <li>• Charges for services provided by other companies.</li> </ul>	01/15/01 to 07/13/01	(D) (N)
		-Contract Service Arrangements (Product Level or Volume and Term) are not eligible for this Program.		

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Complaint of IDS Long Distance, Inc.            )  
n/k/a IDS Telcom, L.L.C., Against                    )  
BellSouth Telecommunications, Inc., for            )  
Enforcement of Interconnection Agreement        )  
And Request for Emergency Relief.                 )  
\_\_\_\_\_)

Docket No. \_\_\_\_\_  
Filed May 11, 2001

**EXHIBITS IDENTIFIED IN COMPLAINT OF IDS  
TELCOM, LLC AGAINST BELLSOUTH**

- A. Letter to Keith Kramer from Glen Estell, dated May 17, 2000, page 14
- B. Affidavit of Leonora Suglio, page 17
- C. Affidavit of Mason Tolman, page 17
- D. Affidavit of Alvaro Lozano, page 17
- E. Affidavit of Laura Tirse, page 18
- F. Affidavit of Suki York, page 19
- G. Affidavit of Vanessa McCaffrey, page 19
- H. Affidavit of Gregg McGrady, page 20
- I. Affidavit of Jennifer Cleaver, page 20
- J. Affidavit of Michael Larson, page 20
- K. Affidavit of Ennette Auter, page 20
- L. Affidavit of Becky Pleus, page 21
- M. Affidavit of Joseph A. Neves, page 21
- N. Affidavit of Robert J. Eury, page 22
- O. Affidavit of Keith Kramer, page 22
- P. Affidavit of William P. Gulas, page 22

Q. BellSouth Full Circle Tariff