PATRICK W. TURNER General Attorney

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April 15, 2002

Mrs. Blanca S. Bayó Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

> Re: Docket No. 011119-TP (XO Arbitration)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement, which we ask that you file in the captioned docket.

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

Sincerely,

Patrick W. Turner (NA)

cricle W. Tomer

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

Com-3 Sec-1

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CERTIFICATE OF SERVICE Docket No. 011119-TP

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

Electronic Mail and U.S. Mail this 15th day of April, 2002 to the following:

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Patrick W. Turner

(+) Signed Protective Agreement

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by XO Florida,)	Docket No. 011119-TP
Inc. for arbitration of)	
Unresolved issues with BellSouth)	
Telecommunications, Inc.)	
		Filed: April 15, 2002

PREHEARING STATEMENT OF BELLSOUTH TELECOMMUNICATIONS, INC.

In compliance with the Order Establishing Procedure (Order No. PSC-01-2192-PCO-TP) issued on November 9, 2001, BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits its Prehearing Statement for Docket No. 011119-TP.

A. Witnesses

BellSouth proposes to call the following witness to offer testimony on the issues in this docket:

Witness Issue(s)

John A. Ruscilli (Direct and Rebuttal)

All

BellSouth reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony, and witnesses to address issues not presently designated that may be designated by the Pre-hearing Officer at the Pre-hearing Conference scheduled to be held on May 6, 2002. BellSouth has listed the witnesses for whom BellSouth filed testimony, but reserves the right to supplement that list if necessary.

B. Exhibits

None.

BellSouth reserves the right to file exhibits to any testimony that may be filed under the circumstances identified in Section "A" above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. Statement of Basic Position

The Commission's goal in this proceeding is to resolve each issue in this arbitration consistent with the requirements of Section 251 of the Telecommunications Act of 1996 ("1996 Act"), including the regulations prescribed by the Federal Communications Commission ("FCC"). BellSouth and XO Florida, Inc. ("XO") have continued to negotiate in good faith, and have resolved a significant number of issues since XO's request for arbitration was filed with this Commission.

Nevertheless, there remain a number of issues for which the parties have not been able to reach a solution. BellSouth believes that XO's positions on these issues will not withstand close scrutiny. BellSouth believes that its positions are both reasonable and fair. The Commission, therefore, should adopt BellSouth's position on each of the remaining issues in this proceeding.

D. BellSouth's Position on the Issues

<u>Issue 1</u>: Under what circumstances should BellSouth be permitted to charge XO for cancellation of an order for services or network elements?

<u>Position</u>: The parties have resolved this issue.

<u>Issue 2</u>: Under what circumstances should BellSouth be permitted to charge XO for expediting an order for services or network elements?

Position:

The parties have resolved this issue.

<u>Issue 4</u>: After XO has ordered a loop, should BellSouth be allowed to modify that loop without XO's consent?

<u>Position</u>: From time to time, BellSouth must perform loop modifications in the course of properly maintaining and upgrading its network facilities. BellSouth is willing to work with ALECs in a good-faith effort to coordinate the timing of such modifications. ALECs, however, should not have the option to veto loop modifications. When BellSouth performs loop modifications, the loop will retain the same service characteristics and will retain the same technical characteristics as are outlined in BellSouth's Technical Reference 73600 ("TR 73600").

<u>Issue 5</u>: What are the appropriate definitions of "Common Transport" and "Tandem Switching"?

Position:

The parties have resolved this issue.

<u>Issue 6</u>: Under what circumstances is XO entitled to symmetrical compensation for leased facility interconnection?

<u>Position</u>: The parties have resolved this issue.

<u>Issue 7(a)</u>: Is XO entitled to the tandem switching rate for the exchange of local traffic?

<u>Position</u>: FCC Rule 51.711(a)(3) provides that "where the switch of a carrier other than an incumbent LEC serves a geographic area comparable to the area served by the incumbent LEC's tandem switch, the appropriate rate for the carrier other than an incumbent LEC is the incumbent LEC's tandem interconnection rate." XO has not demonstrated that it is entitled to the tandem switching rate in Florida.

<u>Issue 8</u>: Should BellSouth be able to change the rates, terms and conditions of this agreement by referring to the jurisdictional report requirements, rules and regulations for Interexchange Carriers specified in BellSouth's Intrastate Access Services Tariff?

<u>Position</u>: Any modifications to the Intrastate Access Services Tariff should automatically apply to XO. To do otherwise would lead to discriminatory application of BellSouth's Intrastate Access Services Tariff among the ALECs using that tariff. ALECs could accuse BellSouth of offering discriminatory behavior if some rates, terms and/or conditions provided via an Interconnection Agreement were better than the tariff prices, or vice versa.

<u>Issue 9</u>: When one or both parties have the technology to automatically identify the jurisdiction of traffic, what is the appropriate process for transitioning to the use of such technology for message recording and billing purposes?

<u>Position</u>: The parties have resolved this issue.

<u>Issue 10</u>: Attachment 6, 2.3 of the Parties' Interconnection Agreement provides that

"Upon XO's request, and subject to execution of a testing agreement, the Parties shall work cooperatively to test newly implemented interface versions on a mutually agreeable schedule, each Party shall be responsible for building its side of the interface prior to testing."

Should this section of the Agreement also provide that: "BellSouth shall provide reasonable notice of any such new release and freeze date, and shall act in good faith to grant any reasonable request of XO to support the prior industry standard version of the interface pending appropriate testing of the current industry standard interface"?

Position: The parties have resolved this issue.

<u>Issue 11</u>: Should BellSouth be subject to the same credit and deposit requirements as XO when purchasing services from XO?

Position: BellSouth should not be subject to the same credit and deposit requirements as XO when BellSouth purchases services from XO. BellSouth is legally obligated to make available resold services and UNEs to any ALEC, at nondiscriminatory rates, terms and conditions. Because ALECs have varying degrees of assets and credit worthiness, it is entirely appropriate for BellSouth to seek some protection against uncollectable debts by requiring ALECs to pay deposits on a nondiscriminatory basis. On the other hand, a deposit should not be required from BellSouth, on an indiscriminate basis, just because BellSouth purchases services from the ALEC (in this case XO) and requires a deposit from

the ALEC for services the ALEC purchases from BellSouth.

<u>Issue 12</u>: What type of equipment may XO collocate in the BellSouth premises?

<u>Position</u>: The parties have resolved this issue.

<u>Issue 13</u>: May XO directly connect with other interconnectors within the BellSouth premises through co-carrier cross connects?

Position: The parties have resolved this issue.

<u>Issue 14</u>: May BellSouth require XO to use a separate entrance to collocation space?

<u>Position</u>: The parties have resolved this issue.

E. Stipulations

None.

F. Pending Motions

None.

G. Other Requirements

None.

Respectfully submitted this 15th day of April, 2001.

BELLSOUTH TELECOMMUNICATIONS, INC.

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