REDACTED

DOCKET NO. 031125-TP: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

WITNESS: **Direct Testimony Of Kathy L. Welch,** Appearing On Behalf Of Staff

DATE FILED: July 22, 2004

DOCUMENT NUMBER-DATE
07988 JUL 22 04
FPSC-COMMISSION CLERK

DIRECT TESTIMONY OF KATHY L. WELCH

Q. Please state your name and business address.

A. My name is Kathy L. Welch and my business address is 3625 N.W. 82nd Ave., Suite 400, Miami, Florida, 33166.

Q. By whom are you presently employed and in what capacity?

A. I am employed by the Florida Public Service Commission as a Public Utilities Supervisor in the Division of Regulatory Compliance and Consumer Assistance.

Q. How long have you been employed by the Commission?

A. I have been employed by the Florida Public Service Commission since June, 1979.

Q. Briefly review your educational and professional background.

A. I have a Bachelor of Business Administration degree with a major in accounting from Florida Atlantic University and a Masters of Adult Education and Human Resource Development from Florida International University. I have a Certified Public Manager certificate from Florida State University. I am also a Certified Public Accountant licensed in the State of Florida, and I am a member of the American and Florida Institutes of Certified Public Accountants. I was hired as a Public Utilities Analyst I by the Florida Public Service Commission in June of 1979. I was promoted to Public Utilities Supervisor on June 1, 2001.

Q. **Please describe your current responsibilities.**

A. Currently, I am a Public Utilities Supervisor with the responsibilities of administering the District Office and reviewing work load and allocating resources to complete field work and issue audit reports when due. I also supervise, plan, and conduct utility audits of manual and automated accounting systems for historical and forecasted financial statements and exhibits.

Q. Have you presented expert testimony before this Commission or any other regulatory agency?

A. Yes. I have testified in several cases before the Florida Public Service Commission. Exhibit KLW-1 lists these cases.

Q. What is the purpose of your testimony today?

A. The purpose of my testimony is to sponsor the staff audit report of the complaint of IDS Telecom LLC (IDS) against BellSouth Telecommunications, Inc. (BellSouth or BST). The audit report is filed with my testimony and is attached as KLW-2. The audit work papers are also included as exhibits. Exhibit KLW-3 includes the non-confidential work papers related to the work I performed at BST. Exhibit KLW-4 includes the confidential work papers from BST. Exhibit KLW-5 includes the non-confidential work papers related to the work I performed at IDS. Exhibit KLW-6 includes the confidential work papers related to the work I performed at IDS.

Q. **Was this audit report prepared by you?**

A. Yes, I conducted this audit.

Q. Please review the work you performed in this audit.

A. I obtained detail about the settlement Q account from both BellSouth and IDS. I verified payments to cancelled checks and determined reasons for differences in beginning balances. I verified what BellSouth claimed were open disputes at the time of the settlement by tracing to the dispute forms and the credits given to bills. I obtained the dispute forms for the counter-complaint and traced them to supporting documentation. I randomly verified the information in the supporting schedules to the bills.

Q. Please review the audit disclosures in the audit report.

A. **(1) Audit Disclosure No. 1**

Audit Disclosure No. 1 discusses

(2) Audit Disclosure No. 2

Audit Disclosure No. 2 states that the

(3) Audit Disclosure No. 3

Audit Disclosure No. 3 addresses

(4) Audit Disclosure No. 4

Audit Disclosure No. 4 discusses that

(5) Audit Disclosure No. 5

Audit Disclosure No. 5 discusses that the

(6) Audit Disclosure No. 6

[1] Commission Order PSC-02-1311-FOF-TP, issued December 27, 2002, in Docket No. 990649A-TP, Investigation into pricing of unbundled network elements (BellSouth track).

Audit Disclosure No. 6 discusses

Q. Does that conclude your testimony?

A. Yes.

EXHIBIT NO. _____

DOCKET NO.: 031125-TP

WITNESS: Kathy L. Welch

PARTY: Staff

DESCRIPTION: History of Testimony Provided by Kathy L. Welch

PROFFERING PARTY: STAFF

I.D. # KLW-1

Docket No. 031125-TP
Exhibit KLW-1 (Page 1 of 1)
History of Testimony
Provided by Kathy L. Welch

- In re: Application for approval of rate increase in Lee County by Tamiami Village Utility, Inc., Docket No. 910560-WS

- In re: Application for transfer of territory served by Tamiami Village Utility, Inc. in Lee County to North Fort Myers Utility, Inc., cancellation of Certificate No. 332-S and amendment of Certificate 247-S; and for a limited proceeding to impose current rates, charges, classifications, rules and regulations, and service availability policies, Docket No. 940963-SU

- In re: Application for a rate increase by General Development Utilities, Inc. (Port Malabar Division) in Brevard County, Docket No. 911030-WS

- In re: Dade County Circuit Court referral of certain issues in Case No. 92-11654 (Transcall America, Inc. d/b/a ATC Long Distance vs. Telecommunications Services, Inc., and Telecommunications Services, Inc. vs. Transcall America, Inc. d/b/a ATC Long Distance) that are within the Commission's jurisdiction, Docket No. 951232-TI

- In re: Application for transfer of Certificates Nos. 404-W and 341-S in Orange County from Econ Utilities Corporation to Wedgefield Utilities, Inc., Docket No. 960235-WS

- In re: Application for increase in rates and service availability charges in Lee County by Gulf Utility Company, Docket No. 960329-WS

- In re: Fuel and purchased power cost recovery clause and generating performance incentive factor, Docket No. 010001-EI

- In re: Application for staff-assisted rate case in Highlands County by The Woodlands of Lake Placid, L.P., Docket No. 020010-WS

- In re: Application for rate increase in Marion, Orange, Pasco, Pinellas, and Seminole Counties by Utilities, Inc. of Florida, Docket No. 020071-WS

EXHIBIT NO. _____

DOCKET NO.: 031125-TP

WITNESS: Kathy L. Welch

PARTY: Staff

DESCRIPTION: Audit Report

PROFFERING PARTY: STAFF

I.D. # KLW-2

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE
BUREAU OF AUDITING

Miami District Office

IDS TELCOM, LLC AND
BELLSOUTH TELECOMMUNICATIONS, INC.
RECONCILE SETTLEMENT Q ACCOUNT

SETTLEMENT AGREEMENT DATED MARCH 25, 2002

DOCKET NO. 031125-TP

AUS CONTROL 04-098-4-1
AND 04-098-4-2

Kathy L. Welch, Audit Manager

Ruth Young
Professional Accountant Specialist

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Disclosure 6-Interest Credited For Settlement	11

DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE AUDITOR'S REPORT

July 8, 2004

TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described later in this report to audit the settlement Q account 205 Q97 4557 of BellSouth Telecommunications, Inc. (BellSouth) and IDS Telcom, LLC (IDS) and to verify the dollars associated with the counterclaim of BellSouth regarding the DUF Re-rate and the Market Rate disputes.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use. Confidential documents were obtained during this audit.

SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report.

Scanned - The documents or accounts were read quickly looking for obvious errors.

Compiled - The exhibit amounts were reconciled with the general ledger, and accounts were scanned for error or inconsistency.

Reviewed - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers, and selective analytical review procedures were applied.

Examined - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers. Selective analytical review procedures were applied, and account balances were tested to the extent further described.

Confirmed - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

Verified - The item was tested for accuracy and compared to the substantiating documentation.

AUDIT PROCEDURES:

Obtained detail of settlement Q account from both BellSouth and IDS. Verified payments with cancelled checks. Obtained documentation for BellSouth's balances. Verified open disputes to dispute forms and credits to bills.

Obtained the dispute forms for the counter-complaint and traced to supporting documentation. Verified data to bills on a random basis and traced rates for DUF Re-rate to order.

Obtained calculations of interest refunded as part of the settlement.

Exhibit KLW-2
Pages 5 – 13
CONFIDENTIAL

EXHIBIT NO. _____

DOCKET NO.: 031125-TP

WITNESS: Kathy L. Welch

PARTY: Staff

DESCRIPTION: Nonconfidential audit work papers from audit work at BellSouth Telecommunications, Inc.

PROFFERING PARTY: STAFF

I.D. # KLW-3

EXHIBIT KLW-3
PAGE 1 OF 212
BST NON-CONFIDENTIAL

WORKING PAPER STANDARD INDEX

FOLDER

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Index

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8 REVIEW NOTES BOARD OF DIRECTORS/ LIST OF DIRECTORS AND AFFILIATES		
9 REVIEW NOTES EXTERNAL/INTERNAL/FPSC AUDITS		
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FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE
BUREAU OF AUDITING

Miami District Office

IDS TELCOM, LLC AND
BELLSOUTH TELECOMMUNICATIONS, INC.
RECONCILE SETTLEMENT Q ACCOUNT

SETTLEMENT AGREEMENT DATED MARCH 25, 2002

DOCKET NO. 031125-TP

AUS CONTROL 04-098-4-1
AND 04-098-4-2

Kathy L. Welch, Audit Manager

Ruth Young
Professional Accountant Specialist

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Obtained calculations of interest refunded as part of the settlement.

IDS ACCOUNT 205 Q97 4557

MONTH	BEGINNING BAL	CURRENT	TOTAL BILL	PAYMENT	ADJUSTMENT	BALANCE
2-Mar	$0	$0	$0	($200,000)	$331,686.37	$131,686.37
2-Apr	$131,686.37	$2,897,723.99	$3,029,410.36	($200,000)	$2,585.74	$2,831,196.04
2-May	$2,831,996.10	$42,489.94	$2,874,486.04	$0	$0	$2,874,486.04
2-Jun	$2,874,486.04	$42,490.09	$2,916,976.31	($400,000)	$0	$2,516,976.13
2-Jul	$2,516,976.13	$36,490.24	$2,553,466.37	($200,000)	$0	$2,353,466.37
2-Aug	$2,353,466.37	$33,490.39	$2,386,956.76	($200,000)	$0	$2,186,956.76
2-Sep	$2,186,956.76	$30,490.54	$2,217,447.30	$0	$0	$2,217,447.30
2-Oct	$2,217,447.30	$30,490.69	$2,247,937.99	$0	$0	$2,247,937.99
2-Nov	$2,247,937.99	$30,490.84	$2,278,428.83	($200,000)	$0	$2,078,428.83
2-Dec	$2,078,428.83	$27,490.99	$2,105,919.82	$0	$0	$2,105,919.82
3-Jan	$2,105,919.82	$27,491.14	$2,133,410.96	($200,000)	$0	$1,933,410.96
3-Feb	$1,933,410.96	$24,491.29	$1,957,902.25	(227,491.14)	$0	$1,730,411.11
3-Mar	$1,730,411.11	$21,079.08	$1,751,490.19	(400,000.00)	$0	$1,351,490.19
3-Apr	$1,351,490.19	$15,079.23	$1,366,569.42	(45,570.37)	$0	$1,320,999.05
3-May	$1,320,999.05	$14,395.82	$1,335,394.87	(415,079.23)	$0	$920,315.64
3-Jun	$920,315.64	$8,169.78	$928,485.42	(361,000.00)	$0	$567,485.42
TOTALS		$3,282,354.05		($3,049,140.74)	$334,272.11	

EA = 3,231,996.10 (41-1)

EB = 384,630.06
includes 14 late payment charges of 10

(41-2)

EXHIBIT
tabbies
B

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003
Title: Bellsouth Statement

5/11/04
KW
5/14/04

EXHIBIT KLW-3
PAGE 7 OF 212
BST NON-CONFIDENTIAL

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt. #031125-TP
TYE: 2003

Title: IDS Exhibit

Exhibit B - IDS Payments to Past Due Q Account

Opening balance	Interest Due	payment/check #	principal payment (Principal Paid		Interest paid	Interest pymt date	
2,475,000		5257	4/11/2002	200,000			2,275,000
2,275,000	34,125	5550	5/14/2002	200,000			2,109,125
2,109,125	31,637	6007	6/13/2002	200,000			1,940,762
1,940,762	29,111	6206	6/28/2002	200,000			1,769,873
1,769,873	26,548	6610	7/25/2002	200,000			1,596,421
1,596,421	23,946	6997	8/29/2002	200,000			1,420,368
1,420,368	21,306						1,441,673
1,441,673	21,625						1,463,298
1,463,298	21,949	8278	12/11/2002	200,000			1,285,248
1,285,248	19,279	8794	1/16/2003	200,000			1,104,527
1,104,527	16,568	9184	2/11/2003	200,000			921,094
921,094	13,816	10001	3/14/2003	200,000	27,491.14	3/13/2003	707,420
707,420	10,611	10406	4/15/2003	200,000	21,079.08	4/15/2003	496,952
496,952	7,454	10807	5/13/2003	200,000	39,570.52	5/13/2003	264,836
264,836	3,973	11221	6/13/2003	200,000	361,000.00	6/17/2003	-292,192
	281,949			2,600,000	449,140.74		

The sum total of all payments that were due to the Past Due Q Account is $2,756,949
($2,475,000 Total Amount Due + cumulative interest of $281,949).

However, IDS paid a total of $3,049,140.74 ($2,600,000 principal + $449,140.74 interest), or an OVERPAYMENT of $292,192.

EXHIBIT
"B"

EXHIBIT KLW-3
PAGE 8 OF 212
BST NON-CONFIDENTIAL

202

12/22/2003 17:37 3035123021

12/23/2002 21:32

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Settlement Agreement

KLW 3/4/04 NO. 4
BT 7/1/04

AMENDMENT TO SETTLEMENT AGREEMENT

THIS AMENDMENT TO SETTLEMENT AGREEMENT ("Amendment") is entered into this 25th day of March, 2002, by BellSouth Telecommunications, Inc. ("BST") and IDS Long Distance, Inc. n/k/a IDS Telcom, L.L.C. ("IDS") (collectively referred to as the "Parties").

RECITALS

WHEREAS, on or about September 27, 2001, BST and IDS entered into a settlement agreement resolving certain disputed issues between the Parties (the "Settlement Agreement");

WHEREAS, BellSouth Intellectual Property Corporation ("BIPCO") was also a party to the Settlement Agreement but does not have an interest in this Amendment;

WHEREAS, the Settlement Agreement contained provisions calling for the future resolution of disputed sums owed to BST by IDS;

WHEREAS, the Parties agreed to implement the Settlement Agreement by determining a Total Amount Due to BST by IDS and then reducing that Total Amount Due by the amount resolving the disputed issues set forth in Paragraph 4 of the Settlement Agreement; and

WHEREAS, the Parties have determined the Total Amount Due and have resolved the pending disputes set forth in Paragraph 4 of the Settlement Agreement and hereby wish to memorialize such agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Amendment, and for other good an valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BST and IDS, intending to be bound by this Amendment, hereby agree as follows:

1. The Total Amount Due to BST by IDS is $2,475,000.

2. IDS shall continue to pay BST the sum of $200,000 per month by the close of business on the last day each month until March 31, 2003, which shall fully satisfy the Total Amount Due.

3. BST will bill the Total Amount Due to IDS under a new and separate Q account which will be designated as the Past Due Q Account.

4. BST will waive all prior interest or late payment charges on the Total Amount Due. However, interest and late payment charges will accrue on the Total Amount Due under the Past Due Q Account beginning in March, 2002. Interest will accrue at 1.5%.

"A"

EXHIBIT
"A"

2-1 p1

5. BellSouth shall issue IDS a credit in the amount of $925,000. BellSouth allowed IDS to withhold this amount from its payment due to BellSouth in February 2002.

6. BST shall file and IDS shall execute a UCC-1 against IDS' assets to secure an interest in the Total Amount Due.

7. IDS shall keep all bills, billed under CRIS or CABS, current and shall not allow any undisputed current charges to become past due.

8. Should IDS fail to make a payment of $200,000 to BST in any given month pursuant to this Amendment for the Past Due Q Account or fail to keep its billing current for all other accounts, IDS will be in breach of this Amendment. IDS shall have fourteen (14) days to cure such breach. If the breach is not cured within fourteen (14) days, the remaining balance of the Total Amount Due in the Past Due Q Account will immediately become due and owing and IDS shall pay to BST the full amount.

9. Except as specifically set forth herein, all of the provisions of the Settlement Agreement remain in full force and effect.

10. The Parties after executing this Amendment will be bound by the terms and conditions contained herein.

11. The Effective Date of this Amendment is March 25, 2002. The undersigned Parties hereby execute this Agreement.

IDS TELCOM, INC.

By: [signature]
Name: Hacker
Title: CFO

BELLSOUTH TELECOMMUNICATIONS, INC.

By: [signature]
Name: Gregory R Follensbee
Title: Senior Director

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 9, 2004

TO: Dan Hoppe
Patty Christensen
Michael Barrett
Pat Lee

FROM: Denise Vandiver

RE: Docket No. 031125-TP; Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

Attached is a draft of the auditor testimony for the BST-IDS complaint which is due to be filed July 15, 2004. The only exhibit referred to in the testimony is the audit report. If you believe that any specific audit work papers are needed to develop the record, please let me know.

Attachment

KATHY WELCH

From: "stan greer" <sgreer@imcingular.com>
To: <katinthewater@worldnet.att.net>
Sent: Wednesday, July 07, 2004 6:29 PM

It is alright to release the report to IDS. I was wondering if we were going to follow normal audit practices by having an exit interview and file comments on the report. If not, how do you see handling the report? File testimony and we comment via testimony??

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003
Title: BellSouth Audit Req

B7 1/04 KW 5/4/04

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 8, 2004

TO: Miami District Supervisor (Welch)

FROM: Denise N. Vandiver, Chief of Auditing, Division of Auditing & Safety

RE: **Docket No.** 031125-TP; **Company Name:** BellSouth Telecommunications, Inc.; **Audit Purpose:** Audit of certain Financial records related to the complaint of overbilling by IDS Telcom, LLC (TX559, TJ500) **Audit Control No.** 04-098-4-1:

Attached is a new audit service request. The analyst's requested due date is July 15, 2004. In order to meet the due date, the audit work papers should be delivered to my office two days before the stated due date.

DNV/jcp
Attachments

cc: Office of Public Counsel

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

STATE OF FLORIDA

CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

April 8, 2004

Mr. Marshall M. Criser III, Vice President - Regulatory
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556

Re: **Docket No.:** 031125-TP; **Company Name:** BellSouth Telecommunications, Inc. (TL720); **Audit Purpose:** audit of certain financial records related to the complaint of overbilling by IDS Telcom, LLC (TX559, TJ500); **Audit Control No.:** 04-098-4-1

Dear Mr. Criser:

The Florida Public Service Commission will conduct an audit of certain financial records related to the issues involved in the complaint by IDS Telcom, LLC against BellSouth Telecommunications, Inc. for alleged overbilling, in accordance with Commission audit procedures. Access will be requested to documents and records of the utility and, if necessary, supporting records for affiliate company transactions that affect regulated operations. Staff auditors may also request to review the utility's external audit working papers for the most recent independent audit. Ms. Kathy Welch the Miami district office supervisor, will coordinate this audit. Ms. Welch can be reached at (305) 470-5600. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

The Audit Access to Records rule for each industry states:

In those instances where the utility disagrees with the auditor's assessment of a reasonable response time to the audit request, the utility shall first attempt to discuss the disagreement with the auditor and reach an acceptable revised date. If agreement cannot be reached, the utility shall discuss the issue with successive levels of supervisors at the Commission until an agreement is reached.

A formal report is expected to be issued for internal Commission use on July 15, 2004. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,

Denise N. Vandiver, Chief
Bureau of Auditing

DNV/jcp

cc: Division of Auditing and Safety (Miami District Supervisor, File Folder)
Division of the Commission Clerk and Administrative Services (2)
General Counsel
Office of Public Counsel

Ms. Nancy H. Sims, Director – Regulatory Relations
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556

AUDIT SERVICE REQUEST

5394

April 7, 2004
Date of Request

AUS control #

TO : DIVISION OF AUDITING AND SAFETY

FROM : Competitive Markets and Enforcement (Division) | Michael Barrett MB (Name) | (850) 413-6544 (Phone Number)

RE : REQUEST FOR AUDIT OF: Certain financial records of BellSouth Telecommunications, Incorporated.

DOCKET NO. 031125-TP

AUDIT PURPOSE: To reconcile all payments and credits between the parties to this docket, and determine a financial summary of affairs for the timeframe subject to this proceeding.

LIST AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.

ADMINISTRATIVE DETAILS:

COMPANY CONTACT: Ms. Nancy H. Sims, Director – Regulatory Relations (850) 222-1201
Name | Title | Phone Number

MAIL ADDRESS: 150 South Monroe Street, Suite 400 (Street Address) Stan 850-224-5139

Tallahassee (City) | Florida (State) | 32301-1556 (Zip Code) 850-222-8640 Fax

LOCATION OF RECORDS: TBD by Company
City | State

AUDIT DUE DATE: July 15, 2004

COORDINATING DETAILS: Patricia Christensen, Office of General Counsel (850) 413-6220
(Name and Phone Number of other Division staff and any other administrative instructions)

REFERENCES: N/A at this time
(Attach copies of FPSC ORDERS and other documents as appropriate)

BACKGROUND INFORMATION: Docket No. 031125-TP is a billing dispute between BellSouth Telecommunications, Incorporated and IDS Telecom, LLC.

ITEM #	AUDIT OBJECTIVE OR QUESTION (Add supplemental background for auditor)
1	OVERALL NOTES REGARDING THIS AUDIT: • "Disputes" are critical to this case. IDS has withheld payment(s) for sums it claims are "in dispute"; IDS claims it has made payment for all sums which are not "in dispute;" • As of the date of this request, the specific timeframe for this dispute is unknown, although staff discovery will attempt to determine this; • As a conceptual guide, staff prepared a matrix of process and quantitative related topics for the audit team to probe. (see attached)
2	Has BellSouth acknowledged "all" disputes that IDS claims it has submitted for the timeframe subject of this proceeding? If not, why?
3	Has BellSouth issued credits for "all" disputes that IDS claims it has submitted for the timeframe subject of this proceeding? If not, why?
4	Has IDS made payment(s) to BellSouth for all "non-disputed" charges for the timeframe subject of this proceeding?
5	
6	
7	
8	
9	

Analyst changed objectives to only review Q areas Not other payments & limited scope on disputes See e-mail Pat Lee

Legal Department

JAMES MEZA III
Attorney
BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(305) 347-5561

January 16, 2004

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: 031125-TP: Complaint of IDS Telecom LLC against BellSouth Telecommunications, Inc., for over billing and discontinuance of service, and petition for emergency order restoring service

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Partial Motion to Dismiss and Answer, 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,

James Meza III

Enclosures

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

DOCUMENT NUMBER-DATE
00719 JAN 16 04
FPSC-COMMISSION CLERK

PUBLIC VERSION

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telecom, LLC	Docket No.: 031125-TP
	Filed: January 16, 2004

BELLSOUTH PARTIAL MOTION TO DISMISS AND ANSWER

BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits this Partial Motion to Dismiss and Answer to the Amended Complaint ("Complaint") filed by IDS Telecom, LLC ("IDS"). For the reasons set forth below, the Florida Public Service Commission ("Commission") should dismiss IDS' request that the Commission find that BellSouth has violated federal law and a private, negotiated settlement agreement. In addition, BellSouth provides its Answer and affirmative defenses to the remaining allegations in IDS' Amended Complaint.

MOTION TO DISMISS

In its Amended Complaint, IDS asks this Commission to, among other things, interpret the parties' current Interconnection Agreement ("Present Agreement"), the parties' settlement agreement ("Settlement Agreement"), and the parties' amended settlement agreement ("Settlement Amendment") and find that (1) BellSouth violated the Settlement Agreement and the Present Agreement; and (2) BellSouth's actions relating to the violation of the Settlement Agreement and Present Agreement also violates Florida and federal law. See Complaint at 13. As established below, the Commission does not have subject matter jurisdiction to do either.

A. Standard for Motion to Dismiss.

A motion to dismiss questions whether the complaint alleges sufficient facts to state a cause of action as a matter of law. Varnes v. Dawkins, 624 So. 2d 349, 350

(Fla. 1st DCA 1993). In disposing of a motion to dismiss, the Commission must assume all of the allegations of the complaint to be true. Heekin v. Florida Power & Light Co., Order No. PSC-99-10544-FOF-EI, 1999 WL 521480 *2 (citing to Varnes, 624 So. 2d at 350). In determining the sufficiency of a complaint, the Commission should confine its consideration to the complaint and the grounds asserted in the motion to dismiss. See Flye v. Jeffords, 106 So. 2d 229 (Fla. 1st DCA 1958).

B. The Commission Must Have Subject Matter Jurisdiction To Resolve a Complaint.

Furthermore, in order to hear and determine a complaint or petition, a court or agency must be vested not only with jurisdiction over the parties, but also with subject matter jurisdiction to grant the relief requested by the parties. See Keena v. Keena, 245 So. 2d 665, 666 (Fla. Dist. Ct. App. 1971). Subject matter jurisdiction arises only by virtue of law – it must be conferred by constitution or statute and cannot be created by waiver or acquiescence. Jesse v. State, 711 So. 2d 1179, 1180 (Fla. 2nd Dist. Ct. App. 1998). This Commission, therefore, must dismiss a complaint or a petition to the extent that it asks the Commission to address matters over which it has no jurisdiction or to the extent that it seeks relief that the Commission is not authorized to grant. See, e.g, Order Granting Motion to Dismiss (PSC-01-2178-FOF-TP) in Docket No. 010345-TP (Nov. 6, 2001) (granting BellSouth's Motion to Dismiss AT&T's and FCCA's Petition for Structural Separation because "the Petitions fail to state a cause of action upon which relief can be granted. Namely, we have neither Federal nor State authority to grant the relief requested, full structural separation."); Order Denying Complaint and Dismissing Petition (PSC-99-1054-FOF-EI) in Docket No. 981923-EI (May 24, 1999) (dismissing a complaint seeking monetary damages against a public utility for alleged eavesdropping,

voyeurism, and damage to property because the complaint involved "a claim for monetary damages, an assertion of tortuous liability or of criminal activity, any and all of which are outside this Commission's jurisdiction.").

The Commission, therefore, must determine whether the Legislature has granted it any authority to find that BellSouth is in violation of federal law or that BellSouth has violated a settlement agreement. In making these determinations, the Commission must keep in mind that the Legislature has never conferred upon the Commission any general authority to regulate public utilities, including telephone companies. See City of Cape Coral v. GAC Util., Inc., 281 So. 2d 493, 496 (Fla. 1973). Instead, "[t]he Commission has only those powers granted by statute expressly or by necessary implication." See Deltona Corp. v. Mayo, 342 So. 2d 510, 512 n.4 (Fla. 1977); accord East Central Regional Wastewater Facilities Oper. Bd. v. City of West Palm Beach, 659 So.2d 402, 404 (Fla. 4th Dist. Ct. App. 1995) (noting that an agency has "only such power as expressly or by necessary implication is granted by legislative enactment" and that "as a creature of statue," an agency "has no common law jurisdiction or inherent power . . . .").

Moreover, any authority granted by necessary implication must be derived from fair implication and intendment incident to any express authority. See Atlantic Coast Line R.R. Co. v. State, 74 So. 595, 601 (Fla. 1917); State v. Louisville & N. R. Co., 49 So. 39 (Fla. 1909). Finally, "any reasonable doubt as to the existence of a particular power of the Commission must be resolved against it." State v. Mayo, 354 So. 2d 359, 361 (Fla. 1977). As explained below, IDS cannot demonstrate that the Commission has the authority to grant the specific relief IDS requests.

1. The Commission Does Not Have Subject Matter Jurisdiction Over Alleged Violations of Federal Law.

As can be seen by a cursory review of Chapter 364, Florida Statutes, the Legislature has not granted the Commission any authority to determine whether a carrier has violated federal law. Moreover, while the Commission has authority under the Act in Section 252 arbitration proceedings to interpret and resolve issues of federal law, including whether or not the arbitrated issues comply with Section 251 and the FCC regulations prescribed pursuant to Section 251, the Act does not grant the Commission with any general authority to resolve and enforce purported violations of federal law. See e.g., 47 U.S.C. § 251.

The Commission recently addressed this exact issue in Order No. PSC-03-1892-FOF-TP, issued on December 11, 2003, in Docket No. 030349-TP, In re: Complaint by Supra Telecommunications and Information Systems, Inc. Against BellSouth Telecommunications, Inc. Regarding BellSouth's Alleged Use of Carrier-to-Carrier Information ("Sunrise Order"). In the Sunrise Order, the Commission held that "[f]ederal courts have ruled that a state agency is not authorized to take administrative action based solely on federal statutes" and that "[s]tate agencies, as well as federal agencies, are only empowered by the statutes pursuant to which they are created." See Sunrise Order at 3 (citations omitted). The Commission further noted, however, it can construe and apply federal law "in order to make sure [its] decision under state law does not conflict" with federal law. Id. at 3-4. Accordingly, in the Sunrise Order, the Commission determined that it "cannot provide a remedy (federal or state) for a violation of" federal law but that the Commission can interpret and apply federal law to ensure that its decision under state law does not conflict with federal law. Id. at 5. The Commission

noted that any "[f]indings made as a result of such federal law analysis would not, however, be considered binding on the FCC or any court having proper jurisdiction . . . ." Id.

Here, IDS is requesting that that the Commission find, based on the same acts, that BellSouth violated Florida law as well as federal law. See Amended Complaint at 12-13. Pursuant to the Sunrise Order and Florida law, the Commission lacks jurisdiction to make such a finding. Accordingly, BellSouth requests that the Commission dismiss IDS' Amended Complaint to the extent it seeks a finding that BellSouth has violated federal law.

2. The Commission Lacks Subject Matter Jurisdiction To Interpret and Enforce a Settlement Agreement.

In addition, IDS requests that the Commission interpret the Settlement Agreement (as well as the Settlement Amendment) and find that BellSouth is in violation of both. The Commission does have authority under state and federal law to interpret and enforce agreements that it approves pursuant to the Act. See Section 364.162, Florida Statutes (authorizing Commission to interpret and enforce agreements that it approves under state law); BST v. MCImetro Access Transmission Serv., 317 F.3d 1270 (11th Cir. 2003) (finding that state commissions have the same authority under the Act). However, it is well-settled that the Commission does not have any authority to interpret and enforce general contracts. See United Tel. Co. of Fla. V. Public Service Commission, 496 So. 2d 116, 118 (Fla. 1986) (finding that Commission did not have authority to modify rate contracts between telephone companies); see also, In re: Petition for Limited Proceeding to Implement Water Conservation Plan in Seminole County Util. Corp., Order No. PSC-05-0536-S-WS, Apr. 28, 1995, 1995 WL 274474 at

*3 (finding that the Commission lacked authority to resolve certain disputes relating to a settlement and stipulation).

Furthermore, the Settlement Agreement at issue specifically requires that [redacted] See Settlement Agreement at ¶ 26. As stated above, the laws of Florida do not provide the Commission with jurisdiction to interpret and enforce a private, negotiated settlement agreement. Accordingly, BellSouth requests that the Commission dismiss IDS' Amended Complaint to the extent it seeks a finding that BellSouth has breached the Settlement Agreement and/or the Settlement Amendment.

ANSWER

1. The allegations contained in paragraph 1 of the Amended Complaint do not require a response from BellSouth.

2. BellSouth admits the allegations contained in paragraph 2 of the Amended Complaint.

3. BellSouth denies the allegations contained in paragraph 3 of the Amended Complaint, except to admit that the Commission has jurisdiction to interpret and enforce interconnection agreements that it approves pursuant to Section 252 of the Telecommunications Act of 1996 (the "Act"). BellSouth denies that the Commission has jurisdiction to interpret and enforce settlement agreements or has jurisdiction to find that BellSouth is in violation of federal law.

4. BellSouth denies the allegations contained in paragraph 4 of the Amended Complaint except to admit that IDS filed its original Complaint on December

23, 2003 and that Rule 28-106.202, Florida Administrative Code provides for the amendment of Petitions.

5. BellSouth denies the allegations contained in paragraph 5 of the Amended Complaint, except to admit that the Present Agreement had an effective date as of January 27, 2001. BellSouth denies the allegations contained in paragraph 6 of the Amended Complaint, except to admit that IDS filed a complaint against BellSouth at the Commission on or about May 11, 2001 and that IDS filed a complaint against BellSouth at the Georgia Public Service Commission on or about July 16, 2001.

6. BellSouth denies the allegations contained in paragraph 6 of the Amended Complaint, except to admit that BellSouth and IDS entered into a confidential settlement agreement (previously defined as "Settlement Agreement") on or about September 27, 2001 and that the Settlement Agreement speaks for itself and is the best evidence of its terms and conditions.

7. BellSouth denies the allegations contained in paragraph 7 of the Amended Complaint, except to admit that BellSouth and IDS entered into an amendment to the Settlement Agreement (previously defined as "Settlement Amendment") containing an effective date of March 25, 2001.

8. BellSouth denies the allegations contained in paragraph 8 of the Amended Complaint (including footnotes), except to admit that the Settlement Amendment speaks for itself and is the best evidence of its terms and conditions.

9. BellSouth denies the allegations contained in paragraph 9 of the Amended Complaint.

10. BellSouth admits the allegations contained in paragraph 10 of the Amended Complaint.

11. BellSouth denies the allegations contained in paragraph 11 of the Amended Complaint.

12. BellSouth denies the allegations contained in paragraph 12 of the Amended Complaint, except to admit that IDS has paid some amounts owed on the Q account at issue.

13. BellSouth denies the allegations contained in paragraph 13 of the Amended Complaint, except to admit that BellSouth has requested that IDS pay all undisputed monies owed under the Settlement Agreement, Settlement Amendment, and the Present Agreement.

14. BellSouth denies the allegations contained in paragraph 14 of the Amended Complaint, except to admit that IDS has raised an improper dispute relating to the Q account and that IDS has paid some amounts owed in the Q account.

15. BellSouth denies the allegations contained in paragraph 15 of the Amended Complaint (including footnotes), except to admit that the Present Agreement contains Attachment 7, Section 1.7.2 and Section 31 of the General Terms and Conditions ("GTC"). These provisions speak for themselves and are the best evidence of their terms and conditions.

16. BellSouth denies the allegations contained in paragraph 16 of the Amended Complaint (including footnotes), except to admit that the Present Agreement contains Attachment 7, Section 2.1 and 2.1.1. These provisions speak for themselves and are the best evidence of their terms and conditions.

17. BellSouth denies the allegations contained in paragraph 17 of the Amended Complaint, except to admit that the Present Agreement contains Section 10 of the GTC and that the Prior Agreement contained Section 12 of the GTC. These provisions speak for themselves and are the best evidence of their terms and conditions.

18. BellSouth denies the allegations contained in paragraph 18 of the Amended Complaint (including footnotes).

19. BellSouth denies the allegations contained in paragraph 19 of the Amended Complaint, except to admit that IDS filed an informal complaint at the Commission on or about November 3, 2003.

20. BellSouth denies the allegations contained in paragraph 20 of the Amended Complaint, except to admit that Commission Staff suggested that IDS file a formal complaint and that IDS has attempted to bring some of its billing disputes to the attention of the FCC.

21. BellSouth denies the allegations contained in paragraph 21 of the Amended Complaint, except to admit that IDS has raised other improper billing disputes, which are referenced in Exhibit F to the Amended Complaint. BellSouth's response to each of these disputes is accurately set forth in BellSouth's December 4, 2003 Letter to the Commission, which is attached hereto as Exhibit 1. BellSouth's incorporates each response herein.

22. BellSouth denies the allegations contained in paragraph 22 of the Amended Complaint, except to admit that BellSouth properly terminated IDS' access to

LENS pursuant to the terms of the Present Agreement for IDS' failure to pay undisputed amounts and that BellSouth subsequently restored IDS' access to LENS.

23. BellSouth denies the allegations contained in paragraph 23 of the Amended Complaint, except to admit that LENS is an electronic interface between a CLEC and BellSouth's wholesale operations that enables CLECs to order, modify, and terminate telephone service to a CLEC's customer.

COUNT ONE

24. The allegations contained in paragraph 24 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

25. BellSouth denies the allegations in paragraph 25 of the Amended Complaint, except to admit that IDS filed an informal complaint at the Commission on or about November 3, 2003.

26. BellSouth denies the allegations contained in paragraph 26 of the Amended Complaint.

27. BellSouth denies the allegations contained in paragraph 27 of the Amended Complaint.

COUNT TWO

28. The allegations contained in paragraph 28 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

29. BellSouth denies the allegations contained in paragraph 29 of the Amended Complaint, except to admit that the Present Agreement governs the parties' rights and obligations regarding the payment of services, billing disputes, and the

suspension and/or termination of services. The Present Agreement speaks for itself and is the best evidence of its terms and conditions.

30. BellSouth denies the allegations contained in paragraph 30 of the Amended Complaint, except to admit that IDS has raised improper disputes relating to the Q account at issue.

31. BellSouth denies the allegations contained in paragraph 31 of the Amended Complaint.

32. BellSouth denies the allegations contained in paragraph 32 of the Amended Complaint.

33. BellSouth denies the allegations contained in paragraph 33 of the Amended Complaint.

34. BellSouth denies the allegations contained in paragraph 34 of the Amended Complaint.

35. BellSouth denies the allegations contained in paragraph 32 of the Amended Complaint.

COUNT THREE

36. The allegations contained in paragraph 36 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

37. BellSouth denies the allegations contained in paragraph 37 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to interpret or determine if the Settlement Agreement has been violated.

38. BellSouth denies the allegations contained in paragraph 38 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction

to interpret the Settlement Agreement, to determine if the Settlement Agreement has been violated, or to order any relief related to the Settlement Agreement

COUNT FOUR

39. The allegations contained in paragraph 39 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

40. BellSouth denies the allegations contained in paragraph 40 of the Amended Complaint, except to admit that Section 354.01(g), Florida Statutes exists and that this statute speaks for itself and is the best evidence of its terms and conditions.

41. BellSouth denies the allegations contained in paragraph 41 of the Amended Complaint.

42. BellSouth denies the allegations contained in paragraph 42 of the Amended Complaint.

43. BellSouth denies the allegations contained in paragraph 43 of the Amended Complaint.

COUNT FIVE

44. The allegations contained in paragraph 44 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

45. BellSouth denies the allegations contained in paragraph 45 of the Amended Complaint, except to admit that the Act, as reflected in the Present Agreement, governs BellSouth's relationship with IDS.

46. BellSouth denies the allegations contained in paragraph 46 of the Amended Complaint.

47. BellSouth denies the allegations contained in paragraph 47 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to find that BellSouth is in violation of federal law.

48. BellSouth denies the allegations contained in paragraph 48 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to find that BellSouth is in violation of federal law.

49. BellSouth denies that IDS is entitled to any of the relief requested by in the WHEREFORE clause.

50. Any allegation not expressly admitted herein, is denied.

AFFIRMATIVE DEFENSES

1. IDS' Amended Complaint fails to state a cause of action upon which relief can be granted.

2. The Commission lacks subject matter jurisdiction to find that BellSouth is in violation of federal law.

3. The Commission lacks subject matter jurisdiction to interpret or enforce the Settlement Agreement or the Settlement Amendment.

4. IDS' claims are barred by settlement and compromise.

5. IDS' claims are barred by accord and satisfaction.

WHEREFORE, for the foregoing reasons, BellSouth requests that the Commission grant BellSouth's Partial Motion to Dismiss and enter judgment in BellSouth's favor on all other counts.

Respectfully submitted this 16th day of January, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE
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BELLSOUTH

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850 224-5178
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Steve L. Greer
Manager – Regulatory Relations

December 4, 2003

Mr. Michael Barrett
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: CATS – 567409T – Angel Lerio - IDS Telcom LLC

Dear Mr. Barrett:

The purpose of this letter is to respond to the allegations contained within the informal complaint of IDS Telcom LLC ("IDS") dated November 3, 2003. The complaint, at a high level, asserts that BellSouth Telecommunications, Inc. ("BellSouth") has overcharged IDS for services provided to it pursuant to the interconnection agreement executed between the parties and pursuant to the access tariffs of BellSouth. BellSouth has made numerous attempts to reconcile the disputed charges of IDS, including a face-to-face meeting that occurred in Birmingham on July 15, 2003 followed by weekly, as well as daily, conference calls between BellSouth's collection representatives and IDS personnel.

It is BellSouth's contention that IDS has received services in Florida from BellSouth in the amount of $5,998,389.62. These services include access services purchased from BellSouth's intrastate access services tariff ($633,110.47); services for purposes of resale by IDS ($215,924.36) purchased pursuant to the interconnection agreement between BellSouth and IDS; and unbundled network elements ("UNE") purchased pursuant to the interconnection agreement between BellSouth and IDS ($5,149,354.79). Of these amounts, IDS has disputed $164,391.87 in access services billing; $142,112.29 in resale services billing; and $4,495,383.94 in UNE services billing. These disputes total $4,801,888.10. Of the $4,801,888.10 in dispute, $1,390,473.53 represents a dispute submitted by IDS regarding market rates for unbundled switching provided to IDS by BellSouth where the IDS customer has four or more lines. This dispute is absolutely without merit.

Also included in the $4,801,888.10 in dispute is $1,438,276.53 for Daily Usage File ("DUF") charges. Through a contract amendment, BellSouth and IDS changed the rates for DUF in Florida as required by the Florida PSC order and

EXHIBIT 1

made the appropriate adjustments to IDS' bill. IDS is disputing DUF charges billed prior to the effective date of that order. This dispute is also without merit.

Please be aware that the amounts in the preceding paragraph relate only to the services provided to IDS in Florida. IDS is a regional company with accounts in a number of BellSouth states. IDS not only owes undisputed monies to BellSouth for services provided in Florida but also for services provided in the other states.

There is no question that $1,196,501.52 is unpaid, and late, and undisputed. Further, BellSouth contends that the $1,390,473.53 amount relating to market rate switching and the $1,438,276.53 for DUF has been improperly disputed by IDS, thus making it unpaid, and late, and undisputed.

Pursuant to Attachment 7, section 1.7.2 of the interconnection agreement between IDS and BellSouth, BellSouth may suspend or terminate service for nonpayment for amounts not subject to a billing dispute if the payment is not received by the bill date in the month after the original bill date. To suspend service, BellSouth must provide written notice to IDS that additional applications for service will be refused, that any pending orders for service may not be completed and that access to ordering systems may be suspended if payment is not received by the 15th day following the date of the notice. Said notice may also state that if payment is not received by the 30th day following the initial notice, service may be discontinued. BellSouth provided IDS with the notice required under this section of the interconnection agreement on October 20, 2003 . **As such, BellSouth should be allowed to continue with the suspension of access to BellSouth's ordering systems without intervention from the Commission.**

In response to the specific allegations contained within the November 3, 2003 letter, BellSouth states as follows:

Conversion charges: BellSouth has reviewed the conversion charges claims of IDS and has credited charges where IDS has been overbilled. IDS claims that the dispute regarding conversion charges is $130,279.44. BellSouth has denied $126,985.26 of the disputed amount, and has still pending investigation $3,294.18 of the disputed amount. A large number of the IDS claims in this category required more information on the part of IDS. In making its demand for payment, BellSouth did not include any charges still under investigation by BellSouth.

Engineering Charges: The amount of the charges in this category is $177,335.32 . BellSouth is still investigating whether these charges are correct and as such, has not included any of these amounts in its demand for payment.

BellSouth is confident that it can substantiate the overwhelming majority of these charges and where it cannot, BellSouth will issue a credit on behalf of IDS.

Non-Basic 1 and Non-Basic 4 Charges: These charges are for wiring work performed by the BellSouth technicians when installing service on behalf of IDS. The amount of the charges in this category is $236,517.75 . Although BellSouth had previously investigated these charges for IDS, IDS was not satisfied with the outcome and asked that the disputes be escalated to the next level of management. BellSouth has done so and as such is not including these amounts in its demand for payment. BellSouth has also requested that IDS provide the individual charges that it finds have been billed in error.

Port Install and Disconnect Charges: BellSouth has reviewed the port install and disconnect charges claims of IDS and has credited charges where IDS has been overbilled. IDS claims that the amount of the charges in this category is $486,419.09 . BellSouth has denied disputes in the amount of $122,148.86 . BellSouth is continuing to investigate $364,270.23 that is in dispute. The pending dispute amount was not included in BellSouth's demand for payment.

Port/Loop Rates: The amount of the disputed charges in this category according to IDS is $438,241.92. While BellSouth agrees that the majority of this dispute remains open between the parties, BellSouth has investigated and denied $26.29, leaving $438,215.63 pending. . The pending dispute amount was not included in BellSouth's demand for payment.

Usage Rerate: According to IDS the amount of the disputed charges in this category is $7,989.23. . BellSouth has denied $7,960.70 of the IDS claims. $28.53 of the IDS claim remains pending. The pending dispute amount was not included in BellSouth's demand for payment.

Market- based Rates: The amount of the charges in this category is $1,390,473.53. . BellSouth has reviewed and denied these disputes as the charges are appropriate pursuant to the interconnection agreement between the parties. The agreement authorizes a market based rate, that is set forth in the price table included in Attachment 2 of the interconnection agreement, where the customer has 4 or more lines in a location within specified MSAs. The dispute has been escalated and denied at the escalated level. There is absolutely no basis to the IDS dispute regarding this issue and should be disregarded in its entirety.

Issues Subject to Confidentiality Requirements: Without more information provided by IDS to BellSouth, BellSouth cannot respond to this allegation. These issues, to the best of BellSouth's knowledge, have not been

discussed with the BellSouth collections personnel that have been interfacing with IDS personnel on a frequent basis.

BellSouth must receive payment of the undisputed amount of the charges incurred by IDS. That amount is **$1,196,501.52. BellSouth further contends that the market based switching and DUF disputes are groundless. As such IDS should immediately pay the $1,390,473.53 and $1,438,276.53 owed to BellSouth or face suspension of access to the ordering systems and disconnection if payment is not received.**

BellSouth stands ready, willing and able to answer any questions that you may have regarding the undisputed charges or any other issue raised by IDS' informal complaint or BellSouth's response.

If you have any questions, please call me.

Sincerely,

Stan L. Greer
Manager Regulatory Relations

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

PBC

Title: 5/9/03 letter

B4/1/04
KLW
5/4/04

BELLSOUTH

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

marshall.criser@bellsouth.com

Marshall M. Criser III
Vice President
Regulatory & External Affairs

850 224 7798
Fax 850 224 5073

May 9, 2003

Mrs. Blanca S. Bayo
Director, Division of The Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: Docket 030158-TP Request for approval of interconnection, unbundling, resale, and collocation agreement between BellSouth Telecommunications, Inc. and IDS Telecom LLC.

Dear Ms. Bayo:

On February 10, 2003, BellSouth and IDS Telecom LLC. filed an interconnection, unbundling, resale, and collocation agreement for Florida Public Service Commission approval. The subject of the cover letter of the filing was styled as referenced above.

However, in filing the aforementioned contract a page(s) were inadvertently omitted. Please accept the attached page(s) as correction of the initial filing and existing docket file.

I would appreciate your assistance in correcting the filing and record in question.

Very truly yours,

Marshall M. Criser III

Regulatory Vice President (LA)

DOCUMENT NUMBER-DATE
04235 MAY-9 03
FPSC-COMMISSION CLERK

5-7

Calling Name (CNAM)
LNP Data Base Query Service

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year written below.

BellSouth Telecommunications, Inc.	**IDS Telcom, L.L.C.**
By:	By:
Name:	Name:
Title:	Title: CFO
Date:	Date: 12-19-02

BELLSOUTH

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

marshall criser@bellsouth com

Marshall M. Criser III
Vice President
Regulatory & External Affairs

850 224 7798
Fax 850 224 5073

January 31, 2003

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

030114-TP

Re: Approval of Three Amendments to the Interconnection, Unbundling, Resale, and Collocation Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and IDS Telecom, LLC pursuant to Sections 251, 252 and 271 of the Telecommunications Act of 1996.

Dear Mrs. Bayo:

Pursuant the Telecommunications Act of 1996, BellSouth and IDS Telecom, LLC are submitting to the Florida Public Service Commission their negotiated agreement for the interconnection, unbundling of specific network elements, collocation of BellSouth networks, and resale of their telecommunications services to IDS Telecom, LLC. The agreement was negotiated pursuant to sections 251,252 and 271 of the Act. The initial agreement between the companies was filed in FPSC Docket No. 010027-TP.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting this amendment to the negotiated agreement between BellSouth and IDS Telecom, LLC within 90 days of its submission. The Act provides that the Commission may only reject such an amendment if it finds that the amendment, or any portion of the amendment, discriminates against a telecommunications carrier not a party to the amendment or if the implementation of the amendment or any portion of the amendment is not consistent with the public interest, convenience and necessity. Both parties agree that neither of these reasons exists as to the amendment they have negotiated. Therefore, this amendment should be deemed effective by operation of law on May 1, 2003.

Very truly yours,

Marshall M. Criser III

Regulatory Vice President

DOCUMENT NUMBER-DATE
01033 JAN 31 03
FPSC-COMMISSION CLERK

AMENDMENT
TO THE
AGREEMENT BETWEEN
BELLSOUTH TELECOMMUNICATIONS, INC.
AND
IDS TELCOM, L.L.C.
DATED JUNE 26, 2001
EFFECTIVE AS OF JANUARY 27, 2001

Pursuant to this Agreement, (the "Amendment"), IDS Telcom, L.L.C., ("IDS"), a Florida limited liability company, and BellSouth Telecommunications, Inc. ("BellSouth"), a Georgia corporation, having an office at 675 W. Peachtree Street, Atlanta, Georgia, 30375, on behalf of itself, hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated June 26, 2001 and effective as of January 27, 2001("Agreement").

WHEREAS, BellSouth and IDS entered into the Agreement dated June 26, 2001 and effective as of January 27, 2001, for the State of Florida and;

WHEREAS, the Parties desire to amend the Agreement to include Unbundled Remote Call Forwarding (URCF) service.

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Section 4 of Attachment 2 is amended to include a new Section 4.1.7 Remote Call Forwarding incorporated herein below:

4.1.7 Remote Call Forwarding

4.1.7.1 As an option, BellSouth shall make available to Birch an unbundled port with Remote Call Forwarding capability ("URCF service"). URCF service combines the functionality of unbundled local switching, tandem switching and common transport to forward calls from the URCF service telephone number (the number dialed by the calling party) to another telephone number selected by the URCF service subscriber. When ordering URCF service, Birch will ensure that the following conditions are satisfied:

4.1.7.1.1 That the end user of the forward-to number (service) agrees to receive calls forwarded using the URCF service (if such end user is different from the URCF service end user);

4.1.7.1.2 That the forward-to number (service) is equipped with sufficient capacity to receive the volume of calls that will be generated from the URCF service;

4.2.7.1.3 That the URCF service will not be utilized to forward calls to another URCF or similar service; and

4.1.7.1.4 That the forward-to number (service) is not a public safety number (e.g. 911, fire or police number).

4.1.7.2 In addition to the charge for the URCF service port, BellSouth shall charge Birch the rates set forth in Exhibit C for unbundled local switching, tandem switching, and common transport, including all associated usage, incurred for calls from the URCF service telephone number (the number dialed by the calling party) to the forward- to number (service).

2. Attachment 2 Exhibit D –UNE Rates of the Agreement is amended to add URCF Service rates, incorporated herein by reference as Exhibit 1 to this Amendment.

3. All of the other provisions of the Agreement, dated June 26, 2001 shall remain in full force and effect.

4. Either or both of the Parties is authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

This Amendment shall be deemed effective 30 calendar days following the date of the last signature of both parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized repres. atives on the date indicated below.

BellSouth Telecommunications, Inc.

By: _____

Name: Elizabeth B.A. Shiers Li

Title: Assistant Director Interconnection Services

Date: 10-07-02

IDS Telcom, L.L.C.

By: _____

Name: Michael Hoshay

Title: President / Manager

Date: 10/3/02

Exhibit 1

UNEs - Florida

CATEGORY	RATE ELEMENTS	Location	Zone	BCS	USOC	RATES($) Recurring			Nonrecurring Disconnect		OSS RATES($) Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs Electronically Sub	Incremental Charge - Manual Svc Order vs Electronic Svc Sub	Incremental Charge Manual Svc Order vs Electronic Disc Sub	Incremental Charge Manual Svc Order vs Electronic Disc Add'l
						Res	Flrst	Add'l	Flrst	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
UNBUNDLED LOCAL EXCHANGE SWITCHING PORTS																
	UNBUNDLED PORT WITH REMOTE CALL FORWARDING CAPABILITY															
	UNBUNDLED REMOTE CALL FORWARDING SERVICE - RESIDENCE															
	Unbundled Remote Call Forwarding Service, Area Calling, Res			UEPVR	UERAC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, Local Calling - Res			UEPVR	UERLC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, InterLATA - Res			UEPVR	UERTE	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, IntraLATA - Res			UEPVR	UERTR	1 40	3 74	3 63	1 88	1 80		11 90				
	Non-Recurring															
	Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is			UEPVR	USAC2		0 102	0 102								
	Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC)			UEPVR	USACC		0 102	0 102								
	UNBUNDLED REMOTE CALL FORWARDING - Bus															
	Unbundled Remote Call Forwarding Service, Area Calling - Bus			UEPVB	UERAC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, Local Calling - Bus			UEPVB	UERLC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, InterLATA - Bus			UEPVB	UERTE	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, IntraLATA - Bus			UEPVB	UERTR	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service Expanded and Exception Local Calling			UEPVB	UERVJ	1 40	3 74	3 63	1 88	1 80		11 90				
	Non-Recurring															
	Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is			UEPVB	USAC2		0 102	0 102								
	Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC)			UEPVB	USACC		0 102	0 102								

EXHIBIT KLW-3
PAGE 45 OF 212
BST NON-CONFIDENTIAL

**AMENDMENT
TO THE
AGREEMENT BETWEEN
IDS TELCOM, L.L.C.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED JANUARY 27, 2001**

Pursuant to this Amendment, (the "Amendment"), IDS Telcom, L.L.C ("IDS"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated January 27, 2001 ("Agreement").

WHEREAS, BellSouth and IDS entered into the Agreement on January 27, 2001, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Parties hereby agree to delete Sections 5.1 and 5.2, Attachment 2, in its entirety and replace it with new Sections 5.1, 5.2, 5.2.1, 5.2.2, 5.2.3, 5.2.4 and 5.2.5, Attachment 2 incorporated herein below:

5.1 For purposes of this Section, references to "Currently Combined" network elements shall mean that the particular network elements requested by IDS are in fact already combined by BellSouth in the BellSouth network.

5.2 Unbundled Network Element Combinations shall include:

5.2.1 Density Zone 1 Enhanced Extended Links (EELs);

5.2.2 Ordinarily Combined UNE Combinations;

5.2.3 Special Access Service to UNE Conversions;

5.2.4 Currently Combined Transport Element Combination Conversions; and

5.2.5 UNE Loop/Port Combinations.

2. The Parties hereby agree to delete Sections 5.3.1, 5.3.2, 5.3.3 and 5.3.4 Attachment 2 in its entirety and replace it with new Sections 5.3.1, 5.3.2, 5.3.3 and 5.3.4, Attachment 2 incorporated herein below:

5.3.1 EELs are a combination of unbundled loop and transport. BellSouth shall provide IDS with EELs where they are available.

5.3.2 Density Zone 1 EELs, as they relate to the FCC's Unbundled Switching Option, are comprised of the configurations in Section 5.3.4 consisting of Local Loop and Interoffice Channel terminating in the requesting CLEC's collocation in the Point of Presence (POP) Serving Wire Center (SWC).

5.3.3 Density Zone 1 EELs are intended to provide new service connectivity from an end user's location through that end user's SWC to IDS's collocation space in a BellSouth central office. The circuit must be connected to the IDS's switch for the purpose of provisioning circuit telephone exchange service to the IDS's end-user

KLW 9/5/02

5.4.2.2 The rates for Ordinarily Combined UNE Combinations which do not replicate a combination described in Section 5.3.4, shall be the sum of the recurring rates and nonrecurring rates for the stand-alone network elements as set forth in Exhibit D of this Attachment.

5.4.3 To the extent that IDS seeks to obtain other combinations of network elements that BellSouth ordinarily combines in its network which have not been specifically priced by the Commission when purchased in combined form, IDS, at its option, may request that such rates be determined pursuant to the BFR/NBR process set forth in this Agreement.

5.4.4 Currently Combined Combinations to UNE Conversions

5.4.4.1 In every state within which BellSouth operates, IDS's existing network transport element combinations may be converted to UNEs, if requested. These combinations may not be connected to tariffed services.

5.4.4.2 Rates

5.4.4.3 The rates for the Conversion of Currently Combined Combinations which replicate a configuration described in Section 5.3.4 shall be the sum of the recurring rates for that combination and a one-time conversion charge as set forth in Exhibit D of this Attachment.

5.4.4.4 The rates for the Conversion of Currently Combined Combinations which do not replicate a configuration described in Section 5.3.4 shall be the sum of the recurring rates for the stand-alone network elements and a one-time conversion charge as set forth in Exhibit D of this Attachment.

5.4.4.5 To the extent BellSouth has not developed methods and procedures to provide any specific combination of network elements requested by IDS, whether or not Currently Combined, such methods and procedures shall be established pursuant to the BFR/NBR process.

7. The Parties hereby agree to delete Section 5.6.2, 5.6.2.1, 5.6.2.2, 5.6.2.3 and 5.6.2.4 Attachment 2 and replace it with a new Section 5.6.2, 5.6.2.1, 5.6.2.2, 5.6.2.3 and 5.6.2.4 incorporated herein below:

5.6.2 Combinations of port and loop unbundled network elements along with switching and transport unbundled network elements provide local exchange service for the origination or termination of calls. Port/ loop combinations support the same local calling and feature requirements as described in the Unbundled Local Switching or Port section of this Attachment 2 and the ability to presubscribe to a primary carrier for intraLATA and/or to presubscribe to a primary carrier for interLATA toll service.

5.6.2.1 BellSouth shall make available UNE port/loop combinations, regardless of whether such combinations are Currently Combined, so long as such combinations are ordinarily combined in BellSouth's network.

5.6.2.2 Except as set forth in section 5.6.2.3 below, BellSouth shall provide UNE port/loop combinations that are ordinarily combined in BellSouth's network, regardless of whether such combinations are Currently Combined at the cost-based rates in Exhibit D.

a/s/02

EXHIBIT 1

AMENDMENT
TO THE
AGREEMENT BETWEEN
IDS TELCOM, L.L.C
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED JUNE 26, 2001
EFFECTIVE JANUARY 27, 2001

Pursuant to this Amendment, (the "Amendment"), IDS Telcom, L.L.C., ("IDS"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated June 26, 2001 and effective January 27, 2001 ("Agreement") for the state of Florida ("Agreement").

WHEREAS, BellSouth and IDS entered into the Agreement on dated June 26, 2001 and effective January 27, 2001, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Parties agree to delete all rates in Exhibit 1, Attachment 1, 2, 3, and 7 and replace with the rates set forth in Exhibit 1 of this Amendment, attached hereto and incorporated herein by this reference, reference as ordered in Florida Docket 990649A-TP, issued September 27, 2002.

2. The Parties agree to delete and replace Section 11.1 of Attachment 1 with the following, incorporated herein by this reference:

   11.1 The Optional Daily Usage File (ODUF) Agreement with terms and conditions is included in this Attachment as Exhibit D. Rates for ODUF are as set forth in Attachment 7 of this Agreement.

3. The Parties agree to delete and replace Section 12.1 of Attachment 1 with the following, incorporated herein by this reference:

   12.1 The Enhanced Optional Daily Usage File (EODUF) Agreement with terms and conditions is included in this Attachment as Exhibit D. Rates for EODUF are as set forth in Attachment 7 of this Agreement.

4. All of the other provisions of the Agreement, dated June 26, 2001 and effective January 27, 2001, shall remain in full force and effect.

5. Either or both of the Parties are authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

4. Neither party waives any right to seek clarification from the Commission regarding retroactive application of the rates contained in this Amendment.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

IDS Telcom, L.L.C.

By: _____

Name: Michael Noshay HACKER

Title: President/Manager CFO

Date: 10/16/02

BellSouth Telecommunications, Inc.

By: _____ Pat C Finlen

Name: ~~Elizabeth R. A. Shiroishi~~

Title: Assistant Director, Interconnection Services

Date: 10/22/02

EXHIBIT 1

RESALE DISCOUNTS AND RATES

		FLORIDA
APPLICABLE DISCOUNTS		
RESIDENCE		21.83%
BUSINESS		16.81%
CSAs*		

* Unless noted in this row, the discount for Business will be the applicable discount rate for CSAs.

OPERATIONAL SUPPORT SYSTEMS (OSS) CHARGES			
ELEMENT	USOC		
Electronic LSR	SOMEC		$3.50
Manual LSR	SOMAN		$19.99

EXHIBIT KLW-3
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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	The "Zone" shown in the sections for stand-alone loops or loops as part of a combination refers to Geographically Deaveraged UNE Zones. To view Georgraphically Deaveraged UNE Zone Designations by C O, refer to Internet Website: http://www.interconnection.bellsouth.com/become_a_clec/html/interconnection.htm															
OPERATIONAL SUPPORT SYSTEMS																
	NOTE: (1) Electronic Service Order: CLEC should contact its contract negotiator if it prefers the state specific electronic service ordering charges as ordered by the State Commissions. The electronic service ordering charge currently contained in this rate exhibit is the BellSouth regional electronic service ordering charge. CLEC may elect either the state specific Commission ordered rates for the electronic service ordering charges, or CLEC may elect the regional electronic service ordering charge.															
	NOTE: (2) Any element that can be ordered electronically will be billed according to the SOMEC rate listed in this category. Please refer to BellSouth's Business Rules for Local Ordering (BBR-LO) to determine if a product can be ordered electronically. For those elements that cannot be ordered electronically at present per the BBR-LO, the listed SOMEC rate in this category reflects the charge that would be billed to a CLEC once electronic ordering capabilities come on-line for that element. Otherwise, the manual ordering charge, SOMAN, will be applied to a CLECs bill when it submits an LSR to BellSouth															
	Manual Service Order Charge, per LSR, Disconnect Only (FL)				SOMAN				1 83							
	Electronic OSS Charge, per LSR, submitted via BST's OSS interactive interfaces (Regional)				SOMEC		3 50									
UNE SERVICE DATE ADVANCEMENT CHARGE																
	NOTE: The Expedite charge will be maintained commensurate with BellSouth's FCC No.1 Tariff, Section 5 as applicable.															
	UNE Expedite Charge per Circuit or Line Assignable USOC, per Day			ALL UNE	SDASP		200 00									
UNBUNDLED EXCHANGE ACCESS LOOP																
	2-WIRE ANALOG VOICE GRADE LOOP															
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 1		1	UEANL	UEAL2	10 69	49 57	22 83	25 82	6 57		11 90				
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 2		2	UEANL	UEAL2	15 20	49 57	22 83	25 82	6 57		11 90				
	2-Wire Analog Voice Grade Loop - Service Level 1- Zone 3		3	UEANL	UEAL2	26 97	49 57	22 83	26 82	6 57		11 90				
	Loop Testing - Basic 1st Half Hour			UEANL	URET1		48 65					11 90				
	Loop Testing - Basic Additional Half Hour			UEANL	URETA		23 95					11 90				
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UVL-SL1)			UEANL	UREWO		15 78	8 94				11 90				
	Unbundled Voice Loop, Unbundled Non-Design Voice Loop, billing for BST providing make-up			UEANL	UEANM		13 49									
	Manual Order Coordination for UVL-SL1s (per loop)			UEANL	UEAMC		9 00									
	Order Coordination for Specified Conversion Time for UVL-SL1 (per LSR)			UEANL	OCOSL		23 02									
	2-WIRE Unbundled COPPER LOOP															
	2-Wire Unbundled Copper Loop - Non-Designed Zone 1	I	1	UEQ	UEQ2X	7 66	44 98	20 90	19 85	5 09		11 90				
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 2	I	2	UEQ	UEQ2X	10 82	44 98	20 90	19 85	5 09		11.90				
	2 Wire Unbundled Copper Loop - Non-Designed - Zone 3	I	3	UEQ	UEQ2X	19 36	44 98	20 90	19 85	5 09		11.90				
	Order Coordination 2 Wire Unbundled Copper Loop - Non-Designed (per loop)			UEQ	USBMC		9 00									
	Unbundled Copper Loop, Non-Designed Billing for BST providing make-up			UEQ	UEQMU		13 49					11 90				
	Loop Testing - Basic 1st Half Hour			UEQ	URET1		48 65					11.90				
	Loop Testing - Basic Additional Half Hour			UEQ	URETA		23 95					11.90				
	CLEC to CLEC Conversion Charge Without Outside Dispatch (UCL-ND)			UEQ	UREWO		14 27	7 43				11.90				
UNBUNDLED EXCHANGE ACCESS LOOP																
	2-WIRE ANALOG VOICE GRADE LOOP															
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 1		1	UEPSR UEPSB	UEALS	10 69	49 57	22 83	25 82	6 57		11 90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 1		1	UEPSR UEPSB	UEABS	10 69	49.57	22 83	25 82	6 57		11.90				
	2 Wire Analog Voice Grade Loop- Service Level 1-Line Splitting-Zone 2		2	UEPSR UEPSB	UEALS	15 20	49 57	22 83	25 82	6 57		11 90				
	2 Wire Analog Voice Grade Loop- Service Level 1-Line Splitting-Zone 2		2	UEPSR UEPSB	UEABS	15 20	49 57	22 83	25 82	6 57		11 90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 3		3	UEPSR UEPSB	UEALS	26 97	49 57	22 83	25 82	6 57		11 90				
	2 Wire Analog Voice Grade Loop-Service Level 1-Line Splitting-Zone 3		3	UEPSR UEPSB	UEABS	26 97	49 57	22 83	25 82	6 57		11.90				
	UNE Loop Rates for Line Splitting															
	2-Wire Voice Grade Loop (SL1) for Line Spliting - Zone 1		1	UEPRX	UEPLX	12 94	0 102	0 102								
	2-Wire Voice Grade Loop (SL1) for Line Spliting - Zone 2		2	UEPRX	UEPLX	17 06	0 102	0 102								
	2-Wire Voice Grade Loop (SL1)for Line Spliting - Zone 3		3	UEPRX	UEPLX	31 87	0 102	0 102								

EXHIBIT KLW-3
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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	OSS Rates($) SOMAN	SOMAN	SOMAN	SOMAN
UNBUNDLED EXCHANGE ACCESS LOOP																
2-WIRE ANALOG VOICE GRADE LOOP																
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 1		1	UEA	UEAL2	12.24	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 2		2	UEA	UEAL2	17.40	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Loop or Ground Start Signaling - Zone 3		3	UEA	UEAL2	30.87	135.75	82.47	63.53	12.01		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 1		1	UEA	UEAR2	12.24	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 2		2	UEA	UEAR2	17.40	135.75	82.47	63.53	12.01		11.90				
	2-Wire Analog Voice Grade Loop - Service Level 2 w/Reverse Battery Signaling - Zone 3		3	UEA	UEAR2	30.87	135.75	82.47	63.53	12.01		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		87.71	36.35				11.90				
4-WIRE ANALOG VOICE GRADE LOOP																
	4-Wire Analog Voice Grade Loop - Zone 1		1	UEA	UEAL4	18.89	167.86	115.15	67.06	15.56		11.90				
	4-Wire Analog Voice Grade Loop - Zone 2		2	UEA	UEAL4	26.84	167.86	115.15	67.06	15.56		11.90				
	4-Wire Analog Voice Grade Loop - Zone 3		3	UEA	UEAL4	47.82	167.86	115.15	67.06	15.56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UEA	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UEA	UREWO		87.71	36.35				11.90				
2-WIRE ISDN DIGITAL GRADE LOOP																
	2-Wire ISDN Digital Grade Loop - Zone 1		1	UDN	U1L2X	19.26	147.69	94.41	62.23	10.71		11.90				
	2-Wire ISDN Digital Grade Loop - Zone 2		2	UDN	U1L2X	27.40	147.69	94.41	62.23	10.71		11.90				
	2-Wire ISDN Digital Grade Loop - Zone 3		3	UDN	U1L2X	48.62	147.69	94.41	62.23	10.71		11.90				
	Order Coordination For Specified Conversion Time (per LSR)			UDN	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UDN	UREWO		91.61	44.15				11.90				
2-WIRE Universal Digital Channel (UDC) COMPATIBLE LOOP																
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 1		1	UDC	UDC2X	19.26	147.69	94.41	62.23	10.71		11.90				
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 2		2	UDC	UDC2X	27.40	147.69	94.41	62.23	10.71		11.90				
	2-Wire Universal Digital Channel (UDC) Compatible Loop - Zone 3		3	UDC	UDC2X	48.62	147.69	94.41	62.23	10.71		11.90				
	CLEC to CLEC Conversion Charge without outside dispatch			UDC	UREWO		91.61	44.15				11.90				
2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP																
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 1		1	UAL	UAL2X	8.30	149.53	103.85	75.05	15.63		11.90				
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 2		2	UAL	UAL2X	11.80	149.53	103.85	75.05	15.63		11.90				
	2 Wire Unbundled ADSL Loop including manual service inquiry & facility reservation - Zone 3		3	UAL	UAL2X	20.94	149.53	103.85	75.05	15.63		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UAL	OCOSL		23.02									
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservation - Zone 1		1	UAL	UAL2W	8.30	124.83	71.12	60.84	9.12		11.90				
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservation - Zone 2		2	UAL	UAL2W	11.80	124.83	71.12	60.84	9.12		11.90				
	2 Wire Unbundled ADSL Loop without manual service inquiry & facility reservation - Zone 3		3	UAL	UAL2W	20.94	124.83	71.12	60.84	9.12		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UAL	OCOSL		23.02									
	CLEC to CLEC Conversion Charge without outside dispatch			UAL	UREWO		86.19	40.39				11.90				
2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP																
	2 Wire Unbundled HDSL Loop including manual service inquiry & facility reservation - Zone 1		1	UHL	UHL2X	7.22	158.09	113.41	75.05	15.63		11.90				
	2 Wire Unbundled HDSL Loop including manual service inquiry & facility reservation - Zone 2		2	UHL	UHL2X	10.26	158.09	113.41	75.05	15.63		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2		Exhibit: 1	
							Nonrecurring		Nonrecurring Disconnect				Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	First	Add'l	First	Add'l	SOMEC	SOMAN	OSS Rates($) SOMAN	SOMAN	SOMAN	SOMAN
	2 Wire Unbundled HDSL Loop including manual service inquiry & facility reservation - Zone 3		3	UHL	UHL2X	18 21	159 09	113 41	75.05	15 63		11 90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23.02									
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 1		1	UHL	UHL2W	7 22	134 40	80 69	80 64	9 12		11 90				
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 2		2	UHL	UHL2W	10 26	134 40	80 69	80 64	9 12		11 90				
	2 Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 3		3	UHL	UHL2W	18 21	134 40	80 69	80 64	9 12		11 90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23 02									
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		86 12	40 39				11 90				
	4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP															
	4 Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 1		1	UHL	UHL4X	10 86	193 31	138 98	77 15	12 61		11 90				
	4-Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 2		2	UHL	UHL4X	15 44	193 31	138 98	77.15	12 61		11 90				
	4-Wire Unbundled HDSL Loop including manual service inquiry and facility reservation - Zone 3		3	UHL	UHL4X	27 39	193 31	138 98	77 15	12 61		11 90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23 02									
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 1		1	UHL	UHL4W	10 86	168 62	115 47	82 74	11 22		11 90				
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 2		2	UHL	UHL4W	15 44	168 62	115.47	82 74	11 22		11 90				
	4-Wire Unbundled HDSL Loop without manual service inquiry and facility reservation - Zone 3		3	UHL	UHL4W	27 39	168 62	115 47	82 74	11 22		11 90				
	Order Coordination for Specified Conversion Time (per LSR)			UHL	OCOSL		23 02									
	CLEC to CLEC Conversion Charge without outside dispatch			UHL	UREWO		86 12	40 39				11 90				
	4-WIRE DS1 DIGITAL LOOP															
	4-Wire DS1 Digital Loop - Zone 1		1	USL	USLXX	70 74	313 75	181 48	81 22	13 53		11 90				
	4-Wire DS1 Digital Loop - Zone 2		2	USL	USLXX	100 54	313 75	181 48	81 22	13 53		11 90				
	4-Wire DS1 Digital Loop - Zone 3		3	USL	USLXX	178 39	313 75	181.48	81.22	13 53		11 90				
	Order Coordination for Specified Conversion Time (per LSR)			USL	OCOSL		23 02									
	CLEC to CLEC Conversion Charge without outside dispatch			USL	UREWO		101 07	43 04				11 90				
	4-WIRE 19.2, 56 OR 64 KBPS DIGITAL GRADE LOOP															
	4 Wire Unbundled Digital 19 2 Kbps		1	UDL	UDL19	22 20	161.56	108 85	87 08	15 56		11 90				
	4 Wire Unbundled Digital 19 2 Kbps		2	UDL	UDL19	31 56	161 56	108.85	87 08	15 56		11 90				
	4 Wire Unbundled Digital 19 2 Kbps		3	UDL	UDL19	55 99	161 56	108 85	87 08	15 56		11 90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 1		1	UDL	UDL56	22 20	161.56	108 85	87 08	15 56		11.90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 2		2	UDL	UDL56	31 56	161 56	108 85	87 08	15 56		11 90				
	4 Wire Unbundled Digital Loop 56 Kbps - Zone 3		3	UDL	UDL56	55 99	161.56	108 85	87 08	15 56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UDL	OCOSL		23 02									
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 1		1	UDL	UDL64	22 20	161.56	108 85	87 08	15 56		11 90				
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 2		2	UDL	UDL64	31 56	161.56	108 85	87 08	15 56		11 90				
	4 Wire Unbundled Digital Loop 64 Kbps - Zone 3		3	UDL	UDL64	55.99	161 56	108 85	87 08	15.56		11.90				
	Order Coordination for Specified Conversion Time (per LSR)			UDL	OCOSL		23 02									
	CLEC to CLEC Conversion Charge without outside dispatch			UDL	UREWO		102 11	49 74				11 90				
	2-WIRE Unbundled COPPER LOOP															
	2-Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 1		1	UCL	UCLPB	8 30	148 50	102 82	75 05	15 63		11 90				
	2-Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 2		2	UCL	UCLPB	11 80	148 50	102 82	75 05	15 63		11 90				
	2 Wire Unbundled Copper Loop/Short including manual service inquiry & facility reservation - Zone 3		3	UCL	UCLPB	20 94	148 50	102 82	75 05	15 63		11 90				
	Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
	2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 1		1	UCL	UCLPW	8 30	123 81	70 09	80 64	9 12		11 90				
	2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 2		2	UCL	UCLPW	11 80	123.81	70 09	80 64	9 12		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida														Attachment: 2		Exhibit: 1	
CATEGORY		RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(3)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(3)					
								First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
		2-Wire Unbundled Copper Loop/Short without manual service inquiry and facility reservation - Zone 3		3	UCL	UCLPW	20 94	123 81	70 09	60 64	9 12		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		2-Wire Unbundled Copper Loop/Long - includes manual srvc inquiry and facility reservation - Zone 1		1	UCL	UCL2L	17 42	148 50	102 82	75 05	15 83		11 90				
		2-Wire Unbundled Copper Loop/Long - includes manual svc inquiry and facility reservation - Zone 2		2	UCL	UCL2L	24 76	148 50	102 82	75 05	15 83		11 90				
		2-Wire Unbundled Copper Loop/Long - includes manual svc inquiry and facility reservation - Zone 3		3	UCL	UCL2L	43 94	148 50	102 82	75 05	15 83		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 1		1	UCL	UCL2W	17 42	123 81	70 09	60 64	9 12		11 90				
		2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 2		2	UCL	UCL2W	24 76	123 81	70 09	60 64	9 12		11 90				
		2-Wire Unbundled Copper Loop/Long - without manual service inquiry and facility reservation - Zone 3		3	UCL	UCL2W	43 94	123 81	70 09	60 64	9 12		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		CLEC to CLEC Conversion Charge without outside dispatch (UCL -Des)			UCL	UREWO		97 21	42 47				11 90				
	4-WIRE COPPER LOOP																
		4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 1		1	UCL	UCL4S	11 83	177 87	132 76	77 15	17 73		11 90				
		4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 2		2	UCL	UCL4S	18 81	177 87	132 76	77 15	17 73		11 90				
		4-Wire Copper Loop/Short - including manual service inquiry and facility reservation - Zone 3		3	UCL	UCL4S	29 82	177 87	132 76	77 15	17 73		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 1		1	UCL	UCL4W	11 83	153 18	100 03	62 74	11 22		11 90				
		4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 2		2	UCL	UCL4W	18 81	153 18	100 03	62 74	11 22		11 90				
		4-Wire Copper Loop/Short - without manual service inquiry and facility reservation - Zone 3		3	UCL	UCL4W	29 82	153 18	100 03	62 74	11 22		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		4-Wire Unbundled Copper Loop/Long - includes manual svc inquiry and facility reservation - Zone 1		1	UCL	UCL4L	31 10	177 87	132 76	77 15	17 73		11,90				
		4-Wire Unbundled Copper Loop/Long - includes manual svc inquiry and facility reservation - Zone 2		2	UCL	UCL4L	44 20	177 87	132 76	77 15	17 73		11 90				
		4-Wire Unbundled Copper Loop/Long - includes manual svc inquiry and facility reservation - Zone 3		3	UCL	UCL4L	76 42	177 87	132 76	77 15	17 73		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		4-Wire Unbundled Copper Loop/Long - without manual svc inquiry and facility reservation - Zone 1		1	UCL	UCL4O	31 10	153 18	100 03	62 74	11 22		11 90				
		4-Wire Unbundled Copper Loop/Long - without manual svc inquiry and facility reservation - Zone 2		2	UCL	UCL4O	44 20	153 18	100 03	62 74	11 22		11 90				
		4-Wire Unbundled Copper Loop/Long - without manual svc inquiry and facility reservation - Zone 3		3	UCL	UCL4O	76 42	153 18	100 03	62 74	11 22		11 90				
		Order Coordination for Unbundled Copper Loops (per loop)			UCL	UCLMC		9 00	9 00								
		CLEC to CLEC Conversion Charge without outside dispatch			UCL	UREWO		97 21	42 47				11 90				
LOOP MODIFICATION																	
		Unbundled Loop Modification, Removal of Load Coils - 2 Wire per less than or equal to 18k ft			UAL, UHL, UCL, UEQ, ULS, UEA, UEANL, UDL, UDC, UDN, UDL, USL	ULM2L		0 00	0 00				11 90				
		Unbundled Loop Modification, Removal of Load Coils - 2 wire greater than 18k ft			UCL, ULS, UEQ	ULM2G		343 12	343 12				11 90				
		Unbundled Loop Modification Removal of Load Coils - 4 Wire less than or equal to 18K ft			UHL, UCL	ULM4L		0.00	0.00				11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(1)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2		Exhibit: 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(1) SOMEC	OSS Rates(1) SOMAN	OSS Rates(1) SOMAN	OSS Rates(1) SOMAN	OSS Rates(1) SOMAN	OSS Rates(1) SOMAN
	Unbundled Loop Modification Removal of Load Coils - 4 Wire per greater than 18k ft			UCL	ULMMG		343 12	343 12				11 90				
	Unbundled Loop Modification Removal of Bridged Tap Removal, per unbundled loop			UAL, UHL, UCL, UEQ, UEF, ULS, UEA, UEANL, UDL, UDC, UDN, UDL, USL	ULMBT		10 52	10 52				11 90				
SUB-LOOPS																
	Sub-Loop Distribution															
	Sub-Loop - Per Cross Box Location - CLEC Feeder Facility Set-Up	I		UEANL	USBSA		467 23					11 90				
	Sub-Loop - Per Cross Box Location - Per 25 Pair Panel Set-Up	I		UEANL	USBSB		8 25					11 90				
	Sub-Loop - Per Building Equipment Room - CLEC Feeder Facility Set-Up	I		UEANL	USBSC		169 25					11 90				
	Sub-Loop - Per Building Equipment Room - Per 25 Pair Panel Set-Up	I		UEANL	USBSD		38 65					11 90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 1		1	UEANL	USBN2	6 46	60 19	21 78	47 50	5 26		11 90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 2		2	UEANL	USBN2	9 18	60 19	21 78	47 50	5 26		11 90				
	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop - Zone 3		3	UEANL	USBN2	16.29	60 19	21 78	47 50	5 26		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9 00									
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 1		1	UEANL	USBN4	7 37	66.83	30 42	49 71	6 60		11 90				
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 2		2	UEANL	USBN4	10 47	66 83	30 42	49 71	6 60		11 90				
	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop - Zone 3		3	UEANL	USBN4	18 58	66.83	30.42	49 71	6 60		11 90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	Sub-Loop 2-Wire Intrabuilding Network Cable (INC)	I		UEANL	USBR2	3 98	51 84	13 44	47 50	5.26		11 90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9 00									
	Sub-Loop 4-Wire Intrabuilding Network Cable (INC)	I		UEANL	USBR4	9 37	55 91	17 51	49 71	6 60		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEANL	USBMC		9.00									
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 1	I	1	UEF	UCS2X	6 15	60 19	21.78	47 50	5 26		11 90				
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 2	I	2	UEF	UCS2X	7 31	60.19	21 78	47 50	5 26		11.90				
	2 Wire Copper Unbundled Sub-Loop Distribution - Zone 3	I	3	UEF	UCS2X	12 98	60 19	21.78	47 50	5.26		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEF	USBMC		9 00									
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 1	I	1	UEF	UCS4X	5 36	66 83	30 42	49 71	6.60		11 90				
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 2	I	2	UEF	UCS4X	7.61	66.83	30 42	49 71	6 60		11.90				
	4 Wire Copper Unbundled Sub-Loop Distribution - Zone 3	I	3	UEF	UCS4X	13 61	66 83	30 42	49 71	6 60		11.90				
	Order Coordination for Unbundled Sub-Loops, per sub-loop pair			UEF	USBMC		9 00									
	Unbundled Sub-Loop Modification															
	Unbundled Sub-Loop Modification - 2-W Copper Dist Load Coil/Equip Removal per 2-W PR			UEF	ULM2X		10.11					11 90				
	Unbundled Sub-loop Modification - 4-W Copper Dist Load Coil/Equip Removal per 4-W PR			UEF	ULM4X		10.11					11 90				
	Unbundled Sub-loop Modification - 2-w/4-w Copper Dist Bridged Tap Removal, per PR unloaded			UEF	ULM4T		15 58					11 90				
	Unbundled Network Terminating Wire (UNTW)															
	Unbundled Network Terminating Wire (UNTW) per Pair			UENTW	UENPP	0.4572	18 02					11 90				
	Network Interface Device (NID)															

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY		RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- 1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
							Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
													11.90				
		Network Interface Device (NID) - 1-2 lines			UENTW	UND12		71.49	48.87				11.90				
		Network Interface Device (NID) - 1-6 lines			UENTW	UND16		113.89	89.07				11.90				
		Network Interface Device Cross Connect - 2 W			UENTW	UNDC2		7.83	7.83				11.90				
		Network Interface Device Cross Connect - 4W			UENTW	UNDC4		7.83	7.83				11.90				
SUB-LOOPS																	
	Sub-Loop Feeder																
		USL-Feeder, DS0 Set-up per Cross Box location - CLEC Distribution Facility set-up			UEA, UDN,UCL,UDL,UDC	USBFW		487.23					11.90				
		USL Feeder - DS0 Set-up per Cross Box location - per 25 pair set-up			UEA, UDN,UCL,UDL,UDC	USBFX		6.25	6.25				11.90				
		USL Feeder DS1 Set-up at DSX location, per DS1 termination			USL	USBFZ		522.41	11.92				11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Ground Start, Voice Grade - Zone 1		1	UEA	USBFA	6.41	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Ground-Start, Voice Grade - Zone 2		2	UEA	USBFA	9.10	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, Per 2 Wire Ground-Start, Voice Grade - Zone 3		3	UEA	USBFA	16.15	92.75	51.24	58.45	13.07		11.90				
		Order Coordination for Specified Conversion Time, per LSR			UEA	OCOSL		23.02									
		Unbundle Sub-Loop Feeder Loop, 2 Wire Loop-Start, Voice Grade - Zone 1		1	UEA	USBFB	6.41	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Loop-Start, Voice Grade - Zone 2		2	UEA	USBFB	9.10	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Start Loop, Voice Grade - Zone 3		3	UEA	USBFB	16.15	92.75	51.24	58.45	13.07		11.90				
		Order Coordination for Specified Time Conversion, per LSR			UEA	OCOSL		23.02									
		Unbundled Sub-Loop Feeder Loop, 2 Wire Reverse Battery, Voice Grade - Zone 1		1	UEA	USBFC	6.41	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Reverse Battery, Voice Grade - Zone 2		2	UEA	USBFC	9.10	92.75	51.24	58.45	13.07		11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire Analog Reverse Battery, Voice Grade - Zone 3		3	UEA	USBFC	16.15	92.75	51.24	58.45	13.07		11.90				
		Order Coordination For Specified Conversion Time, per LSR			UEA	OCOSL		23.02									
		Unbundled Sub-Loop Feeder Loop, 4 Wire Ground-Start, Voice Grade - Zone 1		1	UEA	USBFD	12.47	108.92	64.46	63.54	14.83		11.90				
		Unbundled Sub-Loop Feeder Loop, 4 Wire Ground-Start, Voice Grade - Zone 2		2	UEA	USBFD	17.73	108.92	64.46	63.54	14.83		11.90				
		Unbundled Sub-Loop Feeder Loop, 4 Wire Ground Start, Voice Grade - Zone 3		3	UEA	USBFD	31.45	108.92	64.46	63.54	14.83		11.90				
		Order Coordination For Specified Conversion Time, Per LSR			UEA	OCOSL		23.02									
		Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 1		1	UEA	USBFE	12.47	108.92	64.46	63.54	14.83		11.90				
		Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 2		2	UEA	USBFE	17.73	108.92	64.46	63.54	14.83		11.90				
		Unbundled Sub-Loop Feeder Loop, 4 Wire Loop-Start, Voice Grade - Zone 3		3	UEA	USBFE	31.45	108.92	64.46	63.54	14.83		11.90				
		Order Coordination For Specified Conversion Time, Per LSR			UEA	OCOSL		23.02					11.90				
		Unbundled Sub-Loop Feeder Loop, 2 Wire ISDN BRI - Zone 1		1	UDN	USBFF	14.83	109.71	66.88	60.21	12.49		11.90				
		Unbundled Sub-Loop Feeder Loop, 2-Wire ISDN BRI - Zone 2		2	UDN	USBFF	21.07	109.71	66.88	60.21	12.49		11.90				
		Unbundled Sub-Loop Feeder Loop, 2-Wire ISDN BRI - Zone 3		3	UDN	USBFF	37.39	109.71	66.88	60.21	12.49		11.90				
		Order Coordination For Specified Conversion Time, Per LSR			UDN	OCOSL		23.02									
		Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		1	UDC	USBFS	14.83	109.71	66.88	60.21	12.49		11.90				
		Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		2	UDC	USBFS	21.07	109.71	66.88	60.21	12.49		11.90				
		Unbundled Sub-Loop Feeder, 2 Wire UDC (IDSL compatible)		3	UDC	USBFS	37.39	109.71	66.88	60.21	12.49		11.90				
		Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 1		1	USL	USBFG	42.69	133.77	78.02	85.16	21.21		11.90				
		Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 2		2	USL	USBFG	80.53	133.77	78.02	85.16	21.21		11.90				
		Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 3		3	USL	USBFG	107.39	133.77	78.02	85.16	21.21		11.90				
		Order Coordination For Specified Conversion Time, Per LSR			USL	OCOSL		23.02									
		Unbundled Sub-Loop Feeder, 2-Wire Copper Loop - Zone 1		1	UCL	USBFH	3.76	85.27	42.24	58.54	10.82		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2		Exhibit: 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
													OSS Rates($)			
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SONEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Unbundled Sub-Loop Feeder Loop, 2-Wire Copper Loop - Zone 2		2	UCL	USBFH	5 35	85 27	42.24	58 54	10 82		11 90				
	Unbundled Sub-Loop Feeder Loop, 2-Wire Copper Loop - Zone 3		3	UCL	USBFH	9 49	85 27	42 24	58 54	10 82		11 90				
	Order Coordination For Specified Conversion Time, per LSR			UCL	OCOSL		23 02									
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 1		1	UCL	USBFJ	7 32	99 66	57.20	60 98	12 28		11 90				
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 2		2	UCL	USBFJ	10 40	99 66	57 20	60 98	12 28		11 90				
	Sub-Loop Feeder - Per 4-Wire Copper Loop - Zone 3		3	UCL	USBFJ	18 46	99 66	57 20	60 98	12 28		11 90				
	Order Coordination For Specified Conversion Time, per LSR			UCL	OCOSL		23 02									
	Sub-Loop Feeder - Per 4-Wire 19 2 Kbps Digital Grade Loop		1	UDL	USBFN	14 48	100 62	58 16	63 54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 19 2 Kbps Digital Grade Loop		2	UDL	USBFN	20 59	100 62	58 16	63 54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 19 2 Kbps Digital Grade Loop		3	UDL	USBFN	36 53	100 62	58 16	63 54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 1		1	UDL	USBFO	14 48	100 62	58.16	63.54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 2		2	UDL	USBFO	20 59	100 62	58 16	63 54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 56 Kbps Digital Grade Loop - Zone 3		3	UDL	USBFO	36 53	100 62	58 16	63 54	14 83		11 90				
	Order Coordination For Specified Time Conversion, per LSR			UDL	OCOSL		23 02									
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 1		1	UDL	USBFP	14 48	100 62	58 16	63 54	14 83		11 90				
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 2		2	UDL	USBFP	20 59	100 62	58 16	63 54	14 83		11.90				
	Sub-Loop Feeder - Per 4-Wire 64 Kbps Digital Grade Loop - Zone 3		3	UDL	USBFP	36 53	100 62	58 16	63 54	14 83		11 90				
	Order Coordination For Specified Conversion Time, per LSR			UDL	OCOSL		23 02									
SUB-LOOPS																
	Sub-Loop Feeder															
	Sub Loop Feeder - DS3 - Per Mile Per Month	I		UE3	1L5SL	15 89										
	Sub Loop Feeder - DS3 - Facility Termination Per Month	I		UE3	USBF1	347 59	3,402 59	407.15	166 83	94 58		11 90				
	Sub Loop Feeder - STS-1 – Per Mile Per Month	I		UDLSX	1L5SL	15 89										
	Sub Loop Feeder - STS-1 - Facility Termination Per Month	I		UDLSX	USBF7	402 09	3,402 59	407.15	166 83	94 58		11 90				
	Sub Loop Feeder – OC-3 – Per Mile Per Month	I		UDLO3	1L5SL	11 90										
	Sub Loop Feeder - OC-3 - Facility Termination Protection Per Month	I		UDLO3	USBF5	62 98						11 90				
	Sub Loop Feeder - OC-3 - Facility Termination Per Month	I		UDLO3	USBF2	547 22	3,402 59	407 15	166 83	94 58						
	Sub Loop Feeder - OC-12 - Per Mile Per Month	I		UDL12	1L5SL	14 65										
	Sub Loop Feeder - OC-12 - Facility Termination Protection Per Month	I		UDL12	USBF8	502 47										
	Sub Loop Feeder - OC-12 - Facility Termination Per Month	I		UDL12	USBF3	1,577 00	3,402 59	407.15	166 83	94 58		11.90				
	Sub Loop Feeder - OC-48 - Per Mile Per Month	I		UDL48	1L5SL	46 06										
	Sub Loop Feeder - OC-48 - Facility Termination Protection Per Month	I		UDL48	USBF9	251 80						11 90				
	Sub Loop Feeder - OC-48 - Facility Termination Per Month	I		UDL48	USBF4	1,589 00	3,568 59	407 15	168 35	95.43		11.90				
	Sub Loop Feeder - OC-12 Interface On OC-48	I		UDL48	USBF6	331 15	804.98	407 15	168 35	95 43						
UNBUNDLED LOOP CONCENTRATION												11.90				
	Unbundled Loop Concentration - System A (TR008)			ULC	UCT8A	449 49	359 42	359 42				11.90				
	Unbundled Loop Concentration - System B (TR008)			ULC	UCT8B	53 44	149 76	149 76				11 90				
	Unbundled Loop Concentration - System A (TR303)			ULC	UCT3A	487 33	359 42	359 42				11.90				
	Unbundled Loop Concentration - System B (TR303)			ULC	UCT3B	90 05	149 76	149 76				11 90				
	Unbundled Loop Concentration - DS1 Loop Interface Card			ULC	UCTCO	5 04	71 70	51 52	18 49	4 82						
	Unbundled Loop Concentration - ISDN Loop Interface (Brite Card)			UDN	ULCC1	8 00	16.59	16 50	6 77	6 73		11 90				
	Unbundled Loop Concentration - UDC Loop Interface (Brite Card)			UDC	ULCCU	8 00	16 59	16 50	6 77	6 73		11 90				
	Unbundled Loop Concentration - -2 Wire Voice-Loop Start or Ground Start Loop Interface (POTS Card)			UEA	ULCC2	2.00	16 59	16.50	6 77	6 73		11 90				
	Unbundled Loop Concentration - 2 Wire Voice - Reverse Battery Loop Interface (SPOTS Card)			UEA	ULCCR	11 90	16 59	16 50	6 77	6 73		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment 2		Exhibit 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
													OSS Rates($)			
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Unbundled Loop Concentration - 4 Wire Voice Loop Interface (Specials Card)			UEA	ULCC4	7.10	16 59	16 50	6 77	6 73		11 90				
	Unbundled Loop Concentration - TEST CIRCUIT Card			ULC	UCTTC	34 66	16 59	16 50	6 77	6 73		11.90				
	Unbundled Loop Concentration - Digital 19 2 Kbps Data Loop Interface			UDL	ULCC7	10 51	16 59	16 50	6 77	6 73		11 90				
	Unbundled Loop Concentration - Digital 56 Kbps Data Loop Interface			UDL	ULCC5	10 51	16 59	16 50	6 77	6 73		11.90				
	Unbundled Loop Concentration - Digital 64 Kbps Data Loop Interface			UDL	ULCC8	10 51	16 59	16 50	6 77	6 73		11 90				
UNE OTHER, PROVISIONING ONLY - NO RATE																
	NID - Dispatch and Service Order for NID installation			UENTW	UNDBX	0 00	0 00									
	UNTW Circuit Id Establishment, Provisioning Only - No Rate			UENTW	UENCE	0 00	0 00									
	Unbundled Contract Name, Provisioning Only - No Rate			UEANE,UEF,UEQ,UENTW	UNECN	0 00	0.00									
UNE OTHER, PROVISIONING ONLY - NO RATE																
	Unbundled Contact Name, Provisioning Only - no rate			UAL,UCL,UDC,UDL,UDN,UEA,UHL,ULC	UNECN	0 00	0 00									
	Unbundled Sub-Loop Feeder-2 Wire Cross Box Jumper - no rate			UEA,UDN,UCL,UDC	USBFQ	0 00	0 00									
	Unbundled Sub-Loop Feeder-4 Wire Cross Box Jumper - no rate			UEA,USL,UCL,UDL	USBFR	0 00	0 00									
	Unbundled DS1 Loop - Superframe Format Option - no rate			USL	CCOSF	0 00	0 00									
	Unbundled DS1 Loop - Expanded Superframe Format option - no rate			USL	CCOEF	0 00	0 00									
HIGH CAPACITY UNBUNDLED LOCAL LOOP																
	High Capacity Unbundled Local Loop - DS3 - Per Mile per month			UE3	1L5ND	10 92										
	High Capacity Unbundled Local Loop - DS3 - Facility Termination per month			UE3	UE3PX	386 86	556 37	343 01	139 13	96.84		11 90				
	High Capacity Unbundled Local Loop - STS-1 - Per Mile per month			UDL5X	1L5ND	10 92										
	High Capacity Unbundled Local Loop - STS-1 - Facility Termination per month			UDL5X	UDLS1	426 80	556 37	343 01	139 13	96 84		11 90			1 83	
LOOP MAKE-UP																
	Loop Makeup - Preordering Without Reservation, per working or spare facility queried (Manual)			UMK	UMKLW		52 17	52.17								
	Loop Makeup - Preordering With Reservation, per spare facility queried (Manual)			UMK	UMKLP		55 07	55 07								
	Loop Makeup--With or Without Reservation, per working or spare facility queried (Mechanized)			UMK	PSUMK		0 6784	0 6784								
HIGH FREQUENCY SPECTRUM																
	LINE SHARING															
	SPLITTERS-CENTRAL OFFICE BASED															
	Line Sharing Splitter, per System 96 Line Capacity - True up pending approval by PSC	R		ULS	ULSOA	119 72	379 13	0 00	347 90	0.00		11.90				
	Line Sharing Splitter, per System 24 Line Capacity - True up pending approval by PSC	R		ULS	ULSD8	29 93	379 13	0 00	347 90	0 00		11 90				
	Line Sharing Splitter, Per System, 8 Line Capacity	I		ULS	ULSD8	8 33	379.13	0 00	347 90	0.00		11 90				
	Line Sharing-DLEC Owned Splitter in CO-CFA activation-deactivation (per LSOD)			ULS	ULSDG		173 66	0 00	97 42	0 00		11 90				
	END USER ORDERING-CENTRAL OFFICE BASED-HIGH FREQUENCY SPECTRUM AKA LINE SHARING															
	Line Sharing - per Line Activation -(BST Owned Splitter)			ULS	ULSDC	0 81	29 68	21 28	19 57	9 81		11 90				
	Line Sharing - per Subsequent Activity per Line Rearrangement - True up pending approval by PSC(BST Owned Splitter)	R		ULS	ULSDS		21 68	18 44				11 90				
	Line Sharing - per Subsequent Activity per Line Rearrangement - True up pending approval by PSC(DLEC Owned Splitter)	R		ULS	ULSCS		21 68	16 44				11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
						Rec	First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Line Sharing - per Line Activation (DLEC owned Splitter)	I		ULS	ULSCC	0.61	47.44	19.31	20.67	12.74		11.90				
	LINE SPLITTING															
	END USER ORDERING-CENTRAL OFFICE BASED															
	Line Splitting - per line activation DLEC owned splitter	I		UEPSR UEPS8	UREOS	0.61										
	Line Splitting - per line activation BST owned - physical	I		UEPSR UEPS8	UREBP	0.61	29.66	21.28	19.57	9.61		11.90				
	Line Splitting - per line activation BST owned - virtual	I		UEPSR UEPS8	UREBV	1.134	29.66	21.28	19.57	9.61		11.90				
	REMOTE SITE HIGH FREQUENCY SPECTRUM															
	SPLITTERS-REMOTE SITE															
	Remote Site Line Share BellSouth Owned Splitter, 24 Port	I		ULS	ULSRB	25.00	150.00	0.00	150.00	0.00		11.90				
	Remote Site Line Share Cable Per Activation CLEC Owned at RS and deactivation	I		ULS	ULSTG		74.38	0.00	46.77	0.00		11.90				
	END USER ORDERING-REMOTE SITE HIGH FREQUENCY SPECTRUM AKA REMOTE SITE LINE SHARING															
	Remote Site Line Share Line Activationfor End User Served at RS, BST Splitter	I		ULS	ULSRC	0.61	40.00	22.00	19.57	9.61		11.90				
	RS Line Share Line Activation for End User served at RS, CLEC Splitter	I		ULS	ULSTC	0.61	40.00	22.00	19.57	9.61		11.90				
UNBUNDLED DEDICATED TRANSPORT																
	NOTE: INTEROFFICE CHANNEL DEDICATED TRANSPORT - minimum billing period - below DS3=one month, DS3/STS-1=four months															
	INTEROFFICE CHANNEL - DEDICATED TRANSPORT															
	Interoffice Channel - Dedicated Transport - 2-Wire Voice Grade - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport- 2- Wire Voice Grade - Facility Termination			U1TVX	U1TV2	25.32	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport- 2-Wire Voice Grade Rev Bal - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport- 2- Wire VG Rev Bal - Facility Termination			U1TVX	U1TR2	25.32	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 4-Wire Voice Grade - Per Mile per month			U1TVX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 4- Wire Voice Grade - Facility Termination			U1TVX	U1TV4	22.58	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 56 kbps - per mile per month			U1TDX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 56 kbps - Facility Termination			U1TDX	U1TD5	18.44	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Transport - 64 kbps - per mile per month			U1TDX	1L5XX	0.0091										
	Interoffice Channel - Dedicated Transport - 64 kbps - Facility Termination			U1TDX	U1TD6	18.44	47.35	31.78	18.31	7.03		11.90				
	Interoffice Channel - Dedicated Channel - DS1 - Per Mile per month			U1TD1	1L5XX	0.1858										
	Interoffice Channel - Dedicated Tranport - DS1 - Facility Termination			U1TD1	U1TF1	88.44	105.54	88.47	21.47	19.05		11.90				
	Interoffice Channel - Dedicated Transport - DS3 - Per Mile per month			U1TD3	1L5XX	3.87										
	Interoffice Channel - Dedicated Transport - DS3 - Facility Termination per month			U1TD3	U1TF3	1,071.00	335.46	219.28	72.03	70.56		11.90				
	Interoffice Channel - Dedicated Transport - STS-1 - Per Mile per month			U1TS1	1L5XX	3.87										
	Interoffice Channel - Dedicated Transport - STS-1 - Facility Termination			U1TS1	U1TF8	1,056.00	335.46	219.28	72.03	70.56		11.90				
	LOCAL CHANNEL - DEDICATED TRANSPORT															
	NOTE: LOCAL CHANNEL DEDICATED TRANSPORT - minimum billing period - below DS3=one month, DS3/STS-1=four months															
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 1		1	ULDVX	ULDV2	19.66	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 2		2	ULDVX	ULDV2	27.94	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade - Zone 3		3	UNDVX	ULDV2	49.58	265.84	46.97	37.63	4.00		11.90				
	Local Channel - Dedicated - 2-Wire Voice Grade Rev Bal - Zone 1		1	ULDVX	ULDR2	19.66	265.84	46.97	37.63	4.00		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida														Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATE(S)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic - 1st	Incremental Charge - Manual Svc Order vs. Electronic - Add'l	Incremental Charge - Manual Svc Order vs. Electronic - Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic - Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(3) BOMEC	OSS Rates(3) BOMAN	OSS Rates(3) BOMAN	OSS Rates(3) BOMAN	OSS Rates(3) BOMAN	OSS Rates(3) BOMAN
	Local Channel - Dedicated - 2-Wire Voice Grade Rev Bal - Zone 2		2	ULDVX	ULDR2	27 94	265 84	46 97	37 63	4 00		11 90				
	Local Channel - Dedicated - 2-Wire Voice Grade Rev Bal - Zone 3		3	ULDVX	ULDR2	49 58	265 84	46 97	37 63	4 00		11 90				
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 1		1	UNDVX	ULDV4	20 45	268 54	47 67	44 22	5 33		11 90				
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 2		2	UNDVX	ULDV4	29 06	268 54	47 67	44 22	5 33		11 90				
	Local Channel - Dedicated - 4-Wire Voice Grade - Zone 3		3	UNDVX	ULDV4	51 56	268 54	47 67	44 22	5 33		11 90				
	Local Channel - Dedicated - DS1 - Zone 1		1	ULDD1	ULDF1	36 49	218 85	183 54	24 30	16 95		11 90				
	Local Channel - Dedicated - DS1 - Zone 2		2	ULDD1	ULDF1	51 85	218 85	183 54	24 30	16 95		11 90				
	Local Channel - Dedicated - DS1 - Zone 3		3	ULDD1	ULDF1	82 00	218 85	183 54	24 30	16 95		11 90				
	Local Channel - Dedicated - DS3 - Per Mile per month			ULDD3	1L5NC	8 50										
	Local Channel - Dedicated - DS3 - Facility Termination			ULDD3	ULDF3	531 97	556 37	343 01	139 13	96 84		11 90				
	Local Channel - Dedicated - STS-1- Per Mile per month			ULDS1	1L5NC	8 50										
	Local Channel - Dedicated - STS-1 - Facility Termination			ULDS1	ULDFS	540 69	556 37	343 01	139 13	96 84		11 90				
DARK FIBER																	
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Local Channel			UDF	1L5DC	55 04										
	NRC Dark Fiber - Local Channel			UDF	UDFC4		751 34	193 88				11 90				
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Interoffice Channel			UDF	1L5DF	26 85										
	NRC Dark Fiber - Interoffice Channel			UDF	UDF14		751 34	193 88				11 90				
	Dark Fiber, Four Fiber Strands, Per Route Mile or Fraction Thereof per month - Local Loop			UDF	1L5DL	55 04										
	NRC Dark Fiber - Local Loop			UDF	UDFL4		751 34	193 88				11 90				
8XX ACCESS TEN DIGIT SCREENING																	
	8XX Access Ten Digit Screening, Per Call			OHD		0 0006252										
	8XX Access Ten Digit Screening, Reservation Charge Per 8XX Number Reserved			OHD	N8R1X		4 15	0 70				11 90				
	8XX Access Ten Digit Screening, Per 8XX No Established W/O POTS Translations			OHD			8 78	1 18	5 77	0 70		11 90				
	8XX Access Ten Digit Screening, Per 8XX No Established With POTS Translations			OHD	N8FTX		8 78	1 18	5 77	0 70		11 90				
	8XX Access Ten Digit Screening, Customized Area of Service Per 8XX Number			OHD	N8FCX		4 15	2 07				11 90				
	8XX Access Ten Digit Screening, Multiple InterLATA CXR Routing Per CXR Requested Per 8XX No			OHD	N8FMX		4 85	2 78				11 90				
	8XX Access Ten Digit Screening, Change Charge Per Request			OHD	N8FAX		4 85	0 70				11 90				
	8XX Access Ten Digit Screening, Call Handling and Destination Features			OHD	N8FDX		4 15	4 15				11 90				
	8XX Access Ten Digit Screening, w/ 8FL No Delivery, per query			OHD		0 0006252										
	8XX Access Ten Digit Screening, w/ POTS No Delivery, per query			OHD		0 0006252										
LINE INFORMATION DATA BASE ACCESS (LIDB)																	
	LIDB Common Transport Per Query			OQT		0 0000203										
	LIDB Validation Per Query			OQU		0 0136959										
	LIDB Originating Point Code Establishment or Change			OQT, OQU	NRPBX		55 13	55 13	55 13	55 13		11 90				
SIGNALING (CCS7)																	
	CCS7 Signaling Termination, Per STP Port			UDB	PTBSX	135 05										
	CCS7 Signaling Usage, Per TCAP Message			UDB		0 0000807										
	CCS7 Signaling Connection, Per link (A link)			UDB	TPP++	17 93	43 57	43 57	18 31	18 31		11 90				
	CCS7 Signaling Connection, Per link (B link) (also known as D link)			UDB	TPP++	17 93	43 57	43 57	18 31	18 31		11 90				
	CCS7 Signaling Usage, Per ISUP Message			UDB		0 0000152										
	CCS7 Signaling Usage Surrogate, per link per LATA			UDB	STU56	894 32										
	CCS7 Signaling Point Code per Originating Point Code Establishment or Change, per STP affected			UDB	CCAPD		46 03	46 03	46 03	46 03		11 90				
E911 SERVICE																	
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 1					21 84	265 84	46 97	37 63	4 00		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2		Exhibit: 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 2					29 62	285 84	46 97	37 63	4 00		11 90				
	Local Channel - Dedicated - 2-wr Voice Grade - Zone 3					57 22	285.84	46 97	37 63	4.00		11 90				
	Interoffice Transport - Dedicated - 2-wr Voice Grade Per Mile					0 0091										
	Interoffice Transport - Dedicated - 2-wr Voice Grade Per Facility Termination					25 32	47.35	31.78	18 31	7 03		11 90				
	Local Channel - Dedicated - DS1 - Zone 1					35 28	216 65	183 54	21 47	19 05		11 90				
	Local Channel - Dedicated - DS1 - Zone 2					47.63	216 65	183 54	21 47	19 05		11 90				
	Local Channel - Dedicated - DS1 - Zone 3					92 01	216 65	183 54	21 47	19 05		11 90				
	Interoffice Transport - Dedicated - DS1 Per Mile					0.1856										
	Interoffice Transport - Dedicated - DS1 Per Facility Termination					88 44	105.54	98 47	21 47	19.05		11 90				
CALLING NAME (CNAM) SERVICE																
	CNAM For DB Owners - Service Establishment			OQV			25 35	25 35	19 01	19 01		11 90				
	CNAM For Non DB Owners - Service Establishment			OQV			25 35	25 35	19 01	19.01		11 90				
	CNAM For DB Owners - Service Provisioning With Point Code Establishment			OQV			1,582 00	1,177 00	352 35	258 09		11 90				
	CNAM For Non DB Owners - Service Provisioning With Point Code Establishment			OQV			546 51	393 82	358 00	258 09		11 90				
	CNAM for DB Owners, Per Query			OQV		0 001024										
	CNAM for Non DB Owners, Per Query			OQV		0 001024										
LNP Query Service																
	LNP Charge Per query			OQV		0 000852										
	LNP Service Establishment Manual						13 83	13 83	12 71	12 71		11 90				
	LNP Service Provisioning with Point Code Establishment						655 50	334 88	287 03	218 40		11 90				
OPERATOR CALL PROCESSING																
	Oper Call Processing - Oper Provided, Per Min. - Using BST LIDB					1 20										
	Oper Call Processing - Oper Provided, Per Min - Using Foreign LIDB					1 24										
	Oper Call Processing - Fully Automated, per Call - Using BST LIDB					0 20										
	Oper Call Processing - Fully Automated, per Call - Using Foreign LIDB					0 20										
INWARD OPERATOR SERVICES																
	Inward Operator Services - Verification, Per Call					1 90										
	Inward Operator Services - Verification and Emergency Interrupt - Per Call					1 95										
BRANDING - OPERATOR CALL PROCESSING																
	Facility based CLEC															
	Recording of Custom Branded OA Announcement				CBAQS		7,000 00	7,000 00				11 90				
	Loading of Custom Branded OA Announcement per shelf/NAV per OCN				CBAOL		500 00	500 00				11.90				
	UNEP CLEC															
	Recording of Custom Branded OA Announcement						7,000.00	7,000 00				11 90				
	Loading of Custom Branded OA Announcement per shelf/NAV per OCN						500 00	500.00				11 90				
	Unbranding via OLNS for UNEP CLEC															
	Loading of OA per OCN (Regional)						1,200 00	1,200 00				11 90				
DIRECTORY ASSISTANCE SERVICES																
	DIRECTORY ASSISTANCE ACCESS SERVICE															
	Directory Assistance Access Service Calls, Charge Per Call					0 275										
	DIRECTORY ASSISTANCE CALL COMPLETION ACCESS SERVICE (DACC)															
	Directory Assistance Call Completion Access Service (DACC), Per Call Attempt					0 10										
DIRECTORY ASSISTANCE SERVICES																
	DIRECTORY ASSISTANCE DATA BASE SERVICE (DADS)															
	Directory Assistance Data Base Service Charge Per Listing					0 04										
	Directory Assistance Data Base Service, per month				OB6OF	150 00										
BRANDING - DIRECTORY ASSISTANCE																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment 2		Exhibit 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Facility Based CLEC															
	Recording and Provisioning of DA Custom Branded Announcement			AMT	CBADA		8,000 00	8,000 00				11 90				
	Loading of Custom Branded Announcement per Switch			AMT	CBADC		1,170 00	1,170 00				11 90				
	UNEP CLEC						3,000 00	3,000 00				11 90				
	Recording of DA Custom Branded Announcement						1,170 00	1,170 00				11 90				
	Loading of DA Custom Branded Announcement per Switch per OCN						420 00	420 00				11 90				
	Unbranding via OLNS for UNEP CLEC						16 00	16 00				11 90				
	Loading of DA per OCN (1 OCN per Order)															
	Loading of DA per Switch per OCN						93 55	93 55	12 71	12 71		11 90				
SELECTIVE ROUTING																
	Selective Routing Per Unique Line Class Code Per Request Per Switch				USRCR		4,122 00	1,249 00				11 90				
VIRTUAL COLLOCATION																
	Virtual Collocation - Application Cost			AMTFS	EAF	12 45	985 00					11 90				
	Virtual Collocation - Cable Installation Cost, per cable			AMTFS	ESPCX	4 25										
	Virtual Collocation - Floor Space, per sq ft			AMTFS	ESPVX	6 95										
	Virtual Collocation - Power, per fused amp			AMTFS	ESPAX											
	Virtual Collocation - Cable Support Structure, per entrance cable			AMTFS	ESPSX	13 35						11 90				
	Virtual Collocation - 2-wire Cross Connects (loop)			UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ, AMTFS, UDL, UNCVX, UNCDX, UNCNX	UEAC2	0 0502	11 57	11 57				11 90				
	Virtual Collocation - 4-wire Cross Connects (loop)			UEA,UHL,UCL,UDL, AMTFS, UAL, UDN, UNCVX, UNCDX	UEAC4	0 0502	11 57	11 57				11 90				
	Virtual Collocation - 2-Fiber Cross Connects			AMTFS,UDL12, UDLD3, U1T48, U1T12, U1T03, ULDD3, ULD12, ULD48, UDF	CNC2F	6 71	2,431 00					11 90				
	Virtual Collocation - 4-Fiber Cross Connects			AMTFS,UDL12, UDLD3, U1T48, U1T12, U1T03, ULDD3, ULD12, ULD48, UDF	CNC4F	6 71	2,431.00					11.90				
	Virtual collocation - Special Access & UNE, cross-connect per DS1			USL,ULC,AMTFS, ULR, UXTD1, UNC1X, ULDD1, U1TD1, USLEL, UNLD1	CNC1X	7.50	155 00	14.00				11.90				
	Virtual collocation - Special Access & UNE, cross-connect per DS3			USL,ULC,AMTFS,UE3, U1TD3, UXTS1, UXTD3, UNC3X, UNCSX, ULDD3, U1TS1, ULDS1, UDLSX, UNLD3	CNC3X	56 25	151 90	11 83				11 90				
	Virtual Collocation - Co-Carrier Cross Connects - Fiber Cable Support Structure, per linear foot			AMTFS,CLO	VE1CB	0 0028										
	Virtual Collocation - Co-Carrier Cross Connects - Copper/Coax Cable Support Structure, per linear ft			AMTFS, CLO	VE1CD	0 0041										
	Virtual Collocation - Co-Carrier Cross Connects - Fiber Cable Support Structure,per cable			AMTFS	VE1CC		535 54					11 90				
	Virtual Collocation - Co-Carrier Cross Connects - Copper/Coax Cable Support Structure, per cable			AMTFS	VE1CE		535 54					11 90				

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CATEGORY	RATE ELEMENTS	Interl	Zone	BCS	USOC	RATES($)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment 2: Incremental Charge - Manual Svc Order vs. Electronic- 1st	Attachment 2: Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Exhibit 1: Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Exhibit 1: Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Initial		Additional						
							First	Each							
	Virtual Collocation Cable Records - per request			AMTFS	VE1BA		1,525.00	1,525.00	267.08	267.08					
	Virtual Collocation Cable Records - VG/DS0 Cable, per cable record			AMTFS	VE1BB		858.50	858.50	379.78	379.78					
	Virtual Collocation Cable Records - VG/DS0 Cable, per each 100 pair			AMTFS	VE1BC		9.86	9.86	11.84	11.84					
	Virtual Collocation Cable Records - DS1, per T1TIE				VE1BD		4.52	4.52	5.54	5.54					
	Virtual Collocation Cable Records - DS3, per T3TIE				VE1BE		15.62	15.62	16.46	16.46					
	Virtual Collocation Cable Records - Fiber Cable, per 99 fiber records						99.67	186.37	54.86	54.89					
	Virtual collocation - Security Escort - Basic, per quarter hour			AMTFS	SPTBQ		13.89					1.90			
	Virtual collocation - Security Escort - Overtime, per quarter hour			AMTFS	SPTOQ		13.64					1.90			
	Virtual collocation - Security Escort - Premium, per quarter hour			AMTFS	SPTPQ		13.40					1.90			
	Virtual Collocation - DS-1/DCS Cross Connects, PER 28 CKTS			AMTFS	VE11S	228.39	1,650.00					1.90			
	Virtual Collocation - DS-1 DSX Cross Connects, PER 28 CKTS			AMTFS	VE11X	1.51	1,650.00					1.90			
	Virtual Collocation - DS-3/DCS Cross Connects, PER CKT			AMTFS	VE13S	99.61	825.00					1.90			
	Virtual Collocation - DS-3/DSX Cross Connects, PER CKT			AMTFS	VE13X	10.05	825.00					1.90			
	Virtual Collocation - Alarm services DS - Basic, per quarter hour			AMTFS	SPTRE		13.89					1.90			
	Virtual Collocation - Alarm services DS - Overtime, per quarter hour			AMTFS	SPTOE		13.64					1.90			
	Virtual Collocation - Alarm services DS - Premium, per quarter hour			AMTFS	SPTPE		13.40					1.90			
VIRTUAL COLLOCATED															
	Virtual Collocation - Fiber Cross Connect, Exchange Port 2-Wire Analog - 1kb			UEPSR	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 2-Wire Digital Cross Connect, Exchange Port 2-Wire Interface/Trunk - 1kb			UEPSP	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Voice Grade POTS Ports - 1kb			UEPSF	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Analog 1kb			UEPSB	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire ISDN			UEPSX	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 2-Wire Cross Connect, Exchange Port 2-Wire ISDN			UEPTX	VE1R2	0.0502	1.52	11.52				1.90			
	Virtual Collocation 4-Wire Cross Connect, Exchange Port 4-Wire ISDN DS1			UEPEX	VE1R4	0.0502	1.52	11.52				1.90			
VIRTUAL COLLOCATION															
	Virtual Collocation-2 Wire Cross Connects (Loop) for Line Splitting			UEPSF, UEPSE	VE1L3	0.3800	1.52					1.90			
PHYSICAL COLLOCATION															
	Physical Collocation-2 Wire Cross Connects (Loop) for Line Splitting			UEPSF, UEPSE	PE1L5	0.3019	8.22	1.26	5.74	4.58		1.90			
	Reserved Service Establishment			SPC	SPCSC		130,444.00		1,525.00			11.90			
	End Office Establishment			SPC	SPCSC		187.36	41.36	309	258		11.90			
	Daily NPC, per query			SPC		0.4629868									
	AIN - SERVICE MANAGEMENT ACCESS SERVICES														
	AIN SMS Access Service - Service Establishment Per Sale, Initial Setup			SMS	CMASE		45.58	45.58	24.53	24.30		11.90			
	AIN SMS Access Service - Port Connection - Dial/Shared Access			AIN	CMSD		8.30	3.82	3.03	1.30		11.90			
	AIN SMS Access Service - Port Connection - ISDN Access			AIN	CAN1P		8.30	5.82	3.03	1.30		11.90			
	AIN SMS Access Service - User Identification Codes - Per User ID Code			AIN	CMSU		38.38	38.65	28.58	26.38		11.90			

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	AIN SMS Access Service - Security Card, Per User ID Code, Initial or Replacement			AIN	CAMRC		75.10	75.10	12.93	12.93		11.90				
	AIN SMS Access Service - Storage, Per Unit (100 Kilobytes)					0.0026										
	AIN SMS Access Service - Session, Per Minute					0.7609										
	AIN SMS Access Service - Company Performed Session, Per Minute					0.4608										
AIN - BELLSOUTH AIN TOOLKIT SERVICE																
	AIN Toolkit Service - Service Establishment Charge, Per State, Initial Setup			CAM	BAPSC		43.56	43.56	44.93	44.93		11.90				
	AIN Toolkit Service - Training Session, Per Customer				BAPVX		8,439.00	8,439.00				11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Term Attempt				BAPTT		8.64	8.64	10.03	10.03		11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Off-Hook Delay				BAPTD		8.64	8.64	10.03	10.03		11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Off-Hook Immediate				BAPTM		8.64	8.64	10.03	10.03		11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, 10-Digit PODP				BAPTO		38.06	38.06	15.86	15.86		11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, CDP				BAPTC		38.06	38.06	15.86	15.86		11.90				
	AIN Toolkit Service - Trigger Access Charge, Per Trigger, Per DN, Feature Code				BAPTF		38.06	38.06	15.86	15.86		11.90				
	AIN Toolkit Service - Query Charge, Per Query					0.0533927										
	AIN Toolkit Service - Type 1 Node Charge, Per AIN Toolkit Subscription, Per Node, Per Query					0.0063698										
	AIN Toolkit Service - SCP Storage Charge, Per SMS Access Account, Per 100 Kilobytes					0.06										
	AIN Toolkit Service - Monthly report - Per AIN Toolkit Service Subscription			CAM	BAPMS	6.34	8.64	8.64	6.06	6.06		11.90				
	AIN Toolkit Service - Special Study - Per AIN Toolkit Service Subscription			CAM	BAPLS	3.73	9.56	9.56				11.90				
	AIN Toolkit Service - Call Event Report - Per AIN Toolkit Service Subscription			CAM	BAPDS	4.73	8.64	8.64	6.06	6.06		11.90				
	AIN Toolkit Service - Call Event Special Study - Per AIN Toolkit Service Subscription			CAM	BAPES	0.12	9.56	9.56				11.90				
ENHANCED EXTENDED LINK (EELs)																
	NOTE: New Density Zone 1 EELs are available in the following MSAs: Orlando, FL; Miami, FL; Ft. Lauderdale, FL; Atlanta, Ga; New Orleans, LA.															
	NOTE: Charlotte-Gastonia-Rockhill, NC; Greensboro-Winston Salem-High Point, NC, and Nashville, TN.															
	NOTE: In all states, EEL network elements shown below also apply to currently combined facilities which are converted to UNE rates. A Switch As Is Charge applies to currently combined facilities converted to UNEs.(Non-recurring rates do not apply.)															
	NOTE: In All States the EEL network elements apply to ordinarily combined network elements.(No Switch As Is Charge.) When ordering ordinarily combined network elements, Non-recurring rates do apply.															
	2-WIRE VOICE GRADE EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)															
	First 2-Wire VG Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 1		1	UNCVX	UEAL2	12.24	127.59	60.54	42.79	2.81		11.90				
	First 2-Wire VG Grade Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	First 2-Wire VG Grade Loop(SL2) in a DS1 Interofficed Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile per month			UNC1X	ILSXX	0.1856										
	Interoffice Transport - Dedicated - DS1 combination - Facility Termination per month			UNC1X	U1TF1	88.44	174.46	122.46	45.61	17.95		11.90				
	DS1 Channelization System Per Month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	Voice Grade COCI - DS1 To Ds0 Interface - Per Month			UNCVX	1D1VG	1.36	12.16	8.77	6.71	4.84		11.90				
	Each Additional 2-Wire VG Loop(SL2) in the same DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL2	12.24	127.59	60.54	42.79	2.81		11.90				
	Each Additional 2-Wire VG Loop(SL2) in the same DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	Each Additional 2-Wire VG Loop(SL2) in the same DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1 38	12 16	8 77	6 71	4 84		11 90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8 98	8 98	8 98	8 98		11 90				
4-WIRE VOICE GRADE EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18 89	127 59	60 54	42 79	2 81		11 90				
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26 84	127 59	60 54	42 79	2 81		11 90				
	First 4-Wire Analog Voice Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47 62	127 59	60 54	42 79	2 81		11 90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0 1858										
	Interoffice Transport - Dedicated - DS1 - Facility Termination Per Month			UNC1X	U1TF1	88 44	174 46	122 46	45 81	17 95		11 90				
	Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146 77	51 83	10 75				11 90				
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1 38	12 16	8 77	6 71	4 84		11 90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18 89	127 59	60 54	42 79	2 81		11 90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26 84	127 59	60 54	42 79	2 81		11 90				
	Additional 4-Wire Analog Voice Grade Loop in same DS1 Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47 62	127 59	60 54	42 79	2 81		11 90				
	Voice Grade COCI - DS1 to DS0 Channel System combination - per month			UNCVX	1D1VG	1 38	12 16	8 77	6 71	4 84		11 90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8 98	8 98	8 98	8 98		11 90				
4-WIRE 56 KBPS EXTENDED DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 4-Wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22 20	127 59	60 54	42 79	2 81		11 90				
	First 4-wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31 56	127 59	60 54	42 79	2 81		11 90				
	First 4-Wire 56Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55 99	127 59	60 54	42 79	2 81		11 90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1L5XX	0 1858										
	Interoffice Transport - Dedicated - DS1 - combination Facility Termination Per Month			UNC1X	U1TF1	88 44	174 46	122 46	45 81	17 95		11 90				
	Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146 77	51 83	10 75				11 90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System - per month (2 4-64kbs)			UNCDX	1D1DD	2 10	12 16	8 77	6 71	4 84		11 90				
	Additional 4-Wire 56Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22 20	127 59	60 54	42 79	2 81		11 90				
	Additional 4-Wire 56Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31 56	127 59	60 54	42 79	2 81		11 90				
	Additional 4-Wire 56Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55 99	127 59	60 54	42 79	2 81		11 90				
	OCU-DP COCI (data) - DS1 to DS0 Channel System - combination per month (2 4-64kbs)			UNCDX	1D1DD	2 10	12 16	8 77	6 71	4 84		11 90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8 98	8 98	8 98	8 98		11 90				
4-WIRE 64 KBPS EXTENDED DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)																
	First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22 20	127 59	60 54	42 79	2 81		11 90				
	First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31 56	127 59	60 54	42 79	2 81		11 90				

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CATEGORY		RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) BOMEC	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN
		First 4-Wire 64Kbps Digital Grade Loop in a DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55 99	127 59	60 54	42.79	2.81		11 90				
		Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1LSXX	0 1856										
		Interoffice Transport - Dedicated - DS1 combination - Facility Termination Per Month			UNC1X	U1TF1	88 44	174 46	122 46	45 61	17 95		11 90				
		Channelization - Channel System DS1 to DS0 combination Per Month			UNC1X	MQ1	146 77	51.83	10 75				11 90				
		OCU-DP COCI (data) - DS1 to DS0 Channel System combination - per month (2 4-64kbs)			UNCDX	1D1DD	2 10	12 16	8.77	6 71	4 84		11 90				
		Additional 4-Wire 64Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22 20	127.59	60 54	42 79	2 81		11 90				
		Additional 4-Wire 64Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31.56	127 59	60 54	42 79	2 81		11 90				
		Additional 4-Wire 64Kbps Digital Grade Loopin same DS1 Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55 99	127 59	60 54	42.79	2 81		11 90				
		OCU-DP COCI (data) - DS1 to DS0 Channel System combination - per month (2 4-64kbs)			UNCDX	1D1DD	2.10	12.16	8 77	6 71	4 84		11 90				
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8.96	8 96	8 96	8 96		11 90				
		4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT (EEL)															
		4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 1		1	UNC1X	USLXX	70 74	217 75	121 62	51 44	14 45		11 90				
		4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 2		2	UNC1X	USLXX	100 54	217 75	121 62	51 44	14 45		11 90				
		4-Wire DS1 Digital Loop in Combination with DS1 Interoffice Transport - Zone 3		3	UNC1X	USLXX	178 39	217 75	121 62	51 44	14 45		11 90				
		Interoffice Transport - Dedicated - DS1 combination - Per Mile Per Month			UNC1X	1LSXX	0 1856										
		Interoffice Transport - Dedicated - DS1 combination - Facility Termination Per Month			UNC1X	U1TF1	88 44	174 46	122 46	45 61	17 95		11 90				
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8 96	8 96	8 96	8 96		11 90				
		4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT (EEL)															
		First DS1Loop in DS3 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70 74	217.75	121 62	51 44	14 45		11 90				
		First DS1Loop in DS3 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100 54	217.75	121 62	51 44	14.45		11 90				
		First DS1Loop in DS3 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178 39	217 75	121.62	51.44	14 45		11 90				
		Interoffice Transport - Dedicated - DS3 combination - Per Mile Per Month			UNC3X	1LSXX	3 87										
		Interoffice Transport - Dedicated - DS3 - Facility Termination per month			UNC3X	U1TF3	1,071 00	314 45	130 68	38.60	18 23		11 90				
		DS3 to DS1 Channel System combination per month			UNC3X	MQ3	211 19	115 60	59 93	5.45	0.00		11.90				
		DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13.76	12 16	8 77	6 71	4 84		11.90				
		Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70 74	217.75	121.62	51.44	14 45		11 90				
		Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100 54	217.75	121 62	51 44	14 45		11.90				
		Additional DS1Loop in DS3 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178 39	217 75	121.62	51 44	14 45		11.90				
		DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13 76	12 16	8 77	6 71	4 84		11.90				
		Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC3X	UNCCC		8 96	8 96	8 96	8 96		11 90				
		2-WIRE VOICE GRADE EXTENDED LOOP/ 2 WIRE VOICE GRADE INTEROFFICE TRANSPORT (EEL)															
		2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL2	12 24	127 59	60 54	42 79	2.81		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	SOMAN	SOMAN
	2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL2	17.40	127.59	60.54	42.79	2.81		11.90				
	2-WireVG Loop used with 2-wire VG Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL2	30.87	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - 2-wire VG combination - Per Mile Per Month			UNCVX	1L5XX	0.0091										
	Interoffice Transport - Dedicated - 2- Wire Voice Grade combination - Facility Termination per month			UNCVX	U1TV2	25.32	94.70	32.59	50.49	21.53		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCVX	UNCCC		8.98	8.98	8.98	8.98		11.90				
	4-WIRE VOICE GRADE EXTENDED LOOP/4 WIRE VOICE GRADE INTEROFFICE TRANSPORT (EEL)															
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 1		1	UNCVX	UEAL4	18.89	127.59	60.54	42.79	2.81		11.90				
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 2		2	UNCVX	UEAL4	26.84	127.59	60.54	42.79	2.81		11.90				
	4-WireVG Loop used with 4-wire VG Interoffice Transport Combination - Zone 3		3	UNCVX	UEAL4	47.62	127.59	60.54	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - 4-wire VG combination - Per Mile Per Month			UNCVX	1L5XX	0.0091										
	Interoffice Transport - Dedicated - 4- Wire Voice Grade combination - Facility Termination per month			UNCVX	U1TV4	22.58	94.70	32.59	50.49	21.53		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCVX	UNCCC		8.98	8.98	8.98	8.98		11.90				
	DS3 DIGITAL EXTENDED LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT (EEL)															
	High Capacity Unbundled Local Loop - DS3 combination - Per Mile per month			UNC3X	1L5ND	10.92										
	High Capacity Unbundled Local Loop - DS3 combination - Facility Termination per month			UNC3X	UE3PX	386.66	249.97	162.05	67.10	26.82		11.90				
	Interoffice Transport - Dedicated - DS3 - Per Mile per month			UNC3X	1L5XX	3.87										
	Interoffice Transport - Dedicated - DS3 combination - Facility Termination per per month			UNC3X	U1TF3	1,071.00	314.45	130.88	38.60	18.23		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC3X	UNCCC		8.98	8.98	8.98	8.98		11.90				
	STS1 DIGITAL EXTENDED LOOP WITH DEDICATED STS1 INTEROFFICE TRANSPORT (EEL)															
	High Capacity Unbundled Local Loop - STS1 combination - Per Mile per month			UNCSX	1L5ND	10.92										
	High Capacity Unbundled Local Loop - STS1 combination - Facility Termination per month			UNCSX	UDLS1	426.60	249.97	162.05	67.10	26.82		11.90				
	Interoffice Transport - Dedicated - STS1 combination - Per Mile per month			UNCSX	1L5XX	3.87										
	Interoffice Transport - Dedicated - STS1 combination - Facility Termination per month			UNCSX	U1TFS	1,058.00	314.45	130.88	38.60	18.23		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCSX	UNCCC		8.98	8.98	8.98	8.98		11.90				
	2-WIRE ISDN EXTENDED LOOP WITH DS1 INTEROFFICE TRANSPORT (EEL)															
	First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 1		1	UNCNX	U1L2X	19.28	127.59	60.60	42.79	2.81		11.90				
	First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 2		2	UNCNX	U1L2X	27.40	127.59	60.60	42.79	2.81		11.90				
	First 2-Wire ISDN Loop in a DS1 Interoffice Combination Transport - Zone 3		3	UNCNX	U1L2X	48.62	127.59	60.60	42.79	2.81		11.90				
	Interoffice Transport - Dedicated - DS1 combination - Per Mile			UNC1X	1L5XX	0.1656										
	Interoffice Transport - Dedicated - DS1 combination - Facility Termination per month			UNC1X	U1TF1	86.44	174.48	122.46	45.61	17.85		11.90				
	Channelization - Channel System DS1 to DS0 combination - per month			UNC1X	MQ1	146.77	51.83	10.75				11.90				
	2-wire ISDN COCI (BRITE) - DS1 to DS0 Channel System combination - per month			UNCNX	UC1CA	3.66	12.16	8.77	6.71	4.84		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 1		1	UNCNX	U1L2X	18 26	127 59	60 60	42 79	2 81		11 90				
	Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 2		2	UNCNX	U1L2X	27.40	127.59	60 60	42 79	2 81		11 90				
	Additional 2-wire ISDN Loop in same DS1Interoffice Transport Combination - Zone 3		3	UNCNX	U1L2X	46 62	127 59	60 60	42 79	2 81		11 90				
	2-wire ISDN CDCI (BRITE) - DS1 to DS0 Channel System combination- per month			UNCNX	UC1CA	3.66	12 16	8 77	6 71	4 84		11 90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNC1X	UNCCC		8 98	8 98	8 98	8 98		11 90				
	4-WIRE DS1 DIGITAL EXTENDED LOOP WITH DEDICATED STS-1 INTEROFFICE TRANSPORT (EEL)															
	First DS1 Loop in STS1 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70 74	217 75	121 62	51 44	14 45		11 90				
	First DS1 Loop in STS1 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100 54	217.75	121.62	51 44	14 45		11 90				
	First DS1 Loop in STS1 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178 39	217.75	121.62	51 44	14 45		11 90				
	Interoffice Transport - Dedicated - STS1 combination - Per Mile Per Month			UNCSX	1LSXX	3 87										
	Interoffice Transport - Dedicated - STS1 combination - Facility Termination			UNCSX	U1TFS	1,056 00	314.45	130 68	38 60	18.23		11 90				
	STS1 to DS1 Channel System combination per month			UNCSX	MO3	211 19		3 39								
	DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13 76	12 16	8 77	6 71	4 84		11 90				
	Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 1		1	UNC1X	USLXX	70 74	217 75	121 62	51.44	14 45		11 90				
	Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 2		2	UNC1X	USLXX	100 54	217 75	121.62	51 44	14 45		11 90				
	Additional DS1Loop in STS1 Interoffice Transport Combination - Zone 3		3	UNC1X	USLXX	178 39	217 75	121 62	51 44	14 45		11 90				
	DS3 Interface Unit (DS1 COCI) combination per month			UNC1X	UC1D1	13 76	12 16	8.77	6 71	4 84		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCSX	UNCCC		8 98	8 98	8 98	8 98		11 90				
	4-WIRE 56 KBPS DIGITAL EXTENDED LOOP WITH 56 KBPS INTEROFFICE TRANSPORT (EEL)															
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 1		1	UNCDX	UDL56	22 20	127 59	60 54	42 79	2 81		11 90				
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 2		2	UNCDX	UDL56	31 56	127 59	60.54	42 79	2 81		11 90				
	4-wire 56 kbps Loop/4-wire 56 kbps Interoffice Transport Combination - Zone 3		3	UNCDX	UDL56	55 99	127 59	60 54	42 79	2 81		11 90				
	Interoffice Transport - Dedicated - 4-wire 56 kbps combination - Per Mile			UNCDX	1L5XX	0 0091										
	Interoffice Transport - Dedicated - 4-wire 56 kbps combination - Facility Termination			UNCDX	U1TD5	18 44	94.70	52.59	50 49	21 53		11 90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCDX	UNCCC		8 98	8 98	8 98	8.98		11 90				
	4-WIRE 64 KBPS DIGITAL EXTENDED LOOP WITH 64 KBPS INTEROFFICE TRANSPORT (EEL)															
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 1		1	UNCDX	UDL64	22 20	127.59	60 54	42.79	2 81		11.90				
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 2		2	UNCDX	UDL64	31.56	127 59	60 54	42 79	2 81		11 90				
	4-wire 64 kbps Loop/4-wire 64 kbps Interoffice Transport Combination - Zone 3		3	UNCDX	UDL64	55 99	127.59	60 54	42 79	2.81		11.90				
	Interoffice Transport - Dedicated - 4-wire 64 kbps combination - Per Mile			UNCDX	1L5XX	0 0091										
	Interoffice Transport - Dedicated - 4-wire 64 kbps combination - Facility Termination			UNCDX	U1TD6	18 44	94 70	52 59	50 49	21 53		11.90				
	Nonrecurring Currently Combined Network Elements Switch -As-Is Charge			UNCDX	UNCCC		8 98	8 98	8 98	8 98		11 90				
ADDITIONAL NETWORK ELEMENTS																

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(1)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(3) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
When used as a part of a currently combined facility, the non-recurring charges do not apply, but a Switch As Is charge does apply.																
When used as ordinarily combined network elements in All States, the non-recurring charges apply and the Switch As Is Charge does not.																
Nonrecurring Currently Combined Network Elements "Switch As Is" Charge (One applies to each combination)																
Nonrecurring Currently Combined Network Elements Switch -As-Is Charge - 2 wire/4-Wire VG				UNCVX	UNOCC		8.98	8.98	8.98	8.98		11.90				
Nonrecurring Currently Combined Network Elements Switch -As-Is Charge - 56/64 kbps				UNCDX	UNCCC		8.98	8.98	8.98	8.98		11.90				
Nonrecurring Currently Combined Network Elements Switch -As-Is Charge - DS1				UNC1X	UNCCC		8.98	8.98	8.98	8.98		11.90				
Nonrecurring Currently Combined Network Elements Switch -As-Is Charge - DS3				UNC3X	UNCCC		8.98	8.98	8.98	8.98		11.90				
Nonrecurring Currently Combined Network Elements Switch -As-Is Charge - STS1				UNCSX	UNCCC							11.90				
NOTE: Local Channel - Dedicated Transport - minimum billing period - Below DS3=one month, DS3 and above=four months																
Local Channel - Dedicated - 2-Wire Voice Grade Zone 1			1	UNCVX	ULDV2	19.66	265.84	46.97	37.63	4.00		11.90				
Local Channel - Dedicated - 2-Wire Voice Grade Zone 2			2	UNCVX	ULDV2	27.04	265.84	46.97	37.63	4.00		11.90				
Local Channel - Dedicated - 2-Wire Voice Grade Zone 3			3	UNCXV	ULDV2	49.58	265.84	46.97	37.63	4.00		11.90				
Local Channel - Dedicated - 4-Wire Voice Grade Zone 1			1	UNCVX	ULDV4	20.45	266.54	47.67	44.22	5.33		11.90				
Local Channel - Dedicated - 4-Wire Voice Grade Zone 2			2	UNCVX	ULDV4	29.06	266.54	47.67	44.22	5.33		11.90				
Local Channel - Dedicated - 4-Wire Voice Grade Zone3			3	UNCXV	ULDV4	51.56	266.54	47.67	44.22	5.33		11.90				
Local Channel - Dedicated - DS1 per month Zone 1			1	UNC1X	ULDF1	36.49	216.65	183.64	24.30	16.95		11.90				
Local Channel - Dedicated -DS1 Per Month Zone 2			2	UNC1X	ULDF1	51.65	216.65	183.64	24.30	16.95		11.90				
Local Channel - Dedicated - DS1- Per Month Zone 3			3	UNC1X	ULDF1	82.00	216.65	183.64	24.30	16.95		11.90				
Local Channel - Dedicated - DS3 - Per Mile per month				UNC3X	1L5NC	8.50										
Local Channel - Dedicated - DS3 - Facility Termination				UNC3X	ULDF3	531.91	556.37	343.01	139.13	96.84		11.90				
Local Channel - Dedicated - STS-1- Per Mile per month				UNCSX	1L5NC	8.50										
Local Channel - Dedicated - STS-1 - Facility Termination				UNCSX	ULDFS	540.69	556.37	343.01	139.13	96.84		11.90				
Optional Features & Functions:																
MULTIPLEXERS				UXTD1	MQ1	148.77	101.42	71.62	11.09	10.49		11.90				
Channelization - DS1 to DS0 Channel System				UDL	1D1DD	2.10	10.07	7.08				11.90				
OCU-DP COCI (data) - DS1 to DS0 Channel System - per month (2 4-64kbs)				UDN	UC1CA	3.66	10.07	7.08				11.90				
2-wire ISDN COCI (BRITE) - DS1 to DS0 Channel System - per month				UEA	1D1VG	1.36	10.07	7.08				11.90				
Voice Grade COCI - DS1 to DS0 Channel System - per month				UXTD3	MQ3	211.19	199.28	116.64	40.34	39.07		11.90				
DS3 to DS1 Channel System per month				UXTS1	MQ3	211.19	199.28	116.64	40.34	39.07		11.90				
STS1 to DS1 Channel System per month				USL	UC1D1	13.76	10.07	7.08				11.90				
DS3 Interface Unit (DS1 COCI) used with Loop per month				ULDD1	UC1D1	13.76	10.07	7.08				11.90				
DS3 Interface Unit (DS1 COCI) used with Local Channel per month				U1TD1	UC1D1	13.76	10.07	7.08				11.90				
DS3 Interface Unit (DS1 COCI) used with Interoffice Channel per month																
Sub-Loop Feeder			sw	UNC1X	USBFG	42.59	133.77	76.02	85.16	21.21						
Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Statewide			1	UNC1X	USBFG	60.53	133.77	76.02	85.16	21.21						
Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 1			2	UNC1X	USBFG	107.39	133.77	76.02								
Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 2			3	UNC1X	USBFG											
Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 3			4	UNC1X	USBFG											
Unbundled Sub-Loop Feeder Loop, 4-Wire DS1 - Zone 4																
UNBUNDLED LOCAL EXCHANGE SWITCHING(PORTS)																
Exchange Ports																
NOTE Although the Port Rate includes all available features in GA, KY, LA & TN, the desired features will need to be ordered using retail USOCs																
2-WIRE VOICE GRADE LINE PORT RATES (RES)				UEPSR	UEPRL	1.40	3.74	3.63	1.88	1.80		11.90				
Exchange Ports - 2-Wire Analog Line Port- Res				UEPSR	UEPRC	1.40	3.74	3.63	1.88	1.80		11.90				
Exchange Ports - 2-Wire Analog Line Port with Caller ID - Res				UEPSR	UEPRO	1.40	3.74	3.63	1.88	1.80		11.90				
Exchange Ports - 2-Wire Analog Line Port outgoing only - Res				UEPSR	UEPAF	1.40	3.74	3.63	1.88	1.80		11.90				
Exchange Ports - 2-Wire VG unbundled Florida area calling with Caller ID - Res																

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Exchange Ports - 2-Wire VG unbundled Florida Residence Area Calling Plan, without Caller ID capability			UEPSR	UEPA9	1 40	3 74	3.63	1 88	1.80		11 90				
	Exchange Ports - 2-Wire VG unbundled Florida extended dialing port for use with CREX7 and Caller ID			UEPSR	UEPA1	1 40	3 74	3 63	1 88	1.80		11 90				
	Exchange Ports - 2-Wire VG unbundled Florida extended dialing port for use with CREX7, without Caller ID capability			UEPSR	UEPA8	1 40	3 74	3.63	1 88	1.80		11 90				
	Exchange Ports - 2-Wire VG unbundled res, low usage line port with Caller ID (LUM)			UEPSR	UEPAP	1.40	3 74	3 63	1 88	1 80		11 90				
	2-Wire voice unbundled Low Usage Line Port without Caller ID Capability			UEPSR	UEPRT	1 40	3 74	3.63	1 88	1 80		11 90				
	Subsequent Activity			UEPSR	USASC	0 00	0 00	0 00				11 90				
FEATURES																
	All Available Vertical Features			UEPSR	UEPVF	2 26	0 00	0 00				11 90				
2-WIRE VOICE GRADE LINE PORT RATES (BUS)																
	Exchange Ports - 2-Wire Analog Line Port without Caller ID - Bus			UEPSB	UEPBL	1 40	3 74	3 63	1 88	1 80		11 90				
	Exchange Ports - 2-Wire VG unbundled Line Port with unbundled port with Caller+E484 ID - Bus			UEPSB	UEPBC	1 40	3 74	3 63	1 88	1 80		11 90				
	Exchange Ports - 2-Wire Analog Line Port outgoing only - Bus			UEPSB	UEPBO	1 40	3 74	3 63	1.88	1 80		11 90				
	Exhange Ports - 2-Wire VG unbundled incoming only port with Caller ID - Bus			UEPSB	UEPB1	1 40	3 74	3 63	1 88	1 80		11 90				
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPSB	UEPBE	1 40	3 74	3 63	1.88	1 80		11 90				
	Subsequent Activity			UEPSB	USASC	0 00	0.00	0 00				11 90				
FEATURES																
	All Available Vertical Features			UEPSB	UEPVF	2 26	0 00	0 00				11 90				
EXCHANGE PORT RATES (DID & PBX)																
	2-Wire VG Unbundled 2-Way PBX Trunk - Res			UEPSE	UEPRD	1 40	39 06	18 18	12 35	0 7187		11 90				
	2-Wire VG Line Side Unbundled 2-Way PBX Trunk - Bus			UEPSP	UEPPC	1 00	39 06	18 18	12 35	0 7187		11 90				
	2-Wire VG Line Side Unbundled Outward PBX Trunk - Bus			UEPSP	UEPPO	1 40	39 06	18 18	12 35	0 7187		11 90				
	2-Wire VG Line Side Unbundled Incoming PBX Trunk - Bus			UEPSP	UEPP1	1 40	39 06	18 18	12 35	0 7187		11 90				
	2-Wire Analog Long Distance Terminal PBX Trunk - Bus			UEPSP	UEPLD	1 40	39 06	18 18	12.35	0 7187		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPSP	UEPLD	1 40	39 06	18 18	12 35	0 7187		11 90				
	2-Wire Vice Unbundled 2-Way PBX Usage Port			UEPSP	UEPXA	1 40	39 06	18 18	12 35	0 7187		11 90				
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPSP	UEPXB	1 40	39 06	18 18	12.35	0 7187		11 90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPSP	UEPXC	1 40	39 06	18 18	12 35	0.7187		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPSP	UEPXD	1 40	39 06	18 18	12 35	0.7187		11.90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPSP	UEPXE	1 40	39 06	18 18	12.35	0 7187		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPSP	UEPXL	1 40	39 06	18 18	12 35	0 7187		11.90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPSP	UEPXM	1.40	39.06	18.18	12 35	0.7187		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPSP	UEPXO	1 40	39 06	18 18	12 35	0 7187		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPSP	UEPXS	1 40	39 06	18 18	12.35	0 7187		11.90				
	Subsequent Activity			UEPSP	USASC	0 00	0 00	0 00				11 90				
FEATURES																
	All Available Vertical Features			UEPSP UEPSE	UEPVF	2 26	0 00	0 00				11 90				
EXCHANGE PORT RATES (COIN)																
	Exchange Ports - Coin Port					1 40	3.74	3 63	1 88	1 80		11 90				
NOTE: Transmission/usage charges associated with POTS circuit switched usage will also apply to circuit switched voice and/or circuit switched data transmission by B-Channels associated with 2-wire ISDN ports.																
NOTE: Access to B Channel or D Channel Packet capabilities will be available only through BFR/New Business Request Process. Rates for the packet capabilities will be determined via the Bona Fide Request/New Business Request Process.																
UNBUNDLED LOCAL EXCHANGE SWITCHING(PORTS)																
EXCHANGE PORT RATES																
	Exchange Ports - 2-Wire DID Port			UEPEX	UEPP2	6 73	78 41	15 62	41 94	4 26		11 90			1 83	
	Exchange Ports - DDITS Port - 4-Wire DS1 Port with DID capability			UEPDO	UEPDD	54 95	151 11	77 75	46 81	3 10		11 90			1 83	

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(3)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(5) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Exchange Ports - 2-Wire ISDN Port (See Notes below)			UEPTX UEPSX	U1PMA	9 83	48 63	50 68	27 64	11 93		11 90			1 83	
	All Features Offered			UEPTX UEPSX	UEPVF	2 26	0 00	0 00				11 90			1 83	
	NOTE: Transmission/usage charges associated with POTS circuit switched usage will also apply to circuit switched voice and/or circuit switched data transmission by B-Channels associated with 2-wire ISDN ports.															
	NOTE: Access to B Channel or D Channel Packet capabilities will be available only through BFR/New Business Request Process. Rates for the packet capabilities will be determined via the Bona Fide Request/New Business Request Process.															
	Exchange Ports - 2-Wire ISDN Port – Channel Profiles			UEPTX UEPSX	U1UMA	0 00	0 00	0 00								
	Exchange Ports - 4-Wire ISDN DS1 Port			UEPEX	UEPEX	82 74	174 61	95 17	49 80	18 23		11 90			1 83	
	UNBUNDLED PORT with REMOTE CALL FORWARDING CAPABILITY															
	UNBUNDLED REMOTE CALL FORWARDING SERVICE - RESIDENCE															
	Unbundled Remote Call Forwarding Service, Area Calling, Res			UEPVR	UERAC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, Local Calling - Res			UEPVR	UERLC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, InterLATA - Res			UEPVR	UERTE	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, IntraLATA - Res			UEPVR	UERTR	1 40	3.74	3 63	1 88	1 80		11 90				
	Non-Recurring															
	Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is			UEPVR	USAC2		0 102	0 102				11 90				
	Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC)			UEPVR	USACC		0 102	0.102								
	UNBUNDLED REMOTE CALL FORWARDING - Bus															
	Unbundled Remote Call Forwarding Service, Area Calling - Bus			UEPVB	UERAC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, Local Calling - Bus			UEPVB	UERLC	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, InterLATA - Bus			UEPVB	UERTE	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service, IntraLATA - Bus			UEPVB	UERTR	1 40	3 74	3 63	1 88	1 80		11 90				
	Unbundled Remote Call Forwarding Service Expanded and Exception Local Calling			UEPVB	UERVJ	1 40	3.74	3 63	1 88	1 80		11 90				
	Non-Recurring															
	Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is			UEPVB	USAC2		0 102	0 102				11 90				
	Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC)			UEPVB	USACC		0 102	0 102								
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	End Office Switching (Port Usage)															
	End Office Switching Function, Per MOU					0.0007662										
	End Office Trunk Port - Shared, Per MOU					0 000164										
	Tandem Switching (Port Usage) (Local or Access Tandem)															
	Tandem Switching Function Per MOU					0 0001318										
	Tandem Trunk Port - Shared, Per MOU					0 000236										
	Common Transport															
	Common Transport - Per Mile, Per MOU					0.0000035										
	Common Transport - Facilities Termination Per MOU					0 0004372										
UNBUNDLED PORT/LOOP COMBINATIONS - COST BASED RATES																
	Cost Based Rates are applied where BellSouth is required by FCC and/or State Commission rule to provide Unbundled Local Switching or Switch Ports.															
	Features shall apply to the Unbundled Port/Loop Combination - Cost Based Rate section in the same manner as they are applied to the Stand-Alone Unbundled Port section of this Rate Exhibit.															
	End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations.															
	The first and additional Port nonrecurring charges apply to Not Currently Combined Combos. For Currently Combined Combos the nonrecurring charges shall be those identified in the Nonrecurring - Currently Combined sections.															
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo - Zone 1		1			10 94										
	2-Wire VG Loop/Port Combo - Zone 2		2			15 05										
	2-Wire VG Loop/Port Combo - Zone 3		3			25 90										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPRX	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPRX	UEPLX	13 86										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPRX	UEPLX	24 63										
	2-Wire Voice Grade Line Port Rates (Res)															
	2-Wire voice unbundled port - residence			UEPRX	UEPRL	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled port with Caller ID - res			UEPRX	UEPRC	1 17	53 31	26.46	27 50	8 37		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic - 1st	Incremental Charge - Manual Svc Order vs. Electronic - Add'l	Incremental Charge - Manual Svc Order vs. Electronic - Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic - Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire voice unbundled port outgoing only - res			UEPRX	UEPRO	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPRX	UEPAF	1 17	53 31	26.46	27.50	8 37		11 90				
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPRX	UEPAP	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled Florida extended dialing port for use with CREXT and Caller ID			UEPRX	UEPA1	1 17	53.31	26 46	27 50	8.37		11 90				
	2-Wire voice unbundled Florida extended dialing port for use with CREXT, without Caller ID capability			UEPRX	UEPA6	1 17	53.31	26 46	27.50	8 37		11 90				
	2-Wire voice unbundled Florida Area Calling Port without Caller ID Capability			UEPRX	UEPA9	1.17	53.31	26.46	27 50	8 37		11 90				
	2-Wire voice unbundled Low Usage Line Port without Caller ID Capability			UEPRX	UEPRT	1 17	53 31	26 46	27 50	8.37		11 90				
FEATURES																
	All Features Offered			UEPRX	UEPVF	2 26	0 00	0 00				11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPRX	LNPCX	0 35										
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPRX	USAC2		0.102	0 102				11 90				
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPRX	USACC		0 102	0 102				11 90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPRX	USAS2	0 00	0.00	0 00				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/Port Combo - Zone 1		1			10 94										
	2-Wire VG Loop/Port Combo - Zone 2		2			15 05										
	2-Wire VG Loop/Port Combo - Zone 3		3			25 80										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPBX	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPBX	UEPLX	13 88										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPBX	UEPLX	24 63										
2-Wire Voice Grade Line Port (Bus)																
	2-Wire voice unbundled port without Caller ID - bus			UEPBX	UEPBL	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled port with Caller + E464 ID - bus			UEPBX	UEPBC	1 17	53 31	26 46	27.50	8 37		11 90				
	2-Wire voice unbundled port outgoing only - bus			UEPBX	UEPBO	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPBX	UPEB1	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPBX	UEPBE	1 17	53.31	26 46	27.50	8 37		11'90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPBX	LNPCX	0 35										
FEATURES																
	All Features Offered			UEPBX	UEPVF	2 26	0 00	0 00				11 90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPBX	USAC2		0 102	0 102				11 90				
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPBX	USACC		0 102	0 102				11 90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPBX	USAS2		0 00	0 00				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES - PBX)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/Port Combo - Zone 1		1			10 94										
	2-Wire VG Loop/Port Combo - Zone 2		2			15 05										
	2-Wire VG Loop/Port Combo - Zone 3		3			25 80										
UNE Loop Rates																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEPRG	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEPRG	UEPLX	13 88										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEPRG	UEPLX	24 63										
	2-Wire Voice Grade Line Port Rates (RES - PBX)															
	2-Wire VG Unbundled Combination 2-Way PBX Trunk Port - Res			UEPRG	UEPRD	1 17	174 81	100.65	75.88	12 73		11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPRG	LNPCP	0 00	0 00	0 00				11 90				
FEATURES																
	All Features Offered			UEPRG	UEPVF	2 26	0 00	0.00				11 90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch-As-Is			UEPRG	USAC2		8 45	1 91				11 90				
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch with Change			UEPRG	USACC		8.45	1 91				11 90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Subsequent Activity			UEPRG	USAS2	0 00	0 00	0 00				11 90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.86	7 86				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/Port Combo - Zone 1		1			10 94										
	2-Wire VG Loop/Port Combo - Zone 2		2			15 05										
	2-Wire VG Loop/Port Combo - Zone 3		3			25 80										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEPPX	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEPPX	UEPLX	13 88										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEPPX	UEPLX	24 63										
2-Wire Voice Grade Line Port Rates (BUS - PBX)																
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPPX	UEPPC	1 17	174 81	100 65	75 88	12.73		11 90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPPX	UEPPO	1 17	174 81	100 65	75 88	12 73		11 90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPPX	UEPP1	1 17	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPPX	UEPLD	1 17	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPPX	UEPXA	1 17	174 81	100 65	75.88	12 73		11 90				
	2-Wire Voice Unbundled PBX Tot Terminal Hotel Ports			UEPPX	UEPXB	1 17	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPPX	UEPXC	1 17	174 81	100.65	75.88	12 73		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPPX	UEPXD	1 17	174 81	100 65	75 88	12.73		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPPX	UEPXE	1 17	174 81	100.65	75 88	12.73		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPPX	UEPXL	1 17	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPPX	UEPXM	1 17	174 81	100.65	75 88	12.73		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPPX	UEPXD	1 17	174 81	100 65	75 88	12 73		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPPX	UEPXS	1 17	174.81	100 65	75 88	12 73		11.90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0 00	0 00				11.90				
FEATURES																
	All Features Offered			UEPPX	UEPVF	2 26	0 00	0.00				11 90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch-As-Is			UEPPX	USAC2		8.45	1.91				11 90				
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Conversion - Switch with Change			UEPPX	USACC		8 45	1 91				11 90				
ADDITIONAL NRCs																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- 1st	Attachment: 2 Incremental Charge - Manual Svc Order vs Electronic- Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	OSS SOMAN	OSS SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Loop/ Line Port Combination (PBX) - Subsequent Activity			UEPPX	USAS2	0 00	0 00	0.00				11 90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7 86	7.86				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE ANALOG LINE COIN PORT																
UNE Port/Loop Combination Rates																
	2-Wire VG Coin Port/Loop Combo – Zone 1		1			10 94										
	2-Wire VG Coin Port/Loop Combo – Zone 2		2			15 05										
	2-Wire VG Coin Port/Loop Combo – Zone 3		3			26 80										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPCO	UEPLX	8 77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPCO	UEPLX	13 68										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPCO	UEPLX	24 63										
2-Wire Voice Grade Line Ports (COIN)																
	2-Wire Coin 2-Way with Operator Screening and Blocking 011, 900/976, 1+DDD (FL)			UEPCO	UEP2F	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Coin 2-Way with Operator Screening and 011 Blocking (FL)			UEPCO	UEPFA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Coin 2-Way with Operator Screening and Blocking 900/976, 1+DDD, 011+, and Local (FL)			UEPCO	UEPCG	1 17	53 31	26 46	27 50	8.37		11 90				
	2-Wire Coin Outward with Operator Screening and 011 Blocking (AL, FL)			UEPCO	UEPRK	1.17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Coin Outward with Operator Screening and Blocking 900/976, 1+DDD, 011+ (FL)			UEPCO	UEPOF	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Coin Outward with Operator Screening and Blocking 900/976, 1+DDD, 011+, and Local (FL, GA)			UEPCO	UEPCQ	1.17	53 31	26 46	27 50	8 37		11 90				
	2-Wire 2-Way Smartline with 900/976 (all states except LA)			UEPCO	UEPCK	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Coin Outward Smartline with 900/976 (all states except LA)			UEPCO	UEPCR	1 17	53 31	26 46	27 50	8 37		11 90				
ADDITIONAL UNE COIN PORT/LOOP (RC)																
	UNE Coin Port/Loop Combo Usage (Flat Rate)			UEPCO	URECU	1 66	53 31	26 46	27 50	8 37		11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPCO	UNPCX	0 35										
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch-as-is			UEPCO	USAC2		0 102	0 102				11 90				
	2-Wire Voice Grade Loop / Line Port Combination - Conversion - Switch with change			UEPCO	USACC		0 102	0 102				11 90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/Line Port Combination - Subsequent Activity			UEPCO	USAS2		0 00	0 00				11'90				
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (RES)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13 64										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18 80										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32 27										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFR	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFR	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFR	UECF2	30.87										
2-Wire Voice Grade Line Port Rates (Res)																
	2-Wire voice unbundled port - residence			UEPFR	UEPRL	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled port with Caller ID - res			UEPFR	UEPRC	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled port outgoing only - res			UEPFR	UEPRO	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPFR	UEPAF	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPFR	UEPAP	1 40	174 81	100 65	75 88	12 73		11 90				
INTEROFFICE TRANSPORT																

UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFR	U1TV2	25 32	47 35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFR	1L5XX	0 0091										
FEATURES																
	All Features Offered			UEPFR	UEPVF	2 26	0 00	0 00				11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPFR	LNPCX	0 35										
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFR	USAC2		16 97	3 73				11 90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-With-Change			UEPFR	USACC		16 97	3 73				11 90				
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (BUS)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13 64										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18 60										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32 27										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFB	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFB	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFB	UECF2	30 87										
2-Wire Voice Grade Line Port (Bus)																
	2-Wire voice unbundled port without Caller ID - bus			UEPFB	UEPBL	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled port with Caller • E464 ID - bus			UEPFB	UEPBC	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled port outgoing only - bus			UEPFB	UEPBO	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPFB	UEPBI	1 40	174 81	100 65	75 88	12 73		11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPFB	LNPCX	0 35										
INTEROFFICE TRANSPORT																
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFB	U1TV2	25 32	47 35	31 78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFB	1L5XX	0 0091										
FEATURES																
	All Features Offered			UEPFB	UEPVF	2.26	0 00	0 00				11 90				
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFB	USAC2		16 97	3.73				11.90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFB	USACC		16 97	3 73				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			13 64										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			18 60										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			32 27										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFP	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFP	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFP	UECF2	30 87										
2-Wire Voice Grade Line Port Rates (BUS - PBX)																
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPFP	UEPPC	1 40	174 81	100 65	75 88	12 73		11 90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPFP	UEPPO	1 40	174 81	100 65	75 88	12 73		11 90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPFP	UEPPI	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPFP	UEPLD	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPFP	UEPXA	1 40	174 81	100.65	75 88	12 73		11 90				
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPFP	UEPXB	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPFP	UEPXC	1 40	174 81	100 65	75 88	12 73		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	OSS Rate($) SOMAN	OSS Rate($) SOMAN	SOMAN	SOMAN
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPFP	UEPXD	1 40	174 81	100.65	75 88	12.73		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPFP	UEPXE	1 40	174.81	100 65	75 88	12.73		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPFP	UEPXL	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPFP	UEPXM	1 40	174 81	100 65	75 88	12.73		11 90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPFP	UEPXO	1 40	174 81	100 65	75 88	12 73		11 90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPFP	UEPXS	1.40	174 81	100 65	75 88	12 73		11 90				
	LOCAL NUMBER PORTABILITY			UEPFP	LNPCP	3 15	0 00	0.00				11 90				
	Local Number Portability (1 per port)															
	INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFP	U1TV2	25 32	47.35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFP	1L5XX	0 0091										
	FEATURES			UEPFP	UEPVF	2 26	0 00	0 00				11 90				
	All Features Offered															
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFP	USAC2		16 97	3 73				11 90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFP	USACC		16 97	3 73				11 90				
UNBUNDLED PORT/LOOP COMBINATIONS - COST BASED RATES																
2-WIRE VOICE GRADE LOOP- BUS ONLY - WITH 2-WIRE DID TRUNK PORT																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 1		1			20 95										
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 2		2			28 11										
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 3		3			39 58										
UNE Loop Rates												11 90			1.83	
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 1		1	UEPPX	UECD1	12 24						11 90			1 83	
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 2		2	UEPPX	UECD1	17 40						11 90			1 83	
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 3		3	UEPPX	UECD1	30 87										
UNE Port Rate												11 90			1.83	
	Exchange Ports - 2-Wire DID Port			UEPPX	UEPD1	8 71	214 16	98.29								
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Combination - Switch-as-is			UEPPX	USAC1		7 85	1 87				11 90				
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Conversion with BellSouth Allowable Charges			UEPPX	USA1C		7 85	1 87				11 90				
	ADDITIONAL NRCs			UEPPX	USAS1		32 26	32 26				11.90				
	2-Wire DID Subsequent Activity - Add Trunks, Per Trunk															
	Telephone Number/Trunk Group Establishment Charges			UEPPX	NDT	0 00	0 00	0 00				11.90			1.83	
	DID Trunk Termination (One Per Port)			UEPPX	NDZ	0 00	0 00	0 00				11 90			1 83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPPX	ND4	0 00	0 00	0 00				11 90			1 83	
	Additional DID Numbers for each Group of 20 DID Numbers			UEPPX	ND5	0 00	0 00	0 00				11 90			1.83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPPX	ND6	0 00	0 00	0.00				11 90			1.83	
	Reserve Non-Consecutive DID numbers			UEPPX	NDV	0 00	0 00	0 00				11.90			1.83	
	Reserve DID Numbers															
LOCAL NUMBER PORTABILITY				UEPPX	LNPCP	3 15	0 00	0 00								
	Local Number Portability (1 per port)															
2-WIRE ISDN DIGITAL GRADE LOOP WITH 2-WIRE ISDN DIGITAL LINE SIDE PORT																
UNE Port/Loop Combination Rates																
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 1		1	UEPPB UEPPR		22 63										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 2		2	UEPPB UEPPR		29 05										

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Elec 1st	Incremental Charge - Manual Svc Order vs. Electronic-Elec Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	OSS Rates($) SOMAN	SOMAN	SOMAN	SOMAN
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 3		3	UEPPB UEPPR		45 84										
UNE Loop Rates																
	2-Wire ISDN Digital Grade Loop - UNE Zone 1		1	UEPPB UEPPR	USL2X	15 25						11 90			1 83	
	2-Wire ISDN Digital Grade Loop - UNE Zone 2		2	UEPPB UEPPR	USL2X	21 87						11 90			1 83	
	2-Wire ISDN Digital Grade Loop - UNE Zone 3		3	UEPPB UEPPR	USL2X	36 46						11 90			1 83	
UNE Port Rate																
	Exchange Port - 2-Wire ISDN Line Side Port			UEPPB UEPPR	UEPPB	7 36	194 52	145 09				11 09			1 83	
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire ISDN Digital Grade Loop / 2-Wire ISDN Line Side Port Combination - Conversion			UEPPB UEPPR	USACB	0 00	25 22	17 00				11 90			1 83	
ADDITIONAL NRCs																
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPB UEPPR	LNPCX	0 35	0 00	0 00								
B-CHANNEL USER PROFILE ACCESS:																
	CVS/CSD (DMS/5ESS)			UEPPB UEPPR	U1UCA	0 00	0 00	0 00								
	CVS (EWSD)			UEPPB UEPPR	U1UCB	0 00	0 00	0 00								
	CSD			UEPPB UEPPR	U1UCC	0 00	0 00	0 00								
B-CHANNEL AREA PLUS USER PROFILE ACCESS: (AL,KY,LA,MS SC,MS, & TN)																
USER TERMINAL PROFILE																
	User Terminal Profile (EWSD only)			UEPPB UEPPR	U1UMA	0.00	0 00	0 00								
VERTICAL FEATURES																
	All Vertical Features - One per Channel B User Profile			UEPPB UEPPR	UEPVF	2 26	0 00	0 00				11 90				
INTEROFFICE CHANNEL MILEAGE																
	Interoffice Channel mileage each, including first mile and facilities termination			UEPPB UEPPR	M1GNC	25 3291	47 35	31 78	18 31	7 03		11 90			1 83	
	Interoffice Channel mileage each, additional mile			UEPPB UEPPR	M1GNM	0 0091	0 00	0 00				11 90			1 83	
4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE ISDN DS1 DIGITAL TRUNK PORT																
UNE Port/Loop Combination Rates																
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 1		1	UEPPP		153 48										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 2		2	UEPPP		183 28										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 3		3	UEPPP		261 12										
UNE Loop Rates																
	4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPPP	USL4P	70 74						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPPP	USL4P	100 54						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPPP	USL4P	178 36						11 90			1 83	
UNE Port Rate																
	Exchange Ports - 4-Wire ISDN DS1 Port			UEPPP	UEPPP	82 74	488 36	276 85				11 90			1 83	
NONRECURRING CHARGES - CURRENTLY COMBINED																
	4-Wire DS1 Digital Loop / 4-Wire ISDN DS1 Digital Trunk Port Combination - Conversion -Switch-as-is			UEPPP	USACP	0 00	84 17	61 38				11 90			1 83	
ADDITIONAL NRCs																
	4-Wire DS1 Loop/4-W ISDN Digit Trk Port - Subsql Actvy-Inward/two way Tel Nos (except NC)			UEPPP	PR7TF		0 5412					11 90			1 83	
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trunk Port - Outward Tel Numbers (All States except NC)			UEPPP	PR7TO		12 71	12 71				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trk Port - Subsequent Inward Tel Numbers			UEPPP	PR7ZT		25 42	25 42				11 90			1 83	
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPP	LNPCN	1 75										
INTERFACE (Provisioning Only)																
	Voice/Data			UEPPP	PR71V	0 00	0 00	0 00								
	Digital Data			UEPPP	PR71D	0 00	0 00	0 00								
	Inward Data			UEPPP	PR71E	0 00	0 00	0 00								
New or Additional "B" Channel																

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	New or Additional - Voice/Data B Channel			UEPPP	PR7BV	0 00	15 48					11 90			1 83	
	New or Additional - Digital Data B Channel			UEPPP	PR7BF	0 00	15 48					11.90			1.83	
	New or Additional Inward Data B Channel			UEPPP	PR7BD	0 00	15 48					11 90			1.83	
CALL TYPES																
	Inward			UEPPP	PR7C1	0 00	0 00	0 00								
	Outward			UEPPP	PR7C0	0 00	0 00	0 00								
	Two-way			UEPPP	PR7CC	0 00	0 00	0 00								
Interoffice Channel Mileage																
	Fixed Each Including First Mile			UEPPP	1LN1A	66 6258	105 54	98 47	21 47	19 05		11 90			1 83	
	Each Airline-Fractional Additional Mile			UEPPP	1LN1B	0 1856										
4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE DDITS TRUNK PORT																
UNE Port/Loop Combination Rates																
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 1		1	UEPDC		125 69						11 90			1 83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 2		2	UEPDC		155 49						11 90			1 83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 3		3	UEPDC		233 33						11 90			1 83	
UNE Loop Rates																
	4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPDC	USLDC	70 74						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPDC	USLDC	100 54						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPDC	USLDC	178 38						11 90			1 83	
UNE Port Rate																
	4-Wire DDITS Digital Trunk Port			UEPDC	UDD1T	54 85	464 86	259 23				11 90			1 83	
NONRECURRING CHARGES - CURRENTLY COMBINED																
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Switch-as-is			UEPDC	USAC4		95.31	46 71				11 90			1 83	
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with DS1 Changes			UEPDC	USAWA		95 31	46 71				11 90			1 83	
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with Change - Trunk			UEPDC	USAWB		95 31	46 71				11 90			1 83	
ADDITIONAL NRCs																
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - NRC - Subsequent Channel Activation/Chan - 2-Way Trunk			UEPDC	UDTTA		15 69	15.69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsequent Channel Activation/Chan - 1-Way Outward Trunk			UEPDC	UDTTB		15.69	15 69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Channel Activation/Chan Inward Trunk w/out DID			UEPDC	UDTTC		15 69	15 69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation Per Chan - Inward Trunk with DID			UEPDC	UDTTD		15.69	15.69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation / Chan - 2-Way DID w User Trans			UEPDC	UDTTE		15 69	15 69				11.90			1.83	
BIPOLAR 8 ZERO SUBSTITUTION																
	B8ZS -Superframe Format			UEPDC	CCOSF		0 00	655.00				11 90			1 83	
	B8ZS - Extended Superframe Format			UEPDC	CCOEF		0 00	655 00				11.90			1 83	
Alternate Mark Inversion																
	AMI -Superframe Format			UEPDC	MCOSF		0 00	0 00								
	AMI - Extended SuperFrame Format			UEPDC	MCOPO		0 00	0 00								
Telephone Number/Trunk Group Establisment Charges																
	Telephone Number for 2-Way Trunk Group			UEPDC	UDTGX	0 00						11.90			1.83	
	Telephone Number for 1-Way Outward Trunk Group			UEPDC	UDTGY	0 00						11.90			1 83	
	Telephone Number for 1-Way Inward Trunk Group Without DID			UEPDC	UDTGZ	0 00						11 90			1 83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPDC	NDZ	0 00	0 00	0.00				11 90			1.83	
	DID Numbers for each Group of 20 DID Numbers			UEPDC	ND4	0 00						11 90			1 83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPDC	ND5	0 00						11 90			1.83	
	Reserve Non-Consecutive DID Nos			UEPDC	ND6	0 00	0 00	0 00				11 90			1 83	
	Reserve DID Numbers			UEPDC	NDV	0 00	0 00	0 00				11 90			1 83	
Dedicated DS1 (Interoffice Channel Mileage) - FX/FCO for 4-Wire DS1 Digital Loop with 4-Wire DDITS Trunk Port																
	Interoffice Channel Mileage - Fixed rate 0-8 miles (Facilities Termination)			UEPDC	1LN01	68 44	105 54	98 47	21 47	19 05		11 90			1 83	

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Interoffice Channel Mileage - Additional rate per mile - 0-8 miles			UEPDC	1LNOA	0 1856	0.00	0 00								
	Interoffice Channel Mileage - Fixed rate 9-25 miles (Facilities Termination)			UEPDC	1LNO2	0 00	0 00	0 00								
	Interoffice Channel Mileage - Additional rate per mile - 9-25 miles			UEPDC	1LNOB	0 1856	0 00	0 00								
	Interoffice Channel Mileage - Fixed rate 25+ miles (Facilities Termination)			UEPDC	1LNO3	0 00	0 00	0 00	0 00							
	Interoffice Channel Mileage - Additional rate per mile - 25+ miles			UEPDC	1LNOC	0 1856	0 00	0 00								
	Local Number Portability, per DS0 Activated			UEPDC	LNPCP	3 15	0 00	0 00	0 00							
	Central Office Terminating Port			UEPDC	CTG	0 00										
	4-WIRE DS1 LOOP WITH CHANNELIZATION WITH PORT															
	System is 1 DS1 Loop, 1 D4 Channel Bank, and up to 24 Feature Activations															
	Each System can have up to 24 combinations of rates depending on type and number of ports used															
	UNE DS1 Loop															
	4-Wire DS1 Loop - UNE Zone 1		1	UEPMG	USLDC	70 74	0 00	0 00								
	4-Wire DS1 Loop - UNE Zone 2		2	UEPMG	USLDC	100 54	0 00	0 00								
	4-Wire DS1 Loop - UNE Zone 3		3	UEPMG	USLDC	176 38	0 00	0 00								
	UNE DS0 Channelization Capacities (D4 Channel Bank Configurations)															
	24 DS0 Channel Capacity - 1 per DS1			UEPMG	VUM24	118 06	0 00	0 00				11 90			1 83	
	48 DS0 Channel Capacity - 1 per 2 DS1s			UEPMG	VUM48	236 12	0 00	0 00				11 90			1 83	
	96 DS0 Channel Capacity -1per 4 DS1s			UEPMG	VUM96	472 24	0 00	0 00				11 90			1 83	
	144 DS0 Channel Capacity - 1 per 6 DS1s			UEPMG	VUM14	708 36	0 00	0 00				11 90			1 83	
	192 DS0 Channel Capacity -1 per 8 DS1s			UEPMG	VUM19	944 48	0 00	0 00				11 90			1 83	
	240 DS0 Channel Capacity - 1 per 10 DS1s			UEPMG	VUM20	1,180 60	0 00	0 00				11 90			1 83	
	288 DS0 Channel Capacity - 1 per 12 DS1s			UEPMG	VUM28	1,416 72	0 00	0 00				11 90			1 83	
	384 DS0 Channel Capacity - 1 per 16 DS1s			UEPMG	VUM38	1,888 96	0 00	0 00				11 90			1 83	
	480 DS0 Channel Capacity - 1 per 20 DS1s			UEPMG	VUM40	2,361 20	0 00	0 00				11 90			1 83	
	576 DS0 Channel Capacity -1 per 24 DS1s			UEPMG	VUM57	2,833 44	0 00	0 00				11 90			1 83	
	672 DS0 Channel Capacity - 1 per 28 DS1s			UEPMG	VUM67	3,305 68	0 00	0 00								
	Non-Recurring Charges (NRC) Associated with 4-Wire DS1 Loop with Channelization with Port - Conversion Charge Based on a System															
	A Minimum System configuration is One (1) DS1, One (1) D4 Channel Bank, and Up To 24 DS0 Ports with Feature Activations															
	Multiples of this configuration functioning as one are considered Add'l after the minimum system configuration is counted.															
	NRC - Conversion (Currently Combined) with or without BellSouth Allowed Changes			UEPMG	USACI	0 00	96 77	4.24				11 90				
	System Additions at End User Locations Where 4-Wire DS1 Loop with Channelization with Port Combination Currently Exists and															
	New (Not Currently Combined) in all states, except in Density Zone 1 of Top 5 MSA's															
	1 DS1/D4 Channel Bank - Additionally Add NRC for each Port and Assoc Fee Activation			UEPMG	VUMD4	0 00	726 11	466 21	145 32	17 24		11 90				
	Bipolar 8 Zero Substitution**															
	Clear Channel Capability Format, superframe - Subsequent Activity Only			UEPMG	CCOSF	0 00	0 00	855 00				11 90				
	Clear Channel Capability Format - Extended Superframe - Subsequent Activity Only			UEPMG	CCOEF	0 00	0 00	855.00				11.90				
	Alternate Mark Inversion (AMI)															
	Superframe Format			UEPMG	MCOSF	0 00	0 00	0 00								
	Extended Superframe Format			UEPMG	MCOPO	0 00	0 00	0 00								
	Exchange Ports Associated with 4-Wire DS1 Loop with Channelization with Port															
	Exchange Ports															
	Line Side Combination Channelized PBX Trunk Port - Business			UEPPX	UEPCX	1 38	0.00	0 00	0 00	0 00		11 90			1 83	
	Line Side Outward Channelized PBX Trunk Port - Business			UEPPX	UEPOX	1 38	0 00	0 00	0 00	0 00		11 90			1 83	
	Line Side Inward Only Channelized PBX Trunk Port without DID			UEPPX	UEP1X	1 38	0 00	0 00	0 00	0 00		11 90			1 83	
	2-Wire Trunk Side Unbundled Channelized DID Trunk Port			UEPPX	UEPDM	8 71	0.00	0 00	0 00	0 00		11 90			1 83	
	Feature Activations - Unbundled Loop Concentration															
	Feature (Service) Activation for each Line Port Terminated in D4 Bank			UEPPX	1PQWM	0 66	25 40	13 41	3.96	3 93		11 90			1 83	

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rate($) SOMEC	OSS Rate($) SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Feature (Service) Activation for each Trunk Port Terminated in D4 Bank			UEPPX	1PQWU	0 86	78.16	18 42	58 03	10 95		11 90			1.83	
	Telephone Number/ Group Establishment Charges for DID Service															
	DID Trunk Termination (1 per Port)			UEPPX	NDT	0 00	0 00	0 00				11 90				
	Estab Trk Grp and Provide 1st 20 DID Nos. (FL,GA, NC,& SC)			UEPPX	ND2	0 00	0 00	0 00				11 90				
	DID Numbers - groups of 20 - Valid all States			UEPPX	ND4	0 00	0 00	0 00				11 90				
	Non-Consecutive DID Numbers - per number			UEPPX	ND5	0 00	0 00	0 00				11 90				
	Reserve Non-Consecutive DID Numbers			UEPPX	ND8	0 00	0 00	0 00				11 90				
	Reserve DID Numbers			UEPPX	NDV	0 00	0 00	0 00				11 90				
	Local Number Portability															
	Local Number Portability - 1 per port			UEPPX	LNPCP	3 15	0 00	0 00								
	FEATURES - Vertical and Optional															
	Local Switching Features Offered with Line Side Ports Only															
	All Features Available			UEPPX	UEPVF	2 28	0 00	0 00				11 90			1 83	
UNBUNDLED PORT LOOP COMBINATIONS - MARKET RATES																
Market Rates shall apply where BellSouth is not required to provide unbundled local switching or switch ports per FCC and/or State Commission rules.																
This includes																
Unbundled port/loop combinations that are Currently Combined or Not Currently Combined in Zone 1 of the Top 5 MSAs in BellSouth's region for end users with 4 or more DS0 equivalent lines.																
The Top 5 MSAs in BellSouth's region are: FL (Orlando, Ft Lauderdale, Miami); GA (Atlanta); LA (New Orleans); NC (Greensboro-Winston Salem-HighpointCharlotte-Gastonia-Rock Hill); TN (Nashville)																
BellSouth currently is developing the billing capability to mechanically bill the recurring and non-recurring Market Rates in this section except for nonrecurring charges for not currently combined in FL and NC. In the interim where BellSouth cannot bill Market Rates, BellSouth shall bill the rates in the Cost-Based section preceding in lieu of the Market Rates and reserves the right to true-up the billing difference.																
The Market Rate for unbundled ports includes all available features in all states.																
End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations which have a flat rate usage charge (USOC: URECU)																
For Not Currently Combined scenarios the Nonrecurring charges are listed in the First and Additional NRC columns for each Port USOC. For Currently Combined scenarios, the Nonrecurring charges are listed in the NRC - Currently Combined section																
Additional NRCs may apply also and are categorized accordingly																
2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES)																
UNE Port/Loop Combination Rates																
2-Wire VG Loop/Port Combo - Zone 1			1			23 77										
2-Wire VG Loop/Port Combo - Zone 2			2			27 86										
2-Wire VG Loop/Port Combo - Zone 3			3			36 63										
UNE Loop Rates																
2-Wire Voice Grade Loop (SL1) - Zone 1			1	UEPRX	UEPLX	9 77										
2-Wire Voice Grade Loop (SL1) - Zone 2			2	UEPRX	UEPLX	13 86										
2-Wire Voice Grade Loop (SL1) - Zone 3			3	UEPRX	UEPLX	24 63										
2-Wire Voice Grade Line Port (Res)																
2-Wire voice unbundled port - residence				UEPRX	UEPRL	14 00	90 00	90 00				11 90				
2-Wire voice unbundled port with Caller ID - res				UEPRX	UEPRC	14 00	90 00	90 00				11 90				
2-Wire voice unbundled port outgoing only - res				UEPRX	UEPRO	14 00	90.00	90 00				11 90				
2-Wire voice unbundled Florida Area Calling with Caller ID - res				UEPRX	UEPAF	14 00	90 00	90 00				11 90				
2-Wire voice unbundles res, low usage line port with Caller ID (LUM)				UEPRX	UEPAP	14 00	90.00	90 00				11 90				
2-Wire voice unbundled Low Usage Line Port without Caller ID Capability				UEPRX	UEPRT	14 00	90 00	90 00				11 90				
2-Wire voice unbundled Florida extended dialing port for use with CREX7 and Caller ID				UEPRX	UEPA1	14 00	90 00	90 00				11 90				
2-Wire voice unbundled Florida extended dialing port for use with CREX7, without Caller ID capability				UEPRX	UEPA8	14 00	90 00	90.00				11 90				
2-Wire voice unbundled Florida Area Calling Port without Caller ID Capability				UEPRX	UEPA9	14 00	90 00	90 00				11.90				
LOCAL NUMBER PORTABILITY																
Local Number Portability (1 per port)				UEPRX	LNPCX	0 35										
FEATURES																
All Features Offered				UEPRX	UEPVF	0 60	0 00	0 00				11 90				
NONRECURRING CHARGES - CURRENTLY COMBINED																
2-Wire Voice Grade Loop / Line Port Combination - Switch-as-is				UEPRX	USAC2		41.50	41 60				11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN
	2-Wire Voice Grade Loop / Line Port Combination - Switch with change			UEPRX	USACC		41.50	41.50				11.90				
	ADDITIONAL NRCs															
	NRC - 2-Wire Voice Grade Loop/Line Port Combination - Subsequent			UEPRX	USAS2		0.00	0.00				11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo - Zone 1		1			23.77										
	2-Wire VG Loop/Port Combo - Zone 2		2			27.86										
	2-Wire VG Loop/Port Combo - Zone 3		3			36.63										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPBX	UEPLX	9.77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPBX	UEPLX	13.86										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPBX	UEPLX	24.63										
	2-Wire Voice Grade Line Port (Bus)															
	2-Wire voice unbundled port without Caller ID - bus			UEPBX	UEPBL	14.00	90.00	90.00				11.90				
	2-Wire voice unbundled port with Caller + E4B4 ID - bus			UEPBX	UEPBC	14.00	90.00	90.00				11.90				
	2-Wire voice unbundled port outgoing only - bus			UEPBX	UEPBO	14.00	90.00	90.00				11.90				
	2-Wire voice unbundled Incoming Only Port without Caller ID Capability			UEPBX	UEPBE	14.00	90.00	90.00				11.90				
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPBX	LNPCX	0.35										
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop / Line Port Combination - Switch-as-is			UEPBX	USAC2		41.50	41.50				11.90				
	2-Wire Voice Grade Loop / Line Port Combination - Switch with change			UEPBX	USACC		41.50	41.50				11.90				
	ADDITIONAL NRCs															
	NRC - 2-Wire Voice Grade Loop/Line Port Combination - Subsequent			UEPBX	USAS2		0.00	0.00				11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES - PBX)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo - Zone 1		1			23.77										
	2-Wire VG Loop/Port Combo - Zone 2		2			27.86										
	2-Wire VG Loop/Port Combo - Zone 3		3			36.63										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPRG	UEPLX	9.77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPRG	UEPLX	13.86										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPRG	UEPLX	24.63										
	2-Wire Voice Grade Line Port Rates (RES - PBX)															
	2-Wire VG Unbundled Combination 2-Way PBX Trunk Port - Res			UEPRG	UEPRD	14.00	90.00	90.00				11.90				
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPRG	LNPCP	3.15	0.00	0.00								
	FEATURES															
	All Features Offered			UEPRG	UEPVF	0.00	0.00	0.00				11.90				
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPRD	USAC2		41.50	41.50				11.90				
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPRG	USACC		41.50	41.50				11.90				
	ADDITIONAL NRCs															
	2 Wire Loop/Line Side Port Combination - Non feature - Subsequent Activity- Nonrecurring						0.00	0.00				11.90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7.09	7.09				11.90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/Port Combo -		1			23.77										

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN
	2-Wire VG Loop/Port Combo - Zone 2		2			27 86										
	2-Wire VG Loop/Port Combo - Zone 3		3			36 63										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPPX	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPPX	UEPLX	13.88										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPPX	UEPLX	24 63										
2-Wire Voice Grade Line Port Rates (BUS - PBX)																
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPPX	UEPPC	14 00	90 00	90 00				11 90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPPX	UEPPO	14 00	90 00	90 00				11 90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPPX	UEPPI	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPPX	UEPLD	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPPX	UEPXA	14 00	90 00	90.00				11 90				
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPPX	UEPXB	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPPX	UEPXC	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPPX	UEPXD	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPPX	UEPXE	14.00	90 00	90 00				11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPPX	UEPXL	14 00	90.00	90 00				11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPPX	UEPXM	14 00	90 00	90.00				11 90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPPX	UEPXO	14 00	90 00	90 00				11 90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPPX	UEPXS	14 00	90 00	90 00				11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPX	LNPCP	3 15	0 00	0 00								
FEATURES																
	All Features Offered			UEPPX	UEPVF	0 00	0 00	0 00				11 90				
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPPX	USAC2		41 50	41 50				11 90				
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPPX	USACC		41.50	41.50				11 90				
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/ Line Port Combination - Subsequent			UEPPX	USAS2	0 00	0.00	0 00				11.90				
	2 Wire Loop/Line Side Port Combination - Non feature - Subsequent Activity- Nonrecurring						0 00	0 00				11 90				
	PBX Subsequent Activity - Change/Rearrange Multiline Hunt Group						7 09	7 09				11 90				
2-WIRE VOICE GRADE LOOP WITH 2-WIRE ANALOG LINE COIN PORT																
UNE Port/Loop Combination Rates																
	2-Wire VG Coin Port/Loop Combo – Zone 1		1			22 77										
	2-Wire VG Coin Port/Loop Combo – Zone 2		2			27 86										
	2-Wire VG Coin Port/Loop Combo – Zone 3		3			36 63										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL1) - Zone 1		1	UEPCO	UEPLX	9 77										
	2-Wire Voice Grade Loop (SL1) - Zone 2		2	UEPCO	UEPLX	13 88										
	2-Wire Voice Grade Loop (SL1) - Zone 3		3	UEPCO	UEPLX	24 63										
2-Wire Voice Grade Line Port Rates (Coin)																
	2-Wire Coin 2-Way with Operator Screening and Blocking 011, 900/976, 1+DDD (FL)			UEPCO	UEP2F	14 00	90 00	90.00				11 90				
	2-Wire Coin 2-Way with Operator Screening and 011 Blocking (FL)			UEPCO	UEPFA	14 00	90 00	90.00				11 90				
	2-Wire Coin 2-Way with Operator Screening and Blocking 900/976, 1+DDD, 011+, and Local (FL)			UEPCO	UEPCG	14 00	90 00	90 00				11 90				
	2-Wire Coin Outward with Operator Screening and 011 Blocking (AL, FL)			UEPCO	UEPRK	14 00	90 00	90 00				11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Con Outward with Operator Screening and Blocking 900/976, 1+DDD, 011+ (FL)			UEPCO	UEPOF	14 00	90 00	90 00				11 90				
	2-Wire Con Outward with Operator Screening and Blocking 900/976, 1+DDD, 011+, and Local (FL, GA)			UEPCO	UEPCO	14 00	90 00	90 00				11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPCO	LNPCX	0 35										
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop/ Line Port Combination - Switch-As-Is			UEPCO	USAC2		41 50	41 50				11 90				
	2-Wire Voice Grade Loop/ Line Port Combination - Switch with Change			UEPCO	USACC		41 50	41 50								
ADDITIONAL NRCs																
	2-Wire Voice Grade Loop/ Line Port Combination - Subsequent			UEPCO	USAS2		0 00	0 00				11 90				
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (RES)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26 24										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31 40										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44 87										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFR	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFR	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFR	UECF2	30 87										
2-Wire Voice Grade Line Port Rates (Res)																
	2-Wire voice unbundled port - residence			UEPFR	UEPRL	14 00	180 00	110.00	85 00	20 00		11 90				
	2-Wire voice unbundled port with Caller ID - res			UEPFR	UEPRC	14 00	180.00	110 00	85 00	20 00		11 90				
	2-Wire voice unbundled port outgoing only - res			UEPFR	UEPRO	14 00	180 00	110 00	85.00	20 00		11 90				
	2-Wire voice unbundled Florida Area Calling with Caller ID - res			UEPFR	UEPAF	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire voice unbundles res, low usage line port with Caller ID (LUM)			UEPFR	UEPAP	14 00	180 00	110.00	85.00	20 00		11 90				
INTEROFFICE TRANSPORT																
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFR	U1TV2	25 32	47 35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFR	1L5XX	0 0091										
FEATURES																
	All Features Offered			UEPFR	UEPVF	0 00	0 00	0 00				11 90				
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPFR	LNPCX	0 35										
NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED																
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFR	USAC2		16 97	3 73				11 90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-With-Change			UEPFR	USACC		16 97	3.73				11 90				
2-WIRE VOICE LOOP/ 2WIRE VOICE GRADE IO TRANSPORT/ 2-WIRE LINE PORT (BUS)																
UNE Port/Loop Combination Rates																
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26 24										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31 40										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44 87										
UNE Loop Rates																
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFB	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFB	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFB	UECF2	30 87										
2-Wire Voice Grade Line Port (Bus)																
	2-Wire voice unbundled port without Caller ID - bus			UEPFB	UEPBL	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire voice unbundled port with Caller + E484 ID - bus			UEPFB	UEPBC	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire voice unbundled port outgoing only - bus			UEPFB	UEPBO	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire voice unbundled incoming only port with Caller ID - Bus			UEPFB	UEPB1	14 00	180 00	110 00	85 00	20 00		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFB	LNPCX	0 35										
	INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFB	U1TV2	25 32	47 35	31.78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFB	1L5XX	0 0091										
	FEATURES															
	All Features Offered			UEPFB	UEPVF	0 00	0 00	0 00				11 90				
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFB	USAC2		16 97	3 73				11 90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFB	USACC		16 97	3 73				11 90				
	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (BUS - PBX)															
	UNE Port/Loop Combination Rates															
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 1		1			26 24										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 2		2			31 40										
	2-Wire VG Loop/IO Tranport/Port Combo - Zone 3		3			44 87										
	UNE Loop Rates															
	2-Wire Voice Grade Loop (SL2) - Zone 1		1	UEPFP	UECF2	12 24										
	2-Wire Voice Grade Loop (SL2) - Zone 2		2	UEPFP	UECF2	17 40										
	2-Wire Voice Grade Loop (SL2) - Zone 3		3	UEPFP	UECF2	30 67										
	2-Wire Voice Grade Line Port Rates (BUS - PBX)															
	Line Side Unbundled Combination 2-Way PBX Trunk Port - Bus			UEPFP	UEPPC	14 00	180 00	110 00	85 00	20.00		11 90				
	Line Side Unbundled Outward PBX Trunk Port - Bus			UEPFP	UEPPO	14 00	180.00	110 00	85 00	20.00		11 90				
	Line Side Unbundled Incoming PBX Trunk Port - Bus			UEPFP	UEPPI	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Ports			UEPFP	UEPLD	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled 2-Way Combination PBX Usage Port			UEPFP	UEPXA	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled PBX Toll Terminal Hotel Ports			UEPFP	UEPXB	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled PBX LD DDD Terminals Port			UEPFP	UEPXC	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard Port			UEPFP	UEPXD	14 00	180 00	110 00	85.00	20 00		11 90				
	2-Wire Voice Unbundled PBX LD Terminal Switchboard IDD Capable Port			UEPFP	UEPXE	14 00	180.00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Administrative Calling Port			UEPFP	UEPXL	14 00	180 00	110 00	85.00	20 00		11 90				
	2-Wire Voice Unbundled 2-Way PBX Hotel/Hospital Economy Room Calling Port			UEPFP	UEPXM	14 00	180 00	110.00	85 00	20.00		11.90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Hotel/Hospital Discount Room Calling Port			UEPFP	UEPXO	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Unbundled 1-Way Outgoing PBX Measured Port			UEPFP	UEPXS	14 00	180 00	110 00	85 00	20 00		11 90				
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPFP	LNPCP	3 15	0 00	0 00				11.90				
	INTEROFFICE TRANSPORT															
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Facility Termination			UEPFP	U1TV2	25 32	47 35	31 78								
	Interoffice Transport - Dedicated - 2 Wire Voice Grade - Per Mile or Fraction Mile			UEPFP	1L5XX	0.0091										
	FEATURES															
	All Features Offered			UEPFP	UEPVF	0 00	0.00	0 00				11 90				
	NONRECURRING CHARGES (NRCs) - CURRENTLY COMBINED															
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch-as-is			UEPFP	USAC2		16 97	3 73				11 90				
	2-Wire Loop / Dedicated IO Transport / 2 Wire Line Port Combination - Conversion - Switch with change			UEPFP	USACC		16 97	3 73				11.90				
UNBUNDLED PORT/LOOP COMBINATIONS - MARKET BASED RATES																
	2-WIRE VOICE GRADE LOOP- BUS ONLY - WITH 2-WIRE DID TRUNK PORT															
	UNE Port/Loop Combination Rates															

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 1		1			67.24										
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 2		2			72 40										
	2-Wire VG Loop/2-Wire DID Trunk Port Combo - UNE Zone 3		3			85 87										
UNE Loop Rates																
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 1		1	UEPPX	UECD1	12 24						11.90			1 83	
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 2		2	UEPPX	UECD1	17 40						11 90			1 83	
	2-Wire Analog Voice Grade Loop - (SL2) - UNE Zone 3		3	UEPPX	UECD1	30 87						11 90			1 83	
UNE Port Rate																
	Exchange Ports - 2-Wire DID Port			UEPPX	UEPD1	55 00	850 00	75 00				11 90			1 83	
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Combination - Switch-As-Is Top 8 MSAs only			UEPPX	USAC1		850 00	75 00				11.90				
	2-Wire Voice Grade Loop / 2-Wire DID Trunk Port Conversion with BellSouth Allowable Changes Top 8 MSAs only			UEPPX	USA1C		850 00	75 00				11 90				
ADDITIONAL NRCs																
	2-Wire DID Subsequent Activity - Add Trunks, Per Trunk			UEPPX	USAS1		32 26	32 26				11 90				
Telephone Number/Trunk Group Establisment Charges																
	DID Trunk Termination (One Per Port)			UEPPX	NDT	0 00	0 00	0 00				11 90			1 83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPPX	ND2	0 00	0 00	0 00				11 90			1 83	
	Additional DID Numbers for each Group of 20 DID Numbers			UEPPX	ND4	0 00	0 00	0 00				11 90			1 83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPPX	ND5	0 00	0 00	0.00				11 90			1 83	
	Reserve Non-Consecutive DID numbers			UEPPX	ND6	0 00	0 00	0 00				11 90			1 83	
	Reserve DID Numbers			UEPPX	NDV	0 00	0 00	0 00				11 90			1 83	
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPX	LNPCP	3.15	0 00	0 00								
2-WIRE ISDN DIGITAL GRADE LOOP WITH 2-WIRE ISDN DIGITAL LINE SIDE PORT																
UNE Port/Loop Combination Rates																
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 1		1	UEPPB UEPPR		85 25										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 2		2	UEPPB UEPPR		91 67										
	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port - UNE Zone 3		3	UEPPB UEPPR		106 46										
UNE Loop Rates																
	2-Wire ISDN Digital Grade Loop - UNE Zone 1		1	UEPPB UEPPR	USL2X	15 25						11.90			1 83	
	2-Wire ISDN Digital Grade Loop - UNE Zone 2		2	UEPPB UEPPR	USL2X	21 67						11.90			1 83	
	2-Wire ISDN Digital Grade Loop - UNE Zone 3		3	UEPPB UEPPR	USL2X	38 46						11.90			1 83	
UNE Port Rate																
	Exchange Port - 2-Wire ISDN Line Side Port			UEPPB UEPPR	UEPPB	70 00	525 00	400 00				11 09			1 83	
NONRECURRING CHARGES - CURRENTLY COMBINED																
	2-Wire ISDN Digital Grade Loop / 2-Wire ISDN Line Side Port Combination - Conversion - Top 8 MSAs only			UEPPB UEPPR	USAC8	0 00	215 00	215 00				11.90			1 83	
ADDITIONAL NRCs																
LOCAL NUMBER PORTABILITY																
	Local Number Portability (1 per port)			UEPPB UEPPR	LNPCX	0 35	0 00	0 00								
B-CHANNEL USER PROFILE ACCESS																
	CVS/C5D (DMS/5ESS)			UEPPB UEPPR	U1UCA	0 00	0 00	0 00								
	CVS (EWSD)			UEPPB UEPPR	U1UCB	0 00	0 00	0 00								
	C5D			UEPPB UEPPR	U1UCC	0 00	0 00	0 00								
B-CHANNEL AREA PLUS USER PROFILE ACCESS: (AL,KY,LA,MS SC,MS, & TN)																
USER TERMINAL PROFILE																
	User Terminal Profile (EWSD only)			UEPPB UEPPR	U1UMA	0 00	0 00	0 00								
VERTICAL FEATURES																
	All Vertical Features - One per Channel B User Profile			UEPPB UEPPR	UEPVF	2 26	0 00	0 00				11.90				
INTEROFFICE CHANNEL MILEAGE																
	Interoffice Channel mileage each, including first mile and facilities termination			UEPPB UEPPR	M1GNC	18 4491	47 35	31 78	18 31	7 03		11 90			1.83	

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(3)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(3)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Interoffice Channel mileage each, additional mile			UEPPR UEPPR	M1GNM	0 0091	0 00	0 00				11 90			1 83	
	4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE ISDN DS1 DIGITAL TRUNK PORT															
	UNE Port/Loop Combination Rates															
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 1		1	UEPPP		970 74										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 2		2	UEPPP		1,000 54										
	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port - UNE Zone 3		3	UEPPP		1,078 39										
	UNE Loop Rates															
	4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPPP	USL4P	70 74						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPPP	USL4P	100 54						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPPP	USL4P	178 39						11 90			1 83	
	UNE Port Rate															
	Exchange Ports - 4-Wire ISDN DS1 Port			UEPPP	UEPPP	900 00	1,150 00	1,150 00				11 90			1 83	
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	4-Wire DS1 Digital Loop / 4-Wire ISDN DS1 Digital Trunk Port Combination - Conversion -Switch-As-Is Top 8 MSAs only			UEPPP	USACP	0 00	925 00	925 00				11 90			1 83	
	ADDITIONAL NRCs															
	4-Wire DS1 Loop/4-W ISDN Digit Trk Port - Subsqt Activ-Inward/two way Telephone Numbers (except NC)			UEPPP	PR7TF		0 5412					11 90			1 83	
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trunk Port - Outward Tel Numbers (All States except NC)			UEPPP	PR7TO		12 71	12 71				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire ISDN DS1 Digital Trk Port - Subsequent Inward Telephone Numbers			UEPPP	PR7ZT		25 42	25 42				11 90			1 83	
	LOCAL NUMBER PORTABILITY															
	Local Number Portability (1 per port)			UEPPP	LNPCN	1 75										
	INTERFACE (Provisioning Only)															
	Voice/Data			UEPPP	PR71V	0 00	0 00	0 00								
	Digital Data			UEPPP	PR71D	0 00	0 00	0 00								
	Inward Data			UEPPP	PR71E	0 00	0 00	0 00								
	New or Additional "B" Channel															
	New or Additional - Voice/Data B Channel			UEPPP	PR7BV	0 00	20 00					11 90			1 83	
	New or Additional - Digital Data B Channel			UEPPP	PR7BF	0 00	20 00					11 90			1 83	
	New or Additional Inward Data B Channel			UEPPP	PR7BD	0 00	20 00					11 90			1 83	
	CALL TYPES															
	Inward			UEPPP	PR7C1	0 00	0 00	0 00								
	Outward			UEPPP	PR7C0	0 00	0 00	0 00								
	Two-way			UEPPP	PR7CC	0 00	0 00	0 00								
	Interoffice Channel Mileage															
	Fixed Each Including First Mile			UEPPP	1LN1A	88 6256	105 84	98 47	21 47	19 05		11 90			1 93	
	Each Admin-Fractional Additional Mile			UEPPP	1LN1B	0 1858										
	4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE DDITS TRUNK PORT															
	UNE Port/Loop Combination Rates															
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 1		1	UEPDC		920 74						11 90			1 83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 2		2	UEPDC		850 54						11 90			1 83	
	4W DS1 Digital Loop/4W DDITS Trunk Port - UNE Zone 3		3	UEPDC		926 39						11 90			1 83	
	UNE Loop Rates															
	4-Wire DS1 Digital Loop - UNE Zone 1		1	UEPDC	USLDC	70 74						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 2		2	UEPDC	USLDC	100 54						11 90			1 83	
	4-Wire DS1 Digital Loop - UNE Zone 3		3	UEPDC	USLDC	178 39						11 90			1 83	
	UNE Port Rate															
	4-Wire DDITS Digital Trunk Port			UEPDC	UDD1T	750 00	1,019 56	479 87	204 92	20 10		11 90			1 83	
	NONRECURRING CHARGES - CURRENTLY COMBINED															
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Switch-As-Is Top 8 MSAs only			UEPDC	USAC4		95 31	46 71				11 90			1 83	
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with DS1 Changes Top 8 MSAs only			UEPDC	USAWA		85 31	46 71				11 90			1 83	

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS O	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	4-Wire DS1 Digital Loop / 4-Wire DDITS Trunk Port Combination - Conversion with Change - Trunk Top 8 MSAs only			UEPDC	USAWB		95 31	46 71				11 90			1 83	
ADDITIONAL NRCs																
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - NRC - Subsequent Channel Activation/Chan - 2-Way Trunk			UEPDC	UDTTA		15 69	15 69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsequent Channel Activation/Chan - 1-Way Outward Trunk			UEPDC	UDTTB		15 69	15 69				11.90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Channel Activation/Chan Inward Trunk w/out DID			UEPDC	UDTTC		15 69	15 69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation Per Chan - Inward Trunk with DID			UEPDC	UDTTD		15 69	15 69				11 90			1 83	
	4-Wire DS1 Loop / 4-Wire DDITS Trunk Port - Subsqnt Chan Activation / Chan - 2-Way DID w User Trans			UEPDC	UDTTE		15 69	15 69				11 90			1 83	
BIPOLAR 8 ZERO SUBSTITUTION																
	B8ZS -Superframe Format			UEPDC	CCO8F		0 00	655 00				11 90			1 83	
	B8ZS - Extended Superframe Format			UEPDC	CCOEF		0 00	655 00				11 90			1 83	
Alternate Mark Inversion																
	AMI -Superframe Format			UEPDC	MCO5F		0 00	0 00								
	AMI - Extended SuperFrame Format			UEPDC	MCOPD		0 00	0.00								
Telephone Number/Trunk Group Establishment Charges																
	Telephone Number for 2-Way Trunk Group			UEPDC	UDTGX	0 00						11 90			1 83	
	Telephone Number for 1-Way Outward Trunk Group			UEPDC	UDTGY	0 00						11 90			1 83	
	Telephone Number for 1-Way Inward Trunk Group Without DID			UEPDC	UDTGZ	0 00						11.90			1 83	
	DID Numbers, Establish Trunk Group and Provide First Group of 20 DID Numbers			UEPDC	NDZ	0 00	0 00	0 00				11 90			1 83	
	DID Numbers for each Group of 20 DID Numbers			UEPDC	ND4	0 00						11 90			1 83	
	DID Numbers, Non- consecutive DID Numbers , Per Number			UEPDC	ND5	0 00						11 90			1 83	
	Reserve Non-Consecutive DID Nos			UEPDC	ND6	0 00	0 00	0 00				11 90			1 83	
	Reserve DID Numbers			UEPDC	NDV	0 00	0 00	0 00				11 90			1 83	
Dedicated DS1 (Interoffice Channel Mileage) -																
FX/FCO for 4-Wire DS1 Digital Loop with 4-Wire DDITS Trunk Port																
	Interoffice Channel Mileage - Fixed rate 0-8 miles (Facilities Termination)			UEPDC	1LNO1	88 44	105 54	98 47	21 47	19 05		11.90			1 83	
	Interoffice Channel Mileage - Additional rate per mile - 0-8 miles			UEPDC	1LNOA	0 1858	0 00	0 00								
	Interoffice Channel Mileage - Fixed rate 9-25 miles (Facilities Termination)			UEPDC	1LNO2	0 00	0 00	0 00								
	Interoffice Channel Mileage - Additional rate per mile - 9-25 miles			UEPDC	1LNOB	0 1856	0 00	0 00								
	Interoffice Channel Mileage - Fixed rate 25+ miles (Facilities Termination)			UEPDC	1LNO3	0 00	0 00	0 00	0 00							
	Interoffice Channel Mileage - Additional rate per mile - 25+ miles			UEPDC	1LNOC	0 1856	0 00	0 00								
	Local Number Portability, per DS0 Activated			UEPDC	LNPCP	3 15	0 00	0 00	0 00							
	Central Office Termmnating Point			UEPDC	CTG	0 00										
4-WIRE DS1 LOOP WITH CHANNELIZATION WITH PORT																
System is 1 DS1 Loop, 1 D4 Channel Bank, and up to 24 Feature Activations																
A system can have various rate combinations based on type and number of ports used																
UNE DS1 Loop																
	4-Wire DS1 Loop - UNE Zone 1		1	UEPMG	USLDC	70 74	0.00	0 00								
	4-Wire DS1 Loop - UNE Zone 2		2	UEPMG	USLDC	100 54	0 00	0 00								
	4-Wire DS1 Loop - UNE Zone 3		3	UEPMG	USLDC	178 39	0 00	0 00								
UNE DS0 Channelization Capacities (D4 Channel Bank Configurations)																
	24 DS0 Channel Capacity - 1 per DS1			UEPMG	VUM24	118 06	0 00	0 00				11 90			1 83	
	48 DS0 Channel Capacity - 1 per 2 DS1s			UEPMG	VUM48	236 12	0 00	0 00				11 90			1 83	
	96 DS0 Channel Capacity - 1per 4 DS1s			UEPMG	VUM96	472 24	0 00	0 00				11 90			1 83	
	144 DS0 Channel Capacity - 1 per 6 DS1s			UEPMG	VUM14	708 36	0 00	0 00				11 90			1 83	
	192 DS0 Channel Capacity -1 per 8 DS1s			UEPMG	VUM19	944 48	0 00	0 00				11 90			1 83	

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	240 DS0 Channel Capacity - 1 per 10 DS1s			UEPMG	VUM20	1,180 60	0 00	0 00				11 90			1 83	
	288 DS0 Channel Capacity - 1 per 12 DS1s			UEPMG	VUM28	1,416 72	0 00	0 00				11 90			1 83	
	384 DS0 Channel Capacity - 1 per 16 DS1s			UEPMG	VUM38	1,888 96	0 00	0 00				11 90			1 83	
	480 DS0 Channel Capacity - 1 per 20 DS1s			UEPMG	VUM40	2,361 20	0 00	0 00				11 90			1 83	
	576 DS0 Channel Capacity -1 per 24 DS1s			UEPMG	VUM57	2,833 44	0 00	0 00				11 90			1 83	
	672 DS0 Channel Capacity - 1 per 28 DS1s			UEPMG	VUM67	3,305 68	0 00	0 00				11 90			1 83	
	Non-Recurring Charges (NRC) Associated with 4-Wire DS1 Loop with Channelization with Port - Conversion Charge Based on a System															
	A Minimum System configuration is One (1) DS1, One (1) D4 Channel Bank, and Up To 24 DS0 Ports with Feature Activations.															
	Multiples of this configuration functioning as one are considered Add'l after the minimum system configuration is counted															
	NRC - Conversion (Currently Combined) with or without BellSouth Allowed Changes - Top 8 MSAs Only			UEPMG	USAC4	0 00	450 00	50 00				11 90				
	System Additions Where Currently Combined and New (Not Currently Combined)															
	In Density Zone 1 Top 8 MSAs															
	1 DS1/D4 Channel Bank - Add NRC for each Port and Assoc Fea Activation -			UEPMG	VUMD4	0 00	950.00	600 00	200 00	30 00		11 90				
	Bipolar 8 Zero Substitution															
	Clear Channel Capability Format, superframe - Subsequent Activity Only			UEPMG	CCOSF	0 00	0 00	655 00				11 90				
	Clear Channel Capability Format - Extended Superframe - Subsequent Activity Only			UEPMG	CCOEF	0 00	0 00	655 00				11 90				
	Alternate Mark Inversion (AMI)															
	Superframe Format			UEPMG	MCOSF	0 00	0 00	0 00								
	Extended Superframe Format			UEPMG	MCOPO	0 00	0 00	0 00								
	Exchange Ports Associated with 4-Wire DS1 Loop with Channelization with Port															
	Exchange Ports															
	Line Side Combination Channelized PBX Trunk Port - Business			UEPPX	UEPCX	14 00	0 00	0 00	0 00	0 00		11 90			1 83	
	Line Side Outward Channelized PBX Trunk Port - Business			UEPPX	UEPOX	14 00	0 00	0 00	0 00	0 00		11 90			1 83	
	Line Side Inward Only Channelized PBX Trunk Port without DID			UEPPX	UEP1X	14 00	0 00	0 00	0.00	0 00		11 90			1.83	
	2-Wire Trunk Side Unbundled Channelized DID Trunk Port			UEPPX	UEPDM	55 00	0 00	0 00	0 00	0 00		11 90			1.83	
	Feature Activations - Unbundled Loop Concentration															
	Feature (Service) Activation for each Line Port Terminated in D4 Bank			UEPPX	1PQWM	0 66	40 00	20 00	6 00	5 00		11 90			1 83	
	Feature (Service) Activation for each Trunk Port Terminated in D4 Bank			UEPPX	1PQWU	0.66	110 00	30 00	65 00	20 00		11 90			1 83	
	Telephone Number Group Establishment Charges for DID Service															
	DID Trunk Termination (1 per Port)			UEPPX	NDT	0 00	0 00	0 00				11 90				
	Estab Trk Grp and Provide 1st 20 DID Nos (FL,GA, NC,& SC)			UEPPX	NDZ	0 00	0 00	0 00				11 90				
	DID Numbers - groups of 20 - Valid all States			UEPPX	ND4	0 00	0 00	0 00				11 90				
	Non-Consecutive DID Numbers - per number			UEPPX	ND5	0 00	0 00	0 00				11 90				
	Reserve Non-Consecutive DID Numbers			UEPPX	ND6	0 00	0 00	0 00				11.90				
	Reserve DID Numbers			UEPPX	NDV	0 00	0 00	0 00				11 90				
	Local Number Portability															
	Local Number Portability - 1 per port			UEPPX	LNPCP	3 15	0.00	0 00								
	FEATURES - Vertical and Optional															
	Local Switching Features Offered with Line Side Ports Only															
	All Features Available			UEPPX	UEPVF	2 26	0 00	0 00				11 90			1 83	
UNBUNDLED CENTREX PORT/LOOP COMBINATIONS - COST BASED RATES																
	1. Cost Based Rates are applied where BellSouth is required by FCC and/or State Commission rule to provide Unbundled Local Switching or Switch Ports.															
	2. Features shall apply to the Unbundled Port/Loop Combination - Cost Based Rate section in the same manner as they are applied to the Stand-Alone Unbundled Port section of this Rate Exhibit.															
	3. End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations.															
	4 The first and additional Port nonrecurring charges apply to Not Currently Combined Combos. For Currently Combined Combos, the nonrecurring charges shall be those identified in the Nonrecurring - Currently Combined sections. Additional NRCs may apply also and are categorized accordingly.															
	5 Market Rates for Unbundled Centrex Port/Loop Combination will be negotiated on an Individual Case Basis, until further notice.															
	UNE-P CENTREX - 1AESS - (Valid in AL,FL,GA,KY,LA,MS,&TN only)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- 1st	Attachment: 2 Incremental Charge - Manual Svc Order vs Electronic- Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs Electronic- Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Disconnect First	Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP91		10 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP91		15 05										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP91		25.80										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP91		13 41										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP91		18 57										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP91		32 04										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP91	UEC61	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP91	UEC81	13 86										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP91	UEC61	24 63										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP91	UEC62	12 24										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP91	UEC62	17.40										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP91	UEC62	30 87										
	UNE Ports															
	All States (Except North Carolina and Sout Carolina)															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP91	UEPYA	1 17	53 31	26.46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP91	UEPYB	1.17	53 31	26 46	27 50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP91	UEPYH	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP91	UEPYM	1 17	139 49	86 10	85 41	13 81		11 90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP91	UEPYZ	1 17	139 49	86 10	85 41	13 81		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP91	UEPY9	1.17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP91	UEPY2	1 17	53 31	26 46	27 50	8 37		11.90				
	Georgia and Florida Only															
	2-Wire Voice Grade Port (Centrex)			UEP91	UEPHA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP91	UEPHB	1 17	53 31	26 46	27 50	8.37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP91	UEPHH	1 17	53 31	26 46	27 50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP91	UEPHM	1 17	139 49	86 10	85 41	13 81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP91	UEPHZ	1.17	139 49	86 10	85 41	13 81		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP91	UEPH9	1 17	53.31	26 46	27 50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP91	UEPH2	1 17	53 31	26 46	27 50	8.37		11.90				
	Local Switching															
	Centrex Intercom Funtionality, per port			UEP91	URECS	0 7364										
	Local Number Portability															
	Local Number Portability (1 per port)			UEP91	LNPCC	0 35										
	Features															
	All Standard Features Offered, per port			UEP91	UEPVF	2 26						11 90				
	All Select Features Offered, per port			UEP91	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP91	UEPVC	2 26						11 90				
	NARS															
	Unbundled Network Access Register - Combination			UEP91	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Indial			UEP91	UAR1X	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP91	UAROX	0 00	0 00	0 00				11 90				
	Miscellaneous Terminations															

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP91	CENA6	8 73										
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination - Voice Grade			UEP91	M1GBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP91	M1GBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP91	1PQWS	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP91	1PQW6	0 66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP91	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP91	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP91	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP91	1PQWO	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP91	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	Conversion - Currently Combined Switch-As-Is with allowed changes, per port			UEP91	USAC2		21 50	8 42				11 90				
	Conversion of Existing Centrex Common Block			UEP91	USACN		5 17	8 32				11 90				
	New Centrex Standard Common Block			UEP91	M1ACS	0 00	618 82					11 90				
	New Centrex Customized Common Block			UEP91	M1ACC	0 00	618 82					11 90				
	Secondary Block, per Block			UEP91	M2CC1	0 00	71 31					11 90				
	NAR Establishment Charge, Per Occasion			UEP91	URECA	0 00	66 48					11 90				
UNE-P CENTREX - SESS (Valid In All States)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP95		10 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP95		15 05										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP95		25 80										
UNE Port/Loop Combination Rates (Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP95		13 41										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP95		18 57										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP95		32 04										
UNE Loop Rate																
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP95	UECS1	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP95	UECS1	13 86										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP95	UECS1	24 63										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP95	UECS2	12 24										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP95	UECS2	17 40										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP95	UECS2	30 87										
UNE Port Rate																
All States																
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP95	UEPYA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPYB	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP95	UEPYH	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP95	UEPYM	1 17	139 49	86 10	65 41	13 81		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP95	UEPYZ	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP95	UEPY9	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP95	UEPY2	1 17	53 31	26 46	27 50	8 37		11 90				
AL, KY, LA, MS, SC, & TN Only																
FL & GA Only																
	2-Wire Voice Grade Port (Centrex)			UEP95	UEPHA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPHB	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP95	UEPHH	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP95	UEPHM	1.17	139.49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP95	UEPHZ	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP95	UEPH9	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP95	UEPH2	1.17	53 31	26 46	27 50	8 37		11 90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP95	URECS	0 7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP95	LNPCC	0 35										
Features																
	All Standard Features Offered, per port			UEP95	UEPVF	2 26										
	All Select Features Offered, per port			UEP95	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP95	UEPVC	2 26										
NARS																
	Unbundled Network Access Register - Combination			UEP95	UARCX	0 00	0 00	0.00				11 90				
	Unbundled Network Access Register - Indial			UEP95	UAR1X	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP95	UAROX	0 00	0.00	0 00				11 90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP95	CEND8	8 73										
4-Wire Digital (1.544 Megabits)																
	DS1 Circuit Terminations, each			UEP95	M1HD1	34 95										
	DS0 Channels Activated, each			UEP95	M1HDO	0 00	15 69					11.90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP95	MGBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP95	MGBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP95	1PQWS	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP95	1PQW8	0 66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP95	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP95	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP95	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP95	1PQWO	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP95	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP95	USAC2	0 00	21 50	8 42				11 90				
	Conversion of Existing Centrex Common Block, each			UEP95	USACN		5 17	8 32				11 90				
	New Centrex Standard Common Block			UEP95	M1ACS	0 00	616 82					11 90				
	New Centrex Customized Common Block			UEP95	M1ACC	0 00	616 82					11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	HAR Establishment Charge, Per Occasion			UEP9S	URECA	0 00	68 48					11 90				
UNE-P CENTREX - DMS100 (Valid in All States)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9D		10.84										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9D		15 05										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9D		25 80										
UNE Port/Loop Combination Rates (Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9D		13 41										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9D		18 57										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9D		32 04										
UNE Loop Rate																
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9D	UECS1	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9D	UECS1	13 88										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9D	UECS1	24 63										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9D	UECS2	12 24										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9D	UECS2	17 40										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9D	UECS2	30 87										
UNE Port Rate																
ALL STATES																
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9D	UEPYA	1.17						11 90				
	2-Wire Voice Grade Port (Centrex 800 Termination)Basic Local Area			UEP9D	UEPYB	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3Basic Local Area			UEP9D	UEPYC	1 17	53 31	26 46	27 50	8.37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3Basic Local Area			UEP9D	UEPYD	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209))3 Basic Local Area			UEP9D	UEPYE	1 17	53 31	26 46	27 50	8.37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112))3 Basic Local Area			UEP9D	UEPYF	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312))3Basic Local Area			UEP9D	UEPYG	1 17	53.31	26.46	27 50	8.37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008))3 Basic Local Area			UEP9D	UEPYT	1 17	53 31	26 46	27.50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208))3 Basic Local Area			UEP9D	UEPYU	1 17	53 31	26.46	27 50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216))3 Basic Local Area			UEP9D	UEPYV	1.17	53 31	26 46	27.50	8 37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316))3 Basic Local Area			UEP9D	UEPY3	1 17	53 31	26.46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID) Basic Local Area			UEP9D	UEPYH	1 17	53 31	26.46	27.50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYW	1 17	53 31	26 46	27 50	8.37		11 90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication))3 Basic Local Area			UEP9D	UEPYJ	1 17	53 31	26 46	27.50	8 37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2 Basic Local Area			UEP9D	UEPYM	1 17	53 31	26 46	27.50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2. 3 Basic Local Area			UEP9D	UEPYO	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2. 3 Basic Local Area			UEP9D	UEPYP	1 17	53 31	26 46	27 50	8 37		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(1)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(5)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5208)2, 3 Basic Local Area			UEP9D	UEPYQ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3 Basic Local Area			UEP9D	UEPYR	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3 Basic Local Area			UEP9D	UEPYS	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3 Basic Local Area			UEP9D	UEPY4	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3 Basic Local Area			UEP9D	UEPY5	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3 Basic Local Area [N]			UEP9D	UEPY6	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3 Basic Local Area			UEP9D	UEPY7	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPYZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated on on Megalink or equivalent Basic Local Area			UEP9D	UEPY9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term Basic Local Area			UEP9D	UEPY2	1.17	53.31	26.46	27.50	8.37		11.90				
FL & GA Only																
	2-Wire Voice Grade Port (Centrex)			UEP9D	UEPHA	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9D	UEPHB	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3			UEP9D	UEPHC	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008)3			UEP9D	UEPHD	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209)3			UEP9D	UEPHE	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112)3			UEP9D	UEPHF	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312)3			UEP9D	UEPHG	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008)3			UEP9D	UEPHT	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208)3			UEP9D	UEPHU	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216)3			UEP9D	UEPHV	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316)3			UEP9D	UEPH3	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)			UEP9D	UEPHH	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication)3			UEP9D	UEPHW	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication)3			UEP9D	UEPHJ	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2			UEP9D	UEPHM	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3			UEP9D	UEPHO	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPHP	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3			UEP9D	UEPHO	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3			UEP9D	UEPHR	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3			UEP9D	UEPHS	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPH4	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3			UEP9D	UEPH5	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3			UEP9D	UEPH6	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3			UEP9D	UEPH7	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPHZ	1.17	139.49	86.10	65.41	13.81		11.90				
	2-Wire Voice Grade Port terminated on on Megalink or equivalent			UEP9D	UEPH9	1.17	53.31	26.46	27.50	8.37		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9D	UEPH2	1.17	53.31	26.46	27.50	8.37		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
Local Switching																
	Centrex Intercom Funtionality, per port			UEP9D	URECS	0 7364										
Local Number Portability																
	Local Number Portability (1 per port)			UEP9D	LNPCC	0 35										
Features																
	All Standard Features Offered, per port			UEP9D	UEPVF	2 26										
	All Select Features Offered, per port			UEP9D	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP9D	UEPVC	2 26										
NARS																
	Unbundled Network Access Register - Combination			UEP9D	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Inward			UEP9D	UARIX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP9D	UAROX	0 00	0 00	0 00				11 90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9D	CEN06	8 73										
4-Wire Digital (1 544 Megabits)																
	DS1 Circuit Terminations, each			UEP9D	M1HD1	54 95										
	DS0 Channels Activated per Channel			UEP9D	M1HDO	0 00	15 89					11 90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9D	MIG8C	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9D	MIG8M	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D-4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9D	1PQW5	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9D	1PQW6	0 66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9D	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9D	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9D	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9D	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9D	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9D	USAC2		21 50	8 42				11 90				
	Conversion of existing Centrex Common Block, each			UEP9D	USACN		5 17	5 32				11 90				
	New Centrex Standard Common Block			UEP9D	M1ACS	0 00	618 82					11 90				
	New Centrex Customized Common Block			UEP9D	M1ACC	0 00	618 82					11 90				
	NAR Establishment Charge, Per Occasion			UEP9D	URECA	0 00	66 48					11 90				
UNE-P CENTREX - EWSD (Valid in AL, FL, KY, LA, MS & TN)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9E		10 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9E		15 05										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9E		25 80										
UNE Port/Loop Combination Rates (Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9E		13 41										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9E		18 57										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9E		32 04										
UNE Loop Rate																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- 1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic- Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs Electronic- Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SONEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9E	UECS1	9 77										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9E	UECS1	13 88										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9E	UECS1	24 63										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9E	UECS2	12 24										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9E	UECS2	17 46										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9E	UECS2	30 87										
UNE Port Rate																
AL, FL, KY, LA, MS, & TN only																
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9E	UEPYA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9E	UEPYB	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID) Basic Local Area			UEP9E	UEPYH	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP9E	UEPYM	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP9E	UEPYZ	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP9E	UEPY9	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP9E	UEPY2	1 17	53 31	26 46	27 50	8 37		11 90				
Florida Only																
	2-Wire Voice Grade Port (Centrex)			UEP9E	UEPHA	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9E	UEPHB	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP9E	UEPHH	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP9E	UEPHM	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9E	UEPHZ	1 17	139 49	86 10	65 41	13 81		11 90				
	2-Wire Voice Grade Port terminated on on Megalink or equivalent			UEP9E	UEPH9	1 17	53 31	26 46	27 50	8 37		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9E	UEPH2	1 17	53 31	26 46	27 50	8 37		11 90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP9E	URECS	0 7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP9E	UNPCC	0 35										
Features																
	All Standard Features Offered, per port			UEP9E	UEPVF	2 26										
	All Select Features Offered, per port			UEP9E	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP9E	UEPVC	2 26										
NARS																
	Unbundled Network Access Register - Combination			UEP9E	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Inclal			UEP9E	UAR1X	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdal			UEP9E	UAROX	0 00	0 00	0 00				11 90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9E	CEN08	6 73										
4-Wire Digital (1.544 Megabits)																
	DS1 Circuit Terminations, each			UEP9E	M1HD1	54 95										
	DS0 Channel Activated Per Channel			UEP9E	M1HDO	0 00	15 69					11 90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9E	MGBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9E	MGBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9E	1PQW8	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9E	1PQW8	0.66										

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9E	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9E	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9E	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9E	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9E	1PQWA	0 66										
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex															
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9E	USAC2		21 50	8 42				11 90				
	Conversion of Existing Centrex Common Block, each			UEP9E	USACN		5 17	8 32				11 90				
	New Centrex Standard Common Block			UEP9E	M1ACS	0 00	618 82					11 90				
	New Centrex Customized Common Block			UEP9E	M1ACC	0 00	618 82					11 90				
	NAR Establishment Charge, Per Occasion			UEP9E	URECA	0 00	66 48					11 90				
	Note 1 - Required Port for Centrex Control in 1AESS, 5ESS & EWSD															
	Note 2 - Requires Interoffice Channel Mileage															
	Note 3 - Requires Specific Customer Premises Equipment															
UNBUNDLED CENTREX PORT/LOOP COMBINATIONS - MARKET RATES																
	1. Market Rates are applied where BellSouth is not required by FCC and/or State Commission rule to provide Unbundled Local Switching or Switch Ports.															
	2. Recurring Charges for all Standard Centrex and Centrex Consol Features are included in the Market Rate															
	3. End Office and Tandem Switching Usage and Common Transport Usage rates in the Port section of this rate exhibit shall apply to all combinations of loop/port network elements except for UNE Coin Port/Loop Combinations.															
	4. The first and additional Port nonrecurring charges apply to Not Currently Combined Combos. For Currently Combined Combos, the nonrecurring charges shall be those identified in the Nonrecurring - Currently Combined sections. Additional NRCs may apply also and are categorized accordingly.															
	UNE-P CENTREX - 1AESS - (Valid in AL,FL,GA,KY,LA,MS,&TN only)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP91		28 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP91		31 08										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP91		45 87										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP91		29 36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP91		34 43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP91		50 88										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP91	UECS1	12 94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP91	UECS1	17.06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP91	UECS1	31 87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP91	UECS2	15 36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP91	UECS2	20 43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP91	UECS2	36 68										
	UNE Ports															
	All States (Except North Carolina and South Carolina)															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP91	UEPYA	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP91	UEPYB	14.00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP91	UEPYH	14 00	70.00	35.00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP91	UEPYM	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Grade Port Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP91	UEPYZ	14 00	180 00	110 00	85 00	20 00		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port terminated on on Megalink or equivalent - Basic Local Area			UEP91	UEPY9	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP91	UEPY2	14.00	70 00	35 00	35 00	10.00		11 90				
Georgia and Florida Only																
	2-Wire Voice Grade Port (Centrex)			UEP91	UEPHA	14 00	70.00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP91	UEPHB	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP91	UEPHH	14 00	70 00	35 00	35 00	10.00		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP91	UEPHM	14 00	180 00	110 00	85 00	20 00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP91	UEPHZ	14 00	180 00	110.00	85 00	20 00		11 90				
	2-Wire Voice Grade Port terminated on on Megalink or equivalent			UEP91	UEPH9	14 00	70 00	35.00	35 00	10 00		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP91	UEPH2	14 00	70 00	35 00	35 00	10 00		11 90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP91	URECS	0 7364										
Local Number Portability																
	Local Number Portability (1 per port)			UEP91	LNPCC	0 35										
Features																
	All Standard Features Offered, per port			UEP91	UEPVF	0 00						11 90				
	All Select Features Offered, per port			UEP91	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP91	UEPVC	0 00						11 90				
NARS																
	Unbundled Network Access Register - Combination			UEP91	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Indial			UEP91	UAR1X	0 00	0.00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP91	UAROX	0 00	0 00	0 00				11 90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP91	CENA6	8 81										
Interoffice Channel Milegge - 2-Wire																
	Interoffice Channel Facilities Termination - Voice Grade			UEP91	M1GBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP91	M1GBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP91	1PQWS	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP91	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP91	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP91	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP91	1PQWV	0.66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP91	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP91	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	Conversion - Currently Combined Switch-As-Is with allowed changes, per port			UEP91	USAC2		21 50	6 42				11 90				
	Conversion of Existing Centrex Common Block			UEP91	USACN		5 17	6 32				11 90				
	New Centrex Standard Common Block			UEP91	M1ACS	0 00	618 82					11 90				
	New Centrex Customized Common Block			UEP91	M1ACC	0 00	618 82					11 90				
	Secondary Block, per Block			UEP91	M2CC1	0 00	71 31					11 90				
	NAR Establishment Charge, Per Occasion			UEP91	URECA	0 00	86 48					11 90				
UNE-P CENTREX - SESS (Valid in All States)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN	OSS Rates($) SOMAN
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP95		26 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP95		31 08										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP95		45 67										
UNE Port/Loop Combination Rates (Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP95		29 36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP95		34 43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP95		50 69										
UNE Loop Rate																
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP95	UECS1	12 94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP95	UECS1	17 06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP95	UECS1	31 87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP95	UECS2	15 36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP95	UECS2	20 43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP95	UECS2	36 68										
UNE Port Rate																
All States																
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP95	UEPYA	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPYB	14 00	70.00	35 00	35 00	10.00		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP95	UEPYH	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP95	UEPYM	14 00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP95	UEPYZ	14 00	180 00	110.00	85 00	20.00		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP95	UEPY9	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP95	UEPY2	14 00	70 00	35 00	35.00	10 00		11 90				
AL, KY, LA, MS, SC, & TN Only																
FL & GA Only																
	2-Wire Voice Grade Port (Centrex)			UEP95	UEPHA	14 00	70 00	35 00	35.00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP95	UEPHB	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP95	UEPHH	14 00	70.00	35 00	35 00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP95	UEPHM	14 00	180 00	110 00	85 00	20 00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP95	UEPHZ	14.00	180 00	110 00	85 00	20 00		11 90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP95	UEPH9	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP95	UEPH2	14 00	70 00	35 00	35 00	10 00		11.90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP95	URECS	0 7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP95	UNPOC	0 35										
Features																
	All Standard Features Offered, per port			UEP95	UEPVF	0 00										
	All Select Features Offered, per port			UEP95	UEPVS	0 00	370 70					11.90				
	All Centrex Control Features Offered, per port			UEP95	UEPVC	0.00										
NARS																
	Unbundled Network Access Register - Combination			UEP95	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Inchel			UEP95	UAR1X	0.00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP95	UAROX	0 00	0 00	0 00				11.90				
Miscellaneous Terminations																

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(1)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(5) SOMEC	OSS Rates(5) SOMAN	OSS Rates(5) SOMAN	OSS Rates(5) SOMAN	OSS Rates(5) SOMAN	OSS Rates(5) SOMAN
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9S	CEND6	5 61										
4-Wire Digital (1.544 Megabits)																
	DS1 Circuit Terminations, each			UEP9S	M1HD1	54 95										
	DS0 Channels Activated, each			UEP9S	M1HDO	0.00	15 69					11 90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9S	MGBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9S	MGBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9S	1PQWS	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9S	1PQW6	0 66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9S	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9S	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9S	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9S	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9S	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9S	USAC2	0 00	21 50	8 42				11 90				
	Conversion of Existing Centrex Common Block, each			UEP9S	USACN		5 17	0 32				11 90				
	New Centrex Standard Common Block			UEP9S	M1ACS	0 00	616 82					11 90				
	New Centrex Customized Common Block			UEP9S	M1ACC	0.00	616 82					11 90				
	NAR Establishment Charge, Per Occasion			UEP9S	URECA	0 00	66 48					11 90				
UNE-P CENTREX - DMS100 (Valid in All States)																
2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo																
UNE Port/Loop Combination Rates (Non-Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9D		26.94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9D		31 08										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9D		45 87										
UNE Port/Loop Combination Rates (Design)																
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9D		29 36										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9D		34 43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9D		50 68										
UNE Loop Rate																
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9D	UECS1	12 94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9D	UECS1	17 06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9D	UECS1	31 97										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9D	UECS2	15 36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9D	UECS2	20 43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9D	UECS2	36 68										
UNE Port Rate																
ALL STATES																
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9D	UEPYA	14 00						11 90				
	2-Wire Voice Grade Port (Centrex 500 termination)Basic Local Area			UEP9D	UEPYB	14 00	70 00	35.00	35.00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)Basic Local Area			UEP9D	UEPYC	14 00	70 00	35.00	35 00	10 00		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3Basic Local Area			UEP9D	UEPYD	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209)3 Basic Local Area			UEP9D	UEPYE	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112)3 Basic Local Area			UEP9D	UEPYF	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312)3Basic Local Area			UEP9D	UEPYG	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008)3 Basic Local Area			UEP9D	UEPYT	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208)3 Basic Local Area			UEP9D	UEPYU	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216)3 Basic Local Area			UEP9D	UEPYV	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5316)3 Basic Local Area			UEP9D	UEPY3	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID) Basic Local Area			UEP9D	UEPYH	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication)3 Basic Local Area			UEP9D	UEPYW	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication)3 Basic Local Area			UEP9D	UEPYJ	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2 Basic Local Area			UEP9D	UEPYM	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3 Basic Local Area			UEP9D	UEPYO	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5009)2, 3 Basic Local Area			UEP9D	UEPYP	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3 Basic Local Area			UEP9D	UEPYQ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3 Basic Local Area			UEP9D	UEPYR	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3 Basic Local Area			UEP9D	UEPYS	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3 Basic Local Area			UEP9D	UEPY4	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5208)2, 3 Basic Local Area			UEP9D	UEPY5	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3 Basic Local Area			UEP9D	UEPY6	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3 Basic Local Area			UEP9D	UEPY7	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPYZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent Basic Local Area			UEP9D	UEPY9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term Basic Local Area			UEP9D	UEPY2	14.00	70.00	35.00	35.00	10.00		11.90				
FL & GA Only																
	2-Wire Voice Grade Port (Centrex)			UEP9D	UEPHA	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9D	UEPHB	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-PSET)3			UEP9D	UEPHC	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5009)3			UEP9D	UEPHD	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5209)3			UEP9D	UEPHE	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5112)3			UEP9D	UEPHF	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5312)3			UEP9D	UEPHG	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5008)3			UEP9D	UEPHT	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5208)3			UEP9D	UEPHU	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex / EBS-M5216)3			UEP9D	UEPHV	14.00	70.00	35.00	35.00	10.00		11.90				

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UNBUNDLED NETWORK ELEMENTS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-1st	Attachment: 2 Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Exhibit: 1 Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port (Centrex / EBS-M5316)3			UEP9D	UEPH3	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)			UEP9D	UEPH1	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Caller ID/Msg Wtg Lamp Indication)3			UEP9D	UEPHW	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex/Msg Wtg Lamp Indication)3			UEP9D	UEPHJ	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center) 2			UEP9D	UEPHM	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-PSET)2, 3			UEP9D	UEPHO	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPHP	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-5209)2, 3			UEP9D	UEPHQ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5112)2, 3			UEP9D	UEPHR	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5312)2, 3			UEP9D	UEPHS	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5008)2, 3			UEP9D	UEPHI	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5206)2, 3			UEP9D	UEPH5	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5216)2, 3			UEP9D	UEPH6	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port (Centrex/differ SWC /EBS-M5316)2, 3			UEP9D	UEPH7	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9D	UEPHZ	14.00	180.00	110.00	85.00	20.00		11.90				
	2-Wire Voice Grade Port terminated in an Megalink or equivalent			UEP9D	UEPH9	14.00	70.00	35.00	35.00	10.00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9D	UEPH2	14.00	70.00	35.00	35.00	10.00		11.90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP9D	URECS	0.7384										
Local Number Portability																
	Local Number Portability (1 per port)			UEP9D	UNPCC	0.35										
Features																
	All Standard Features Offered, per port			UEP9D	UEPVF	0.00						11.90				
	All Select Features Offered, per port			UEP9D	UEPVS	0.00	370.70									
	All Centrex Control Features Offered, per port			UEP9D	UEPVC	0.00										
NARS												11.90				
	Unbundled Network Access Register - Combination			UEP9D	UARCX	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Inward			UEP9D	UAR1X	0.00	0.00	0.00				11.90				
	Unbundled Network Access Register - Outdial			UEP9D	UAROX	0.00	0.00	0.00								
Miscellaneous Termination																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9D	CEN06	8.81										
4-Wire Digital (1.544 Megabits)												11.90				
	DS1 Circuit Terminations, each			UEP9D	M1HD1	54.95										
	DS0 Channels Activated per Channel			UEP9D	M1HDO	0.00	15.69									
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9D	MGBC	25.32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9D	MIGBM	0.0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9D	1PQWS	0.66										
	Feature Activation on D-4 Channel Bank FX Ins Side Loop Slot			UEP9D	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9D	1PQW7	0.66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9D	1PQWP	0.66										

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(S)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(S)					
							First	Add'l	First	Add'l	SONEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9D	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9D	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9D	1PQWA	0 66										
	Non-Recurring Charges (NRC) Associated with UNE-P Centrex															
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9D	USAC2		21 50	8 42				11 90				
	Conversion of existing Centrex Common Block, each			UEP9D	USACN		6 17	6 32				11 90				
	New Centrex Standard Common Block			UEP9D	M1ACS	0 00	616 82					11.90				
	New Centrex Customized Common Block			UEP9D	M1ACC	0 00	616 82					11.90				
	NAR Establishment Charge, Per Occasion			UEP9D	URECA	0 00	66 48					11 90				
	UNE-P CENTREX - EWSD (Valid in AL, FL, KY, LA, MS & TN)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Combo															
	UNE Port/Loop Combination Rates (Non-Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Non-Design		1	UEP9E		26 94										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		2	UEP9E		31 08										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Non-Design		3	UEP9E		45 67										
	UNE Port/Loop Combination Rates (Design)															
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex) Port Combo - Design		1	UEP9E		28 38										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		2	UEP9E		34 43										
	2-Wire VG Loop/2-Wire Voice Grade Port (Centrex)Port Combo - Design		3	UEP9E		50 66										
	UNE Loop Rate															
	2-Wire Voice Grade Loop (SL 1) - Zone 1		1	UEP9E	UEC51	12 94										
	2-Wire Voice Grade Loop (SL 1) - Zone 2		2	UEP9E	UEC51	17 06										
	2-Wire Voice Grade Loop (SL 1) - Zone 3		3	UEP9E	UEC51	31 87										
	2-Wire Voice Grade Loop (SL 2) - Zone 1		1	UEP9E	UEC52	15 36										
	2-Wire Voice Grade Loop (SL 2) - Zone 2		2	UEP9E	UEC52	20 43										
	2-Wire Voice Grade Loop (SL 2) - Zone 3		3	UEP9E	UEC52	36 66										
	UNE Port Rate															
	AL, FL, KY, LA, MS, & TN only															
	2-Wire Voice Grade Port (Centrex) Basic Local Area			UEP9E	UEPYA	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port (Centrex 800 termination)Basic Local Area			UEP9E	UEPYB	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1Basic Local Area			UEP9E	UEPYH	14 00	70.00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2 Basic Local Area			UEP9E	UEPYM	14 00	180 00	110 00	85 00	20 00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term - Basic Local Area			UEP9E	UEPYZ	14.00	180 00	110 00	85 00	20.00		11.90				
	2-Wire Voice Grade Port terminated in on Megalink or equivalent - Basic Local Area			UEP9E	UEPY9	14 00	70 00	35 00	35 00	10 00		11.90				
	2-Wire Voice Grade Port Terminated on 800 Service Term - Basic Local Area			UEP9E	UEPY2	14.00	70 00	35 00	35 00	10 00		11 90				
	Florida Only															
	2-Wire Voice Grade Port (Centrex)			UEP9E	UEPHA	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex 800 termination)			UEP9E	UEPHB	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex with Caller ID)1			UEP9E	UEPHH	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port (Centrex from diff Serving Wire Center)2			UEP9E	UEPHM	14 00	180 00	110 00	85 00	20 00		11.90				
	2-Wire Voice Grade Port, Diff Serving Wire Center - 800 Service Term			UEP9E	UEPHZ	14 00	180 00	110 00	85 00	20 00		11 90				

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UNBUNDLED NETWORK ELEMENTS - Florida												Attachment: 2		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates(3) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	2-Wire Voice Grade Port terminated in on Megalink or equivalent			UEP9E	UEPH9	14 00	70 00	35 00	35 00	10 00		11 90				
	2-Wire Voice Grade Port Terminated on 800 Service Term			UEP9E	UEPH2	14 00	70 00	35 00	35 00	10 00		11 90				
Local Switching																
	Centrex Intercom Funtionality, per port			UEP9E	URECS	0 7364										
Local Number Portability																
	Local Number Portability (1 per port)			UEP9E	LNPCC	0 35										
Features																
	All Standard Features Offered, per port			UEP9E	UEPVF	0 00										
	All Select Features Offered, per port			UEP9E	UEPVS	0 00	370 70					11 90				
	All Centrex Control Features Offered, per port			UEP9E	UEPVC	0 00										
NARS																
	Unbundled Network Access Register - Combination			UEP9E	UARCX	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Indial			UEP9E	UAR1X	0 00	0 00	0 00				11 90				
	Unbundled Network Access Register - Outdial			UEP9E	UAROX	0 00	0.00	0 00				11 90				
Miscellaneous Terminations																
2-Wire Trunk Side																
	Trunk Side Terminations, each			UEP9E	CEND6	8 81										
4-Wire Digital (1 544 Megabits)																
	DS1 Circuit Terminations, each			UEP9E	M1HD1	54 95										
	DS0 Channel Activated Per Channel			UEP9E	M1HDO	0 00	15 89					11 90				
Interoffice Channel Mileage - 2-Wire																
	Interoffice Channel Facilities Termination			UEP9E	MCBC	25 32										
	Interoffice Channel mileage, per mile or fraction of mile			UEP9E	MCBM	0 0091										
Feature Activations (DS0) Centrex Loops on Channelized DS1 Service																
D4 Channel Bank Feature Activations																
	Feature Activation on D-4 Channel Bank Centrex Loop Slot			UEP9E	1PQWS	0 66										
	Feature Activation on D-4 Channel Bank FX line Side Loop Slot			UEP9E	1PQW6	0.66										
	Feature Activation on D-4 Channel Bank FX Trunk Side Loop Slot			UEP9E	1PQW7	0 66										
	Feature Activation on D-4 Channel Bank Centrex Loop Slot - Different Wire Center			UEP9E	1PQWP	0 66										
	Feature Activation on D-4 Channel Bank Private Line Loop Slot			UEP9E	1PQWV	0 66										
	Feature Activation on D-4 Channel Bank Tie Line/Trunk Loop Slot			UEP9E	1PQWQ	0 66										
	Feature Activation on D-4 Channel Bank WATS Loop Slot			UEP9E	1PQWA	0 66										
Non-Recurring Charges (NRC) Associated with UNE-P Centrex																
	NRC Conversion Currently Combined Switch-As-Is with allowed changes, per port			UEP9E	USAC2		21 90	8 42				11'90				
	Conversion of Existing Centrex Common Block, each			UEP9E	USACN		5 17	8 32				11.90				
	New Centrex Standard Common Block			UEP9E	M1ACS	0 00	618 82					11 90				
	New Centrex Customized Common Block			UEP9E	M1ACC	0.00	618 82					11 90				
	NAR Establishment Charge, Per Occasion			UEP9E	URECA	0 00	66 48					11.90				
Note 1 - Required Port for Centrex Control in 1AESS, 5ESS & EWSD																
Note 2 - Requires Interoffice Channel Mileage																
Note 3 - Requires Specific Customer Premises Equipment																
Note, Rates displaying an "R" in interim column are interim and subject to rate true-up as set forth in General Terms and Conditions.																

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LOCAL INTERCONNECTION - Florida												Attachment: 3		Exhibit: 1	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES ($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic - 1st	Incremental Charge - Manual Svc Order vs. Electronic - Add'l	Incremental Charge - Manual Svc Order vs Electronic - Disc 1st	Incremental Charge - Manual Svc Order vs Electronic - Disc Add'l
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
LOCAL INTERCONNECTION (CALL TRANSPORT AND TERMINATION)																
	NOTE: "bk" beside a rate indicates that the Parties have agreed to bill and keep for that element pursuant to the terms and conditions in Attachment 3.															
	TANDEM SWITCHING															
	Tandem Switching Function Per MOU			OHD		0 0006019bk										
	Multiple Tandem Switching, per MOU (applies to initial tandem only)			OHD		0 0006019										
	Tandem Intermediary Charge, per MOU*			OHD		0 0015										
	* This charge is applicable only to transit traffic and is applied in addition to applicable switching and/or interconnection charges.															
	TRUNK CHARGE															
	Installation Trunk Side Service - per DS0			OHD	TPP9+		336.43	57.36								
	Dedicated End Office Trunk Port Service-per DS0**			OHD	TDEDP	0 00										
	Dedicated End Office Trunk Port Service-per DS1**			OH1 OH1MS	TDE1P	0 00										
	Dedicated Tandem Trunk Port Service-per DS0**			OHD	TDW0P	0 00										
	Dedicated Tandem Trunk Port Service-per DS1**			OH1 OH1MS	TDW1P	0 00										
	** This rate element is recovered on a per MOU basis and is included in the End Office Switching and Tandem Switching, per MOU rate elements															
	COMMON TRANSPORT (Shared)															
	Common Transport - Per Mile, Per MOU			OHD		0 0000356bk										
	Common Transport - Facilities Termination Per MOU			OHD		0 0004372bk										
LOCAL INTERCONNECTION (DEDICATED TRANSPORT)																
	INTEROFFICE CHANNEL - DEDICATED TRANSPORT															
	Interoffice Channel - Dedicated Transport - 2-Wire Voice Grade - Per Mile per month			OHL, OHM	1L5NF	0 0091										
	Interoffice Channel - Dedicated Transport- 2- Wire Voice Grade - Facility Termination per month			OHL, OHM	1L5NF	25 32	47 35	31 78	18 31	7 03						
	Interoffice Channel - Dedicated Transport - 56 kbps - per mile per month			OHL, OHM	1L5NK	0 0091										
	Interoffice Channel - Dedicated Transport - 56 kbps - Facility Termination per month			OHL, OHM	1L5NK	18 44	47 35	31 78	18 31	7 03						
	Interoffice Channel - Dedicated Transport - 64 kbps - per mile per month			OHL, OHM	1L5NK	0 0091										
	Interoffice Channel - Dedicated Transport - 64 kbps - Facility Termination per month			OHL, OHM	1L5NK	18 44	47 35	31 78	18 31	7 03						
	Interoffice Channel - Dedicated Channel - DS1 - Per Mile per month			OH1, OH1MS	1L5NL	0 1656										
	Interoffice Channel - Dedicated Transport - DS1 - Facility Termination per month			OH1, OH1MS	1L5NL	88 44	105 54	98 47	21 47	19 05						
	Interoffice Channel - Dedicated Transport - DS3 - Per Mile per month			OH3, OH3MS	1L5NM	3 87										
	Interoffice Channel - Dedicated Transport - DS3 - Facility Termination per month			OH3, OH3MS	1L5NM	1,071 00	335 46	219 28	72 03	70 56						
	LOCAL CHANNEL - DEDICATED TRANSPORT															
	Local Channel - Dedicated - 2-Wire Voice Grade per month			OHL, OHM	TEFV2	19 86	285 84	46 97	37 63	4.00						
	Local Channel - Dedicated - 4-Wire Voice Grade per month			OHL, OHM	TEFV4	20 45	266 54	47 87	44 22	5 33						
	Local Channel - Dedicated - DS1 per month			OH1	TEFHG	36 49	216 65	183 54	24 30	16 85						
	Local Channel - Dedicated - DS3 Facility Termination per month			OH3	TEFHJ	531 91	556 37	343 01	139 13	98 84						
	LOCAL INTERCONNECTION MID-SPAN MEET															
	NOTE: If Access service ride Mid-Span Meet, one-half the tariffed service Local Channel rate is applicable.															
	Local Channel - Dedicated - DS1 per month			OH1MS	TEFHG	0 00	0 00									
	Local Channel - Dedicated - DS3 per month			OH3MS	TEFHJ	0 00	0 00									
	MULTIPLEXERS															
	Channelization - DS1 to DS0 Channel System			OH1, OH1MS	SATN1	146 77	101 42	71 62	11 09	10 49						
	DS3 to DS1 Channel System per month			OH3, OH3MS	SATN3	211 19	199 28	118 84	40 34	39.07						
	DS3 Interface Unit (DS1 COCI) per month			OH1, OH1MS	SATCO	13 76	10 07	7.06								
	Notes: If no rate is identified in the contract, the rates, terms, and conditions for the specific service or function will be as set forth in applicable BellSouth tariff.															

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COLLOCATION - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES ($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment 4		Exhibit 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
													OSS Rates($)			
						Rec	Nonrecurring First	Nonrecurring Add'l	Nonrecurring Disconnect First	Nonrecurring Disconnect Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
PHYSICAL COLLOCATION																
	Physical Collocation - Application Fee - Initial			CLO	PE1BA		2,587.00		1 01							
	Physical Collocation - Application Fee - Subsequent			CLO	PE1CA		2,238 00		1 01							
	Physical Collocation Administrative Only - Application Fee	1		CLO	PE1BL		742 00									
	Physical Collocation - Space Preparation - Firm Order Processing			CLO	PE1BJ		268 93									
	Physical Collocation - Space Preparation - C.O. Modification per square ft			CLO	PE1BK	2.38										
	Physical Collocation - Space Preparation - Common Systems Modification per Cage			CLO	PE1SM	92 55										
	Physical Collocation - Cable Installation per Cable			CLO	PE1BD		1,750 00		45 16							
	Physical Collocation - Floor Space per Sq. Ft			CLO	PE1PJ	7 86										
	Physical Collocation - Cable Support Structure			CLO	PE1PM	18 96										
	Physical Collocation - Power, per Fused Amp			CLO	PE1PL	7 80										
	Physical Collocation - Power Reduction, Application Fee	1		CLO	PE1PR		398 43									
	Physical Collocation - 120V, Single Phase Standby Power Rate			CLO	PE1FB	5 38										
	Physical Collocation - 240V, Single Phase Standby Power Rate			CLO	PE1FD	10.77										
	Physical Collocation - 120V, Three Phase Standby Power Rate			CLO	PE1FE	16.15										
	Physical Collocation - 277V, Three Phase Standby Power Rate			CLO	PE1FG	37.30										
	Physical Collocation - 2-Wire Cross-Connects			UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ, UDL, UNCVX, UNLDX, UNCNX	PE1P2	0.0276	8 22	7 22	5.74	4 58						
	Physical Collocation - 4-Wire Cross-Connects			CLO, UAL, UDL, UDN, UEA, UHL, UNCVX, UNCDX, UCL	PE1P4	0.0552	8 42	7 36	5.90	4.86						
	Physical Collocation - DS1 Cross-Connects			CLO,UEANL,UEQ,WDS1L,WDS1S, USL, U1TD1, UXTD1, UNC1X, ULDD1, USLEL, UNLD1, UDL	PE1P1	1.32	27.77	15.52	5 93	4 77						
	Physical Collocation - DS3 Cross-Connects			CLO, UE3,U1TD3, UXTD3, UXTS1, UNC3X, UNCSX, ULDD3, U1TS1,ULDS1, UNLD3, UDL	PE1P3	16 81	25.46	14.05	7.77	5.01						
	Physical Collocation - 2-Fiber Cross-Connect			CLO, ULDD3, ULD12, ULD48, U1TD3, U1T12, U1T48, UDLD3, UDL12, UDF	PE1F2	3 34	41.94	30.52	13.91	11 16						
	Physical Collocation - 4-Fiber Cross-Connect			CLO, ULDD3, ULD12, ULD48, U1TD3, U1T12, U1T48, UDLD3, UDL12, UDF	PE1F4	5 82	51 30	39 87	18 29	15 54						
	Physical Collocation - Welded Wire Cage - First 100 Sq. Ft			CLO	PE1BW	199 45										
	Physical Collocation - Welded Wire Cage - Add'l 50 Sq. Ft			CLO	PE1CW	18 58										
	Physical Collocation - Security System Per Central Office Per Assignable Sq. Ft			CLO	PE1AY	0 0165										

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COLLOCATION - Florida

CATEGORY	RATE ELEMENTS	Interval	Zone	BCS	USOC	RATES ($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment 4		Exhibit 1	
						Rec	Nonrecurring		Nonrecurring Disconnect				Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							First	Add'l	First	Add'l	OSS Rates($) SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Physical Collocation - Security Access System - New Access Card Activation, per Card			CLO	PE1A1	0.0577	55.80									
	Physical Collocation-Security Access System-Administrative Change, existing Access Card, per Request, per State, per Card			CLO	PE1AA		15.65									
	Physical Collocation - Security Access System - Replace Lost or Stolen Card, per Card			CLO	PE1AR		45.75									
	Physical Collocation - Security Access - Initial Key, per Key			CLO	PE1AK		28.30									
	Physical Collocation - Security Access - Key, Replace Lost or Stolen Key, per Key			CLO	PE1AL		28.30									
	Physical Collocation - Space Availability Report per premises			CLO	PE1SR		2,159.00									
	POT Bay Arrangements prior to 6/1/99 - 2-Wire Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO,UDL, UNCVX, UNCDX, UNCNX	PE1PE	0.00										
	POT Bay Arrangements prior to 6/1/99 - 4-Wire Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO, USL, UNCVX, UNCDX	PE1PF	0.00										
	POT Bay Arrangements prior to 6/1/99 - DS1 Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO,WDS1L,WDS1S, USL, U1TD1, UXTD1, UNC1X, ULDD1, USLEL, UNLD1	PE1PG	0.00										
	POT Bay Arrangements prior to 6/1/99 - DS3 Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO,UE3, U1TD3, UXTD3, UXTS1, UNC3X, UNCSX, ULDD3, U1TS1, ULDS1, UNLD3, UDL, UDLSX	PE1PH	0.00										
	POT Bay Arrangements prior to 6/1/99 - 2-Fiber Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO, ULDO3, ULD12, ULD48, U1TO3, U1T12, U1T48, UDLO3, UDL12, UDF	PE1B2	0.00										
	POT Bay Arrangements prior to 6/1/99 - 4-Fiber Cross-Connect, per cross-connect	1		UEANL,UEA,UDN,UDC,UAL,UHL,UCL,UEQ,CLO, ULDO3, ULD12, ULD48, U1TO3, U1T12, U1T48, UDLO3, UDL12, UDF	PE1B4	0.00										
	Physical Collocation - Request Resend of CFA Information, per CLLI	1		CLO	PE1C8		77.54									
	Nonrecurring Collocation Cable Records - per request			CLO	PE1CR		1,525.00	980.22	267.08							
	Nonrecurring Collocation Cable Records - VG/DS0 Cable, per cable record			CLO	PE1CD		856.50	856.50	379.78							
	Nonrecurring Collocation Cable Records - VG/DS0 Cable, per each 100 pair			CLO	PE1CO		9.66	9.66	11.84	11.84						
	Nonrecurring Collocation Cable Records - DS1, per T1TIE			CLO	PE1C1		4.52	4.52	5.54	5.54						
	Nonrecurring Collocation Cable Records - DS3, per T3TIE			CLO	PE1C3		15.82	15.82	19.40	19.40						

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COLLOCATION - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES ($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Attachment: 4		Exhibit: 1	
													Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates($)					
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
	Nonrecurring Collocation Cable Records - Fiber Cable, per 96 fiber records			CLO	PE1CB		169 67	169.67	154.69	154.69						
	Physical Collocation - Security Escort - Basic, Per Quarter Hour			CLO	PE1BQ		10 99									
	Physical Collocation - Security Escort - Overtime, Per Quarter Hour			CLO	PE1OQ		13 64									
	Physical Collocation - Security Escort - Premium, Per Quarter Hour			CLO	PE1PQ		16 40									
	Physical Collocation - Security Escort - Basic, per Half Hour			CLO,CLORS	PE1BT		33 99	21.54								
	Physical Collocation - Security Escort - Overtime, per Half Hour			CLO,CLORS	PE1OT		44 27	27.82								
	Physical Collocation - Security Escort - Premium, per Half Hour			CLO,CLORS	PE1PT		54.55	34.10								
	V to P Conversion, Per Customer Request-Voice Grade	I		CLO	PE1BV	33 00										
	V to P Conversion, Per Customer Request-DS0	I		CLO	PE1BO	33.00										
	V to P Conversion, Per Customer Request-DS1	I		CLO	PE1B1	52 00										
	V to P Conversion, Per Customer request-DS3	I		CLO	PE1B3	52 00										
	V to P Conversion, Per Customer Request per VG Circuit Reconfigured	I		CLO	PE1BR	23 00										
	V to P Conversion, Per Customer Request per DS0 Circuit Reconfigured	I		CLO	PE1BP	23 00										
	V to P Conversion, Per Customer Request per DS1 Circuit Reconfigured	I		CLO	PE1BS	33 00										
	V to P Conversion, Per Customer Request per DS3 Circuit Reconfigured	I		CLO	PE1BE	37 00										
	V to P Conversion, Cable Pairs Assigned to Collo Space per 700 prs or fraction thereof	I		CLO	PE1B7	592.00										
	Physical Collocation - Co-Carrier Cross Connects - Fiber Cable Support Structure, per cable, per linear ft			CLO,UDF	PE1ES	0 001										
	Physical Collocation - Co-Carrier Cross Connects - Copper/Coax Cable Support Structure, per cable, per ln ft			CLO, UES, USL	PE1DS	0 0014										
	Physical Collocation - Co-Carrier Cross Connects - Application Fee, per application			CLO	PE1DT		584 11									
PHYSICAL COLLOCATION																
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Analog - Res			UEPSR	PE1R2	0.0276	8 22	7 22				11.90				
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Line Side PBX Trunk - Bus			UEPSP	PE1R2	0 0276	8 22	7.22				11 90				
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Voice Grade PBX Trunk - Res			UEPSE	PE1R2	0 0276	8 22	7 22				11.90				
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire Analog - Bus			UEPSB	PE1R2	0 0276	8 22	7.22				11.90				
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire ISDN			UEPSK	PE1R2	0 0276	8.22	7.22				11 90				
	Physical Collocation 2-Wire Cross Connect, Exchange Port 2-Wire ISDN			UEPTX	PE1R2	0.0276	8.22	7 22				11.90				
	Physical Collocation 4-Wire Cross Connect, Exchange Port 4-Wire ISDN DS1			UEPEX	PE1R4	0 0552	8 42	7 36				11.90				
ADJACENT COLLOCATION																
	Adjacent Collocation - Space Charge per Sq Ft			CLOAC	PE1JA	0.1835										
	Adjacent Collocation - Electrical Facility Charge per Linear Ft			CLOAC	PE1JC	5 11										
	Adjacent Collocation - 2-Wire Cross-Connects			CLOAC	PE1P2	0.0213	24 89	23 89	11.77	10 82						
	Adjacent Collocation - 4-Wire Cross-Connects			UEA,UHL,UDL,UCL, CLOAC	PE1P4	0.0426	24 86	23.83	12 04	10.80						
	Adjacent Collocation - DS1 Cross-Connects			USL,CLOAC	PE1P1	1 22	44.24	31 99	12 07	10 91						
	Adjacent Collocation - DS3 Cross-Connects			CLOAC	PE1P3	18 56	41.94	30 52	13 91	11 15						
	Adjacent Collocation - 2-Fiber Cross-Connect			CLOAC	PE1F2	2.91	41 94	30 52	13 91	11 16						
	Adjacent Collocation - 4-Fiber Cross-Connect			CLOAC	PE1F4	5 36	51 30	36.87	19 29	15 54						
	Adjacent Collocation - Application Fee			CLOAC	PE1JB		2,785 00		1 01							

EXHIBIT KLW-3
PAGE 108 OF 212
BST NON-CONFIDENTIAL

COLLOCATION - Florida														Attachment: 4		Exhibit: 1	
CATEGORY		RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES ($)					Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates(5)					
								First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
		Adjacent Collocation - 120V, Single Phase Standby Power Rate per AC Breaker Amp			CLOAC	PE1FB	6.36										
		Adjacent Collocation - 240V, Single Phase Standby Power Rate per AC Breaker Amp			CLOAC	PE1FD	10.77										
		Adjacent Collocation - 120V, Three Phase Standby Power Rate per AC Breaker Amp			CLOAC	PE1FE	16.15										
		Adjacent Collocation - 277V, Three Phase Standby Power Rate per AC Breaker Amp			CLOAC	PE1FG	37.30										
		Adjacent Collocation - Cable Support Structure per Entrance Cable	I		CLOAC	PE1PM	16.96										
PHYSICAL COLLOCATION IN THE REMOTE SITE																	
		Physical Collocation in the Remote Site - Application Fee			CLORS	PE1RA		617.91		328.81							
		Cabinet Space in the Remote Site per Bay/ Rack			CLORS	PE1RB	219.49										
		Physical Collocation in the Remote Site - Security Access - Key			CLORS	PE1RD		26.30									
		Physical Collocation in the Remote Site - Space Availability Report per Premises Requested			CLORS	PE1SR		232.69									
		Physical Collocation in the Remote Site - Remote Site CLLI Code Request, per CLLI Code Requested			CLORS	PE1RE		75.41									
		Remote Site DLEC Data (BRSDD), per Compact Disk, per CO			CLORS	PE1RR		233.51									
PHYSICAL COLLOCATION IN THE REMOTE SITE - ADJACENT																	
		Remote Site-Adjacent Collocation - AC Power, per breaker amp			CLORS	PE1RS	6.27										
		Remote Site-Adjacent Collocation - Real Estate, per square foot			CLORS	PE1RT	0.134										
		Remote Site-Adjacent Collocation-Application Fee			CLORS	PE1RU		755.62	755.62								
NOTE: If Security Escort and/or Add'l Engineering Fees become necessary for remote site collocation, the Parties will negotiate appropriate rates.																	
Note: Rates displaying an "R" in Interim column are interim and subject to rate true-up as set forth in General Terms and Conditions.																	

EXHIBIT KLW-3
PAGE 109 OF 212
BST NON-CONFIDENTIAL

ODUF/ADUF/EODUF/CMDS - Florida

CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES ($)					Attachment: 7		Exhibit: 1	
											Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
							Nonrecurring		Nonrecurring Disconnect		OSS Rates($)			
						Rec	First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
ODUF/ADUF/OEDUF/CMDS																
	ACCESS DAILY USAGE FILE (ADUF)															
	ADUF Message Processing, per message				N/A	0 001656										
	ADUF Data Transmission (CONNECT DIRECT), per message				N/A	0 0001245										
	OPTIONAL DAILY USAGE FILE (ODUF)															
	ODUF Recording, per message				N/A	0 0000071										
	ODUF Message Processing, per message				N/A	0 002146										
	ODUF Message Processing, per Magnetic Tape provisioned				N/A	35 91										
	ODUF Data Transmission (CONNECT DIRECT), per message				N/A	0 00010375										
	CENTRALIZED MESSAGE DISTRIBUTION SERVICE (CMDS)															
	CMDS Message Processing, per message				N/A	0 004										
	CMDS Data Transmission (CONNECT DIRECT), per message				N/A	0 001										
	ENHANCED OPTIONAL DAILY USAGE FILE (EODUF)															
	EODUF Message Processing, per message				N/A	0 080698										

Notes: If no rate is identified in the contract, the rate for the specific service or function will be as set forth in applicable BellSouth tariff or as negotiated by the Parties upon request by either Party

EXHIBIT KLW-3
PAGE 110 OF 212
BST NON-CONFIDENTIA

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Motion ITS

B7/1/04
KW 6/2/04

S-5

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 698-4606

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

May 19, 2004

HAND DELIVERY
Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 031125-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of IDS Telcom, LLC, is an original and fifteen copies of IDS Telcom, LLC's Motion for Summary Final Order in the above referenced docket.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me in the enclosed self-addressed stamped envelope.

Thank you for your assistance with this filing.

Sincerely yours,

E. Gary Early

EGE/amb
Enclosures
cc: Parties of Record

DOCUMENT NUMBER-DATE
05763 MAY 19 04
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served on the following parties by Hand Delivery or electronic mail, and U. S. Mail this 19th day of May, 2004.

Patty Christensen, Esq.
Office of General Counsel, Room 370
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Telephone: (850) 413-6191
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Nancy B. White
c/o Nancy H. Sims
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301
Telephone: (305) 347-5558

R. Douglas Lackey
James Meza III
BellSouth Telecommunications, Inc.
675 W. Peachtree Street, N.E.
Suite 4300
Atlanta, GA 30375
Telephone: (404) 335-0769

E. Gary Early

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telecom, LLC	)	Docket No. 031125-TP
	)	May 19, 2004

MOTION FOR SUMMARY FINAL ORDER

Petitioner, IDS Telecom, LLC files this Motion for Summary Final Order pursuant to Rule 28-204(4), Florida Administrative Code and Section 120.54(5), Florida Statutes and states:

1. On December 23, 2003, IDS Telecom, LLC (hereinafter "IDS") filed a complaint with the Commission against BellSouth Telecommunications, Inc. (hereinafter "BellSouth"), which complaint initiated this proceeding. On December 30, 2003, IDS filed its *Amended Complaint by IDS Telcom, LLC against BellSouth Telecommunications, Inc. for Overbilling and Discontinuance of Service, and Petition for Emergency Order Restoring Service.*

2. The amended complaint, which forms the basis for this proceeding, alleged that service to the LENS system was improperly terminated by BellSouth for alleged non-payment of amounts to a "Q Account." The Q Account was established to accept deposits by IDS in satisfaction of a March 25, 2002 Amendment to Settlement Agreement.

3. IDS alleged that it had paid all that was called for under the express, written terms of the Amendment to Settlement Agreement, and in fact had overpaid what was owed. With regard to the amount properly due under the agreement, and the amount paid by IDS, paragraph 10 of the amended complaint provided that:

> However, rather than billing the Total Amount Due of $2,475,000.00 to the Q Account **as required by the Settlement Agreement**, BellSouth erroneously billed $3,231,996.10 to the Q Account, or $756,996.10 in excess of that specified in the Settlement Agreement.

4. BellSouth's answer to paragraph 10 of the amended complaint states that "BellSouth admits the allegations contained in paragraph 10 of the Amended Complaint."

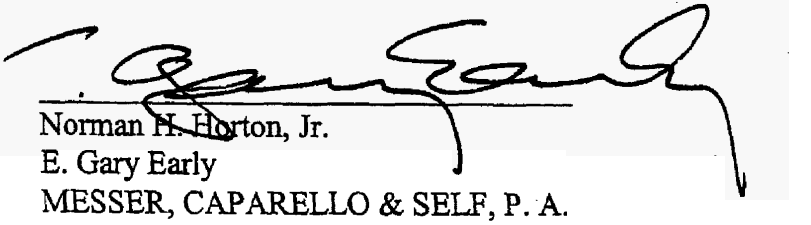
5. Rule 28-106.204(4), F.A.C. provides that:

> Any party may move for summary final order whenever there is no genuine issue as to any material fact. The motion may be accompanied by supporting affidavits. All other parties may, within seven days of service, file a response in opposition, with or without supporting affidavits. A party moving for summary final order later than twelve days before the final hearing waives any objection to the continuance of the final hearing.

6. As a result of BellSouth's admission of the only pertinent elements of the amended complaint, i.e. that IDS paid the amounts due under the Settlement Agreement and, due to a BellSouth error, overpaid the amount due by $756,996.10, this matter is ripe for entry of a final order granting the relief requested in the amended complaint, and ordering repayment to IDS of amounts paid to BellSouth due to BellSouth's erroneous billing.

WHEREFORE, for the reasons set forth herein, IDS moves the Commission to enter a Summary Final Order granting the relief requested in the amended complaint, and ordering repayment to IDS of amounts paid to BellSouth due to BellSouth's erroneous billing.

Respectfully Submitted.



Norman H. Horton, Jr.
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Counsel for IDS Telecom, LLC

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Agenda

5/1/04
KW
6/7/04

ST-6

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 698-4606

RECEIVED-FPSC
04 MAY 20 AM 11: 13
COMMISSION
CLERK

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 20, 2004

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Office of the General Counsel (Christensen) PAC DL
Division of Competitive Markets & Enforcement (Barrett) MCB

RE: Docket No. 031125-TP – Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

AGENDA: 06/01/04 – Regular Agenda – Motion for Leave to Amend Answer to Assert Counterclaim - Parties May Participate

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\031125.RCM.DOC

Case Background

On November 3, 2003, IDS filed its informal complaint against BellSouth for alleged overbilling (CATS file 567409-T). Commission staff sent a letter on December 16, 2003, closing out the complaint indicating the informal complaint process was not the appropriate forum in which to resolve this matter.

On December 19, 2003, BellSouth denied IDS access to "LENS."[1] On December 23, 2003, IDS Telecom LLC (IDS) filed a Complaint against BellSouth Telecommunications, Inc. (BellSouth) for Overbilling and Discontinuance of Service and a Petition for Emergency Order Restoring Service. On December 24, 2003, BellSouth restored "LENS" access to IDS. On December 30, 2003, IDS amended its Complaint (Amended Complaint) to consist of five counts upon which it requests relief.

[1] "LENS" is an acronym for Local Exchange Navigation System; "LENS" is a support platform that BellSouth developed for competitive local exchange carriers.

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FPSC-COMMISSION CLERK

On December 31, 2003, Commission staff facilitated a conference call between the parties. As a result of the conference call, accounting teams from both Parties met face-to-face in Miami. Commission staff did not attend nor participate in this accounting meeting.

On January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer regarding the Amended Complaint. On February 6, 2004, IDS filed its response to BellSouth's Partial Motion to Dismiss and Answer. By Order No. PSC-04-0423-FOF-TP, issued April 26, 2004, BellSouth's Partial Motion to Dismiss part of IDS's Amended Complaint was granted. Specifically, Count Three (seeking relief for alleged violation of the Settlement Agreement) and Count Five (seeking relief for alleged violation of the Telecommunications Act of 1996) were dismissed for lack of subject matter jurisdiction.

By Order No. PSC-04-0472-PCO-TP, issued May 6, 2004 (Order Establishing Procedure), the procedure was established for this proceeding and the hearing date was scheduled for October 14, 2004. Also in that Order, the tentative issues to be addressed in this proceeding were identified.

On May 7, 2004, BellSouth filed its Motion for Leave to Amend Answer to Assert Counterclaim along with its Counterclaim. In its Counterclaim, BellSouth identifies four counter claims: (1) daily usage file dispute; (2) market-based rate dispute; (3) request for escrow/immediate payment; and (4) request for deposit. On May 14, 2004, IDS filed its Response and Opposition to BellSouth's Motion. This recommendation addresses BellSouth's Motion and IDS's Response.

Discussion of Issues

Issue 1: Should the Commission grant BellSouth's Motion for Leave to Amend Answer to Assert Counterclaim?

Recommendation: Yes, staff recommends that BellSouth be granted Leave to Amend its Answer in part. Specifically, BellSouth should be allowed to proceed on Counts I (DUF charges) and II (Market-based Rates) of its Counterclaim. BellSouth should not be allowed to Amend its Answer to include Counts III (Escrow account) and IV (Deposit) of its Counterclaim. (CHRISTENSEN)

Staff Analysis: As noted in the Case Background, BellSouth filed its Motion for Leave to Amend Answer to Assert Counterclaim on May 7, 2004. On May 14, 2004, IDS filed its response in opposition to BellSouth's Motion.

BELLSOUTH'S MOTION

In support of its Motion, BellSouth states that based on its review of IDS's Amended Complaint, the claims asserted, the relief requested, and the attached exhibits, including Exhibit F to Amended Complaint, BellSouth believed that IDS was seeking resolution by the Commission of all the parties' current billing disputes. Thus, BellSouth did not submit a Counterclaim raising any specific billing dispute issues.

BellSouth asserts that on March 15, 2004, it issued discovery to IDS. BellSouth contends that on April 15, 2004, IDS responded to this discovery and, for the first time, expressly stated that it was only seeking the resolution of a single billing dispute – the Special Q Account – in its Amended Complaint. Therefore, BellSouth is now seeking to include the other billing dispute issues in this proceeding.

BellSouth cites to Rule 1.190(e) of the Florida Rules of Civil Procedure regarding the amendment of pleading. Rule 1.190(e) states that:

> At any time in furtherance of justice, upon such terms as may be just, the court may permit any process, proceeding, pleading, or record to be amended or material supplemental matter to be set forth in an amended or supplemental pleading. At every stage of the action the court must disregard any error or defect in the proceedings which does not affect the substantial rights of the parties.

BellSouth claims that given the Commission's limited hearing schedule, justice requires that its Counterclaim be resolved within the instant proceeding to promote judicial efficiency, minimize the cost and expense in litigating the disputes asserted by IDS, and minimize the delay in BellSouth's receipt of the amounts set forth therein. BellSouth asserts that litigating two proceedings on separate tracks involving the same parties is neither economical nor efficient. BellSouth contends that because the original Complaint is limited to a single issue – a dispute related to a special Q account – the resolution of the disputes in the instant docket will not

unnecessarily delay the original proceeding. BellSouth contends that it was not until IDS responded to BellSouth's discovery that IDS disclosed that the only dispute it wished to resolve in its Complaint was the special Q account dispute. BellSouth suggests that this is not surprising in light of the fact that IDS takes the position that as long as billing disputes are outstanding, BellSouth is prohibited from terminating IDS's service for nonpayment. See Amended Complaint at ¶ 21. BellSouth claims that if it had previously known IDS's position was its complaint raised only those billing disputes regarding the Q account, it would have filed the instant Counterclaim with its Answer. BellSouth asserts that since filing its answer, it has also become clear that the parties will be unable to resolve its request that IDS provide it with a deposit.

BellSouth states that given IDS's recent disclosure of its intentions to limit the parameters of its Complaint and the parties' ongoing settlement discussions, BellSouth filed this Counterclaim as expeditiously as possible. BellSouth claims that no party will be prejudiced by consideration of its Counterclaim in this docket. BellSouth notes that IDS objects to its motion.

IDS'S RESPONSE

In its Response, IDS asserts that its general allegations are based on the following facts. IDS claims that on May 11, 2001, it filed a complaint against BellSouth with this Commission in Docket No. 010740-TP. IDS states that on or about September 27, 2001, BellSouth and IDS settled Docket No. 010740 and two other litigations by way of a settlement agreement, which was later amended on or about March 25, 2002. IDS asserts that although it made all payments due under the settlement agreement, as amended, BellSouth attempted to change the settlement and unilaterally insisted on it making additional payments beyond those previously agreed. IDS contends that when it disputed these additional charges and refused to pay BellSouth, BellSouth unilaterally declared these disputed amounts "undisputed" and terminated its access to LENS. IDS claims that neither the petition nor amended petition allege any other disputes for resolution in this docket.

IDS asserts that on January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer seeking to dismiss portions of the petition for lack of subject matter jurisdiction to interpret federal law and the parties' settlement agreement. IDS claims that BellSouth's Partial Motion to Dismiss and Answer did not imply or otherwise contend that any other disputes were at issue in the docket, other than BellSouth's disconnection of LENS and its over-billing of the settlement agreement special account.

IDS states that, pursuant to the Order Establishing Procedure, the deadline for filing direct testimony is July 22, 2004, and October 14, 2004, is when the one day evidentiary hearing will be held. IDS asserts that this schedule was set based upon the limited number of issues originally presented in IDS's amended petition.

IDS disputes BellSouth's claim that it believed this docket contained numerous other billing disputes that are simply not alleged in the petition or amended petition. IDS agrees that prior to BellSouth taking unilateral action to deny access to LENS, BellSouth had specifically been advised that the settlement account was in dispute because IDS had included the issue in a November 2003 letter to Commission staff. IDS asserts that the purpose of this reference was

simply to show that BellSouth had ignored the parties' interconnection agreement pursuant to which BellSouth is precluded from denying service for failure to pay disputed amounts. IDS claims that in fact, despite clearly knowing that the settlement account overcharges were in dispute, BellSouth continued asserting its "one-sided" mantra that the charges were undisputed. IDS asserts that the reference to the prior letter requesting an informal resolution was clearly made to demonstrate the frivolous position taken by BellSouth prior to denying IDS services.

IDS contends that BellSouth now claims in the Motion that IDS reference to the November 2003 informal dispute resolution letter, somehow caused BellSouth to believe that this docket included many more disputes than the settlement account issue. IDS states that despite such a statement, BellSouth's proposed counterclaim only includes two of the eight issues in the November 2003 informal dispute resolution letter, plus a new issue (a BellSouth deposit request) that was not part of the informal dispute resolution letter. IDS contends that given the clear language of the petition and amended petition, and BellSouth's obvious attempt to simply pick and choose old and new "disputes" in its proposed counterclaim, BellSouth's explanation for why it waited this long to seek the inclusion of the issues in its proposed counterclaim is simply not credible.

IDS states that BellSouth cites to Rule 28-106.204 as the rule authorizing this motion. However, IDS contends that the applicable rules of administrative procedure do not provide for the filing of counterclaims in a docket such as this. IDS asserts that Chapter 28-106, Florida Administrative Code (Decisions Determining Substantial Interests) sets forth the applicable procedural rules. IDS asserts that Chapter 25-40 of the Florida Administrative Code, identifies this Commission's exceptions to the Uniform Rules of Procedure, with those exceptions being found in Chapter 25-22 of the Florida Administrative Code (entitled Rules Governing Practice and Procedure). IDS concludes that nothing in any of those rules authorizes the filing of counterclaims.

IDS asserts that Rule 28-106.201, Florida Administrative Code, cover petitions and the filing of petitions, and Rule 28-106.202, Florida Administrative Code, allows for an amendment to petitions. IDS acknowledges that a petition may be amended by right before the designation of a presiding officer or with leave of the presiding officer after such designation, but IDS asserts that BellSouth is not seeking to amend a petition but rather an answer. IDS contends that unlike the Rules of Civil Procedure which require an answer, Rule 28-106.206, Florida Administrative Code, permits, but does not require, a respondent to file an answer. IDS asserts that BellSouth's reliance on Rule 1.190, Florida Rules of Civil Procedure, is misplaced because the only reference to the Florida Rules of Civil Procedure is in Rule 28.106-206, Florida Administrative Code, which refers to specific discovery rules in the Florida Rules of Civil Procedure.

IDS states that even if Rule 1.190, Florida Rules of Civil Procedure, applied to this proceeding, the applicable case law interpreting that rule states that amendments to a pleading should be allowed only if the opposing party will not be prejudiced. See, Johnson & Bailey Architects, P.C. v. Southeast Brake Corp., 517 So.2d 776, 777 (Fla. 2d DCA 1988); see, e.g. Emig v. State of Florida, Dept. of Health and Rehabilitative Services, 456 So. 2d 1204, 1208 (Fla. 1st DCA 1984); and Albright v. Mercer, 411 So. 2d 991 (Fla. 4th DCA 1982). IDS claims that in this situation and for numerous reasons, it will be prejudiced by the inclusion of BellSouth's counterclaim.

First, IDS asserts that BellSouth did not file the Motion until after the issue identification conference and after the Prehearing Officer entered his Order Established Procedure requiring direct testimonies to be filed by July 22, 2004, and setting this matter for a one day evidentiary hearing on October 14, 2004. IDS contends that the scope of this docket went from one issue to three issues multiplying the scope of this docket four times. IDS contends that the current schedule is too tight for the litigation of four separate disputes, and it is simply not possible to conduct an evidentiary hearing on all four disputes in one day. IDS asserts that the parties will need at least two to three days for hearing; thus, unless the current schedule is modified, IDS will clearly suffer prejudice by allowing the inclusion of any such new issues.

IDS contends that, second, two of the issues BellSouth seeks to introduce involve issues common to all CLECs. IDS asserts that one pertains to is BellSouth's refusal to true-up the interim DUF rates to the final Florida rates set in the UNE dockets. IDS claims that this issue is at the crux of BellSouth's Count I of its proposed counterclaim. IDS asserts that in each of BellSouth's Section 271 proceedings, including in Florida, the FCC clearly and repeatedly stated that as part of the granting of long distance approval, BellSouth was obligated to have mechanisms to true-up interim rates to final rates, and that BellSouth was obligated to true-up interim rates to final rates. IDS asserts that one of the mechanisms referred to by the FCC was the standard true-up language that can be found in most (if not all) interconnection agreements during the relevant time period (i.e. 1999 through 2000). IDS contends a large part of the DUF dispute involves BellSouth's refusal to true-up DUF rates and to insist on forcing CLECs to pay the higher interim rates prior to the setting of final rates. IDS asserts that this is an issue which specifically affects most, if not all, CLECs, and thus would be better litigated in a generic proceeding wherein all CLECs have the right to comment.

IDS asserts that the second set of issues of common interest include BellSouth's insistence on billing all CLECs the "market-based" rates for local switching on the first three DSO UNE-P combinations, where an end-user has four or more lines. IDS states that there also exist questions regarding BellSouth's inability to provide DSO EELs during the relevant time period, and whether 271 pricing would be implicated after BellSouth received such approvals. IDS claims these are all issues at the crux of Count II of BellSouth's proposed counterclaim, and each one of them concerns all CLECs in Florida. IDS states that in order to address these issues, this Commission must interpret a variety of prior FCC opinions and rules that apply to all CLECs in this state. IDS contends that like the DUF issue, these issues would be better litigated in a generic proceeding wherein all CLECs have the right to comment.

IDS contends that on both the DUF and Market Based Rate issues (Counts I and II of its proposed counterclaim), BellSouth is seeking to litigate issues common to all Florida CLECs, against one small CLEC (IDS) who does not have the ability and resources to properly address these issues as would the entire CLEC community. IDS states that if successful, BellSouth will then likely use the results against all other CLECs as binding precedent, effectively denying all other Florida CLECs a reasonable opportunity to litigate these issues before the Commission. IDS asserts that it will also be prejudiced by not having the assistance of all other CLECs who might weigh-in on these far reaching issues, which go well beyond a simple billing dispute between IDS and BellSouth.

IDS asserts that the last new issue BellSouth seeks to introduce into this docket involves a BellSouth request for a deposit from IDS. IDS contends that this issue was never even addressed in the November 2003 letter informal dispute resolution, and BellSouth only began demanding a deposit after IDS sent that November 2003 letter to this Commission. IDS claims that BellSouth has not and cannot give any true justification for waiting so long to attempt to bring this issue into this docket. IDS asserts that, moreover, the interconnection agreement contemplates a separate proceeding on this issue with the parties seeking an expedited resolution within sixty (60) days of the filing of such petition. IDS states, indeed, BellSouth has already indicated that it may take unilateral action under the interconnection agreement to terminate service to IDS if this Commission does not resolve the deposit issue within sixty (60) days.

IDS contends that BellSouth is abusing the system because BellSouth already knew when it filed its Motion, that this docket was not scheduled to conclude within sixty (60) days. IDS asserts that it would not be possible to keep such a schedule with the current issues already in this docket. IDS asserts that BellSouth's request, if granted, will be extremely prejudicial to IDS because it would quadruple the scope of this docket, while at the same time threatening to take unilateral action to shut off service to IDS, unless this docket is concluded with sixty days after allowance of its counterclaim (i.e. approximately August 2004).

IDS asserts that none of BellSouth's proposed counterclaims would even remotely be considered compulsory in a court proceeding. IDS notes that even BellSouth admits that its counterclaim raises issues that are new and distinct from those issues raised in IDS' petition and amended petition. IDS states that, moreover, there are good reasons to conduct the issues raised in BellSouth's proposed Count I (DUF) and Count II (Market-Based Rates) in generic proceedings open to all CLECs in this state. Finally, IDS contends that including the deposit issue in this proceeding will only cause severe prejudice to IDS and is simply unfair. Thus, IDS contends that for the reasons stated above that BellSouth's Motion For Leave to Amend Answer to Assert Counterclaim be denied.

ANALYSIS

Rule 28-106.203, Florida Administrative Code, allows a respondent to file an answer to a petition, but does not require an answer. The Uniform Rules of Procedure in the Florida Administrative Code, contain no provision for counterclaims equivalent to that provided for under Rule 1.170, Florida Rules of Civil Procedure. However, the Uniform Rules allow a petition to be amended at the discretion of the presiding officer. See, Rule 28-106.202, Florida Administrative Code. Further, Rule 28-106.108, Florida Administrative Code, permits consolidation of

> . . . separate matters which involve similar issues of law or fact, or identical parties, the matters may be consolidated if it appears that consolidation would promote the just, speedy, and inexpensive resolution of the proceedings, and would not unduly prejudice the rights of a party.

Staff believes that even though there is no specific rule which addresses the right of a party to file a counterclaim, the standard for allowing consolidation of separate matters is the appropriate

standard to be applied. Further, it appears that the Uniform Rules grant presiding officers latitude and discretion regarding the scope of the proceedings before them. Thus, staff believes that the Commission may at its discretion permit any or all of BellSouth's counterclaims to become part of this proceeding. Staff will address the merits of allowing BellSouth's specific Counterclaim counts to become part of the proceeding below.

A. Counterclaim Count I

In Counterclaim Count I, BellSouth alleges that IDS has failed to pay for Daily Usage File (DUF) charges for services received in Florida that IDS disputed. In its Counterclaim Count I, BellSouth asserts IDS inappropriately disputes the DUF charges. IDS claims that this count should not be included in this proceeding because DUF charges are applicable to all CLECs and would be best addressed in a generic proceeding. Further, IDS claims it would be unduly prejudiced if this issue was allowed to be included in this proceeding.

Staff believes that the amount alleged in BellSouth's Counterclaim Count I is related to the dispute between the parties regarding the amount owed by IDS regarding the Q account. To the extent that this count relates to the initial complaint raised by IDS, staff believes that it is appropriate to include the count in the proceeding. Staff is not persuaded that resolution of this matter need wait for a generic proceeding. Thus, staff recommends that BellSouth be granted Leave to Amend its Answer to include Counterclaim Count I.

B. Counterclaim Count II

BellSouth alleges in this Counterclaim that IDS failed to pay the appropriate market-based rates for 4 or more DS0 lines in the applicable MSAs. BellSouth asserts that IDS failed to pay any charges associated with this dispute, including undisputed charges. IDS counters that this count is inappropriate for this proceeding because it affects all CLECs and would be best addressed in a generic proceeding. IDS again claims that it would be prejudiced if this count was allowed to be included in this proceeding.

Staff believes that this issue relates to the amount BellSouth claims it was owed in the Q account. Since this is related to the initial complaint regarding whether BellSouth rightfully disconnected LENS, staff believes that this count should also be included in this proceeding. Staff recognizes that any decision in this docket may have application to other CLECs. However, staff does not believe that merely because a decision has application beyond the instant case that that fact precludes the parties from resolving the matter between themselves. Consequently, staff does not believe that these parties in this particular case need wait for a generic proceeding to be established in order to resolve this issue. Thus, staff recommends that BellSouth be granted Leave to Amend its Answer to include Counterclaim Count II.

C. Counterclaim Count III

BellSouth asks the Commission to require IDS to immediately pay any undisputed amounts and pay any disputed amounts into an escrow account until the resolution of the proceeding. BellSouth provides an amount it believes should be in that escrow account. IDS does not address this count in its response. However, staff believes that this count should not be

allowed to proceed. First, this Count seeks a remedy before the Commission makes a determination whether or not there are any undisputed amounts. Second, staff believes the issue is already addressed in Issue 4 of the Tentative Issues list which states:

When should any credit or payment be submitted?

Finally, BellSouth does not cite any reference to the interconnection agreement which would require disputed amounts to be placed in an escrow account until the conclusion of the dispute. Thus, staff recommends that BellSouth be denied Leave to Amend its Answer to include Counterclaim Count III.

D. Counterclaim Count IV

BellSouth's final counterclaim concerns the dispute over whether IDS should be required to pay a deposit. BellSouth claims that IDS should be required to provide a security deposit. BellSouth asserts that if IDS fails to provide the security deposit in the amount specified by BellSouth within sixty (60) days of filing the counterclaim with the Commission, under the interconnection agreement BellSouth can terminate service if the dispute is not resolved.

IDS complains that this count is inappropriate for this proceeding because BellSouth is very aware of the current schedule for this docket (the hearing is set for October 14, 2004), and BellSouth chose to file knowing the matter will not be decided before the sixty (60) day deadline required in the interconnection agreement. IDS asserts that it would be extremely prejudiced if BellSouth were allowed to expand this docket on all counts and yet require the process to be concluded within sixty (60) days or terminate service to IDS.

Staff agrees with IDS that permitting this count in this proceeding would create extreme prejudice to IDS. BellSouth should have been aware that the deposit dispute would not be resolved within sixty (60) days of filing its counterclaim with the Commission, thereby creating a "Catch 22" situation for IDS. Staff believes that if BellSouth wished to seek resolution of the deposit dispute, it should have filed a complaint requesting expedited treatment noting the sixty (60) day deadline. Further, staff notes that this issue arises because of the billing dispute but is not part of the original billing dispute. In fact, BellSouth in its Counterclaim states that its sent its request for a deposit on December 9, 2003. BellSouth disconnected LENS on December 19, 2003, before receiving IDS's response to its deposit request letter on December 22, 2003. Therefore, staff believes that the deposit issue is beyond the scope of the initial complaint. Thus, staff recommends that BellSouth be denied Leave to amend it Answer to include Counterclaim Count IV.

CONCLUSION

Staff is not persuaded that IDS would be prejudiced merely because the schedule has been set if part of the Counterclaims are allowed to proceed. Currently, there is approximately one and a half months before direct testimony is due and five months before hearing. While staff believes that the addition of the two counterclaims should not unduly burden the parties under the current schedule, staff notes that the Commission has flexibility to address any legitimate workload concerns regarding the schedule in the future.

In conclusion, staff recommends that BellSouth be granted Leave to Amend its Answer in part. Specifically, BellSouth should be allowed to proceed on Counts I (DUF charges) and II (Market-based Rates) of its Counterclaim. BellSouth should not be allowed to Amend its Answer to include Counts III (Escrow account) and IV (Deposit) of its Counterclaim.

Issue 2: Should this docket be closed?

Recommendation: No, this docket should remain open pending further proceedings. (CHRISTENSEN)

Staff Analysis: This matter is set for an administrative hearing. Regardless of whether the Commission approves or denies staff's recommendation on Issue 1, this matter will still require resolution in an administrative hearing. Thus, this docket should remain open pending further proceedings.

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
FYE: 2003

Title: Motion for Leave

8/1/04
KLW
10/21/04

5-7

Legal Department

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(404) 335-0769

May 21, 2004

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: 031125-TP: Complaint of IDS Telecom LLC against BellSouth Telecommunications, Inc., for over billing and discontinuance of service, and petition for emergency order restoring service

Dear Ms. Bayó:

Enclosed is BellSouth Telecommunications, Inc.'s Motion for Leave to Withdraw Count IV of Counterclaim, 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,

James Meza III (BSS)

James Meza III

Enclosures

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

CERTIFICATE OF SERVICE
DOCKET NO. 031125-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and Facsimile this 21st day of May, 2004 to the following:

Patty Christensen
Staff Counsel
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nhorton@lawfla.com
Represents IDS

James Meza III (BSE)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telecom, LLC	) Docket No.: 031125-TP))) Filed: May 21, 2004

MOTION FOR LEAVE TO WITHDRAW COUNT IV OF COUNTERCLAIM

Defendant and Counter-Claimant, BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Florida Rule of Civil Procedure 1.190 and Rule 28-106.202, Florida Administrative Code, hereby requests leave to withdraw Count IV ("Deposit Dispute") from its Counterclaim. In support, BellSouth states the following:

1. On December 23, 2003, IDS Telcom, LLC ("IDS") filed its Complaint in this proceeding. IDS subsequently filed an Amended Complaint on December 30, 2003.

2. On January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer. BellSouth did not assert a Counterclaim at that time because BellSouth believed that IDS requested Florida Public Service Commission ("Commission") resolution for the majority of the parties' billing disputes in its Amended Complaint.

3. On March 15, 2004, BellSouth issued discovery to IDS. On April 15, 2004, IDS responded to this discovery and, for the first time, expressly stated that it was only seeking the resolution of a single billing dispute – the Special Q Account – in its Amended Complaint.

4. On May 7, 2004, BellSouth filed its Motion for Leave to Amend Answer to Assert Counterclaim and its Counterclaim. In the Counterclaim, BellSouth raised additional billing disputes (Counts I and II) for Commission resolution that it believed IDS initially asserted in its Amended Complaint as well as a request for a deposit from IDS (Count IV).

5. On May 14, 2004, IDS filed its Opposition to BellSouth's Motion for Leave. IDS has not filed a responsive pleading to the Counterclaim.

6. Rule 1.190(a) of the Florida Rules of Civil Procedure provides that "[a] party may amend a pleading once as a matter of course at any time before a responsive pleading is served. . . ." IDS has not filed a responsive pleading to the Counterclaim. Thus, BellSouth's withdrawal of Count IV of the Counterclaim at this juncture of the proceeding is appropriate under Rule 1.190(a) of the Florida Rules of Civil Procedure.

7. Moreover, Rule 28-106.202, Florida Administrative Code, allows the Prehearing Officer to provide for the amendment of pleadings at his/her discretion. Here, withdrawal of Count IV should not be opposed by IDS because IDS opposed BellSouth's request for leave to assert Count IV in the Counterclaim. Moreover, Commission Staff has issued a recommendation to deny BellSouth's request to assert Count IV via its Counterclaim on the grounds that, if BellSouth wished to seek resolution of the Deposit Dispute, BellSouth should have filed a separate complaint noting the specific time periods required for resolution of the dispute pursuant to the Interconnection Agreement. By withdrawing Count IV, BellSouth seeks to do just that – file a separate complaint to resolve the Deposit Dispute. Indeed, if the Commission approves Staff's recommendation, then BellSouth could file a separate complaint at that time.

8. Finally, it should be noted that IDS amended its original Complaint without asking for leave from this Commission pursuant to Rule 1.190 of the Florida Rules of Civil Procedure because BellSouth had yet to file a responsive pleading. BellSouth's amendment is not different.

9. BellSouth has a legitimate deposit with IDS over the Deposit Dispute that requires Commission resolution. IDS has objected to BellSouth including the Deposit issue in its

Counterclaim. BellSouth seeks to withdraw Count IV of the Counterclaim to address IDS's objections and to proceed with resolution of the Deposit dispute as expeditiously as possible in a separate proceeding.

WHEREFORE, for the foregoing reasons, BellSouth requests that the Commission grant it leave to withdraw Count IV of its Counterclaim.

Respectfully submitted this 21st day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE (BSL)
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539016

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Reg. Revision

KLW 6/1/04
6/2/04

S-8

ORIGINAL

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DISTRIBUTION CENTER
04 MAY 26 AM 9:08

May 25, 2004

RECEIVED-FPSC
04 MAY 26 AM 9:40
COMMISSION CLERK

VIA TELECOPIER
Patricia Christensen, Esq.
Office of General Counsel
Room 370, Gunter Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Issue Identification in Docket 031125-TP

Dear Ms. Christensen:

Pursuant to the Notice of Meeting, attached are issues drafted by IDS.

The Commission has not yet acted on BellSouth's Motion to Amend and/or the Counterclaim and IDS continues to oppose that Motion. Neither our participation in the Issue Identification meeting nor the presentation of these issues should be construed as a waiver or departure from the position we have taken in opposition to BellSouth's Motion.

Further, should the Commission allow the Counterclaim, we reserve the right to submit additional issues as may be necessary.

Sincerely,

Norman H. Horton, Jr.

CMP ____
COM 3
CTR ____
ECR ____
GCL ____
OPC ____
MMS ____
RCA ____
SCR ____
SEC 1
OTH ____

NHH/amb
cc: Blanca Bayó
James Meza, III, Esq.

DOCUMENT NUMBER-DATE
06002 MAY 26 04
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telcom LLC.	)	Docket No. 031125-TP

REVISED PROPOSED ISSUES ON BELLSOUTH'S COUNTERCLAIMS
(With Reservation of New Issues After IDS Files its Defenses)

A. BellSouth's Counterclaim On DUF Charges

1. May BellSouth force IDS to pay for DUF charges related to BellSouth's billing errors under Call Flow Number 12 and/or under any other situation where BellSouth is either not properly billing or not supposed to be billing for usage?

2. Is BellSouth obligated to true-up/true-down final DUF charges under the FCC's Orders granting BellSouth Section 271 approval and/or under the parties' applicable Interconnection Agreement(s)?

3. Are the DUF charges that BellSouth is attempting to bill IDS final cost-based rates?

4. Was BellSouth's back-billing of the DUF charges proper under the parties' Interconnection Agreement(s)?

5. Is BellSouth's back-billing of the DUF charges an unreasonable billing practice under any applicable law?

6. Did BellSouth correctly calculate the Daily Usage File ("DUF") charges for services provided to IDS in Florida?

7. Is any portion of BellSouth's back-billing of the DUF charges barred by any of IDS' affirmative defenses to be plead?

B. BellSouth's Counterclaim On Market-Based Rates

1. For any of the market-based rate charges in dispute, did BellSouth have an obligation under either Florida law, FCC rules, and/or Sections 251/252/271 of the Telecommunications Act to provide local switching?

2. Did BellSouth have an obligation to provide local switching for the first three DS0 lines of any customer who had four or more DS0 lines at the same customer

location?

3. If for any part of the market-based rate dispute, BellSouth had an obligation to provide local switching under Florida law, FCC rules and/or Sections 251/252/271, should BellSouth have charged cost-based rates for local switching and related non-recurring charges?

4. If BellSouth had an obligation to provide local switching under Section 271, what rate should BellSouth have charged, and is that rate a just and reasonable rate for local switching and related non-recurring charges?

5. Are any of the market-based rate charges for local switching and related non-recurring charges, outside of Zone 1 of the top 50 MSAs as per the then applicable FCC rules and/or the parties' Interconnection Agreement(s)?

6. Has BellSouth provided non-discriminatory access to DSO EELs, as per the then applicable FCC rules and/or the parties' Interconnection Agreement(s)?

7. Has BellSouth improperly billed IDS for local switching and related non-recurring charges as part of its market-based rate charges?

8. Was BellSouth's back-billing of the market-based rate charges proper under the parties' Interconnection Agreement(s)?

9. Is BellSouth's back-billing of the market-based rate charges an unreasonable billing practice under any applicable law?

10. Did BellSouth correctly calculate the market-based rate charges for services provided to IDS in Florida?

11. Is any portion of BellSouth's back-billing of the market-based rate charges barred by any of IDS' affirmative defenses to be plead?

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Extend Deadline

Prj 11/1/04
KW
6/12/04

5-9

ORIGINAL

EXHIBIT KLW-3
PAGE 139 OF 212
BST NON-CONFIDENTIAL

Legal Department

JAMES MEZA III
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May 28, 2004

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: 031125-TP: Complaint of IDS Telecom LLC against BellSouth Telecommunications, Inc., for over billing and discontinuance of service, and petition for emergency order restoring service

Dear Ms. Bayó:

Enclosed is BellSouth Telecommunications, Inc.'s Preliminary Opposition to IDS's Motion for Summary Final Order or Request for Stay of Substantive Response Deadline. We ask that you file this document in the referenced docket.

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

James Meza III (BH)

James Meza III

Enclosures

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

DOCUMENT NUMBER-DATE
06112 MAY 28 04
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE
DOCKET NO. 031125-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and Facsimile this 28th day of May, 2004 to the following:

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Represents IDS

James Meza III (BSS)
James Meza III

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telecom, LLC	**Docket No.: 031125-TP** Filed: May 28, 2004

PRELIMINARY OPPOSITION TO IDS'S MOTION FOR SUMMARY FINAL ORDER OR REQUEST FOR STAY OF SUBSTANTIVE RESPONSE DEADLINE

Defendant and Counter-Claimant, BellSouth Telecommunications, Inc. ("BellSouth"), hereby files this Preliminary Opposition or Request for Stay of Substantive Response Deadline to IDS's Motion for Summary Final Order ("Motion"). In support, BellSouth states the following:

1. On May 19, 2004, IDS filed its Motion for Summary Final Order. IDS brought the Motion solely on the grounds of a typographical error that exists in BellSouth's original Answer. Specifically, in its original Answer, BellSouth admitted the allegations contained in paragraph 10 of IDS's Amended Complaint in error. This paragraph states:

> However, rather than billing the Total Amount Due of $2,475,000.00 to the Q Account as required by the Settlement Agreement, BellSouth erroneously billed $3,231,996.10 to the Q Account or $756,996.10 in excess of that specified in the Settlement Agreement.

2. As set forth in BellSouth's Unopposed Motion to Amend Answer, which is still pending, this admission was a typographical error and BellSouth has sought leave to correct it. As to paragraph 10, BellSouth denies the allegations in the Amended Answer.

3. IDS does not oppose BellSouth amending its Answer to deny paragraph 10 of the Amended Complaint.

DOCUMENT NUMBER-DATE
06112 MAY 28 04
FPSC-COMMISSION CLERK

4. In light of BellSouth's request to amend its Answer to specifically deny paragraph 10 of the Amended Complaint and IDS's consent to the amendment, it is highly likely that IDS's Motion will be rendered moot.

5. In the event that the Florida Public Service Commission ("Commission") denies BellSouth's request to file an Amended Answer, BellSouth wishes to substantively respond to IDS's Motion. Thus, BellSouth requests that the Commission stay BellSouth's substantive response deadline to the Motion until after it decides BellSouth's request to file an Amended Answer.

6. BellSouth has contacted counsel for IDS who stated that IDS does not oppose BellSouth's request for a stay of its substantive response deadline.

WHEREFORE, for the foregoing reasons, BellSouth requests that IDS's Motion for Summary Final Order be denied as moot or alternatively that the Commission stay BellSouth substantive response deadline to the Motion until after it rules on BellSouth's request to file an Amended Answer.

Respectfully submitted this 28th day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE (BSS)
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539661

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Motion to Answer

Rec'd 6/1/04
KW
6/2/04

5-10

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 698-4608

ORIGINAL

Legal Department

JAMES MEZA III
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(404) 335-0769

May 28, 2004

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: 031125-TP: Complaint of IDS Telecom LLC against BellSouth Telecommunications, Inc., for over billing and discontinuance of service, and petition for emergency order restoring service

Dear Ms. Bayó:

Enclosed is BellSouth Telecommunications, Inc.'s Unopposed Motion to Amend Answer. We ask that you file this document in the referenced docket.

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

James Meza III (BSS)

James Meza III

Enclosures

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

DOCUMENT NUMBER-DATE
06111 MAY 28 04
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE
DOCKET NO. 031125-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and Facsimile this 28th day of May, 2004 to the following:

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Represents IDS

James Meza III

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telecom, LLC	Docket No.: 031125-TP
	Filed: May 28, 2004

UNOPPOSED MOTION TO AMEND ANSWER

Defendant and Counter-Claimant, BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Florida Rule of Civil Procedure 1.190 and Rule 28-106.202, Florida Administrative Code, hereby requests that it be granted leave to amend its Answer to correct typographical errors. In support, BellSouth states the following:

1. On December 23, 2003, IDS Telcom, LLC ("IDS") filed its Complaint in this proceeding. IDS subsequently filed an Amended Complaint on December 30, 2003.

2. On January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer. Review of the original Answer revealed certain typographical and numbering errors that resulted in a mischaracterization of BellSouth's position on the allegations asserted by IDS in its Amended Complaint. In effect, these errors resulted in BellSouth admitting certain allegations that it should have denied. See Answer at ¶ 10; Amended Complaint at ¶ 10.

3. BellSouth seeks to amend its original Answer to correct these inadvertent typographical and numbering errors so that the Answer accurately sets forth BellSouth's true position on the issues in this docket.

4. Regarding the amendment of pleadings, Rule 1.190(e) of the Florida Rules of Civil Procedure provides:

> At any time in furtherance of justice, upon such terms as may be just, the court may permit any process, proceeding, pleading, or record to be amended or material supplemental

DOCUMENT NUMBER-DATE
06111 MAY 28 04
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> matter to be set forth in an amended or supplemental pleading. At every stage of the action the court must disregard any error or defect in the proceedings which does not affect the substantial rights of the parties.

5. In interpreting this rule, Florida courts have held that "[a]ll doubts should be resolved in favor of allowing amendments." Adams v. Knabb Turpentine Co., 435 So. 2d 944, 946 (Fla. 1st DCA 1983). This is because "[i]t is the public policy of this state to freely allow amendments to pleadings so that cases may be resolved upon their merits." Id. Further, "[c]ourts should be especially liberal when leave to amend 'is sought at or before a hearing on a motion for summary judgment.'" Bill Williams Air Conditioning & Heating, Inc. v. Haymarket Cooperative Bank, 592 So. 2d 302, 305 (Fla. 1st DCA 1992) (quoting Montero v. Compugraphic Corp., 531 So. 2d 1034, 1036 (Fla. 3rd DCA 1988).

6. Based on these principles, it is well-settled in Florida that litigants should be granted the opportunity under Rule 1.190(e) to amend pleadings to correct typographical, clerical, or other unintentional errors. See Carib Ocean Shipping, Inc. v. Armas, 854 So. 2d 234, (Fla. 3rd DCA 2003) (finding that trial court abused its discretion in refusing defendant's request to amend answer to assert defense that was unintentionally omitted from answer); Nehme v. Smithkline Beecham Clinical Laboratories, Inc., 822 So. 2d 519, 520, n.1 (Fla. 5th DCA 2002) (holding that defendants could amend answer to assert affirmative defense); Auto-Owners Ins. Co. v. Massani, 627 So. 2d 1199, 1200 (Fla. 3rd DCA 1994) (finding that trial court abused its discretion in refusing to allow defendant to amend answer to assert omitted defenses to defeat motion for judgment on the pleadings); Davison v. First Federal Savings & Loan Assoc. of Orlando, 413 So. 2d 1258, 1259 (Fla. 5th DCA 1982) (finding that trial court

erred in refusing defendant ability to amend request for admission response to allow answer to read denied instead of admitted when error was based on clerical mistake); Florida Sunshine Coast Development Co., Inc., 352 So. 2d 154, 155 (Fla. 2nd DCA 1977) (holding that trial court erred in not allowing defendant to amend admission in answer); Hall v. Wojechowski, 312 So. 2d 204, 204 (Fla. 4th DCA 1975) (holding that trial court abused discretion in not allowing plaintiff to amend pleadings to correct inadvertent omission of certain claims for damages).

7. Here, consistent with the above-cited law, BellSouth seeks leave to amend its Answer to correct certain typographical and clerical errors that resulted in BellSouth admitting certain allegations that should have been denied. Justice requires this amendment to allow this proceeding to be decided on its merits rather than on a clerical error. See Adams, 435 So. 2d at 946.

8. IDS would not be prejudiced by the filing of an Amended Answer because (1) the amendment will not raise any additional issues; (2) the proceeding is in its preliminary stages; (3) the Amended Answer will make BellSouth's response consistent with its positions in other portions of the Answer; and (4) IDS will not be surprised because the Amended Answer will be consistent with BellSouth's historical positions on the issues in dispute.

9. Moreover, Rule 28-106.202, Florida Administrative Code, allows the Prehearing Officer to provide for the amendment of pleadings at his/her discretion. Accordingly, to the extent Rule 1.190(a) is not applicable herein, BellSouth requests leave to amend its Answer for the reasons discussed above. The rationale and logic behind the amendment of pleadings to correct typographical and clerical errors to allow

for a case to be decided on the merits rather than typographical errors applies equally to Rule 28-106.202, Florida Administrative Code

10. BellSouth contacted counsel for IDS who advised that IDS does not oppose the instant motion.

WHEREFORE, for the foregoing reasons, BellSouth requests that it be granted leave to file the attached Amended Answer to correct typographical errors that exist in the original Answer.

Respectfully submitted this 28th day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

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539636

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: BellSouth's Amendment

B 1/11/04 KW 6/2/04

5 of 11

ORIGINAL

EXHIBIT KLW-3
PAGE 152 OF 212
BST NON-CONFIDENTIA

Legal Department

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May 28, 2004

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: 031125-TP: Complaint of IDS Telecom LLC against BellSouth Telecommunications, Inc., for over billing and discontinuance of service, and petition for emergency order restoring service

Dear Ms. Bayó:

Enclosed is BellSouth Telecommunications, Inc.'s Amended Answer. We ask that you file this document in the referenced docket.

Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

James Meza III (BSS)

James Meza III

Enclosures

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

DOCUMENT NUMBER-DATE
06110 MAY 28 04
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE
DOCKET NO. 031125-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and Facsimile this 28th day of May, 2004 to the following:

Patty Christensen
Staff Counsel
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Represents IDS

James Meza III (BSH)

ORIGINAL

EXHIBIT KLW-3
PAGE 154 OF 212
BST NON-CONFIDENTIAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, by IDS Telcom, LLC	Docket No.: 031125-TP Filed: May 28, 2004

BELLSOUTH'S AMENDED ANSWER

BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits this Amended Answer to the Amended Complaint ("Complaint") filed by IDS Telcom, LLC ("IDS").

1. The allegations contained in paragraph 1 of the Amended Complaint do not require a response from BellSouth.

2. BellSouth admits the allegations contained in paragraph 2 of the Amended Complaint.

3. BellSouth denies the allegations contained in paragraph 3 of the Amended Complaint, except to admit that the Commission has jurisdiction to interpret and enforce interconnection agreements that it approves pursuant to Section 252 of the Telecommunications Act of 1996 (the "Act"). BellSouth denies that the Commission has jurisdiction to interpret and enforce settlement agreements or has jurisdiction to find that BellSouth is in violation of federal law.

4. BellSouth denies the allegations contained in paragraph 4 of the Amended Complaint except to admit that IDS filed its original Complaint on December 23, 2003 and that Rule 28-106.202, Florida Administrative Code provides for the amendment of Petitions.

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

5. BellSouth denies the allegations contained in paragraph 5 of the Amended Complaint, except to admit that the Prior Agreement had an effective date as of January 27, 2001.

6. BellSouth denies the allegations contained in paragraph 6 of the Amended Complaint, except to admit that IDS filed a complaint against BellSouth at the Commission on or about May 11, 2001 and that IDS filed a complaint against BellSouth at the Georgia Public Service Commission on or about July 16, 2001.

7. BellSouth denies the allegations contained in paragraph 7 of the Amended Complaint, except to admit that BellSouth and IDS entered into a confidential settlement agreement (previously defined as "Settlement Agreement") on or about September 27, 2001 and that the Settlement Agreement speaks for itself and is the best evidence of its terms and conditions.

8. BellSouth denies the allegations contained in paragraph 8 of the Amended Complaint, except to admit that BellSouth and IDS entered into an amendment to the Settlement Agreement (previously defined as "Settlement Amendment") containing an effective date of March 25, 2001.

9. BellSouth denies the allegations contained in paragraph 9 of the Amended Complaint (including footnotes), except to admit that the Settlement Amendment speaks for itself and is the best evidence of its terms and conditions.

10. BellSouth denies the allegations contained in paragraph 10 of the Amended Complaint.

11. BellSouth denies the allegations contained in paragraph 11 of the Amended Complaint.

12. BellSouth denies the allegations contained in paragraph 12 of the Amended Complaint, except to admit that IDS has paid some amounts owed on the Q account at issue.

13. BellSouth denies the allegations contained in paragraph 13 of the Amended Complaint, except to admit that BellSouth has requested that IDS pay all undisputed monies owed under the Settlement Agreement, Settlement Amendment, and the Present Agreement.

14. BellSouth denies the allegations contained in paragraph 14 of the Amended Complaint, except to admit that IDS has raised an improper dispute relating to the Q account and that IDS has paid some amounts owed in the Q account.

15. BellSouth denies the allegations contained in paragraph 15 of the Amended Complaint (including footnotes), except to admit that the Present Agreement contains Attachment 7, Section 1.7.2 and Section 31 of the General Terms and Conditions ("GTC"). These provisions speak for themselves and are the best evidence of their terms and conditions.

16. BellSouth denies the allegations contained in paragraph 16 of the Amended Complaint (including footnotes), except to admit that the Present Agreement contains Attachment 7, Section 2.1 and 2.1.1. These provisions speak for themselves and are the best evidence of their terms and conditions.

17. BellSouth denies the allegations contained in paragraph 17 of the Amended Complaint, except to admit that the Present Agreement contains Section 10 of the GTC and that the Prior Agreement contained Section 12 of the GTC. These

provisions speak for themselves and are the best evidence of their terms and conditions.

18. BellSouth denies the allegations contained in paragraph 18 of the Amended Complaint (including footnotes).

19. BellSouth denies the allegations contained in paragraph 19 of the Amended Complaint, except to admit that IDS filed an informal complaint at the Commission on or about November 3, 2003.

20. BellSouth denies the allegations contained in paragraph 20 of the Amended Complaint, except to admit that Commission Staff suggested that IDS file a formal complaint and that IDS has attempted to bring some of its billing disputes to the attention of the FCC.

21. BellSouth denies the allegations contained in paragraph 21 of the Amended Complaint, except to admit that IDS has raised other improper billing disputes, which are referenced in Exhibit F to the Amended Complaint. BellSouth's response to each of these disputes is accurately set forth in BellSouth's December 4, 2003 Letter to the Commission, which is attached hereto as Exhibit 1. BellSouth's incorporates each response herein.

22. BellSouth denies the allegations contained in paragraph 22 of the Amended Complaint, except to admit that BellSouth properly terminated IDS' access to LENS pursuant to the terms of the Present Agreement for IDS' failure to pay undisputed amounts and that BellSouth subsequently restored IDS' access to LENS.

23. BellSouth denies the allegations contained in paragraph 23 of the Amended Complaint, except to admit that LENS is an electronic interface between a

CLEC and BellSouth's wholesale operations that enables CLECs to order, modify, and terminate telephone service to a CLEC's customer.

COUNT ONE

24. The allegations contained in paragraph 24 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

25. BellSouth denies the allegations in paragraph 25 of the Amended Complaint, except to admit that IDS filed an informal complaint at the Commission on or about November 3, 2003.

26. BellSouth denies the allegations contained in paragraph 26 of the Amended Complaint.

27. BellSouth denies the allegations contained in paragraph 27 of the Amended Complaint.

COUNT TWO

28. The allegations contained in paragraph 28 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

29. BellSouth denies the allegations contained in paragraph 29 of the Amended Complaint, except to admit that the Present Agreement governs the parties' rights and obligations regarding the payment of services, billing disputes, and the suspension and/or termination of services. The Present Agreement speaks for itself and is the best evidence of its terms and conditions.

30. BellSouth denies the allegations contained in paragraph 30 of the Amended Complaint, except to admit that IDS has raised improper disputes relating to the Q account at issue.

31. BellSouth denies the allegations contained in paragraph 31 of the Amended Complaint.

32. BellSouth denies the allegations contained in paragraph 32 of the Amended Complaint.

33. BellSouth denies the allegations contained in paragraph 33 of the Amended Complaint.

34. BellSouth denies the allegations contained in paragraph 34 of the Amended Complaint.

35. BellSouth denies the allegations contained in paragraph 35 of the Amended Complaint.

COUNT THREE

36. The allegations contained in paragraph 36 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

37. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the event an answer is required, BellSouth denies the allegations contained in paragraph 37 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to interpret or determine if the Settlement Agreement has been violated.

38. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the even an answer is required, BellSouth denies the allegations contained in paragraph 38 of the Amended Complaint. Further, the Commission does not have

subject matter jurisdiction to interpret the Settlement Agreement, to determine if the Settlement Agreement has been violated, or to order any relief related to the Settlement Agreement

COUNT FOUR

39. The allegations contained in paragraph 39 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

40. BellSouth denies the allegations contained in paragraph 40 of the Amended Complaint, except to admit that Section 354.01(g), Florida Statutes exists and that this statute speaks for itself and is the best evidence of its terms and conditions.

41. BellSouth denies the allegations contained in paragraph 41 of the Amended Complaint.

42. BellSouth denies the allegations contained in paragraph 42 of the Amended Complaint.

43. BellSouth denies the allegations contained in paragraph 43 of the Amended Complaint.

COUNT FIVE

44. The allegations contained in paragraph 44 of the Amended Complaint do not require a response from BellSouth. To the extent one is required, they are denied.

45. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the event an answer is required, BellSouth denies the allegations contained in paragraph 45 of the Amended Complaint, except to admit that the Act, as reflected in the Present Agreement, governs BellSouth's relationship with IDS.

46. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the event an answer is required, BellSouth denies the allegations contained in paragraph 46 of the Amended Complaint.

47. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the event an answer is required, BellSouth denies the allegations contained in paragraph 47 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to find that BellSouth is in violation of federal law.

48. The Commission, in Order No. PSC-04-0423-FOF-TP, dismissed this Count from the Amended Complaint and thus it is no longer at issue in this proceeding. In the event an answer is required, BellSouth denies the allegations contained in paragraph 48 of the Amended Complaint. Further, the Commission does not have subject matter jurisdiction to find that BellSouth is in violation of federal law.

49. BellSouth denies that IDS is entitled to any of the relief requested by in the WHEREFORE clause.

50. Any allegation not expressly admitted herein, is denied.

AFFIRMATIVE DEFENSES

1. IDS' Amended Complaint fails to state a cause of action upon which relief can be granted.

2. The Commission lacks subject matter jurisdiction to find that BellSouth is in violation of federal law.

3. The Commission lacks subject matter jurisdiction to interpret or enforce the Settlement Agreement or the Settlement Amendment.

4. IDS' claims are barred by settlement and compromise.

5. IDS' claims are barred by accord and satisfaction.

WHEREFORE, for the foregoing reasons, BellSouth requests that the Commission enter judgment in BellSouth's favor on all counts.

Respectfully submitted this 28th day of May, 2004.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE (BSS)
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BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Amend Complaint

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5-12

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 608-4608

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

JUNE 1, 2004

RE: Docket No. 031125-TP - Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

Issue 1: Should the Commission grant BellSouth's Motion for Leave to Amend Answer to Assert Counterclaim?

Recommendation: Yes. Staff recommends that BellSouth be granted Leave to Amend its Answer in part. Specifically, BellSouth should be allowed to proceed on Counts I (DUF charges) and II (Market-based Rates) of its Counterclaim. BellSouth should not be allowed to Amend its Answer to include Counts III (Escrow account) and IV (Deposit) of its Counterclaim.

APPROVED Acknowledging the withdrawal of Count IV by BellSouth, thus making Count IV moot.

COMMISSIONERS ASSIGNED: Deason, Jaber, Davidson

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

VOTE SHEET
JUNE 1, 2004
Docket No. 031125-TP - Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

(Continued from previous page)

Issue 2: Should this docket be closed?
Recommendation: No. This docket should remain open pending further proceedings.

APPROVED

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: order

Pg 1 of 1 KW 6/30/04

5-13

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.	DOCKET NO. 031125-TP ORDER NO. PSC-04-0608-PCO-TP ISSUED: June 18, 2004

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
LILA A. JABER
CHARLES M. DAVIDSON

ORDER GRANTING IN PART BELLSOUTH'S MOTION FOR LEAVE TO AMEND ANSWER TO ASSERT COUNTERCLAIM ALONG WITH ITS COUNTERCLAIM

BY THE COMMISSION:

I. BACKGROUND

On November 3, 2003, IDS filed its informal complaint against BellSouth for alleged overbilling (CATS file 567409-T). Our staff sent a letter on December 16, 2003, closing out the complaint indicating the informal complaint process was not the appropriate forum in which to resolve this matter.

On December 19, 2003, BellSouth denied IDS access to "LENS."[1] On December 23, 2003, IDS Telecom LLC (IDS) filed a Complaint against BellSouth Telecommunications, Inc. (BellSouth) for Overbilling and Discontinuance of Service and a Petition for Emergency Order Restoring Service. On December 24, 2003, BellSouth restored "LENS" access to IDS. On December 30, 2003, IDS amended its Complaint (Amended Complaint) to consist of five counts upon which it requested relief.

On December 31, 2003, our staff facilitated a conference call between the parties. As a result of the conference call, accounting teams from both parties met face-to-face in Miami. Our staff did not attend nor participate in this accounting meeting.

[1] "LENS" is an acronym for Local Exchange Navigation System; "LENS" is a support platform that BellSouth developed for competitive local exchange carriers.

On January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer regarding the Amended Complaint. On February 6, 2004, IDS filed its response to BellSouth's Partial Motion to Dismiss and Answer. By Order No. PSC-04-0423-FOF-TP, issued April 26, 2004, BellSouth's Partial Motion to Dismiss part of IDS's Amended Complaint was granted. Specifically, Count Three (seeking relief for alleged violation of the Settlement Agreement) and Count Five (seeking relief for alleged violation of the Telecommunications Act of 1996) were dismissed for lack of subject matter jurisdiction.

By Order No. PSC-04-0472-PCO-TP, issued May 6, 2004 (Order Establishing Procedure), the procedure was established for this proceeding and the hearing date was scheduled for October 14, 2004. Also in that Order, the tentative issues to be addressed in this proceeding were identified.

On May 7, 2004, BellSouth filed its Motion for Leave to Amend Answer to Assert Counterclaim along with its Counterclaim. In its Counterclaim, BellSouth identifies four counterclaims: (1) daily usage file dispute; (2) market-based rate dispute; (3) request for escrow/immediate payment; and (4) request for deposit. On May 14, 2004, IDS filed its Response and Opposition to BellSouth's Motion. On May 21, 2004, BellSouth filed its Motion for Leave to Withdraw Count IV. This Order addresses BellSouth's Motions and IDS's Response.

II. COUNTERCLAIMS

As noted in the Background, BellSouth filed its Motion for Leave to Amend Answer to Assert Counterclaim on May 7, 2004. On May 14, 2004, IDS filed its response in opposition to BellSouth's Motion.

A. BellSouth's Motion

In support of its Motion, BellSouth states that based on its review of IDS's Amended Complaint, the claims asserted, the relief requested, and the attached exhibits, including Exhibit F to Amended Complaint, BellSouth believed that IDS was seeking resolution by this Commission of all the parties' current billing disputes. Thus, BellSouth did not submit a Counterclaim raising any specific billing dispute issues.

BellSouth asserts that on March 15, 2004, it issued discovery to IDS. BellSouth contends that on April 15, 2004, IDS responded to this discovery and, for the first time, expressly stated that it was only seeking the resolution of a single billing dispute – the Special Q Account – in its Amended Complaint. Therefore, BellSouth is now seeking to include the other billing dispute issues in this proceeding.

BellSouth cites to Rule 1.190(e) of the Florida Rules of Civil Procedure regarding the amendment of pleading. Rule 1.190(e) states that:

> At any time in furtherance of justice, upon such terms as may be just, the court may permit any process, proceeding, pleading, or record to be amended or material supplemental matter to be set forth in an amended or supplemental pleading. At every stage of the action the court must disregard any error or defect in the proceedings which does not affect the substantial rights of the parties.

BellSouth claims that given this Commission's limited hearing schedule, justice requires that its Counterclaim be resolved within the instant proceeding to promote judicial efficiency, minimize the cost and expense in litigating the disputes asserted by IDS, and minimize the delay in BellSouth's receipt of the amounts set forth therein. BellSouth asserts that litigating two proceedings on separate tracks involving the same parties is neither economical nor efficient. BellSouth contends that because the original Complaint is limited to a single issue – a dispute related to a special Q account – the resolution of the disputes in the instant docket will not unnecessarily delay the original proceeding. BellSouth contends that it was not until IDS responded to BellSouth's discovery that IDS disclosed that the only dispute it wished to resolve in its Complaint was the special Q account dispute. BellSouth suggests that this is not surprising in light of the fact that IDS takes the position that as long as billing disputes are outstanding, BellSouth is prohibited from terminating IDS's service for nonpayment. See Amended Complaint at ¶21. BellSouth claims that if it had previously known IDS's position was its complaint raised only those billing disputes regarding the Q account, it would have filed the instant Counterclaim with its Answer. BellSouth asserts that since filing its answer, it has also become clear that the parties will be unable to resolve its request that IDS provide it with a deposit.

BellSouth states that given IDS's recent disclosure of its intentions to limit the parameters of its Complaint and the parties' ongoing settlement discussions, BellSouth filed this Counterclaim as expeditiously as possible. BellSouth claims that no party will be prejudiced by consideration of its Counterclaim in this docket. BellSouth notes that IDS objects to its motion.

B. IDS's Response

In its Response, IDS asserts that its general allegations are based on the following facts. IDS claims that on May 11, 2001, it filed a complaint against BellSouth with this Commission in Docket No. 010740-TP. IDS states that on or about September 27, 2001, BellSouth and IDS settled Docket No. 010740 and two other litigations by way of a settlement agreement, which was later amended on or about March 25, 2002. IDS asserts that although it made all payments

due under the settlement agreement, as amended, BellSouth attempted to change the settlement and unilaterally insisted on it making additional payments beyond those previously agreed. IDS contends that when it disputed these additional charges and refused to pay BellSouth, BellSouth unilaterally declared these disputed amounts "undisputed" and terminated its access to LENS. IDS claims that neither the petition nor amended petition allege any other disputes for resolution in this docket.

IDS asserts that on January 16, 2004, BellSouth filed its Partial Motion to Dismiss and Answer seeking to dismiss portions of the petition for lack of subject matter jurisdiction to interpret federal law and the parties' settlement agreement. IDS claims that BellSouth's Partial Motion to Dismiss and Answer did not imply or otherwise contend that any other disputes were at issue in the docket, other than BellSouth's disconnection of LENS and its over-billing of the settlement agreement special account.

IDS states that, pursuant to the Order Establishing Procedure, the deadline for filing direct testimony is July 22, 2004, and October 14, 2004, is when the one day evidentiary hearing will be held. IDS asserts that this schedule was set based upon the limited number of issues originally presented in IDS's amended petition.

IDS disputes BellSouth's claim that it believed this docket contained numerous other billing disputes that are simply not alleged in the petition or amended petition. IDS agrees that prior to BellSouth taking unilateral action to deny access to LENS, BellSouth had specifically been advised that the settlement account was in dispute because IDS had included the issue in a November 2003 letter to Commission staff. IDS asserts that the purpose of this reference was simply to show that BellSouth had ignored the parties' interconnection agreement pursuant to which BellSouth is precluded from denying service for failure to pay disputed amounts. IDS claims that in fact, despite clearly knowing that the settlement account overcharges were in dispute, BellSouth continued asserting its "one-sided" mantra that the charges were undisputed. IDS asserts that the reference to the prior letter requesting an informal resolution was clearly made to demonstrate the frivolous position taken by BellSouth prior to denying IDS services.

IDS contends that BellSouth now claims in the Motion that IDS's reference to the November 2003 informal dispute resolution letter somehow caused BellSouth to believe that this docket included many more disputes than the settlement account issue. IDS states that despite such a statement, BellSouth's proposed counterclaim only includes two of the eight issues in the November 2003 informal dispute resolution letter, plus a new issue (a BellSouth deposit request) that was not part of the informal dispute resolution letter. IDS contends that given the clear language of the petition and amended petition, and BellSouth's obvious attempt to simply pick and choose old and new "disputes" in its proposed counterclaim, BellSouth's explanation for why it waited this long to seek the inclusion of the issues in its proposed counterclaim is simply not credible.

IDS states that BellSouth cites to Rule 28-106.204 as the rule authorizing this motion. However, IDS contends that the applicable rules of administrative procedure do not provide for the filing of counterclaims in a docket such as this. IDS asserts that Chapter 28-106, Florida Administrative Code (Decisions Determining Substantial Interests) sets forth the applicable procedural rules. IDS asserts that Chapter 25-40 of the Florida Administrative Code, identifies this Commission's exceptions to the Uniform Rules of Procedure, with those exceptions being found in Chapter 25-22 of the Florida Administrative Code (entitled Rules Governing Practice and Procedure). IDS concludes that nothing in any of those rules authorizes the filing of counterclaims.

IDS asserts that Rule 28-106.201, Florida Administrative Code, covers petitions and the filing of petitions, and Rule 28-106.202, Florida Administrative Code, allows for an amendment to petitions. IDS acknowledges that a petition may be amended by right before the designation of a presiding officer or with leave of the presiding officer after such designation, but IDS asserts that BellSouth is not seeking to amend a petition but rather an answer. IDS contends that unlike the Rules of Civil Procedure, which require an answer, Rule 28-106.206, Florida Administrative Code, permits, but does not require, a respondent to file an answer. IDS asserts that BellSouth's reliance on Rule 1.190, Florida Rules of Civil Procedure, is misplaced because the only reference to the Florida Rules of Civil Procedure is in Rule 28-106.206, Florida Administrative Code, which refers to specific discovery rules in the Florida Rules of Civil Procedure.

IDS states that even if Rule 1.190, Florida Rules of Civil Procedure, applied to this proceeding, the applicable case law interpreting that rule states that amendments to a pleading should be allowed only if the opposing party will not be prejudiced. See, Johnson & Bailey Architects, P.C. v. Southeast Brake Corp., 517 So.2d 776, 777 (Fla. 2d DCA 1988); see, e.g. Emig v. State of Florida, Dept. of Health and Rehabilitative Services, 456 So. 2d 1204, 1208 (Fla. 1st DCA 1984); and Albright v. Mercer, 411 So. 2d 991 (Fla. 4th DCA 1982). IDS claims that in this situation and for numerous reasons, it will be prejudiced by the inclusion of BellSouth's counterclaim.

First, IDS asserts that BellSouth did not file the Motion until after the issue identification conference and after the Prehearing Officer entered his Order Established Procedure requiring direct testimonies to be filed by July 22, 2004, and setting this matter for a one day evidentiary hearing on October 14, 2004. IDS contends that the scope of this docket went from one issue to three issues multiplying the scope of this docket four times. IDS contends that the current schedule is too tight for the litigation of four separate disputes, and it is simply not possible to conduct an evidentiary hearing on all four disputes in one day. IDS asserts that the parties will need at least two to three days for hearing; thus, unless the current schedule is modified, IDS will clearly suffer prejudice by allowing the inclusion of any such new issues.

IDS contends that, second, two of the issues BellSouth seeks to introduce involve issues common to all CLECs. IDS asserts that one pertains to is BellSouth's refusal to true-up the interim DUF rates to the final Florida rates set in the UNE dockets. IDS claims that this issue is

at the crux of BellSouth's Count I of its proposed counterclaim. IDS asserts that in each of BellSouth's Section 271 proceedings, including in Florida, the FCC clearly and repeatedly stated that as part of the granting of long distance approval, BellSouth was obligated to have mechanisms to true-up interim rates to final rates, and that BellSouth was obligated to true-up interim rates to final rates. IDS asserts that one of the mechanisms referred to by the FCC was the standard true-up language that can be found in most (if not all) interconnection agreements during the relevant time period (i.e. 1999 through 2000). IDS contends a large part of the DUF dispute involves BellSouth's refusal to true-up DUF rates and to insist on forcing CLECs to pay the higher interim rates prior to the setting of final rates. IDS asserts that this is an issue which specifically affects most, if not all, CLECs, and thus would be better litigated in a generic proceeding wherein all CLECs have the right to comment.

IDS asserts that the second set of issues of common interest include BellSouth's insistence on billing all CLECs the "market-based" rates for local switching on the first three DSO UNE-P combinations, where an end-user has four or more lines. IDS states that there also exist questions regarding BellSouth's inability to provide DSO EELs during the relevant time period, and whether 271 pricing would be implicated after BellSouth received such approvals. IDS claims these are all issues at the crux of Count II of BellSouth's proposed counterclaim, and each one of them concerns all CLECs in Florida. IDS states that in order to address these issues, this Commission must interpret a variety of prior FCC opinions and rules that apply to all CLECs in this state. IDS contends that like the DUF issue, these issues would be better litigated in a generic proceeding wherein all CLECs have the right to comment.

IDS contends that on both the DUF and Market Based Rate issues (Counts I and II of its proposed counterclaim), BellSouth is seeking to litigate issues common to all Florida CLECs, against one small CLEC (IDS) who does not have the ability and resources to properly address these issues as would the entire CLEC community. IDS states that if successful, BellSouth will then likely use the results against all other CLECs as binding precedent, effectively denying all other Florida CLECs a reasonable opportunity to litigate these issues before this Commission. IDS asserts that it will also be prejudiced by not having the assistance of all other CLECs who might weigh-in on these far reaching issues, which go well beyond a simple billing dispute between IDS and BellSouth.

IDS asserts that the last new issue BellSouth seeks to introduce into this docket involves a BellSouth request for a deposit from IDS. IDS contends that this issue was never even addressed in the November 2003 letter informal dispute resolution, and BellSouth only began demanding a deposit after IDS sent that November 2003 letter to this Commission. IDS claims that BellSouth has not and cannot give any true justification for waiting so long to attempt to bring this issue into this docket. IDS asserts that, moreover, the interconnection agreement contemplates a separate proceeding on this issue with the parties seeking an expedited resolution within sixty (60) days of the filing of such petition. IDS states, indeed, BellSouth has already indicated that it may take unilateral action under the interconnection agreement to terminate service to IDS if this Commission does not resolve the deposit issue within sixty (60) days.

IDS contends that BellSouth is abusing the system because BellSouth already knew when it filed its Motion, that this docket was not scheduled to conclude within sixty (60) days. IDS asserts that it would not be possible to keep such a schedule with the current issues already in this docket. IDS asserts that BellSouth's request, if granted, will be extremely prejudicial to IDS because it would quadruple the scope of this docket, while at the same time threatening to take unilateral action to shut off service to IDS, unless this docket is concluded with sixty days after allowance of its counterclaim (i.e. approximately August 2004).

IDS asserts that none of BellSouth's proposed counterclaims would even remotely be considered compulsory in a court proceeding. IDS notes that even BellSouth admits that its counterclaim raises issues that are new and distinct from those issues raised in IDS' petition and amended petition. IDS states that, moreover, there are good reasons to conduct the issues raised in BellSouth's proposed Count I (DUF) and Count II (Market-Based Rates) in generic proceedings open to all CLECs in this state. Finally, IDS contends that including the deposit issue in this proceeding will only cause severe prejudice to IDS and is simply unfair. Thus, IDS contends that for the reasons stated above that BellSouth's Motion For Leave to Amend Answer to Assert Counterclaim be denied.

C. Decision

Rule 28-106.203, Florida Administrative Code, allows a respondent to file an answer to a petition, but does not require an answer. The Uniform Rules of Procedure in the Florida Administrative Code, contain no provision for counterclaims equivalent to that provided for under Rule 1.170, Florida Rules of Civil Procedure. However, the Uniform Rules allow a petition to be amended at the discretion of the presiding officer. See, Rule 28-106.202, Florida Administrative Code. Further, Rule 28-106.108, Florida Administrative Code, permits consolidation of

> . . . separate matters which involve similar issues of law or fact, or identical parties, the matters may be consolidated if it appears that consolidation would promote the just, speedy, and inexpensive resolution of the proceedings, and would not unduly prejudice the rights of a party.

We find that even though there is no specific rule that addresses the right of a party to file a counterclaim, the standard for allowing consolidation of separate matters is the appropriate standard to be applied. Further, it appears that the Uniform Rules grant presiding officers latitude and discretion regarding the scope of the proceedings before them. Thus, we may at our discretion permit any or all of BellSouth's counterclaims to become part of this proceeding. We address the merits of allowing BellSouth's specific Counterclaim counts to become part of the proceeding below.

1. Counterclaim Count I

In Counterclaim Count I, BellSouth alleges that IDS has failed to pay for Daily Usage File (DUF) charges for services received in Florida that IDS disputed. In its Counterclaim Count I, BellSouth asserts IDS inappropriately disputes the DUF charges. IDS claims that this count should not be included in this proceeding because DUF charges are applicable to all CLECs and would be best addressed in a generic proceeding. Further, IDS claims it would be unduly prejudiced if this issue was allowed to be included in this proceeding.

We note that the amount alleged in BellSouth's Counterclaim Count I is related to the dispute between the parties regarding the amount owed by IDS regarding the Q account. To the extent that this count relates to the initial complaint raised by IDS, we find that it is appropriate to include the count in this proceeding. We are not persuaded that resolution of this matter need wait for a generic proceeding. Thus, BellSouth shall be granted Leave to Amend its Answer to include Counterclaim Count I.

2. Counterclaim Count II

BellSouth alleges in this Counterclaim that IDS failed to pay the appropriate market-based rates for 4 or more DS0 lines in the applicable MSAs. BellSouth asserts that IDS failed to pay any charges associated with this dispute, including undisputed charges. IDS counters that this count is inappropriate for this proceeding because it affects all CLECs and would be best addressed in a generic proceeding. IDS again claims that it would be prejudiced if this count was allowed to be included in this proceeding.

We also note that this issue relates to the amount BellSouth claims it was owed in the Q account. Since this is related to the initial complaint regarding whether BellSouth rightfully disconnected LENS, we find that this count should also be included in this proceeding. We recognize that any decision in this docket may have application to other CLECs. However, we do not believe that merely because a decision has application beyond the instant case that that fact precludes the parties from resolving the matter between themselves. Consequently, we find that the parties in this particular case need not wait for a generic proceeding to be established in order to resolve this issue. Thus, BellSouth shall be granted Leave to Amend its Answer to include Counterclaim Count II.

3. Counterclaim Count III

BellSouth asks this Commission to require IDS to immediately pay any undisputed amounts and pay any disputed amounts into an escrow account until the resolution of the proceeding. BellSouth provides an amount it believes should be in that escrow account. IDS does not address this count in its response. However, we find that this count shall not be allowed to proceed. First, this Count seeks a remedy before we make a determination whether or not

there are any undisputed amounts. Second, we find the issue is already addressed in Issue 4 of the Tentative Issues list in Order No. PSC-04-0472-PCO-TP, which states:

When should any credit or payment be submitted?

Finally, BellSouth does not cite any provision in the interconnection agreement that would require disputed amounts to be placed in an escrow account until the conclusion of the dispute. Thus, BellSouth is denied Leave to Amend its Answer to include Counterclaim Count III.

4. Counterclaim Count IV

BellSouth's final counterclaim concerned a dispute over whether IDS should be required to pay a deposit. We note that on May 21, 2004, BellSouth filed a Motion for Leave to Withdraw Count 4 of its Counterclaim, request for deposit. Since we had not yet ruled on BellSouth's original Motion for Leave to Amend its Answer has not yet been ruled upon, we find it appropriate to consider BellSouth's May 21, 2004, filing a notice of withdrawal of Count 4, thereby rendering our need to make a determination on Count 4 moot.

5. Conclusion

We are not persuaded that IDS would be prejudiced merely because the schedule has been set if part of the Counterclaims are allowed to proceed. Currently, there is approximately one and a half months before direct testimony is due and five months before hearing. While we believe that the addition of the two counterclaims should not unduly burden the parties under the current schedule, we note that we have flexibility to address any legitimate workload concerns regarding the schedule in the future. Moreover, in consideration of the parties' expressed desire for an early resolution to this matter stated at the June 1, 2004, Agenda Conference, we have instructed our staff to review our calendar to determine if it is practicable to move the hearing to an earlier date.

In conclusion, BellSouth shall be granted Leave to Amend its Answer in part. Specifically, BellSouth shall be allowed to proceed on Counts I (DUF charges) and II (Market-based Rates) of its Counterclaim. BellSouth shall not be allowed to Amend its Answer to include Counts III (Escrow account) of its Counterclaim. Count IV (Deposit) have been withdrawn.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s Motion Leave to Amend its Answer is granted, in part. Specifically, BellSouth Telecommunications, Inc. is allowed to amend its Answer to proceed on Counts I (DUF charges) and II (Market-based Rates) of its Counterclaim. It is further

ORDERED that BellSouth Telecommunications, Inc.'s Motion for Leave to Amend its Answer to include Counterclaim III (Escrow account) is hereby denied. It is further

ORDERED that BellSouth Telecommunications, Inc.'s Motion for Leave to Amend its Answer to include Counterclaim IV is rendered moot. It is further

ORDERED that this docket shall remain open pending further proceedings.

By ORDER of the Florida Public Service Commission this 18th day of June, 2004.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: /s/ Kay Flynn
Kay Flynn, Chief
Bureau of Records

This is a facsimile copy. Go to the Commission's Web site, http://www.floridapsc.com or fax a request to 1-850-413-7118, for a copy of the order with signature.

(SEAL)

PAC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Emails

KW
5/11/09

5-14

Kathy Welch

From: Greer, Stan L [Stan.Greer@BELLSOUTH.COM]
Sent: Wednesday, June 16, 2004 9:33 AM
To: Kathy Welch
Subject: RE:

I should be able to send it out today assuming what was sent does what it is suppose to.

-----Original Message-----
From: Kathy Welch [mailto:KWelch@PSC.STATE.FL.US]
Sent: Wednesday, June 16, 2004 8:44 AM
To: Greer, Stan L
Subject: RE:

I just got what I needed from IDS. I should be able to wrap it up soon if you get me that stuff.

-----Original Message-----
From: Greer, Stan L [mailto:Stan.Greer@BELLSOUTH.COM]
Sent: Tuesday, June 15, 2004 2:58 PM
To: Kathy Welch
Subject:

I didn't want you to think I had forgotten about the information showing proof of credits. Still working on getting all of the paperwork.

*****

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential, proprietary, and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from all computers. 113

Kathy Welch

From: Denise Vandiver
Sent: Thursday, June 03, 2004 4:43 PM
To: Kathy Welch
Subject: FW: Docket 031125-TP

Can you keep the hearing date of Sept 10 open in case you have to testify "live"?

-----Original Message-----
From: Laura King
Sent: Thursday, June 03, 2004 9:57 AM
To: Cayce Hinton
Cc: Patty Christensen; Michael Barrett; Denise Vandiver; Beth Salak; Beth Keating; Pat Lee; Sally Simmons
Subject: Docket 031125-TP

Cayce,

Here is the schedule we believe will work with a 9/10 hearing date.

7/15 - Direct Testimony

8/9 - Rebuttal testimony and PH statements

8/30 - Prehearing

9/10 Hearing

10/5 - Briefs

12/7 - Agenda

Patty will be filing an amended OEP sometime next week. Since this schedule is aggressive, the draft OEP will include text that will ask that all discovery served after 8/9 be on a 10-day turn around.

If you have any questions, please let me or Mike know.

Kathy Welch

From: Michael Barrett
Sent: Wednesday, June 02, 2004 3:35 PM
To: Kathy Welch
Cc: Denise Vandiver
Subject: Responses to staff discovery in IDS-Bell case

Hey Kathy. I wanted to pass along a status report for you, and make sure we are all on the same page. Here's where we are:

1) We served each side a set of Admissions, Interrogatories, and Request for Production of Documents. Responses to all 3 from each from each side were due June 1. Bell filed their responses timely & IDS has only partially responded (as of this writing).

2) BellSouth's responses are divided between "redacted" and "non-redacted" responses. Denise is express shipping you a copy of the "redacted" information today & I will work with her to send you a full set of the "Non-redacted" as well. (I suspect that what you have may be incomplete, so I will plan on sending you everything - unless you tell me different.) I just discovered the advance copies (e-mail copies) are NOT complete, so that's why I insist on sending you a complete set!

3) IDS responses are here, sort of. Patty got word late on the due date that IDS would file "something," but that complete answers would follow. My assumption was that the phrase "would follow" meant "today," but it is after 3:00 PM and we haven't seen anything yet . . . which leaves me in limbo-land. In any event, dItto above: I will be sending you a complete set. (The e-mail advance copies are nice, but I am not willing to rely on them to be complete . . .)

I am going to aim to send the non-redacted Bell stuff to you by tomorrow . . . I am hoping to have all of the IDS stuff to combine into one shipment. If that happens, great, and if not, I will get the Bell stuff on its way & the IDS will just have to follow at a later date/time.

Thanks. Mike

CC to Denise for FYI

Kathy Welch

From: Michael Barrett
Sent: Tuesday, June 01, 2004 8:11 AM
To: Kathy Welch
Cc: Denise Vandiver
Subject: RE: IDS case documents

With this particular document (DUF amendment to old agreement), IDS & Bell carried out a directive from a generic (rate setting) docket. Essentially, the generic docket said, "here is the new rate . . . and it will be up to the parties to develop & file amendments to implement this new rate . . ."

CC to Denise (to let her know I've traded e-mails with Kathy)

-----Original Message-----
From: Kathy Welch
Sent: Tuesday, June 01, 2004 8:04 AM
To: Michael Barrett
Subject: RE: IDS case documents

Yes, its not as easy for me as it is for you, but we can get it. I'll be going thru everything I have again tomorrow and see if I have enough to write it up yet. I don't think I have all my answers back yet though.

-----Original Message-----
From: Michael Barrett
Sent: Tuesday, June 01, 2004 8:03 AM
To: Kathy Welch
Subject: RE: IDS case documents

yep . . . document # is 01033 (Docket No. 030114-TP). I am glad to know that you can get to things in CMS.

-----Original Message-----
From: Kathy Welch
Sent: Tuesday, June 01, 2004 8:01 AM
To: Michael Barrett
Subject: RE: IDS case documents

Yes, is it on CMS?

-----Original Message-----
From: Michael Barrett
Sent: Tuesday, June 01, 2004 8:00 AM
To: Kathy Welch
Subject: RE: IDS case documents

Roughly 70 pages. Hey, I have a question for you . . . can you access Commission documents via CMS (Case Management System)? If you can, that will be helpful in sharing docs.

-----Original Message-----
From: Kathy Welch
Sent: Tuesday, June 01, 2004 7:36 AM
To: Michael Barrett
Subject: FW: IDS case documents

How huge is the amendment to the old agreement?

-----Original Message-----
From: Denise Vandiver
Sent: Thursday, May 27, 2004 3:56 PM
To: Michael Barrett
Cc: Kathy Welch
Subject: RE: IDS case documents

Thanks, I'll let Kathy know!

-----Original Message-----
From: Michael Barrett
Sent: Wednesday, May 26, 2004 4:42 PM

To: Denise Vandiver
Cc: Laura King; Patty Christensen
Subject: IDS case documents

I wanted you to be aware of some documents I have pulled together in case (or when) Kathy or other staff needs them. In my possession are:
1) The complete "current agreement"
2) The complete "old" agreement
3) The amendment (to old agreement) for DUF rates.

Thanks

IDS TELECOMMUNICATIONS VS. BELLSOUTH TELECOMMUNICATIONS
AUDIT PROGRAM
TEST YEAR ENDED MARCH 25, 2004
BY KATHY L. WELCH

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

6/1/04

Title: Program

PROGRAM STEPS	DONE BY	WORKPAPER NUMBER	
DISCUSS AUDIT WITH ANALYST AND ATTORNEYS	jw		
REVIEW DEPARTMENT OF STATE LISTINGS	See IDS audit		
READ FINANCIAL STATEMENTS OF IDS	See IDS		
REVIEW WEB SITE OF IDS	See IDS		
READ ALL ORDERS	KW	5	
READ AMENDED SETTLEMENT AGREEMENT	KW	2-1	
MEET WITH IDS	KW		
VERIFY PAYMENTS TO Q ACCOUNT TO CANCELLED CHECKS	See IDS		
DETERMINE HOW BELLSOUTH ARRIVED AT ITS BALANCES AND TRACE TO DETAIL	KW	41-1	
VERIFY CREDITS RECEIVED TO BELLSOUTH BILL	See IDS		
VERIFY CREDITS GIVEN FOR INTEREST REFUND AS PART OF THE SETTLEMENT AGREEMENT			
DETERMINE SUPPORTING DOCUMENTATION FOR BELLSOUTH AMOUNTS RECORDED AS CURRENT DISPUTES AS OF MARCH 25, 2002 AND VERIFY THAT CREDITS WERE RECORDED IN REGULAR VS. SETTLEMENT ACCOUNTS.	KW	41-1/1	
VERIFY THAT ADDITIONAL AMOUNT DUE BASED ON AGING WERE FOR AMOUNTS AFTER MARCH 25, 2002	KW	41-1/1	
FOR DUF DISPUTE-OBTAIN CLAIM FORMS AND OBTAIN SUPPORTING DOCUMENTATION TRACE TO ORDER RATES AND VERIFY CALCULATION. TRACE A SAMPLE OF THE DETAIL TO AMOUNTS CHARGED BY BELLSOUTH ON BILLS.	KW	41-3/2	See IDS audit for test
FOR THE MARKET RATE DISPUTE, VERIFY AMOUNTS DISPUTED RANDOMLY TO BELLSOUTH BILLS TO DETERMINE IF ONLY THE INCREMENTAL AMOUNT IS PART OF THE DISPUTE.	KW	41-3/2	See IDS audit for test

BellSouth Telecomm., inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Requests

fg 7/1/04
KW 4/19/04

10

3054705606
04/19/2004 14:09 3054705606 FPSC MIAMI PAGE 01

3/31/25

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims (Stan)
UTILITY: Bellsouth
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 1
DATE OF REQUEST: 4/19/04
AUDIT PURPOSE: IDS Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 4/26/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide documentation for the current bill & adjustment shown on exhibit B attached. Reconcile to the Amended Settlement agreement amount of $2,475,000.
2. Provide interest calculations for the schedule.
3. Provide an analysis of all Florida accounts for IDS from March 2002 to present showing the amount billed, amount paid & amount disputed.
4. Provide a description of how disputes are being processed. (manuals or presentation OK)
5. Provide all disputes currently Open with descriptions.
6. Provide a copy of your current bills for all accounts
7. Provide all correspondence with IDS that supports a different balance on Exhibit B than the $2475,000
8. Provide a copy of the interconnect agreement in effect 3/02.

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY-1, 2, 4, 5, and 8

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1, 2, 4, 5 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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Canary: Utility Retain

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To Stan Green	From Kathy Welch
Co.	Co. PSC
Dept.	Phone # 305-470-5602
Fax # 850-222-8640	Fax #

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims (Stan)
UTILITY: Bellsouth
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 1
DATE OF REQUEST: 4/19/04
AUDIT PURPOSE: IDS Complaint

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ITEM DESCRIPTION:

1. Provide documentation for the current bill & adjustment shown on exhibit B attached. Reconcile to the Amended Settlement agreement amount of $2,475,000.
2. Provide interest calculations for the schedule.
3. Provide an analysis of all Florida accounts for IDS from March 2002 to present showing the amount billed, amount paid & amount disputed. ** Amount Disputed provided in response to #5
4. Provide a description of how disputes are being processed. (manuals or presentation OK)
5. Provide all disputes currently Open with descriptions. **
6. Provide a copy of your current bills for all accounts
7. Provide all correspondence with IDS that supports a different balance on Exhibit B than the $2,475,000
8. Provide a copy of the interconnect agreement in effect 3/02.

TO: AUDIT MANAGER DATE: 5/21/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☒ HAS BEEN PROVIDED TODAY Responses to #3 + #7

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☒ AND IN MY OPINION, ITEM(S) #3 + #7 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Nancy H. Sims - Director - Regulatory Relations (850) 222-1201
(SIGNATURE AND TITLE OF RESPONDENT)

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Canary: Utility Retain

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To Stan Greer	From Kathy Welch
Co.	Co. PSC
Dept.	Phone # 305-450-5202
Fax # 850-222-8640	Fax #

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan)
UTILITY: Bellsouth
FROM: KATHY WELCH (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 2
AUDIT PURPOSE: Complaint FOS
DATE OF REQUEST: 5/7/04

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/14/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. According to your answer to a prior request, $667,811.15 was added to the $2,475,000 settlement amount as being disputed and past due. Why are you saying that the settlement didn't include these amounts? Provide proof that these amounts should be added. The settlement does not mention any open items. Provide backup for the $667,811.15. Show that these were for amounts billed after 3/25/04
2. According to the same answer, $89,184.95 became due after the settlement was signed & before the amounts were transferred. If these amounts were for items after the settlement why were they transferred to the Q account? Provide documentation showing backup for these items & why they should be in the Q account as an addition to the settlement amount. Provide proof they are for items billed after 3/25/04
3. Provide dispute forms for all disputed items that make up the 26 items (Billing Adjustment Request forms)
4. Provide an explanation of why you believe they should be denied. Provide references to tariffs, orders & rules with your answers & provide any documents if they have not been provided in #2.

TO: AUDIT MANAGER Kathy Welch DATE: 5/14/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED ~~TODAY~~ Mailed

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 3 (IS/ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☑ THE ITEMS WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)
1, 2

Stan Green, Manager
(SIGNATURE AND TITLE OF RESPONDENT)

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FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan)
UTILITY: Bellsouth
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 2 DATE OF REQUEST: 5/7/04
AUDIT PURPOSE: Complaint IOS

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/14/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

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3. Provide dispute forms for all disputed items that make up the 26 items (Billing Adjustment Request forms)
4. Provide an explanation of why you believe they should be denied. Provide reference to tariffs, orders & rules with your answers & provide any documents if they have not been provided in #3.

TO: AUDIT MANAGER Kathy Welch DATE: 5/21/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY Sup Item 1

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) Sup Item 1 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

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PSC/AFA-6 (Rev.2/95)

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims (Stan)
UTILITY: BellSouth
FROM: KATHY WELCH (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 2 DATE OF REQUEST: 5/7/04
AUDIT PURPOSE: Complaint IO.

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/14/04

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

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2. According to the same answer, $89,184.95 became due after the settlement was signed $ ~~the~~ before the amounts were transferred. If these amounts were for items after the settlement why were they transferred to the Q account? Provide documentation showing backup for these items & why they should be in the Q account as an addition to the settlement amount. Provide proof they are for items billed after 3/25/04

3. Provide dispute forms for all disputed items that make up the 26 items (Billing Adjustment Request forms)

4. Provide an explanation of why you believe they should be denied. Provide references to tariffs, orders & rules with your answers & provide any documents if they have not been provided in req 1

TO: AUDIT MANAGER Kathy Welch DATE: 5/26/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) DR2-1 DR2-2 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

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PSC/AFA-6 (Rev.2/95)

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Sims (Stan)
UTILITY: BellSouth
FROM: KATHY WELCH (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 2. DATE OF REQUEST: 5/7/04
AUDIT PURPOSE: Complaint IOS

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/14/04 (DATE)

REFERENCE RULE 25-22.006. F.A.C.. THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

2ND Sup

ITEM DESCRIPTION:

1. According to your answer to a prior request, $667,811.15 was added to the $2,475,000 settlement amount as being disputed and past due. Why are you saying that the settlement didn't include these amounts? Provide proof that these amounts should be added. The settlement does not mention any open items. Provide backup for the $667,811.15. Show that these were for amounts billed after 3/25/04

2nd Sup

2. According to the same answer, $89,184.95 became due after the settlement was signed ~~the~~ before the amounts were transferred. If these amounts were for items after the settlement why were they transferred to the Q account? Provide documentation showing backup for these items & why they should be in the Q account as an addition to the settlement amount. Provide proof they are for items billed after 3/25/04

3. Provide dispute forms for all disputed items that make up the 26 items (Billing Adjustment Request forms)

4. Provide an explanation of why you believe they should be denied. Provide references to tariffs, orders & rules with your answers & provide any documents if they have not been provided in req. 1

TO: AUDIT MANAGER Kathy Welch DATE: 6/23/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1 & 2 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Greer Manager
(SIGNATURE AND TITLE OF RESPONDENT)

Stan L Greer

DISTRIBUTION:
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Canary: Utility Retain

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Green)
UTILITY: Bel. South
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3 DATE OF REQUEST: 5/21/04
AUDIT PURPOSE: IDS Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide documentation showing $657,058.91 in credits were posted to IDS bills for 7/27/02. Be sure documentation shows account #.

2. If not identified on bill as relating to $667,811.15 that Bellsouth added to Q account, provide documentation which notified IDS that these items related to the $667,811 in the Q account or the open disputes.

3. Provide attachments to RF1461's for DUF Rebate Complaints that IDS included. (See section 15 - attached box is marked)

4. Provide IDS DUF Letter referenced in RF1461 Claim # BS1120020011

5. RF1461's were not provided for DUF complaints of $18,534.97, $6641.44, $192,681.59 $50,598.88 & $17287.10.

TO: AUDIT MANAGER Kathy Welch DATE: 5/21/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY ● DR3-1

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) DR3-1 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan L Green, Manager
(SIGNATURE AND TITLE OF RESPONDENT)

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Canary: Utility Retain

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Greer)
UTILITY: Bell South
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3
DATE OF REQUEST: 5/21/04
AUDIT PURPOSE: IDS Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide documentation showing $657,088.51 in credits were posted to IDS bills on 7/27/02. Be sure documentation shows account #. Answer not Complete - Called Stan 6/2/04
2. If not identified on bill as relating to $667,811.15 that BellSouth added to Q account, provide documentation which notified IDS that these items related to the $667,811 in the Q account or the open disputes.
3. Provide attachments to RF1461's for DUF Resale Complaints that IDS included. (See section 15 - attached box is marked)
4. Provide IDS DUF Letter referenced in RF1461 Claim # BS1120020011
5. RF1461's were not provided for DUF complaints of $18,534.97, $6641.44, $190,681.59 $50,598.88 & $17287.10.

TO: AUDIT MANAGER Kathy Welch DATE: 5/26/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) DR3-1 DR3-2 DR3-3 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Greer Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
White: Utility Complete and Return to Auditor
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Canary: Utility Retain

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Green)
UTILITY: BellSouth
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3
AUDIT PURPOSE: IDS Complaint

DATE OF REQUEST: 5/21/04

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide documentation showing $657,088.51 in credits were posted to IDS Bills on 7/27/02. Be sure documentation shows account #. returned to Stan 6/2/04

2. If not identified on bill as relating to $667,811.15 that BellSouth added to Q account, provide documentation which notified IDS that these items related to the $667,811 in the Q account or the open disputes. Returned to Stan 6/2/04 Did not provide a response that answered question

3. Provide attachments to RF1461's for DUF Resale Complaints that IDS included. (See section 15 - attached box is marked)

4. Provide IDS DUF Letter referenced in RF1461 Claim # BS1120020011

5. RF1461's were not provided for DUF complaints of $18,534.97, $6641.44, $90,681.59 $50,598.88 & $17287.10.

TO: AUDIT MANAGER Kathy Welch DATE: 5/28/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 023-2,3,15 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
White: Utility Complete and Return to Auditor
Pink: Audit File Copy
Canary: Utility Retain

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Green)
UTILITY: Bel South
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3 DATE OF REQUEST: 5/21/04
AUDIT PURPOSE: I.D. Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☑ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Sup 1. Provide documentation showing $457,038.51 in credits were posted to IDS bills on 7/27/02. Be sure documentation shows account #.

Sup 2. If not identified on bill as relating to $667,811.15 that Bellsouth added to Q account, provide documentation which notified IDS that these items related to the $667,811 in the Q account or the open disputes.

3. Provide attachments to RF1461's for DUF Resale Complaints that IDS included. (See section 15 - attached box is marked)

4. Provide IRS DUF Letter referenced in RF1461 Claim # BS1120020011

5. RF1461's were not provided for DUF complaints of $18,534.97, $6641.44, $192,681.59 $50,598.88 & $17287.10.

TO: AUDIT MANAGER Kathy Welch DATE: 6/16/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) Sup 1 & 2 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan J Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
White: Utility Complete and Return to Auditor
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Canary: Utility Retain

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Green)
UTILITY: BellSouth
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 4
AUDIT PURPOSE: ITS Complaint

DATE OF REQUEST: 5/21/04

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☑ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1) For your DUF & Market Rate Counter complaint, provide all references to sections of your interconnection Agreement, Tariff, or any amendment to the Agreement that applies.

2) Provide carrier Notification Letters
SN 91083301
SN 91083665
~~SN 91083665~~

3) Provide UNE-P Market Rate in the Rate Exhibit of Attachment 2. What page is it in the Contract?)

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) [redacted] IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
White: Utility Complete and Return to Auditor
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Canary: Utility Retain

PSC/AFA-6 (Rev.2/95)

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Danny Simms (Stan Cross)
UTILITY: Bell South
FROM: Kathy Welch (AUDIT MANAGER) _____ (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 5
DATE OF REQUEST: 6/28/04
AUDIT PURPOSE: Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 7/1/04 (U

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY
☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:
For each account involved in the settlement agreement, provide detail for the interest & late payments credited to the account as a result of the settlement.
Show interest rates & balances used to calculate the interest along with which months the balances relate to.

Not received in time for audit - sent back

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☐ AND IN MY OPINION, ITEM(S) _____ IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

_____
(SIGNATURE AND TITLE OF RESPONDENT)

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EXHIBIT KLW-3
PAGE 198 OF 212
BST NON-CONFIDENTIAL

State of Florida

Commissioners:

BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
CHARLES M. DAVIDSON
RUDOLPH "RUDY" BRADLEY

3625 NW 82nd AVENUE
SUITE 400
MIAMI, FLORIDA 33166-7602

Public Service Commission

July 8, 2004

Nancy Sims
Director Regulatory Relations
BellSouth Telecommunications, Inc.
150 South Monro Street
Suite 400
Tallahassee, Fl 32301

Dear Ms. Sims:

The enclosed response was not received in time to be included in the confidential workpapers. Therefore, I am returning it to you. It was not used in the audit or in preparation of the audit report.

Sincerely,

Kathy L. Welch

enc

BELLSOUTH

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

July 5, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its response to Staff's 5th request for information Item 1.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

Nancy H. Sims

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Penny Simms (Stan Cross)
UTILITY: Bell South
FROM: Kathy Welch (AUDIT MANAGER) _____ (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: Verbal Request 1 DATE OF REQUEST: _____
AUDIT PURPOSE: Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: _____ (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide an explanation of why the auditing numbers listed on the bills and the auditing numbers listed on the spreadsheet and BAR forms provided in Audit Request 2 Items 1 and 2 are different.

2. Provide an explanation of how the $89,184.90 that was provided in Audit Request 2 Item 2 was calculated.

3. Provide the BAR forms for the open disputes for $6,641.44 and $38,438.66.

TO: AUDIT MANAGER Kathy Welch DATE: 6/30/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1, 2, 3 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

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BELLSOUTH

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

June 1, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its response to Staff's 3rd request for information Item 4.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Nancy Simms (Stan Green)
UTILITY: Bel South
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3
DATE OF REQUEST: 5/21/04
AUDIT PURPOSE: IDS Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 5/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide documentation showing $457,038.51 in credits were posted to IDS bills on 7/27/02. Be sure documentation shows account #.

2. If not identified on bill as relating to $667,811.15 that Bellsouth added to Q account, provide documentation which notified IDS that these items related to the $667,811 in the Q account or the open disputes.

3. Provide attachments to RF1461's for DUF Resale Complaints that IDS included. (See section 15 - attached box is marked)

4. Provide IDS DUF Letter referenced in RF1461 Claim # BS1120020011

5. RF1461's were not provided for DUF complaints of $18,534.97, $664.44, $90,681.59 $50,598.88 & $17287.10.

TO: AUDIT MANAGER Kathy Welch DATE: 6/1/04

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☑ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 4 (IS/ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Stan Green Manager
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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EXHIBIT KLW-3
PAGE 203 OF 212
BST NON-CONFIDENTIAL

BellSouth Florida
Responses to 3rd Audit Request
Docket No. 031125-TP
Request No. 3 Item 4

Request: Provide IDS DUF Letter referenced in RF1461 Claim # BS11202002011.

Response: Documents provided on attached disk.

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Co Response 5/3/04

8/11/04 KLW 5/4/04

10-1

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

May 3, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its response to Items 1, 2, 4, 5 and 8 of Staff's 1st request for information.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

Nancy H. Sims

Response to Staff's 1st Request – Audit Control No. 04-098-4-1

Item 1: 205 Q97 4557 557 current bill
reconciliation 2.doc (On CD)

Item 2: Holding intest schedule.x (On CD)

Item 4: Attached in Hard Copy

Item 5: fl dispute.doc
opendisputes.xls (On CD)

Item 8: Various agreements (On CD)

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003
Title: Co Response 5/26/04

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

May 26, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its 1st supplemental response to Staff's 2nd request for information Item 2. In addition, I resent the information provided via letter dated May 21, 2004.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

Nancy H. Sims

10-5

INTEGRITY BUSINESS FORMS, INC. (847) 696-2626 FAX (847) 696-4606

EXHIBIT KLW-3
PAGE 208 OF 212
BST NON-CONFIDENTIAL

BellSouth Telecomm., Inc
Complaint by IDS Telecomm
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003
Title: Co Response

AJ 6/24/04

BELLSOUTH

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

June 23, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its 2nd supplemental response to Staff's 2nd request for information Items 1 and 2.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

Nancy H. Sims

INTEGRITY BUSINESS FORMS, INC (847) 698-2626 FAX (847) 698-4608

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003
Title: Response

Rec 7/1/04

BELLSOUTH

BellSouth Telecommunications, Inc.
Regulatory Relations
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

nancy.sims@bellsouth.com

Nancy H. Sims
Director

850 222 1201
FAX 850 222 8640

June 30, 2004

Kathy Welch
Miami District Supervisor
Florida Public Service Commission
3625 NW 82nd Avenue
Miami, Florida 33166-7602

RE: Docket No. 031125-TP – BellSouth Telecommunications, Inc. audit of certain financial records related to the Complaint of over billing by IDS Telecom, LLC. – Audit Control No. 04-098-4-1

Dear Ms. Welch:

BellSouth is enclosing its response to Staff's 1st Verbal Request.

BellSouth considers the information provided in this response that is identified as confidential to be confidential and proprietary and requests appropriate treatment thereof. This information is an audit of alleged over billing claimed by IDS Telecom, LLC. in the docket referenced above.

If you have any questions concerning the aforementioned, please give me a call at the number above.

Sincerely,

Nancy H. Sims

Nancy H. Sims

10-8

CONFIDENTIAL DOCUMENT LOG

Company name Bellsouth
Docket No. 031125-TP
Audit purpose Complaint

Date 4/19/04

Page 1 of _____

	Document description	Receipt of material					Disposition of material				
1 Item No.	2 Description	3 Number of Pages	4 Document Request #	5 Received From	6 Received By	7 Date Received	8 Returned to	9 Returned by	10 Date Returned	11 Received by	12 Work paper Locater
#1	Reconcile Bell to Cigna amount	CD 2	1 #1	Stan Green	Killelea	5/4/04	Debbie Tabor	Killelea			41-1
2	Interest Calculations	CD 1	1 #2	Stan Green	Killelea	5/4/04		Co-Killelea			41-2
3	Bellsouth Dispute Manual	CD Various	1 #4	Stan Green	Killelea	5/4/04					5-4
4	Disputes - list	8	1 #5	Stan Green	Killelea	5/21/04	Debbie Tabor	Co-Killelea			41-3, 41-3/1 & 41-3/2
5	Analysis of all Flascots	CD 10	1 #3	Stan Green	Killelea	5/21/04					42
6	e Mail	8	1 #7	Stan Green	Killelea	5/19/04	Debbie Tabor	Killelea			10-5 * 41-1/3
7	Support for 667811	1	2-1	Stan Green	Killelea	5/21/04					10-2
8	support for 667811	1	2 #1	Stan Green	Killelea	5/26/04					41-1/1p 8-2
		3	2 #1	Stan Green	Killelea	6/3/04					41-1/1p 3-6
		3	2 #1	Stan Green	Killelea	5/14/04					10-2
9	Support for 89184.95	1	2 #2	Stan Green	Killelea	5/26/04					41-1/2
		1	2 #2	Stan Green	Killelea	5/26/04					10-3 & 41-1/1p1 & 2
10	Support for credits (Bills	3	3 #1	Stan Green	Killelea	5/26/04					41-1/1-1
		Numerous	3 #1	Stan Green	Killelea	6/16/04	Debbie Tabor	Killelea			41-1/1-1 p1-11
		numerous	3 #1	Stan Green	Killelea	5/26/04					41-1/1-1 p2-43
11	Re Storm for credits	numerous	3 #2	Stan Green	Killelea	6/16/04	Debbie Tabor	Killelea			
		numerous	3 #2	Stan Green	Killelea	5/28/04	Debbie Tabor	Killelea Dupl			10-2 & 41-3/2-1 & 3
12	Attachments to DR	numerous	3 #3	Stan Green	Killelea	5/14/04	Debbie Tabor	Killelea Co-Dupl			10-2
13	Dispute Forms	numerous	2 #3	Stan Green	Killelea	5/14/04					41p10-12
14	Reason for Dispute	1	2 #4	Stan Green	Killelea	5/14/04					
15	Responses for Report	3	Verbal	Stan Green	Killelea	7/1/04					

EXHIBIT KLW-3
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BST NON-CONFIDENTIAL

AUDIT POINT SHE' BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

DOCKET NO.
AUDIT CONTROL NO
COMPANY

Title: Review Notes

DATE PREPARED 7/1/04
AUDIT MANGER Kobleck
REVIEWED BY R Young

	WORKING PAPER	REVIEW COMMENT	DISPOSITION	CORRECTED BY DATE
1	Key # 5	Needs to be signed		
2				
3				
4	41-1			
5	tp5	reference total where?	KW	7/6/04
6				
7				
8				
9	41-1	Reference totals to Exhibit schedule	KW	7/2/04
10	tp6			
11				
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13	42	referencing?	KW	7/2/04
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Bill Date	INT	LPC
Apr 17 2004	$ 2,746.28	$ 10.00
Mar 17 2004	$ 2,746.13	$ 10.00
Feb 17 2004	$ 2,745.98	$ 10.00
Jan 17 2004	$ 2,745.83	$ 10.00
Dec 17 2003	$ 2,745.68	$ 10.00
Nov 17 2003	$ 2,745.53	$ 10.00
Oct 17 2003	$ 2,745.38	$ 10.00
Sep 17 2003	$ 2,745.23	$ 10.00
Aug 17 2003	$ 2,745.08	$ 10.00
Jul 17 2003	$ 2,744.93	$ 10.00
Jun 17 2003	$ 8,159.78	$ 10.00
May 17 2003	$ 14,385.82	$ 10.00
Apr 17 2003	$ 15,069.23	$ 10.00
Mar 17 2003	$ 21,069.08	$ 10.00
Feb 17 2003	$ 24,481.29	$ 10.00
Jan 17 2003	$ 27,481.14	$ 10.00
Dec 17 2002	$ 27,480.99	$ 10.00
Nov 17 2002	$ 30,480.84	$ 10.00
Oct 17 2002	$ 30,480.69	$ 10.00
Sep 17 2002	$ 30,480.54	$ 10.00
Aug 17 2002	$ 33,480.39	$ 10.00
Jul 17 2002	$ 36,480.24	$ 10.00
Jun 17 2002	$ 42,480.09	$ 10.00
May 17 2002	$ 42,479.94	$ 10.00
Apr 17 2002	$ -	$ -
Mar 17 2002	$ -	$ -

8169.78
14395.82
15079.23
21079.08
24491.29
27491.14
27490.99
30490.84
30490.69
30490.54
33490.39
36,490.24
42,490.09
42489.94

2 pl

Enclosed

BellSouth Telecomm., Inc.
Complaint by IDS Telecomm.
Audit: #04-098-4-1 Dkt: #031125-TP
TYE: 2003

Title: Billing Analyst

5/5/04

Req #2

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 698-4626

EXHIBIT KLW-3
PAGE 212 OF 212
BST NON-CONFIDENTIAL

EXHIBIT NO. _____

DOCKET NO.: 031125-TP

WITNESS: Kathy L. Welch

PARTY: Staff

DESCRIPTION: Nonconfidential audit work papers from audit work at IDS Telecom LLC.

PROFFERING PARTY: STAFF

I.D. # KLW-5

EXHIBIT KLW-5
PAGE 1 OF 403
IDS NON-CONFIDENTIAL

WORKING PAPER STANDARD INDEX

IDS Telecomm., LL
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Index

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	CURRENT FILES		
	ORIGINAL WORK PAPERS - FILE MAINTENANCE IN DIVISION AUDIT FINANCE CONTROL FILE		
	PLANNING AND CONTROL		
1	AUDIT REPORT		
2	COMPANY FILING		
3	MANAGEMENT REPRESENTATION LETTER		
4	AUDIT SERVICE REQUEST		
5	PLANNING		
6	AUDIT PROGRAM		
7	ANALYTICAL REVIEW		
8	REVIEW NOTES BOARD OF DIRECTORS/ LIST OF DIRECTORS AND AFFILIATES		
9	REVIEW NOTES EXTERNAL/INTERNAL/FPSC AUDITS		
10	DOCUMENT REQUESTS AND CONTROL LOG		
11	CONFIDENTIAL DOCUMENTS CONTROL LOG		
12	TRIAL BALANCE		
13	ADJUSTMENT / RECLASSIFICATION SUMMARY		
14	SUPERVISORS REVIEW OF AUDIT		
	RATE BASE		
15	RATE BASE		
16	UTILITY PLANT		
17	LAND		
18	PLANT HELD FOR FUTURE USE		
19	CONSTRUCTION WORK IN PROCESS		
20	CONTRIBUTIONS IN AID OF CONSTRUCTION		
21			
22	ACCUMULATED DEPRECIATION		
23	ACCUMULATED AMORTIZATION OF CIAC		
24	WORKING CAPITAL		
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		NET OPERATING INCOME
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FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE
BUREAU OF AUDITING

Miami District Office

IDS TELCOM, LLC AND
BELLSOUTH TELECOMMUNICATIONS, INC.
RECONCILE SETTLEMENT Q ACCOUNT

SETTLEMENT AGREEMENT DATED MARCH 25, 2002

DOCKET NO. 031125-TP

AUS CONTROL 04-098-4-1
AND 04-098-4-2

Kathy L. Welch, Audit Manager

Ruth Young
Professional Accountant Specialist

DIVISION OF REGULATORY COMPLIANCE AND CONSUMER ASSISTANCE AUDITOR'S REPORT

July 8, 2004

TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have applied the procedures described later in this report to audit the settlement Q account 205 Q97 4557 of BellSouth Telecommunications, Inc. (BellSouth) and IDS Telcom, LLC (IDS) and to verify the dollars associated with the counterclaim of BellSouth regarding the DUF Re-rate and the Market Rate disputes.

This is an internal accounting report prepared after performing a limited scope audit. Accordingly, this report should not be relied upon for any purpose except to assist the Commission staff in the performance of their duties. Substantial additional work would have to be performed to satisfy generally accepted auditing standards and produce audited financial statements for public use. Confidential documents were obtained during this audit.

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Summary of Significant Procedures	2
Audit Disclosures:	3
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Disclosure 3-DUF Disputes in BellSouth Counterclaim	8
Disclosure 4-Initial DUF Re-Rate Dispute Form	9
Disclosure 5-October 2002 DUF Re-rate	10
Disclosure 6-Interest Credited For Settlement	11

SUMMARY OF SIGNIFICANT PROCEDURES

Our audit was performed by examining, on a test basis, certain transactions and account balances which we believe are sufficient to base our opinion. Our examination did not entail a complete review of all financial transactions of the company. Our more important audit procedures are summarized below. The following definitions apply when used in this report.

Scanned - The documents or accounts were read quickly looking for obvious errors.

Compiled - The exhibit amounts were reconciled with the general ledger, and accounts were scanned for error or inconsistency.

Reviewed - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers, and selective analytical review procedures were applied.

Examined - The exhibit amounts were reconciled with the general ledger. The general ledger account balances were traced to subsidiary ledgers. Selective analytical review procedures were applied, and account balances were tested to the extent further described.

Confirmed - Evidential matter supporting an account balance, transaction, or other information was obtained directly from an independent third party.

Verified - The item was tested for accuracy and compared to the substantiating documentation.

AUDIT PROCEDURES:

Obtained detail of settlement Q account from both BellSouth and IDS. Verified payments with cancelled checks. Obtained documentation for BellSouth's balances. Verified open disputes to dispute forms and credits to bills.

Obtained the dispute forms for the counter-complaint and traced to supporting documentation. Verified data to bills on a random basis and traced rates for DUF Re-rate to order.

Obtained calculations of interest refunded as part of the settlement.

SPECIFIED CONFIDENTIAL

P3-11

IDS ACCOUNT 205 Q97 4557

MONTH	BEGINNING BAL	CURRENT	TOTAL BILL	PAYMENT	ADJUSTMENT	BALANCE
2-Mar	$0	$0	$0	($200,000)	$331,686.37	$131,686.37
2-Apr	$131,686.37	$2,897,723.99	$3,029,410.36	($200,000)	$2,585.74	$2,831,196.04
2-May	$2,831,996.10	$42,489.94	$2,874,486.04	$0	$0	$2,874,486.04
2-Jun	$2,874,486.04	$42,490.09	$2,916,976.31	($400,000)	$0	$2,516,976.13
2-Jul	$2,516,976.13	$36,490.24	$2,553,466.37	($200,000)	$0	$2,353,466.37
2-Aug	$2,353,466.37	$33,490.39	$2,386,956.76	($200,000)	$0	$2,186,956.76
2-Sep	$2,186,956.76	$30,490.54	$2,217,447.30	$0	$0	$2,217,447.30
2-Oct	$2,217,447.30	$30,490.69	$2,247,937.99	$0	$0	$2,247,937.99
2-Nov	$2,247,937.99	$30,490.84	$2,278,428.83	($200,000)	$0	$2,078,428.83
2-Dec	$2,078,428.83	$27,490.99	$2,105,919.82	$0	$0	$2,105,919.82
3-Jan	$2,105,919.82	$27,491.14	$2,133,410.96	($200,000)	$0	$1,933,410.96
3-Feb	$1,933,410.96	$24,491.29	$1,957,902.25	(227,491.14)	$0	$1,730,411.11
3-Mar	$1,730,411.11	$21,079.08	$1,751,490.19	(400,000.00)	$0	$1,351,490.19
3-Apr	$1,351,490.19	$15,079.23	$1,366,569.42	(45,570.37)	$0	$1,320,999.05
3-May	$1,320,999.05	$14,395.82	$1,335,394.87	(415,079.23)	$0	$920,315.64
3-Jun	$920,315.64	$8,169.78	$928,485.42	(361,000.00)	$0	$567,485.42
TOTALS		$3,282,354.05		($3,049,140.74)	$334,272.11	

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-Tp
TYE: 2003

Title: BellSouth Position

Bell South

EXHIBIT
tabbies
B

KW
4/29/04
R 7/1/04

2p1

EXHIBIT KLW-5
PAGE 8 OF 403
IDS NON-CONFIDENTIAL

Exhibit B - IDS Payments to Past Due Q Account

Opening balance	Interest Due	payment/check #	principal payment (Principal Paid		Interest paid	Interest mont date	
2,475,000		5257	4/11/2002	200,000	43-189		2,275,000
2,275,000	34,125	5550	5/14/2002	200,000	43-188		2,109,125
2,109,125	31,637	6007	6/13/2002	200,000	43-187		1,940,762
1,940,762	29,111	6206	6/28/2002	200,000	43-186		1,769,873
1,769,873	26,548	6610	7/25/2002	200,000	43-185		1,596,421
1,596,421	23,946	6997	8/29/2002	200,000	43-184		1,420,368
1,420,368	21,306						1,441,673
1,441,673	21,625						1,463,298
1,463,298	21,949	8278	12/11/2002	200,000	43-183		1,285,248
1,285,248	19,279	8794	1/16/2003	200,000	43-182		1,104,527
1,104,527	16,568	9184	2/11/2003	200,000	43-181		921,094
921,094	13,816	10001	3/14/2003	200,000	43-180	27,491.14	3/13/2003 707,420
707,420	10,611	10406	4/15/2003	200,000	43-179	21,079.08	4/15/2003 496,952
496,952	7,454	10807	5/13/2003	200,000	43-178	39,570.52	5/13/2003 264,836
264,836	3,973	11221	6/13/2003	200,000	43-177	$61,000.00	6/17/2003 -292,192

	281,949	2,600,000	449,140.74	

(43P1)

2475,000

The sum total of all payments that were due to the Past Due Q Account is $2,756,949 ($2,475,000 Total Amount Due + cumulative interest of $281,949).

125000 → 125,000 Interest

571140.74

However, IDS paid a total of $3,049,140.74 ($2,600,000 principal + $449,140.74 interest), or an OVERPAYMENT of $292,192.

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-058-4-2 Dkt: #031125-TP
TYE: 2003

Title: IDS Portion

KLW 4/26/04 P 7/1/04

EXHIBIT "B"

tabbies

EXHIBIT KLW-5
PAGE 9 OF 403
IDS NON-CONFIDENTIAL

2 p2

B 7/3/04
KW 4/30/04

12/22/2003 17:37 [illegible]

05/23/2002 21:32

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003
Title: Settlement Agreement

NO. 46

AMENDMENT TO SETTLEMENT AGREEMENT

THIS AMENDMENT TO SETTLEMENT AGREEMENT ("Amendment") is entered into this 25th day of March, 2002, by BellSouth Telecommunications, Inc. ("BST") and IDS Long Distance, Inc. n/k/a IDS Telcom, L.L.C. ("IDS") (collectively referred to as the "Parties").

RECITALS

WHEREAS, on or about September 27, 2001, BST and IDS entered into a settlement agreement resolving certain disputed issues between the Parties (the "Settlement Agreement");

WHEREAS, BellSouth Intellectual Property Corporation ("BIPCO") was also a party to the Settlement Agreement but does not have an interest in this Amendment;

WHEREAS, the Settlement Agreement contained provisions calling for the future resolution of disputed sums owed to BST by IDS;

WHEREAS, the Parties agreed to implement the Settlement Agreement by determining a Total Amount Due to BST by IDS and then reducing that Total Amount Due by the amount resolving the disputed issues set forth in Paragraph 4 of the Settlement Agreement; and

WHEREAS, the Parties have determined the Total Amount Due and have resolved the pending disputes set forth in Paragraph 4 of the Settlement Agreement and hereby wish to memorialize such agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Amendment, and for other good an valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BST and IDS, intending to be bound by this Amendment, hereby agree as follows:

1. The Total Amount Due to BST by IDS is $2,475,000.

2. IDS shall continue to pay BST the sum of $200,000 per month by the close of business on the last day each month until March 31, 2003, which shall fully satisfy the Total Amount Due.

3. BST will bill the Total Amount Due to IDS under a new and separate Q account which will be designated as the Past Due Q Account.

4. BST will waive all prior interest or late payment charges on the Total Amount Due. However, interest and late payment charges will accrue on the Total Amount Due under the Past Due Q Account beginning in March, 2002. Interest will accrue at 1.5%.

"A"

EXHIBIT
tabbies
"A"

21 pl

5. BellSouth shall issue IDS a credit in the amount of $925,000. BellSouth allowed IDS to withhold this amount from its payment due to BellSouth in February 2002.

6. BST shall file and IDS shall execute a UCC-1 against IDS' assets to secure an interest in the Total Amount Due.

7. IDS shall keep all bills, billed under CRIS or CABS, current and shall not allow any undisputed current charges to become past due.

8. Should IDS fail to make a payment of $200,000 to BST in any given month pursuant to this Amendment for the Past Due Q Account or fail to keep its billing current for all other accounts, IDS will be in breach of this Amendment. IDS shall have fourteen (14) days to cure such breach. If the breach is not cured within fourteen (14) days, the remaining balance of the Total Amount Due in the Past Due Q Account will immediately become due and owing and IDS shall pay to BST the full amount.

9. Except as specifically set forth herein, all of the provisions of the Settlement Agreement remain in full force and effect.

10. The Parties after executing this Amendment will be bound by the terms and conditions contained herein.

11. The Effective Date of this Amendment is March 25, 2002. The undersigned Parties hereby execute this Agreement.

IDS TELCOM, INC.

By: _____
Name: Hacker
Title: CFO

BELLSOUTH TELECOMMUNICATIONS, INC.

By: _____
Name: Gregory R Follensbee
Title: Senior Director

2-1-02

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Audit Request

KW 4/30/04

INTEGRITY BUSINESS FORMS, INC. (847) 696-2626 FAX (847) 696-4608

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: April 8, 2004

TO: Miami District Supervisor (Welch)

FROM: Denise N. Vandiver, Chief of Auditing, Division of Auditing & Safety

RE: **Docket No.** 031125-TP; **Company Name:** IDS Telcom, LLC; **Audit Purpose:** Audit of certain financial records related to the complaint by IDS Telcom, LLC against BellSouth Telecommunications, Inc. (TL720) **Audit Control No.** 04-098-4-2:

Attached is a new audit service request. The analyst's requested due date is July 15, 2004. In order to meet the due date, the audit work papers should be delivered to my office two days before the stated due date.

DNV/jcp
Attachments

cc: Office of Public Counsel

STATE OF FLORIDA

COMMISSIONERS:
BRAULIO L. BAEZ, CHAIRMAN
J. TERRY DEASON
LILA A. JABER
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

CAPITAL CIRCLE OFFICE CENTER
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

Public Service Commission

April 8, 2004

Mr. Angel Leiro, Vice President – Regulatory
IDS Telcom LLC
1525 N. W. 167th Street, Suite 200
Miami, FL 33169-5131

Re: **Docket No.:** 031125-TP; **Company Name:** IDS Telcom. (TX559, TJ500); **Audit Purpose:** audit of certain financial records related to the complaint by IDS Telcom, LLC against BellSouth Telecommunications, Inc. (TL720) for alleged overbilling; **Audit Control No.:** 04-098-4-2

Dear Mr. Leiro:

The Florida Public Service Commission will conduct an audit of certain financial records related to the issues involved in the complaint by IDS Telcom, LLC against BellSouth Telecommunications, Inc. for alleged overbilling, in accordance with Commission audit procedures. Access will be requested to documents and records of the utility and, if necessary, supporting records for affiliate company transactions that affect regulated operations. Staff auditors may also request to review the utility's external audit working papers for the most recent independent audit. Ms. Kathy Welch the Miami district office supervisor, will coordinate this audit. Ms. Welch can be reached at (305) 470-5600. Questions regarding the audit or audit staff should be directed to the district supervisor or myself. My phone number is (850) 413-6487.

The Audit Access to Records rule for each industry states:

In those instances where the utility disagrees with the auditor's assessment of a reasonable response time to the audit request, the utility shall first attempt to discuss the disagreement with the auditor and reach an acceptable revised date. If agreement cannot be reached, the utility shall discuss the issue with successive levels of supervisors at the Commission until an agreement is reached.

A formal report is expected to be issued for internal Commission use on July 15, 2004. A copy of the final report will be mailed to the company liaison listed in the Commission Mailing Directory.

Sincerely,

Denise N. Vandiver, Chief
Bureau of Auditing

DNV/jcp

cc: Division of Auditing and Safety (Miami District Supervisor, File Folder)
Division of the Commission Clerk and Administrative Services (2)
General Counsel
Office of Public Counsel

AUDIT SERVICE REQUEST

April 7, 2004
Date of Request

04-098-4-2
AUS control #

5395

TO : DIVISION OF AUDITING AND SAFETY

FROM : Competitive Markets and Enforcement (Division) | Michael Barrett (Name) | (850) 413-6544 (Phone Number)

RE : REQUEST FOR AUDIT OF: Certain financial records of IDS Telecom LLC.

DOCKET NO. 031125-TP

AUDIT PURPOSE: To reconcile all payments and credits between the parties to this docket, and determine a financial summary of affairs.

LIST AUDIT OBJECTIVES & OTHER INFORMATION ON BACK.

ADMINISTRATIVE DETAILS:

COMPANY CONTACT: Angel Leiro (Name) | Vice President – Regulatory Affairs (Title) | (305) 913-4000 (Phone Number)

MAIL ADDRESS: 167-th Street, Suite 200
Street Address

Miami (City) | Florida (State) | 33169 (Zip Code)

LOCATION OF RECORDS: TBD by Company (City) | (State) FAX 305-612-3027

AUDIT DUE DATE: July 15, 2004

COORDINATING DETAILS: Patricia Christensen, Office of General Counsel (850) 413-6220
(Name and Phone Number of other Division staff and any other administrative instructions)

REFERENCES: N/A at this time
(Attach copies of FPSC ORDERS and other documents as appropriate)

BACKGROUND INFORMATION: Docket No. 031125-TP is a billing dispute between BellSouth Telecommunications, Incorporated and IDS Telecom, LLC.

BACKGROUND INFORMATION: Docket No. 031125-TP is a billing dispute between BellSouth Telecommunications, Incorporated and IDS Telecom, LLC.

ITEM #	AUDIT OBJECTIVE OR QUESTION (Add supplemental background for auditor)
1	OVERALL NOTES REGARDING THIS AUDIT: • "Disputes" are critical to this case. IDS has withheld payment(s) for sums it claims are "in dispute"; IDS claims it has made payment for all sums which are not "in dispute;" • As of the date of this request, the specific timeframe for this dispute is unknown, although staff discovery will attempt to determine this; • As a conceptual guide, staff prepared a matrix of process and quantitative related topics for the audit team to probe. (see attached)
2	Has BellSouth acknowledged "all" disputes that IDS claims it has submitted for the timeframe subject of this proceeding? If not, why?
3	Has BellSouth issued credits for "all" disputes that IDS claims it has submitted for the timeframe subject of this proceeding? If not, why?
4	Has IDS made payment(s) to BellSouth for all "non-disputed" charges for the timeframe subject of this proceeding?
5	
6	
7	
8	
9	

Per discussions - only want audit of Qaccount based on issues identified KW 43-1 43-2 43-3

Then see 4-1 from Pat Lee 43-4 43-5

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003
Title: Addition to Audit Rq

KW 6/10/04

4-11-04

Kathy Welch

From: Pat Lee
Sent: Thursday, June 10, 2004 1:57 PM
To: Kathy Welch
Cc: Denise Vandiver; Michael Barrett; David Dowds
Subject: RE: IDS Complaint

Kathy -

I agree with everything you have. I'll let you know if anything changes. Thanks much.

-----Original Message-----
From: Kathy Welch
Sent: Wednesday, June 09, 2004 8:36 AM
To: Pat Lee
Cc: Denise Vandiver; Michael Barrett
Subject: IDS Complaint

I'd like to confirm our conversation yesterday about what you would like the audit to cover on the two counter complaints.

1. I will obtain the 32 schedules that support the disputes of IDS relating to DUF and attempt to verify a sample of them to the bills for the number of messages and the rate charged. I will also try to determine where IDS got the PSC rate that does not tie to the order and recalculate the schedules to verify their accuracy in case the Commission rules in favor of IDS. 43-4 KW

2. **For the Market Rate dispute I will try to trace the schedules attached to the dispute to the bills and determine if the amounts are only for the increase that was billed or if it included the original amount billed also.** KW 43-5

You will be determining if the claims have validity in the contract or the orders. Let me know if this isn't accurate or if you need something else and I will attach this to our audit request.

I am waiting for one more thing from Bell and then I will be able to summarize my findings on the Q account.

4-1

INTEGRITY BUSINESS FORMS, INC. (847) 688-2626 FAX (847) 696-4608

4-1

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Secretary of State Info

B 1/11/04
KW 4/30/04

5-1

EXHIBIT KLW-5
PAGE 20 OF 403
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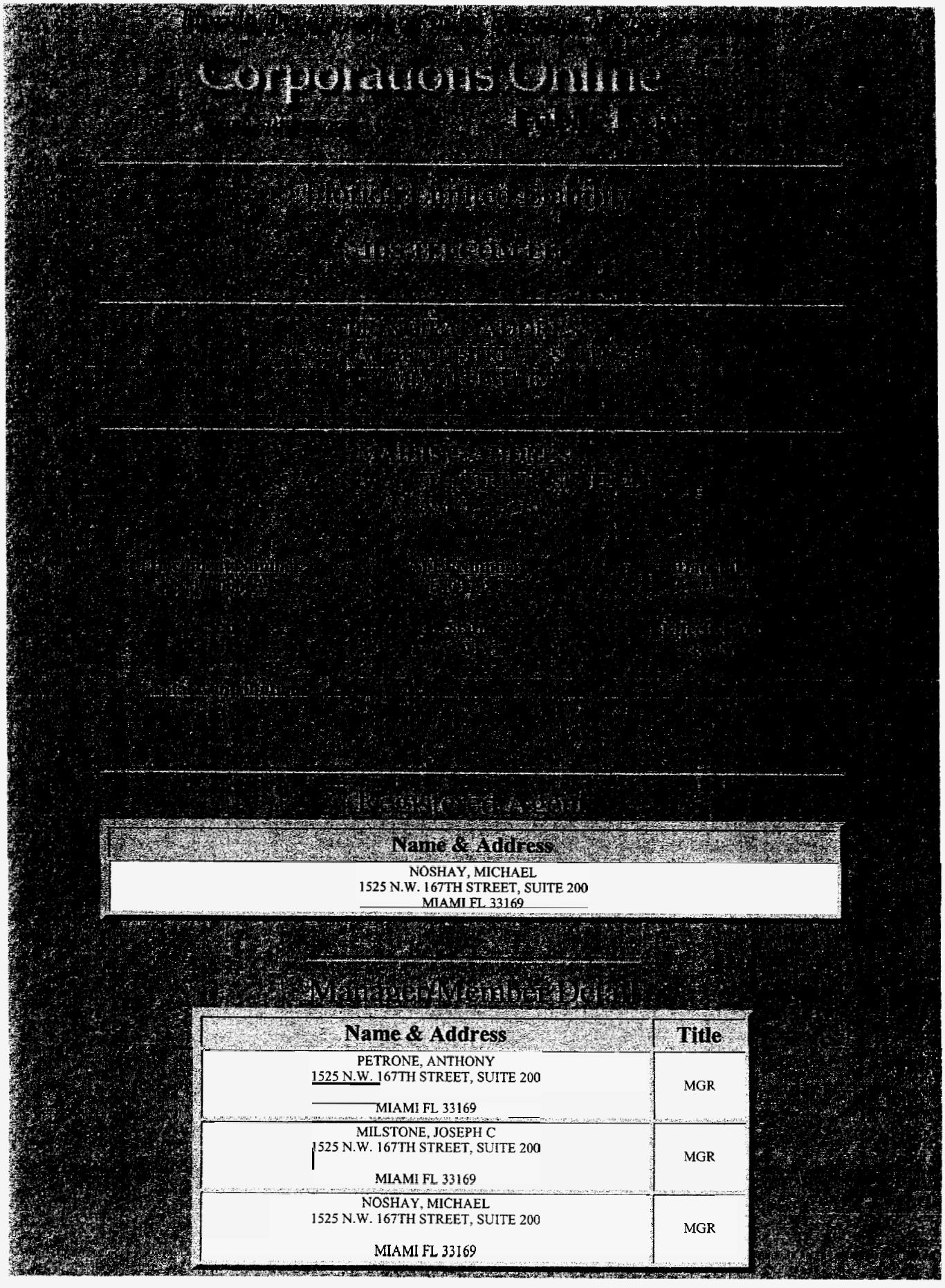

Corporations Online

Name & Address
NOSHAY, MICHAEL 1525 N.W. 167TH STREET, SUITE 200 MIAMI FL 33169

Name & Address	Title
PETRONE, ANTHONY 1525 N.W. 167TH STREET, SUITE 200 MIAMI FL 33169	MGR
MILSTONE, JOSEPH C 1525 N.W. 167TH STREET, SUITE 200 MIAMI FL 33169	MGR
NOSHAY, MICHAEL 1525 N.W. 167TH STREET, SUITE 200 MIAMI FL 33169	MGR

EXHIBIT KLW-5
PAGE 21 OF 403
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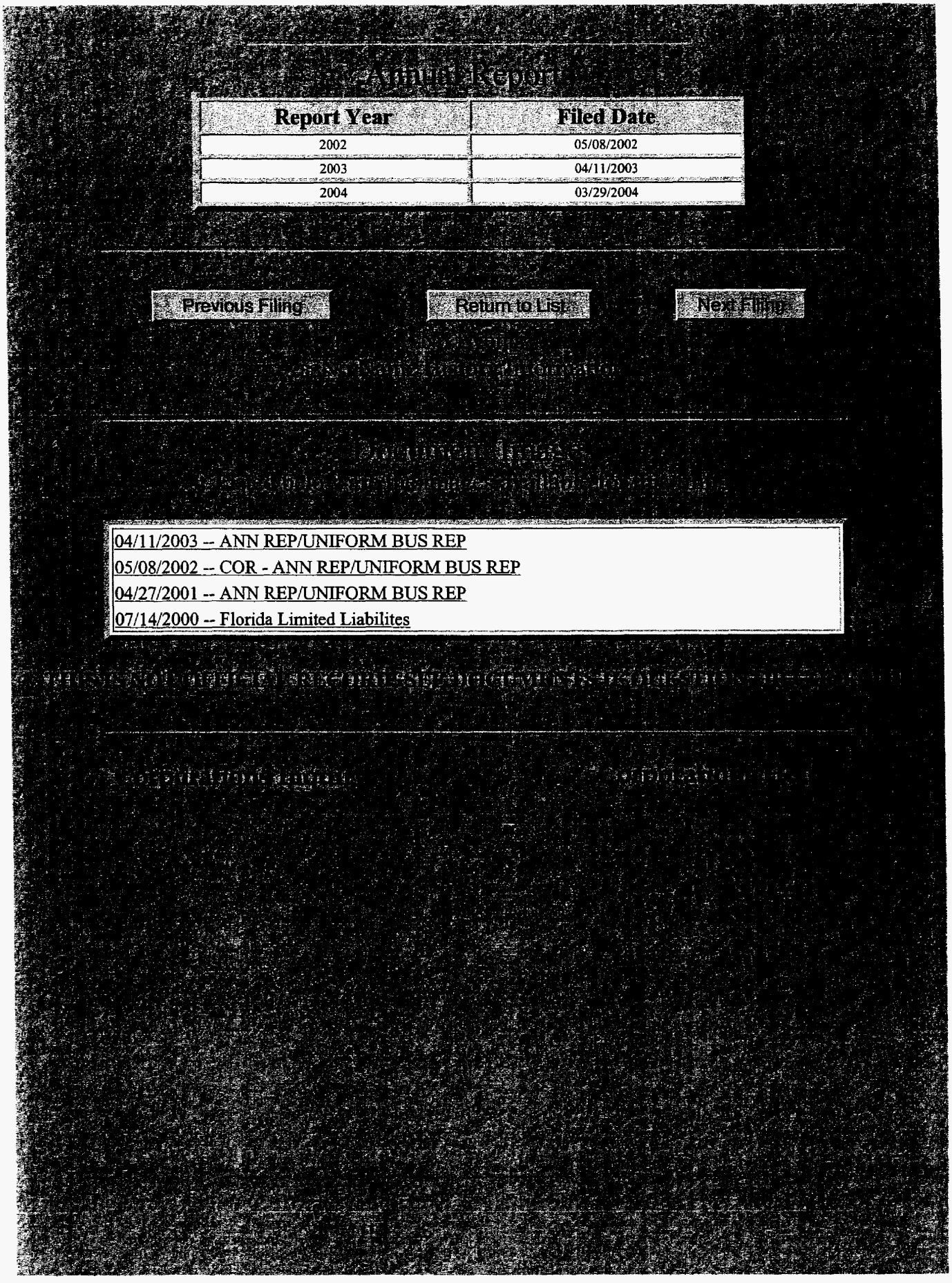

Report Year	Filed Date
2002	05/08/2002
2003	04/11/2003
2004	03/29/2004

Previous Filing | Return to List | Next Filing

04/11/2003 -- ANN REP/UNIFORM BUS REP
05/08/2002 -- COR - ANN REP/UNIFORM BUS REP
04/27/2001 -- ANN REP/UNIFORM BUS REP
07/14/2000 -- Florida Limited Liabilites

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Web Page

KW 5/7/04 4/30/04

S-2

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Management

IDS is led by experienced leaders who bring unparalleled knowledge a company. The leadership team takes a "hands-on" approach to manag customer service, to ensure that IDS continues to grow as a world-cla telecommunications company. Focused on customer satisfaction, our t sincere interest in ensuring our customers receive the highest quality available.

NAME	TITLE	EMAI
Joe Millstone	Chief Executive Officer (CEO)	jmillstone@
Michael Noshay	President	mnoshay@
Tony Petrone	Executive Vice-President	tpetrone@
Mercedes D. Joannidis	Vice President of Sales	mdelgado@
Diane O'Donnell	Director Collections	dodonnell@
Elizabeth Fefer	Director of Finance	efefer@ic
Diane Larkin	Controller	dlarkin@i
Angel Leiro	Vice-President of Regulatory Affairs	aleiro@ic

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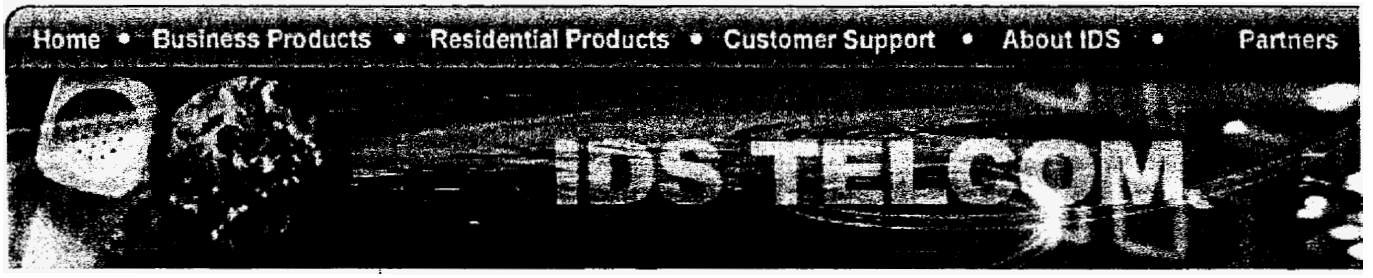

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About *IDS Telcom*

IDS Telcom LLC is a leading integrated communications provider whicl within the southeastern U.S. to serve small and medium-sized busines Since 1989 we have been serving customers as the leading alternative We offer local service on the same public service telephone network u equipment as BellSouth. Our long distance service has always been th quality market leader and the envy of many of our larger competitors. customers with more sophisticated requirements we offer voice and d state-of-the-art optical fiber network. We are proud of the quality of o we are constantly adding new products to better serve you.

With all of the recent news about the telecommunications industry, we confirm to you that IDS is financially sound and a reliable partner to e telecommunications requirements. Since 1996 we have been supporte requirements by MCG Finance, a publicly traded financial institution, w significant equity holder in the Company. An unused line of credit fron provides IDS with the flexibility to insure timely and reliable delivery c telecommunications services to you.

We recognize the importance to you of your telecommunications servi want to make your transition to IDS Telcom as smooth and effortless customer service is available Monday through Saturday from 8am to 8 our technical support is available 24/7/365.

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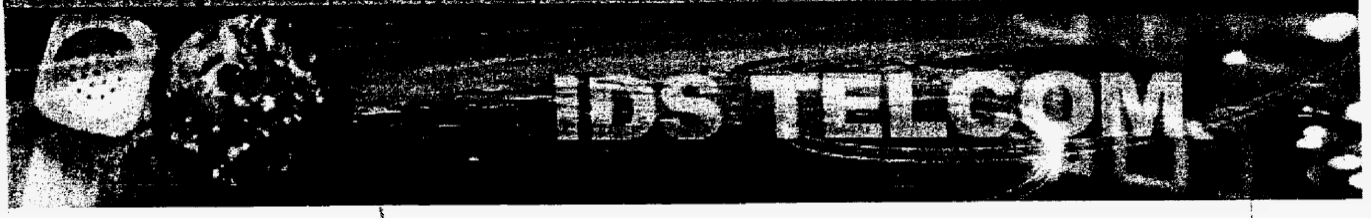

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IDS *News*

Digital T1 Data Service

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more info >>

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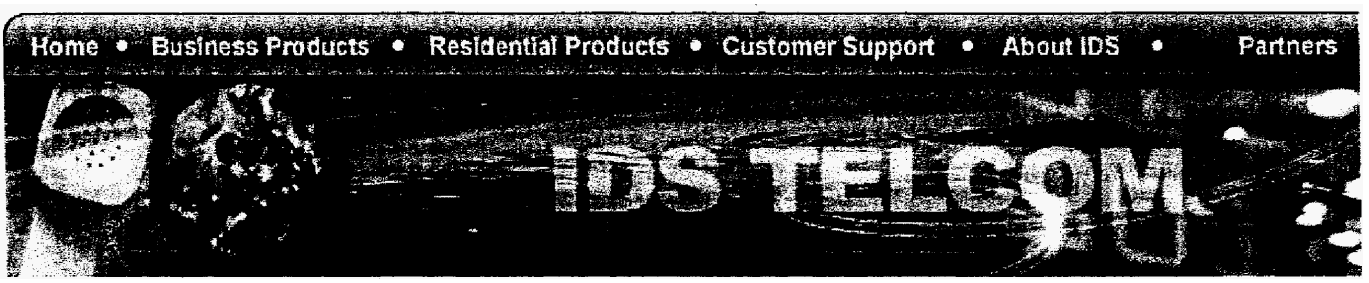

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Preferred Business Value Plan

- Your choice of any of the features listed below, including Hunting.
- Add unlimited local long distance calling for only $3.95 a month or minute. (Unlimited local long distance calls included with 2-year ter
- Single Voicemail Box may be added for $7.95 per month
- Voicemail with up to 3 sub-mail boxes may be added for $10.95 pe
- Add Domestic Long Distance for as low as $0.039 per minute (48 C only. Does NOT include Alaska, Hawaii, US Virgin Islands, Puerto Ri Mexico, or Canada).
- You may also select three countries and receive 30% discount off th rate.

Basic Business Value Plan

- Add unlimited local long distance calling for only $3.95 a month or minute. (Unlimited local long distance calls included with 2-year ter
- Single Voicemail Box may be added for $7.95 per month
- Voicemail with up to 3 sub-mail boxes may be added for $10.95 pe
- Add Domestic Long Distance for as low as $0.039 per minute (48 C only. Does NOT include Alaska, Hawaii, US Virgin Islands, Puerto Ri Mexico, or Canada).
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IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TF
TYE: 2003

Title: Agenda

KW
4/21/04 4/21/04

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 698-4608

ORIGINAL

EXHIBIT KLW-5
PAGE 28 OF 403
IDS NON-CONFIDENTIAL

RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

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GOVERNMENTAL CONSULTANTS
MARGARET A MENDUNI
M. LANE STEPHENS

December 30, 2003

Ms. Blanca Bayo, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

HAND DELIVERY

FPSC-COMMISSION CLERK
03 DEC 30 PM 3:27
RECEIVED-FPSC

Re: Docket No. 031125-TP

Dear Ms. Bayo:

Enclosed with this letter on behalf of IDS Telcom, LLC ("IDS") are the original and fifteen copies of the Amended Complaint by IDS against BellSouth Telecommunications, Inc. for Overbilling and Discontinuance of Servie, and Petition for Emergency Order Restoring Service.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me.

Thank you for your assistance with this filing.

Sincerely,

RECEIVED & FILED
FPSC-BUREAU OF RECORDS

Martin P. McDonnell

MPM/rl
Enclosure
cc: Parties of Record

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DOCUMENT NUMBER-DATE
13556 DEC 30 03

All documents filed, served or issued in this docket should be served on the following:

Marsha E. Rule
Martin P. McDonnell
Rutledge, Ecenia, Purnell & Hoffman, P.A.
215 South Monroe Street, Suite 420
Tallahassee, FL 32301
(850) 681-6788

2. BellSouth Telecommunications, Inc. is an incumbent local exchange carrier certificated by the Commission to provide local exchange services in Florida. BellSouth is an incumbent local exchange carrier ("ILEC"), as defined in Section 251 (h) of the Act, and is a "local exchange telecommunications company" as defined by Section 364.02(6), Florida Statutes. BellSouth's address for receiving communications from the Commission is:

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

3. The Commission has jurisdiction with respect to the claims asserted in this Complaint under Chapters 120 and 364, Florida Statutes and Chapters 25-22 and 28-106, Florida Administrative Code. Moreover, the Commission's jurisdiction to enforce interconnection agreements is explicitly set forth in Section 364.162, Florida Statutes and also is inherent in its authority to approve such agreements under Section 252 of the Act.

4. On December 23, 2003, IDS opened this docket by filing a complaint against BellSouth seeking immediate restoration of LENS and resolution of a monetary dispute arising under a settlement agreement that resolved, in part, a prior docket before this Commission. Pursuant to Rule 28-106.202, F.A.C., IDS may amend its pleading prior to the designation of the presiding officer, and hence hereby timely files this amended complaint and petition.

would waive all claims regarding prior interest or late payments charges, but that interest at the rate of 1.5% and applicable late payment charges would begin to accrue on the Total Amount Due under the Q Account beginning in March 2002.[1]

10. However, rather than billing the Total Amount Due of $2,475,000.00 to the Q Account as required by the Settlement Agreement, BellSouth erroneously billed $3,231,996.10 to the Q Account, or $756,996.10 in excess of that specified in the Settlement Agreement.

11. On or about February 5, 2003, a new interconnection agreement became effective between the parties ("Current Agreement").

12. As of mid-2003, IDS had not only paid the $2,475,000 with all accrued interest, but also because of erroneous BellSouth billing statements continued to pay under this Q Account, and in fact overpaid the Q Account. In total, IDS paid $3,049,140.74 to the Q Account, as shown in the spreadsheet attached hereto as "Exhibit B."

13. Despite having overpaid the Q Account, BellSouth has insisted that IDS pay the additional monies that BellSouth erroneously posted to the Q Account. Despite repeated requests by IDS to BellSouth to correct the Q Account balances, BellSouth has refused to do so without any explanation. IDS not only disputed the erroneous Q Account balances under the Prior Agreement, but also continued to dispute such erroneous balances under the Current Agreement. Accordingly, the additional amounts demanded by BellSouth under the Q Account are in dispute and have remained in dispute during all relevant time periods.

14. IDS has disputed and continues to dispute BellSouth's excess charges of $756,996.10 to the Q account. Moreover, IDS has paid all amounts not in dispute under this Q

[1] BellSouth also agreed to issue IDS a credit in the amount of $925,000.00, which was to be and was later applied to a different IDS account.

Account. BellSouth has never provided an explanation of its overcharges to this Q Account, and thus IDS has been unable to resolve this dispute.

15. Under the parties' Current Agreement, BellSouth cannot terminate services for failing to pay amounts in dispute. In particular, Attachment 7, Section 1.7.2 of the parties' Current Agreement, attached hereto as "Exhibit C", regulates BellSouth's right to suspend or terminate service for non-payment,[2] and states, in pertinent part, as follows:

> BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 2, is not received by the bill date in the month after the original bill date, BellSouth will provide written notice to IDS Telecom that additional applications for service may be refused, that any pending orders for service may not be completed, and/or that access to ordering systems may be suspended if payment is not received by the fifteenth day following the date of the notice. In addition, BellSouth may, at the same time, provide written notice to the person designated by IDS Telecom to receive notices of noncompliance that BellSouth may discontinue the provision of existing services to IDS Telcom if payment is not received by the thirtieth day following the date of the initial notice.

16. Additionally, Attachment 7, Section 2.1 of the parties' Current Agreement, attached hereto as "Exhibit D," states in pertinent part as follows:[3]

---

[2] This dispute arises under the Settlement Agreement. Nevertheless, the Prior Agreement was in place when the Settlement Agreement was executed. Although the Current Agreement appears to allow BellSouth to declare as due under the Current Agreement amounts incurred under the Prior Agreement, it does not specifically allow BellSouth to include other amounts, such as those amounts dues under the Settlement Agreement. In this regard, Section 31 of the General Terms and Conditions of the Current Agreement states in pertinent part as follows:

> [T]his Agreement sets forth the entire understanding and except for Settlement Agreements that have been negotiated separate and apart from this Agreement, supersedes prior agreements between the Parties relating to the subject matter contained in this Agreement and merges all prior discussions between them. Any orders placed under prior agreements between the Parties shall be governed by the terms of this Agreement and IDS . . .acknowledges and agrees that any and all amounts and obligations owed for services provisioned or orders placed under prior agreements between the Parties, related to the subject matter hereof, shall be due and owing under this Agreement and be governed by the terms and conditions of this Agreement as if such services or orders were provisioned or placed under this Agreement.

In any event, services such as LENS are being provided today under the Current Agreement.

[3] This dispute arises under the Prior Agreement, which provides in Attachment 7, Section 2.1.1, that: "Each Party agrees to notify the other Party in writing upon the discovery of a billing dispute." As early as May 2002, IDS had notified BellSouth in writing of a problem in the amount billed in the Q Account. Despite numerous and various

22. Notwithstanding the filing of an informal complaint with this Commission and the fact that BellSouth's over-billing of the Q Account is clearly in dispute, BellSouth has terminated services to IDS. In this regard, on December 19, 2003, citing non-payment of an alleged $611,627.42 in undisputed charges in connection with the Q Account; BellSouth terminated its LENS service to IDS.[6]

23. LENS is an electronic interface that allows CLECs to manage their customers' accounts. LENS is more that simply an ordering system. IDS provisions local exchange service to its customers via the unbundled network elements platform (UNE-P), which it purchases at wholesale from BellSouth. IDS uses LENS to initiate, terminate and restore local exchange service to its customers. Without LENS, IDS cannot initiate service to new customers, terminate service to customers who request termination, deny service to customers who are in default, or restore service to customers who have experienced an outage. In short, IDS cannot conduct its business without access to LENS. **BellSouth's improper termination of LENS service has** caused, and continues to cause, irreparable harm to IDS and its customers.

COUNT ONE

24. IDS incorporates paragraphs 1-23, above, as if fully set forth herein.

25. IDS filed an informal complaint against BellSouth with the Commission on November 3, 2003, and paid all undisputed portions of the Q Account charges.

26. Rule 25-22.032(6), Florida Administrative Code, prohibits BellSouth from discontinuing service to IDS during the complaint process because of any unpaid disputed bill.

[6] BellSouth first advised IDS that it had terminated access to LENS service late on Friday afternoon (12/19/03), effectively precluding IDS from seeking relief until the following Monday (or paying BellSouth over $600,000 that IDS maintains it does not owe.)

33. BellSouth's improper termination of LENS service to IDS has caused, and continues to cause, irreparable harm to IDS and its customers. Each hour that such refusal to provide service continues makes it less likely that IDS will be able to retain its customers. The Commission should order BellSouth to immediately restore LENS service to IDS pending the Commission's resolution of this Complaint and Petition.

34. Additionally, this Commission should resolve this dispute in IDS' favor and find that BellSouth has violated the parties' Current Agreement.

35. Finally, this Commission should find and declare that under the parties' Current Agreement, BellSouth has no right to terminate services to IDS for failure to pay disputed amounts, and that BellSouth's right of recourse under the Current Agreement is to first seek resolution of the dispute by the appropriate commission. This Commission should also enjoin BellSouth against future violations the parties' Current Agreement in this respect.

COUNT THREE

36. IDS incorporates paragraphs 1-23, above as if fully set forth herein.

37. BellSouth's improper charges to the Q Account and its termination of LENS service to IDS violates the parties' March, 2002 Settlement Agreement.

38. Based upon the express language of the Settlement Agreement (which was the basis for resolving the 01-0740 Docket (which had previously gone to hearing before this Commission), this Commission should order BellSouth to immediately restore LENS service to IDS pending the Commission's resolution of this Complaint and Petition, and upon hearing, should resolve this dispute in favor of IDS and find that BellSouth has violated the parties' Settlement Agreement.

46. BellSouth's unilateral termination of its essential and monopoly LENS services on a Friday afternoon, during the pendency of a billing dispute, is clearly anticompetitive and discriminatory, and causes irreparable harm to IDS and its customers.

47. Moreover, BellSouth's unilateral actions in: (a) declaring this dispute "undisputed"; (b) failing to follow the dispute resolution procedure set forth in the Current Agreement; (c) terminating services for failing to pay disputed amounts; and (d) terminating IDS' access to LENS in this instance; are all anticompetitive and discriminatory acts in violation of the Telecommunications Act of 1996 and related federal law.

48. The Commission should find that BellSouth has violated the Telecommunications Act of 1996, order BellSouth to immediately restore LENS service to IDS pending the Commission's resolution of this Complaint and Petition, and upon hearing, should enjoin and prohibit BellSouth from engaging in this and similar anticompetitive and discriminatory behavior in the future.

WHEREFORE, IDS respectfully requests that the Commission:

(1) **Order BellSouth to restore LENS service to IDS immediately**, and to continue providing LENS service to IDS while this docket is pending;

(2) Determine that BellSouth's termination of LENS service to IDS violates Rule 25-22.032(6), Florida Administrative Code;

(3) Determine that BellSouth's termination of LENS service to IDS violates the parties' Current Agreement and the Settlement Agreement;

(4) Determine and declare that BellSouth's termination of services during the pendency of a billing and related disputes over payment, violates the parties' Current Agreement, and enjoin BellSouth from future violations in this regard;

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT a copy of the foregoing was furnished by hand delivery this 30th day of December 2003, to the following:

Beth Keating, Esq.
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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

Martin P. McDonnell

MARTIN P. MCDONNELL, ESQ.

5. BellSouth shall issue IDS a credit in the amount of $925,000. BellSouth allowed IDS to withhold this amount from its payment due to BellSouth in February 2002.

6. BST shall file and IDS shall execute a UCC-1 against IDS' assets to secure an interest in the Total Amount Due.

7. IDS shall keep all bills, billed under CRIS or CABS, current and shall not allow any undisputed current charges to become past due.

8. Should IDS fail to make a payment of $200,000 to BST in any given month pursuant to this Amendment for the Past Due Q Account or fail to keep its billing current for all other accounts, IDS will be in breach of this Amendment. IDS shall have fourteen (14) days to cure such breach. If the breach is not cured within fourteen (14) days, the remaining balance of the Total Amount Due in the Past Due Q Account will immediately become due and owing and IDS shall pay to BST the full amount.

9. Except as specifically set forth herein, all of the provisions of the Settlement Agreement remain in full force and effect.

10. The Parties after executing this Amendment will be bound by the terms and conditions contained herein.

11. The Effective Date of this Amendment is March 25, 2002. The undersigned Parties hereby execute this Agreement.

IDS TELCOM, INC.

By: [signature]

Name: HACKER

Title: CFO

BELLSOUTH TELECOMMUNICATIONS, INC.

By: [signature]

Name: Gregory R Follensbee

Title: Senior Director

payment is not received by the payment due date, a late payment charge, as set forth in Section 1.6, below, shall apply.

1.5 Tax Exemption. Upon BellSouth's receipt of tax exemption certificate, the total amount billed to IDS Telcom will not include those taxes or fees from which IDS Telcom is exempt. IDS Telcom will be solely responsible for the computation, tracking, reporting and payment of all taxes and like fees associated with the services provided to the end user of IDS Telcom.

1.6 Late Payment. If any portion of the payment is received by BellSouth after the payment due date as set forth preceding, or if any portion of the payment is received by BellSouth in funds that are not immediately available to BellSouth, then a late payment charge shall be due to BellSouth. The late payment charge shall be the portion of the payment not received by the payment due date multiplied by a late factor and will be applied on a per bill basis. The late factor shall be as set forth in Section A2 of the General Subscriber Services Tariff, Section B2 of the Private Line Service Tariff or Section E2 of the Intrastate Access Tariff, as appropriate. In addition to any applicable late payment charges, IDS Telcom may be charged a fee for all returned checks as set forth in Section A2 of the General Subscriber Services Tariff or pursuant to the applicable state law.

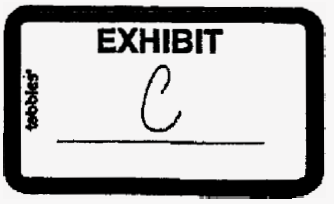
1.7 Discontinuing Service to IDS Telcom. The procedures for discontinuing service to IDS Telcom are as follows:

1.7.1 BellSouth reserves the right to suspend or terminate service in the event of prohibited, unlawful or improper use of BellSouth facilities or service, abuse of BellSouth facilities, or any other violation or noncompliance by IDS Telcom of the rules and regulations of BellSouth's tariffs.

1.7.2 BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 2, is not received by the bill date in the month after the original bill date, BellSouth will provide written notice to IDS Telcom that additional applications for service may be refused, that any pending orders for service may not be completed, and/or that access to ordering systems may be suspended if payment is not received by the fifteenth day following the date of the notice. In addition, BellSouth may, at the same time, provide written notice to the person designated by IDS Telcom to receive notices of noncompliance that BellSouth may discontinue the provision of existing services to IDS Telcom if payment is not received by the thirtieth day following the date of the initial notice.

1.7.3 In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due.

1.7.4 If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice and IDS Telcom's noncompliance continues,



disclosure or dissemination to anyone except employees of Recipient with a need to know such Information solely in conjunction with Recipient's analysis of the Information and for no other purpose except as authorized herein or as otherwise authorized in writing by the Discloser. Recipient will not make any copies of the Information inspected by it.

9.3 Exceptions. Recipient will not have an obligation to protect any portion of the Information which:

9.3.1 (a) is made publicly available by the Discloser or lawfully by a nonparty to this Agreement; (b) is lawfully obtained by Recipient from any source other than Discloser; (c) is previously known to Recipient without an obligation to keep it confidential; or (d) is released from the terms of this Agreement by Discloser upon written notice to Recipient.

9.4 Recipient agrees to use the Information solely for the purposes of negotiations pursuant to 47 U.S.C. 251 or in performing its obligations under this Agreement and for no other entity or purpose, except as may be otherwise agreed to in writing by the Parties. Nothing herein shall prohibit Recipient from providing information requested by the FCC or a state regulatory agency with jurisdiction over this matter, or to support a request for arbitration or an allegation of failure to negotiate in good faith.

9.5 Recipient agrees not to publish or use the Information for any advertising, sales or marketing promotions, press releases, or publicity matters that refer either directly or indirectly to the Information or to the Discloser or any of its affiliated companies.

9.6 The disclosure of Information neither grants nor implies any license to the Recipient under any trademark, patent, copyright, application or other intellectual property right that is now or may hereafter be owned by the Discloser.

9.7 Survival of Confidentiality Obligations. The Parties' rights and obligations under this Section 9 shall survive and continue in effect until two (2) years after the expiration or termination date of this Agreement with regard to all Information exchanged during the term of this Agreement. Thereafter, the Parties' rights and obligations hereunder survive and continue in effect with respect to any Information that is a trade secret under applicable law.

10. Resolution of Disputes

Except as otherwise stated in this Agreement, if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the aggrieved Party shall petition the Commission for a resolution of the dispute. However, each Party reserves any

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IDS TELCOM Headquarters 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169 U.S.A.
T+ 305 913 4000 F+ 305 913 4024 TOLL FREE+ 800 335 4437

November 3, 2003

Via Hand Delivery and Federal Express
Ms. Blanca S. Bayo, Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

RE: Informal complaint against BellSouth Telecommunications Inc. pursuant to Rule 25-22.032, Florida Administrative Code

Dear Ms. Bayo:

I am writing on behalf of IDS Telcom LLC ("IDS"), a certificated Florida CLEC headquartered in Miami. We are wholesale customers of BellSouth Telecommunications, Inc. ("BellSouth") pursuant to a commission-approved agreement. Please consider this letter as IDS' informal complaint against BellSouth regarding a series of billing and service problems described below.

We have attempted to work through these problems with BellSouth and have paid the undisputed portions of BellSouth's billings. However, BellSouth has refused to recognize the legitimacy of our disputes, and instead of attempting to resolve our differences, is threatening discontinuance of service.

Briefly, our disputes with BellSouth fall roughly into the following categories:

1. Conversion charges: Although the charge for UNE conversions decreased in our latest Interconnection Agreement, BellSouth erroneously continues to charge the old rate and its bills are therefore artificially inflated.

2. Engineering charges: BellSouth erroneously imposes engineering charges for which there is no documentation or an otherwise adequate method for validating charges; further, BellSouth is charging us for repairs on the BellSouth side of the demarcation point.

3. Non-Basic 1 and Non-Basic 4 charges: BellSouth erroneously bills non basic charges on basic UNE lines.

4. Port install and disconnect charges: BellSouth inappropriately charges multiples of the first-line port install or disconnect charge for all lines on multi-line orders, rather than charging the first-line rate for the first line, and a lower rate for additional lines. Additionally, BellSouth charges a disconnect fee to IDS when

EXHIBIT
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ORIGINAL

EXHIBIT KLW-5
PAGE 40 OF 403
IDS NON-CONFIDENTIAL

RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

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GARY R. RUTLEDGE

GOVERNMENTAL CONSULTANTS
MARGARET A. MENDUNI
M. LANE STEPHENS

031125-TP

December 23, 2003

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

VIA HAND DELIVERY

RECEIVED-FPSC
03 DEC 23 PM 4:32
COMMISSION
CLERK

Re: Complaint by IDS Telecom LLC Against BellSouth Telecommunications, Inc.

Dear Ms. Bayo:

Enclosed for filing on behalf of IDS Telecom LLC are the original and fifteen copies of IDS Telecom LLC's Complaint by IDS Telecom LLC against BellSouth Telecommunications, Inc. for Overbilling and Discontinuance of Service, and Petition for Emergency Order Restoring Service.

Please acknowledge this filing by date-stamping and returning the enclosed copy of this letter.

Thank you for your assistance with this filing.

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

Sincerely,

Suzanne Young

Suzanne Young, Assistant to
Marsha E. Rule, Esq.

Enclosures

cc: All Counsel

5-4

DOCUMENT NUMBER-DATE

13420 DEC 23

2. BellSouth Telecommunications, Inc. is an incumbent local exchange company certificated by the Commission to provide local exchange services in Florida. BellSouth is an incumbent local exchange carrier ("ILEC"), as defined in Section 251 (h) of the Act, and is a "local exchange telecommunications company" as defined by Section 364.02(6), Florida Statutes. BellSouth's address for receiving communications from the Commission is:

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

3. The Commission has jurisdiction with respect to the claims asserted in this Complaint under Chapters 120 and 364, Florida Statutes and Chapters 25-22 and 28-106, Florida Administrative Code. Moreover, the Commission's jurisdiction to enforce interconnection agreements is explicitly set forth in Section 364.162, Florida Statutes and also is inherent in its authority to approve such agreements under Section 252 of the Act.

BACKGROUND

4. In September 2001, IDS and BellSouth entered into a confidential settlement agreement (the "Confidential Settlement") by which the parties agreed to settle certain disputes.

5. In March 2002 the parties executed a non-confidential agreement to amend the earlier Confidential Settlement (the "Settlement Amendment"). A copy of the Settlement Amendment is attached hereto as "Exhibit A."

6. In the Settlement Amendment, the parties agreed upon specific payments and credits in settlement of the disputes addressed in the Confidential Settlement. Specifically, BellSouth and IDS established a "Total Amount Due" of $2,475,000.00 from IDS to BellSouth, which BellSouth would bill to IDS a newly-established and separately maintained account (the

alleged $611,627.42 in undisputed charges in connection with the Past Due Q Account, BellSouth terminated its LENS service to IDS.[2]

11. LENS is an electronic interface that allows CLECs to manage their customers' accounts. IDS provisions local exchange service to its customers via the unbundled network elements platform (UNE-P), which it purchases at wholesale from BellSouth. IDS uses LENS to initiate, terminate and restore local exchange service to its customers. Without LENS, IDS cannot initiate service to new customers, terminate service to customers who request termination, deny service to customers who are in default, or restore service to customers who have experienced an outage. In short, IDS cannot conduct its business without access to LENS. BellSouth's improper termination of LENS service has caused, and continues to cause, irreparable harm to IDS and its customers.

COUNT ONE

12. IDS incorporates paragraphs 1-11, above, as if fully set forth herein.

13. IDS filed an informal complaint against BellSouth with the Commission on November 3, 2003, and paid all undisputed portions of the Past Due Q Account charges.

14. Rule 25-22.032(6), Florida Administrative Code, prohibits BellSouth from discontinuing service to IDS during the complaint process because of any unpaid disputed bill. BellSouth's termination of LENS service to IDS therefore violates Rule 25-22.032(6), Florida Administrative Code.

15. BellSouth's improper termination of LENS service to IDS has caused, and continues to cause, irreparable harm to IDS and its customers. Each hour that such refusal to

[2] BellSouth first advised IDS that it had terminated access to LENS service late on Friday afternoon, effectively precluding IDS from seeking relief until the following Monday (or paying BellSouth over $600,000 that IDS maintains it does not owe.)

Attachment 7, Section 1.7.2. Further, BellSouth did not provide the 30-day notice of service discontinuation required by Section 1.7.2. BellSouth's termination of IDS' access to LENS therefore violates Attachment 7, Section 1.7.2 of the parties' interconnection agreement.

COUNT THREE

18. IDS incorporates paragraphs 1-11, above as if fully set forth herein.

19. BellSouth's improper charges to the Past Due Q Account and its termination of LENS service to IDS violate the parties' March, 2002 Settlement Agreement. The Commission should order BellSouth to immediately restore LENS service to IDS pending the Commission's resolution of this Complaint and Petition, and upon hearing, should resolve this dispute in favor of IDS.

COUNT FOUR

20. IDS incorporates paragraphs 1-11, above, as if fully set forth herein.

21. Section 364.01(g), Florida Statutes directs the Commission to "ensure that all providers of telecommunications services are treated fairly, by preventing anticompetitive behavior and eliminating unnecessary regulatory restraint."

22. BellSouth's unilateral termination of its essential and monopoly LENS services on a Friday afternoon, during the pendency of a billing dispute, is clearly anticompetitive and causes irreparable harm to IDS and its customers. The Commission should order BellSouth to immediately restore LENS service to IDS pending the Commission's resolution of this Complaint and Petition, and upon hearing, should prohibit BellSouth from engaging in similar anticompetitive behavior in the future.

---

conditions of this Agreement as if such services or orders were provisioned or placed under this Agreement.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT a copy of the foregoing was furnished by hand delivery this 23rd day of December, 2003, to the following:

Beth Keating, Esq.
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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

Martin P. McDonnell for
MARSHA E. RULE, ESQ.

5. BellSouth shall issue IDS a credit in the amount of $925,000. BellSouth allowed IDS to withhold this amount from its payment due to BellSouth in February 2002.

6. BST shall file and IDS shall execute a UCC-1 against IDS' assets to secure an interest in the Total Amount Due.

7. IDS shall keep all bills, billed under CRIS or CABS, current and shall not allow any undisputed current charges to become past due.

8. Should IDS fail to make a payment of $200,000 to BST in any given month pursuant to this Amendment for the Past Due Q Account or fail to keep its billing current for all other accounts, IDS will be in breach of this Amendment. IDS shall have fourteen (14) days to cure such breach. If the breach is not cured within fourteen (14) days, the remaining balance of the Total Amount Due in the Past Due Q Account will immediately become due and owing and IDS shall pay to BST the full amount.

9. Except as specifically set forth herein, all of the provisions of the Settlement Agreement remain in full force and effect.

10. The Parties after executing this Amendment will be bound by the terms and conditions contained herein.

11. The Effective Date of this Amendment is March 25, 2002. The undersigned Parties hereby execute this Agreement.

IDS TELCOM, INC.

By: [signature]

Name: HACKER

Title: CFO

BELLSOUTH TELECOMMUNICATIONS, INC.

By: Gregory R Follensbee

Name: Gregory R Follensbee

Title: Senior Director

IDS TELCOM Headquarters 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169 U.S.A.
T+ 305 913 4000 F+ 305 913 4024 TOLL FREE+ 800 335 4437

November 3, 2003

Via Hand Delivery and Federal Express
Ms. Blanca S. Bayo, Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

RE: Informal complaint against BellSouth Telecommunications Inc. pursuant to Rule 25-22.032, Florida Administrative Code

Dear Ms. Bayo:

I am writing on behalf of IDS Telcom LLC ("IDS"), a certificated Florida CLEC headquartered in Miami. We are wholesale customers of BellSouth Telecommunications, Inc. ("BellSouth") pursuant to a commission-approved agreement. Please consider this letter as IDS' informal complaint against BellSouth regarding a series of billing and service problems described below.

We have attempted to work through these problems with BellSouth and have paid the undisputed portions of BellSouth's billings. However, BellSouth has refused to recognize the legitimacy of our disputes, and instead of attempting to resolve our differences, is threatening discontinuance of service.

Briefly, our disputes with BellSouth fall roughly into the following categories:

1. Conversion charges: Although the charge for UNE conversions decreased in our latest Interconnection Agreement, BellSouth erroneously continues to charge the old rate and its bills are therefore artificially inflated.

2. Engineering charges: BellSouth erroneously imposes engineering charges for which there is no documentation or an otherwise adequate method for validating charges; further, BellSouth is charging us for repairs on the BellSouth side of the demarcation point.

3. Non-Basic 1 and Non-Basic 4 charges: BellSouth erroneously bills non basic charges on basic UNE lines.

4. Port install and disconnect charges: BellSouth inappropriately charges multiples of the first-line port install or disconnect charge for all lines on multi-line orders, rather than charging the first-line rate for the first line, and a lower rate for additional lines. Additionally, BellSouth charges a disconnect fee to IDS when

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payment is not received by the payment due date, a late payment charge, as set forth in Section 1.6, below, shall apply.

1.5 Tax Exemption. Upon BellSouth's receipt of tax exemption certificate, the total amount billed to IDS Telcom will not include those taxes or fees from which IDS Telcom is exempt. IDS Telcom will be solely responsible for the computation, tracking, reporting and payment of all taxes and like fees associated with the services provided to the end user of IDS Telcom.

1.6 Late Payment. If any portion of the payment is received by BellSouth after the payment due date as set forth preceding, or if any portion of the payment is received by BellSouth in funds that are not immediately available to BellSouth, then a late payment charge shall be due to BellSouth. The late payment charge shall be the portion of the payment not received by the payment due date multiplied by a late factor and will be applied on a per bill basis. The late factor shall be as set forth in Section A2 of the General Subscriber Services Tariff, Section B2 of the Private Line Service Tariff or Section E2 of the Intrastate Access Tariff, as appropriate. In addition to any applicable late payment charges, IDS Telcom may be charged a fee for all returned checks as set forth in Section A2 of the General Subscriber Services Tariff or pursuant to the applicable state law.

1.7 Discontinuing Service to IDS Telcom. The procedures for discontinuing service to IDS Telcom are as follows:

1.7.1 BellSouth reserves the right to suspend or terminate service in the event of prohibited, unlawful or improper use of BellSouth facilities or service, abuse of BellSouth facilities, or any other violation or noncompliance by IDS Telcom of the rules and regulations of BellSouth's tariffs.

1.7.2 BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 2, is not received by the bill date in the month after the original bill date, BellSouth will provide written notice to IDS Telcom that additional applications for service may be refused, that any pending orders for service may not be completed, and/or that access to ordering systems may be suspended if payment is not received by the fifteenth day following the date of the notice. In addition, BellSouth may, at the same time, provide written notice to the person designated by IDS Telcom to receive notices of noncompliance that BellSouth may discontinue the provision of existing services to IDS Telcom if payment is not received by the thirtieth day following the date of the initial notice.

1.7.3 In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due.

1.7.4 If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice and IDS Telcom's noncompliance continues,

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EXHIBIT KLW-5
PAGE 48 OF 403
IDS NON-CONFIDENTIAL

RUTLEDGE, ECENIA, PURNELL & HOFFMAN

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

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MARSHA E. RULE
GARY R. RUTLEDGE

GOVERNMENTAL CONSULTANTS
MARGARET A. MENDUNI
M. LANE STEPHENS

February 6, 2004

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

VIA HAND DELIVERY

RECEIVED-FPSC
04 FEB -6 PM 4:36
COMMISSION
CLERK

Re: Complaint by IDS Telecom LLC Against BellSouth Telecommunications, Inc.
Docket No. 031125-TP

Dear Ms. Bayo:

Enclosed for filing on behalf of IDS Telecom LLC are the original and fifteen copies each of IDS Telecom LLC's Response to BellSouth's Partial Motion to Dismiss and Answer and IDS Telecom LLC's Request for Oral Argument.

Please acknowledge this filing by date-stamping and returning the enclosed copy of this letter.

Thank you for your assistance with this filing.

Sincerely,

Suzanne Young

Suzanne Young, Assistant to
Marsha E. Rule, Esq.

AUS
CAF
CMP
COM
CTR
ECR
GCL
OPC
MMS
SEC 1
OTH

Enclosures

cc: All Counsel

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R.V.N.
FPSC-BUREAU OF RECORDS

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DOCUMENT NUMBER-DATE
01789 FEB-6 04

that IDS and Bellsouth entered into two interconnection agreements for the provision of telecommunications services within the state of Florida; that BellSouth billed IDS pursuant to the agreements; that IDS disputed some of BellSouth's billings in good faith; that the agreements prohibit BellSouth from discontinuing service to IDS for non-payment of disputed billings; and that BellSouth nevertheless discontinued LENS service to IDS for non-payment of disputed billings. These allegations must be taken as true for purposes of reviewing BellSouth's Motion to Dismiss. See Varnes v. Dawkins, 624 So.2d 349, 350 (Fla. 1st DCA 1993); and Brown v. Moore, 765 So.2d 749 (Fla. 1st DCA 2000).

3. This Commission has clear authority to resolve this dispute. IDS petitioned the Commission to interpret and enforce its interconnection agreement with BellSouth, and BellSouth admits that §364.162, Florida Statutes, provides the Commission with subject matter jurisdiction to do so. This dispute is grounded on the parties' interconnection agreements and could not have arisen in their absence. However, because BellSouth's actions *also* violate Florida and federal law as well as the parties' Settlement Agreement, IDS asked the Commission to make appropriate findings regarding such violations.

THE COMMISSION HAS AUTHORITY TO MAKE THE FINDINGS REQUESTED BY IDS

4. BellSouth argues that the Commission lacks subject matter jurisdiction to "resolve and enforce purported violations of federal law" or to "interpret and enforce a settlement agreement." BellSouth mistates IDS's claim. IDS has not asked the Commission to enforce federal law or its Settlement Agreement. To the contrary, IDS asks the Commission to interpret and enforce its interconnection agreements, and seeks

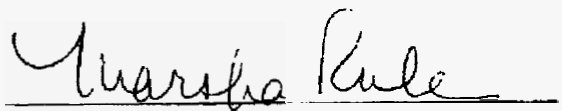
found it has the authority to do. Unlike Supra, IDS has not asked the Commission to "take administrative action based solely on federal statutes" or to provide a specific remedy for violation of a federal statute. Rather, IDS seeks enforcement of its interconnection agreements with BellSouth, and the particular relief sought is specific to the terms of those agreements. The fact that IDS asserts that BellSouth's actions *also* constitute violations of federal law does not remove this Commission's authority to review those actions.

7. BellSouth's argument regarding the Commission's alleged lack of authority over the parties' Settlement Agreement is overly broad and therefore flawed, for at least two reasons. *First,* the Settlement Agreement forms the basis for billing disputes under the Current Agreement. BellSouth has declared that IDS's alleged failure to make payments under the Settlement Agreement constitutes a breach of the Current Agreement, thus allegedly justifying BellSouth's discontinuance of LENS service. IDS, on the other hand, has raised good faith disputes regarding BellSouth's billings pursuant to the Settlement Agreement. The Commission therefore must review and interpret the Settlement Agreement in order to resolve Counts One, Two and Four of IDS's Amended Complaint.

8. *Second,* the Current Agreement incorporates the Settlement Agreement and makes it clear that a failure to make payment of prior obligations – including those obligations embodied in the Settlement Agreement - will constitute a breach of the Current Agreement:

> [T]his Agreement sets forth the entire understanding and except for Settlement Agreements that have been negotiated separate and apart from this Agreement, supersedes prior agreements between the Parties relating to the subject matter contained in this

Respectfully submitted,



MARSHA E. RULE, ESQ.
MARTIN P. MCDONNELL, ESQ.
Rutledge, Ecenia, Purnell & Hoffman, P.A.
P.O. Box 551
Tallahassee, Florida 32302
(850) 681-6788 (Telephone)
(850) 681-6515 (Telecopier)

Attorneys for IDS Telcom LLC

27. **Good Faith Performance**

Each Party shall act in good faith in its performance under this Agreement and, in each case in which a Party's consent or agreement is required or requested hereunder, such Party shall not unreasonably withhold or delay such consent or agreement.

28. **Nonexclusive Dealings**

This Agreement does not prevent either Party from providing or purchasing services to or from any other person nor, except as provided in Section 252(i) of the Act, does it obligate either Party to provide or purchase any services (except insofar as the Parties are obligated to provide access to Interconnection, services and Network Elements to IDS Telcom as a requesting carrier under the Act).

29. **Rate True-Up**

29.1 This section applies to Network Interconnection and to Unbundled Network Elements and Other Services rates that are expressly subject to true-up under this Agreement.

29.2 The designated true-up rates shall be trued-up, either up or down, based on final prices determined either in further agreement between the Parties or by a final order (including any appeal) of the Commission. The Parties shall implement the true-up by comparing the actual volumes and demand for each item billed at the designated true-up rates for the audit period, with the final prices determined in each case. Each Party shall keep its own records upon which the true-up shall be based, and any final payment from one Party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records of the Parties regarding the amount of such true-up, the Parties shall submit the matter to the Dispute Resolution process in accordance with the provisions of Section 10 of the General Terms and Conditions of this Agreement.

29.3 An effective order of the Commission that forms the basis of a true-up shall be based upon cost studies submitted by either or both Parties to the Commission and shall be binding upon BellSouth and IDS Telcom specifically or upon all carriers generally, such as a generic cost proceeding.

30. **Survival**

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

31. **Entire Agreement**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint by Supra Telecommunications and Information Systems, Inc. against BellSouth Telecommunications, Inc. regarding BellSouth's alleged use of carrier-to-carrier information.	DOCKET NO. 030349-TP ORDER NO. PSC-03-1392-FOF-TP ISSUED: December 11, 2003

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON

FINAL ORDER ON BELLSOUTH'S ALLEGED USE OF CARRIER TO CARRIER INFORMATION

APPEARANCES:

NANCY WHITE, ESQUIRE, AND JAMES MEZA, III, ESQUIRE, 150 West Flagler Street, Suite 1910, Miami, Florida 33130; NANCY H. SIMS, ESQUIRE, 150 North Monroe Street, Suite 400, Tallahassee, Florida 32301-1556
On behalf of BellSouth Telecommunications, Inc.

ADENET MEDACIER, ESQUIRE and JORGE CRUZ-BUSTILLO, ESQUIRE, Supra Telecommunications & Information Systems, Inc., 2620 S.W. 27th Avenue, Miami, Florida 33133-3005
On behalf of Supra Telecommunications & Information Systems, Inc.

LINDA H. DODSON, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission.

BY THE COMMISSION:

I. CASE BACKGROUND

On April 18, 2003, Supra Telecommunications and Information Systems, Inc. (Supra) filed an Emergency Petition for Expedited Review of BellSouth Telecommunications, Inc.'s (BellSouth) $75 Cash Back Promotion and Investigation into BellSouth's Pricing and Marketing Practices. On May 5, 2003, BellSouth filed its Answer to Supra's Emergency Petition.

On June 9, 2003, Supra filed for leave to amend its petition, attaching its Amended Emergency Petition alleging BellSouth's violation of 47 U.S.C. Section 222 and Florida Public Service Commission policies regarding the use of wholesale information in retail marketing. In its original petition, Supra alleged that BellSouth's $75 Cash Back Promotion violated Florida law and that BellSouth was allegedly using carrier-to-carrier information for marketing purposes in violation of 47 U.S.C. Section 222(b) and Section 364.01(4)(g), Florida Statutes. In its Amended complaint, Supra removed the allegations regarding the $75 Cash Back Promotion, stating that the purpose of the amendment is to narrow the focus of its petition to issues involving violations of 47 USC § 222, Section 364.01(4)(g), Florida Statutes, and Commission policy. This removed the anti-competitive elements of Supra's complaint.

On June 12, 2003, BellSouth filed a Motion for Continuance and/or Rescheduling to extend the date of the hearing. On June 17, 2003, by Order No. PSC-03-0721-PCO-TP, Supra was granted leave to amend its petition. On the same date, Order No. PSC-03-0718-PCO-TP, the Order Establishing Procedure, was issued. Supra also filed its response to BellSouth's Motion for Continuance and/or Rescheduling on June 18, 2003. BellSouth's Motion for Continuance was denied by Order No. PSC-03-0763-PCO-TP, issued on June 25, 2003.

On June 20, 2003, BellSouth filed its Answer to Supra's Amended Petition and a Partial Motion to Dismiss. On June 24, 2003, Supra filed its response to the Partial Motion to Dismiss. This was considered and deferred at the August 5, 2003 Agenda Conference. On June 30, 2003, Supra filed a Motion for Leave to

file direct testimony one day late. By Commission Order PSC-03-0786-PCO-TP, issued July 2, 2003, Supra's Motion for Leave to file direct testimony one day late was granted.

On July 16, 2003, BellSouth filed a Motion for Extension of Time requesting a three day extension of time, or until July 25, 2003, to file its rebuttal testimony. By Commission Order PSC-03-0840-PCO-TP, issued July 21, 2003, the Commission granted BellSouth's extension of time to file rebuttal testimony and first order modifying order establishing procedure.

On August 11, 2003, the Commission issued Prehearing Order No. PSC-03-0922-PHO-TP. A hearing was conducted on August 29, 2003. Also on the same date, the Commission issued Order No. PSC-03-0981-PCO-TP, which denied BellSouth's Motion to Strike David Nilson's Supplemental Testimony on page one, lines 15-23 and page two, lines 1-14, relating to Exhibit DAN-6. In addition, BellSouth's Motion to Strike David Nilson's Supplemental Testimony was granted with respect to Bates Stamped Nos. 798-840 of DAN-7.

This Order addresses Supra's Amended Emergency Petition alleging BellSouth's violation of 47 U.S.C. Section 222 and Florida Public Service Commission policies regarding the use of wholesale information in retail marketing.

II. JURISDICTION

Federal courts have ruled that a state agency is not authorized to take administrative action based solely on federal statutes. Curtis v. Taylor, 648 F.2d 946 (5th Cir. 1986). State agencies, as well as federal agencies, are only empowered by the statutes pursuant to which they were created. Louisiana Public Service Commission v. FCC, 476 U.S. 355, 374, 375 (1986); Florida Public Service Commission v. Bryson, 569 So.2d 1253, 1254-1255 (Fla. 1990); Charlotte County v. General Development Utilities, Inc., 653 So.2d 1081, 1082 (Fla. 1st DCA 1995).

However, the U.S. Supreme Court, in FERC v. Mississippi, 456 U.S. 742 (1982), also recognized that the effect of federal and state legislation is often intertwined and requires that state agencies act in accordance with laws mandated by Congress's vision when implementing similar state law. Thus, to the extent we need

to construe and apply the federal provision in order to make sure our decision under state law does not conflict, we can and should make such an analysis of federal law. See Testa v. Katt, 330 U.S. 386 (1947); see also Bernice Richard v. Rosenman Colin Freund Lewis & Cohen, 1985 U.S. Dist. LEXIS 15483 (S.D.N.Y. 1985) (interpretation of federal law does not invariably raise a substantial question of federal law); and Petersburg Cellular Partnership d/b/a 360º Communications v. Bd., 205 F.3d 688 (4th Cir. 2000) (state commission may not take action in an area where Congress has demonstrated a desire for the federal government to act, because it would promote conflicting patchwork of [state and federal] requirements "that the Act was designed to eliminate.")

Section 222 of the Act, which was included as part of the 1996 Federal Telecommunications Act, does not recognize a role for state commissions in the enforcement of the provision, unlike other provisions of the Act[1]. 47 U.S.C. Section 222(b) reads as follows:

> CONFIDENTIALITY OF CARRIER INFORMATION. - A telecommunications carrier that receives or obtains proprietary information from another carrier for purposes of providing any telecommunications service shall use such information only for such purpose, and shall not use such information for its own marketing efforts.[2]

We are not aware of any instance in which this Commission has asserted jurisdiction to enforce an alleged violation of the 1996

[1]The Federal Telecommunications Act of 1996 (Act) provides a jurisdictional scheme of "cooperative federalism." In the Act, Congress has specifically designated areas in which it anticipates that state commissions should have a role. Some of the areas in which Congress has either specifically stated, or recognized, that state law may be affected, are Sections 252(b)(1), 252(b)(4)(c), 261(b) and (c), 230(d)(3), 251(e)(1); 252(d)(3), 252(e)(3), 253(b) and (c), 254(f).

[2]However, in Comments of the Florida Public Service Commission Regarding Telecommunications Carriers' Use of Customer Proprietary Network Information and Other Customer Information, dated October 7, 2002, Dockets 96-115, 96-149, and 00-257, the PSC agreed with FCC Chairman Powell when he commented that "states continue to be uniquely positioned to assess the proper scope of CPNI use and may adopt more stringent notification requirements . . . ." The PSC emphasized that the Florida Legislature has already taken steps to address this issued in the context of Section 364.24(2), Florida Statutes.

Act in any situation in which it could not also claim state authority for doing so.

Supra relies on Commission Order No. PSC-03-0578-FOF-TP, issued May 6, 2003, in Docket No. 030200-TP, and Order No. PSC-03-0726-FOF-TP, issued June 19, 2003, in Docket No. 021252-TP, which reaffirmed the Commission's finding in Order No. PSC-02-0875-PAA-TP, issued June 28, 2002. We agree with Supra's reliance on these orders, but emphasize that, in both dockets, we based our decisions only on the broad authority granted under Section 364.01(4)(g), Florida Statutes, to prevent anticompetitive behavior.

In addition, the FCC has stated, in FCC Order 03-42 at ¶28, that states are not precluded from taking actions under state law so long as those actions are consistent with FCC rules. See also FCC 02-214, 17 FCC Rcd. 14860 at ¶69 (wherein the FCC stated that it will only preempt state law when the regulation would interfere with FCC authority). The Florida Legislature has also authorized us to employ procedures consistent with the Act. See Section 120.80(13)(d), Florida Statutes.

Pursuant to Section 364.285(1), Florida Statutes, we are authorized to impose upon any entity subject to our jurisdiction a penalty of not more than $25,000 for each day a violation continues, if such entity is found to have *refused to comply with* or *to have willfully violated* any lawful rule or order of this Commission, or any provision of Chapter 364, Florida Statutes, or revoke any certificate issued by it for any such violation.

Based on the above, we find we cannot provide a remedy (federal or state) for a violation of 47 U.S.C. §222(b). If however, the conduct at issue also constitutes anticompetitive behavior as prohibited by Section 364.01(4)(g), Florida Statutes, we may impose penalties as provided in Section 364.285, Florida Statutes, for the violation of state law. In order to ensure that our decision under state law does not conflict with the federal provision, we may interpret the federal provision and apply it to the facts of this case. Findings made as a result of such federal law analysis would not, however, be considered binding on the FCC or any court having proper jurisdiction to hear and remedy complaints regarding violations of Section 222 of the Act.

III. Sharing of wholesale information with retail operations

Wholesale information is information that BellSouth has in its possession because it provides services to other carriers that provide services to end user customers. Both parties in this docket agree that BellSouth cannot share wholesale, or carrier to carrier, information with its retail marketing operations in order to trigger marketing reacquisition efforts. The primary question for Supra in this docket, which will be addressed in Section V, is whether the information BellSouth receives on a Supra local service request (LSR) (which indicates a customer is switching carriers from BellSouth to Supra), remains wholesale information even after the customer switch is complete.

Supra, in its opening statement at hearing, acknowledged the prohibition on use of wholesale information by stating "BellSouth cannot share information from its wholesale side to its retail side." BellSouth recognized the prohibition on use of wholesale information in witness Ruscilli's direct testimony, stating:

> The Commission determined in its June 28, 2002 order in Docket No. 020119-TP, that BellSouth is prohibited from sharing information with its retail division, such as informing the retail division when a customer is switching from BellSouth to an ALEC. *(See* FPSC Order No. PSC-02-0875-PAA-TP at page 21). More recently in its June 19, 2003 Order in Docket Nos. 020119-TP, 020578-TP, and 021252-TP ("Key Customer Order"), the Commission reaffirmed its previous finding when it examined BellSouth's policies concerning Customer Proprietary Network Information ("CPNI") and use of wholesale information, concluding that it was "satisfied that BellSouth has the appropriate policies in place.". *(See* FPSC Order No. PSC-03-0726- FOF-TP at page 47)

We believe it is important to distinguish customer proprietary network information (CPNI), from wholesale or carrier-to-carrier information. BellSouth witness Ruscilli differentiates the two in his rebuttal testimony, stating:

> Customer Proprietary Network Information or CPNI as defined in Section 222(f)(1) of the Telecommunications Act of 1996, means "(A) information that relates to the quantity, technical configuration, type, destination, and

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> amount of use of a telecommunications service subscribed to by any customer of a telecommunications carrier, and that is made available to the carrier by the customer solely by virtue of the carrier-customer relationship; and (B) information contained in the bills pertaining to telephone exchange service or telephone toll service received by a customer of a carrier; except that such term does not include subscriber list information." Therefore, the phone number and address information of a customer is not CPNI. However, information pertaining to the features the customer has on their line is CPNI.
>
> Wholesale information, on the other hand, is information that BellSouth has in its possession because it provides services to other carriers that provide services to end user customers.

The FCC has addressed the use of CPNI and wholesale information when winback activities are initiated and explains that winback marketing can involve two types of marketing. In Order FCC 99-223, released September 3, 1999, at ¶ 64, the FCC stated:

> ..."win-back" can be divided into two distinct types of marketing: marketing intended either to (1) regain a customer, or (2) retain a customer. Regaining a customer applies to the marketing situation where a customer has already switched to and is receiving service from another provider. Retention marketing, by contrast, refers to a carrier's attempts to persuade a customer to remain with that carrier before the customer's service is switched to another provider.

For purposes of this docket, we will only concentrate on the marketing situation in which BellSouth attempts to regain a customer lost to Supra, in other words, when the transition to Supra is complete. During cross examination by BellSouth, witness Nilson was asked if Supra was alleging that BellSouth targets, through direct mailings or through leads, customers who have pending orders. He replied, "Not in this docket sir." Therefore, retention marketing is not an issue in this docket.

The FCC has addressed win-back marketing promotions to regain customers in a number of orders. In Order FCC 99-223, released September 3, 1999, at ¶ 69, the FCC states:

> Some commenters argue that ILECs should be restricted from engaging in "win-back" campaigns, as a matter of policy, because of the ILECs' unique historic position as regulated monopolies. Several commenters are concerned that the vast stores of CPNI gathered by ILECs will chill potential local entrants and thwart competition in the local exchange. We believe that such action by an ILEC is a significant concern during the time subsequent to the customer's placement of an order to change carriers and prior to the change actually taking place. Therefore, we have addressed that situation at Part V.C.3, *infra*. However, once a customer is no longer obtaining service from the ILEC, the ILEC must compete with the new service provider to obtain the customer's business. We believe that such competition is in the best interest of the customer and see no reason to prohibit ILECs from taking part in this practice. Because "win-back" campaigns can promote competition and result in lower prices to consumers, we will not condemn such practices absent a showing that they are truly predatory.

The FCC again addressed "win-back" campaigns in Order No. FCC 02-147[3], released May 15, 2002. In answer to commenters remarks about BellSouth's marketing tactics, the FCC acknowledged state commission actions and stated:

> We find that, in the absence of a formal complaint to us that BellSouth has failed to comply with section 222(b), the winback issue in this case has been appropriately handled at the state level, and that the actions undertaken by the state commissions and BellSouth should be sufficient to ensure it does not recur. The Georgia Commission issued an interim measure to prohibit BellSouth from engaging in any winback activities once a customer switches to another local telephone service

[3]In the Matter of Joint Application by BellSouth Corporation, Bellsouth Telecommunications, Inc., and BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services In Georgia and Louisiana.

> provider. Since the Georgia Commission issued the interim measure, the Georgia Commission has opened a proceeding to investigate the allegations submitted to the state Commission, and determined that the staff of the Georgia Commission and the interested parties should develop a code of conduct for the industry. While there have been no formal complaints against BellSouth on this issue in Louisiana, the Louisiana Commission ordered BellSouth to abstain from any winback activities for seven days after a customer switches to another local telephone service provider, prohibited BellSouth's wholesale divisions from sharing information with its retail division, and prohibited the inclusion of marketing information in the final bill sent to a customer that has switched providers.

It should be noted that the interim measure discussed in the above paragraph, which the Georgia Commission issued to prohibit BellSouth from engaging in any winback activities once a customer has switched to another service provider, was a 7-day waiting period. The FCC also addressed retention marketing and the use of CPNI and wholesale information in FCC Order 03-42, issued March 17, 2003, at ¶ 27-28, stating:

> We clarify that, to the extent that the retail arm of an executing carrier obtains carrier change information through its normal channels in a form available throughout the retail industry, and after the carrier change has been implemented (such as in disconnect reports), we do not prohibit the use of that information in executing carriers' winback efforts. This is consistent with our finding in the Second Report and Order that an executing carrier may rely on its own information regarding carrier changes in winback marketing efforts, so long as the information is not derived exclusively from its status as an executing carrier. Under these circumstances, the potential for anti-competitive behavior by an executing carrier is curtailed because competitors have access to equivalent information for use in their own marketing and winback operations.

> We emphasize that, when engaging in such marketing, an executing carrier may only use information that its retail operations obtain in the normal course of business. Executing carriers may not at any time in the carrier marketing process rely on specific information they obtained from submitting carriers due solely to their position as executing carriers. We reiterate our finding in the Second Reconsideration Order that carrier change request information transmitted to executing carriers in order to effectuate a carrier change cannot be used for any purpose other than to provide the service requested by the submitting carrier. We will continue to enforce these provisions, and will take appropriate action against those carriers found in violation. In addition, we note that our decision here is not intended to preclude individual State actions in this area that are consistent with our rules.

These orders clearly indicate that wholesale information received by BellSouth cannot be shared with its retail division. By Order No. PSC-02-0875-PAA-TP, issued June 28, 2002, in Docket No. 020119-TP, In Re: Petition for Expedited review and cancellation of BellSouth Telecommunications, Inc.'s Key Customer promotional tariffs and for investigation of BellSouth's promotional pricing and marketing practices, by Florida Digital Network, Inc., we agreed with the FCC's finding, stating:

> ...BellSouth's wholesale division shall be prohibited from sharing information with its retail division, such as informing the retail division when a customer is switching from BellSouth to an ALEC.

By Order No. PSC-03-0726-PAA-TP, issued June 19, 2003, in consolidated Docket Nos. 020119-TP, In Re: Petition for Expedited review and cancellation of BellSouth Telecommunications, Inc.'s Key Customer promotional tariffs and for investigation of BellSouth's promotional pricing and marketing practices, by Florida Digital Network, Inc., 020578-TP, In Re: Petition for Expedited review and cancellation of BellSouth Telecommunications, Inc.'s Key Customer promotional tariffs by Florida Competitive Carriers Association, and 021252-TP, In Re: Petition for Expedited review and cancellation or suspension of BellSouth Telecommunications, Inc.'s

Key Customer tariff filed 12/16/02, by Florida Digital Network, Inc., we affirmed that finding by stating:

> We have examined BellSouth's policies concerning CPNI and use of wholesale information, and are satisfied that BellSouth has the appropriate policies in place. However, we affirm our finding contained in Order No. PSC-02-0875-PAA-TP, issued June 28, 2002, prohibiting BellSouth's wholesale division from sharing information with its retail division, such as informing the retail division when a customer is switching from BellSouth to an ALEC. That finding by us was not protested.

We believe that these findings, in these Orders, are supported by both federal and state law. Not only is sharing of information prohibited by Section 222 of the federal Act, it also appears to present a barrier to competition as prohibited by state law.

Both parties agree that BellSouth cannot share wholesale, or carrier-to-carrier, information with its retail marketing operations in order to trigger marketing reacquisition efforts. Therefore, we affirm our findings in Order PSC-02-0875-PAA-TP, issued June 28, 2002, and Order PSC-03-0726-FOF-TP, issued June 19, 2003, which prohibit BellSouth's wholesale division from sharing information with its retail division.

IV. BellSouth cannot share wholesale information with in-house or third-party marketers.

Both parties agree that BellSouth cannot use wholesale information to furnish leads to its in-house and third party marketers. BellSouth witness Ruscilli addresses whether BellSouth uses wholesale information to furnish leads to its marketers in his direct testimony, stating:

> BellSouth's wholesale operations do not provide leads to its retail operations. Any information used by BellSouth's retail operations to develop lists of former customers that are potentially eligible for promotional offerings are obtained from retail information sources - not wholesale sources.

Both parties agree on how the information regarding a customer change of provider from BellSouth to Supra is provided through BellSouth's OSS system for purposes of winback marketing to regain a customer. The remaining question, which is addressed here, is whether the information that is relayed to BellSouth in-house marketing, or outside third-party marketers, is wholesale or retail information. In this section we will limit the scope of its discussion to the question as to whether BellSouth can share wholesale information with in-house or third-party marketers.

The third sentence of paragraph 28 of FCC 03-42 contains the pertinent verbiage relating to this issue:

> ...carrier change request information transmitted to executing carriers in order to effectuate a carrier change cannot be used for any purpose other than to provide the service requested by the submitting carrier.

We believe the FCC, by this order, clearly indicates that wholesale information cannot be used to furnish leads and/or marketing data to its in-house or third-party marketers to initiate winback activities to regain a customer.

As noted above, both parties agree that BellSouth cannot use wholesale information to furnish leads to its in-house and/or third-party marketers. We believe this position conforms with paragraph 28 of Order FCC 03-42, and Commission Orders PSC-02-0875-PAA-TP, and PSC-03-0726-FOF-TP. Therefore, we find that BellSouth shall not be allowed to use carrier-to-carrier information, acquired from its wholesale OSS and/or wholesale operations, to furnish leads and/or marketing data to its in-house and third party marketers.

V. BellSouth's Use of Wholesale Information

Supra is alleging that BellSouth is using wholesale information to furnish leads and/or marketing data to its in-house or third-party marketers. Witness Nilson states:

> The questions raised in this docket (i.e. Docket No. 030349-TP) are quite different from the Key Customer Tariff Docket. This docket involves a specific admitted "practice" - not addressed in any way in the former

> docket - in which BellSouth's Marketing Information Support ("MKIS") group: (1) utilizes information that originates from a carrier change request (Local Service Request "LSR") for purposes of triggering market retention efforts, and (2) then shares that same information with an outside third party for market retention efforts. The question is whether this admitted practice is legal. This question was not addressed in any way in the Key Customer Tariff Docket.

For efficiency purposes, we will breakdown this issue into four categories: A) BellSouth's Competitive Local Exchange Company (CLEC) ordering system; B) Operation Sunrise; C) Supra's Complaint; and D) the Second Sweep Incident of Sharing Wholesale Information.

a. BellSouth's CLEC Ordering System

To address this issue, a basic understanding of BellSouth's OSS system for CLEC ordering is necessary. It is important to note that Supra is not suggesting that BellSouth does not provide non-discriminatory access to its OSS systems. In an August 22, 2003, deposition of Supra witness Nilson, BellSouth asked if it is Supra's position in this case that BellSouth is not providing nondiscriminatory access to its OSS. Witness Nilson replied "that's not the purpose of this testimony. The purpose of this testimony was to provide background information so that people could understand the way orders flow. I'm not making a claim of discriminatory or nondiscriminatory access or parity or anything of that nature."

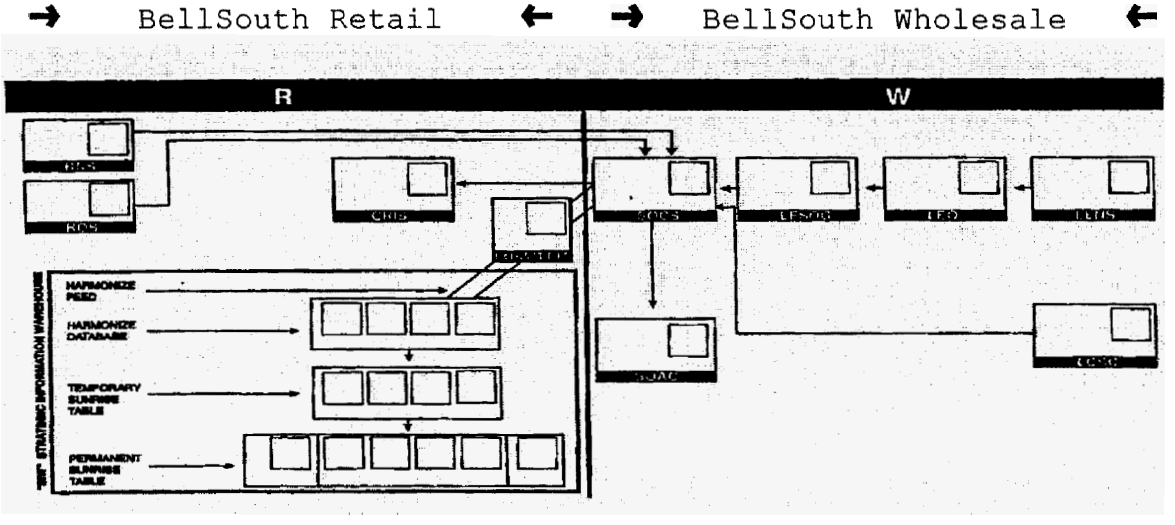
BellSouth witness Pate describes what an OSS system involves in his rebuttal testimony, stating:

> The Federal Communications Commission("FCC") has defined OSS "as consisting of pre-ordering, ordering, provisioning, maintenance and repair, and billing functions supported by an incumbent LEC's databases and information. OSS includes the manual, computerized, and automated systems, together with associated business processes and the up-to-date data maintained in those systems ... Specifically, the Commission identified the five functions of OSS that incumbent LECs must make available to competitors on an unbundled basis: pre-

ordering, ordering, provisioning, repair and maintenance and billing."

The following copy of Supra Exhibit 15 is a visual representation of BellSouth's CLEC ordering system that was presented and used at the August 29, 2003, Commission hearing. "R" represents BellSouth's retail operation, while "W" represents BellSouth's wholesale operation. This exhibit demonstrates the flow of a CLEC LSR order.

1. LOCAL EXCHANGE NAVIGATION SYSTEM (LENS) - When Supra places an order to switch a customer from BellSouth to Supra, an LSR is typically placed in LENS. For conversions from BellSouth to Supra over resale or UNE, a single C order is used. A single C order is a non-complex change order developed by BellSouth and used by the wholesale community for resale or UNE-P conversions in lieu of having to initiate separate disconnect (D) and new (N) orders. Supra uses the single C



conversion order process approximately 99 percent of the time. The other one percent of orders are usually complex orders which are handled through BellSouth's local carrier service center (LCSC). The LCSC handles CLEC orders which are submitted manually, along with electronically submitted LSRs that fall out during the electronic ordering process and need manual intervention. All LSRs submitted via LENS are routed from LENS to the service gate gateway (SGG) which performs

some high level edits, then to the local service request router (LSRR) which sends it to the local exchange ordering system (LEO) if it is not a Local Number Portability (LNP) request.

2. Local Exchange Ordering System (LEO) - Accurate and complete non-LNP and non-Digital Subscriber Line (DSL) LSRs flow mechanically to the LEO system. The LEO system receives the LSR and mechanically performs edit checks to determine if all the required fields have been correctly populated. If the LSR fails the edit checks in LEO, it will be returned to the CLEC via the applicable interface as a fatal reject. Fatal rejects are errors that prevent an LSR from being processed further. The CLEC receives a fatal error notification that contains an error code and an English-language description of the fatal reject. If an LSR passes LEO's edit checks, it then will mechanically "flow" from LEO to the local exchange service order generator.

3. Local Exchange Service Order Generator (LESOG) - LESOG performs further checks for errors and provides manual fallout for LSRs that cannot be mechanically handled. If the LSR contains an error or errors, or if it is not a candidate for mechanical handling, it will not flow-through to Service Order Communications System (SOCS).

If an LSR is "passed" by LESOG, LESOG will mechanically transform the LSR into the service order format that can be accepted by the SOCS and by the other downstream BellSouth systems through which BellSouth's own service orders, as well as CLEC orders, are processed. From LESOG, the CLEC service order flows to and is accepted by SOCS without any manual intervention.

4. Service Order Communications System (SOCS) - SOCS is responsible for the collection, storage, and distribution of service orders, either CLECs' or BellSouth's, to all user departments, including service order-driven mechanized systems. SOCS is an on-line system used by many departments to process service orders. In addition to the SOCS online programs, the SOCS daily off-line cycle performs data base maintenance and report generation functions necessary to administer the pending order file. The major functions of the

off-line programs are to purge completed and canceled orders, create statistical and administrative reports, and create service order files for other mechanized systems. BellSouth believes it is important to note that SOCS is the common point of entry into the BellSouth OSS for provisioning of service orders by both the BellSouth retail units and the CLECs.

SOCS receives service requests from BellSouth retail operations and from the CLECs. BellSouth's retail operations use the Regional Negotiation System (RNS) for most types of residential service requests, and the Regional Ordering System (ROS) for business customers.

Service requests submitted via RNS and ROS are handled similarly to the way CLEC requests are handled. In both systems, pre-order transactions are performed to validate addresses, calculated due dates, determine available products and services, reserve telephone numbers or circuit IDS, and perform loop qualification. For its own business needs, BellSouth also obtains end user credit information and customer profile information so that the service representative can determine the best product mix to offer the end user. A CLEC can, likewise, perform similar functions with its end user customer. Upon completion of gathering all the necessary information for submission of a service request and basic edit validations are "passed", ROS/RNS mechanically transforms the request into the service order format that can be accepted by SOCS and by the other downstream BellSouth systems for provisioning. At the time SOCS accepts the request, whether it be from a CLEC or BellSouth retail, the request is considered to be a completed order and the provisioning process begins.

5. Service Order Activation and Control System (SOAC) - SOCS communicates the order with the SOAC, which manages the service order process with respect to the specialized systems that design and activate network-based services, assign facilities, maintain central office inventory, and manage customer account information. In doing so, SOAC directs each service order through all steps necessary to complete the order and provision the service.

6. Customer Record Information System (CRIS) - Upon completion of the order and provision of the service, SOCS provides the necessary information to CRIS which is located on the retail side of BellSouth's operation, so that BellSouth's retail end-user customer records will be updated to process a final bill and so that a new record will be established to bill the acquiring CLEC.

b. OPERATION SUNRISE

Operation Sunrise, or Sunrise, is a program of activities that was developed by BellSouth's consumer marketing to address three specific areas: (1) retail residential local service reacquisition; (2) residential local toll reacquisition; and (3) retail residential product or feature reacquisition. Beginning in the fall of 2002, BellSouth has also used Operation Sunrise for residential interLATA long distance reacquisition.

BellSouth's marketing information systems organization (MKIS), through Operation Sunrise, provides marketing support in terms of list management and distribution for target marketing. MKIS is an organization within BellSouth that supports the marketing organization by providing various statistics and information about the sales performance of various BellSouth retail products and services. MKIS tracks information such as retail line loss, the ordering and cancellation by BellSouth retail customers of various products and services, and numerous other retail data that assist the Marketing organization in creating products and services that appeal to customers.

When an end user's local service is disconnected from BellSouth for any reason, a disconnect or change order is generated. In the case of a CLEC converting a BellSouth retail customer to the CLEC, the disconnect or change order originates from the CLEC's LSR, which is sent to BellSouth either manually or electronically. In the case of a BellSouth retail customer calling to disconnect his or her service, an abandoned station, a retail customer's nonpayment of his account, or numerous other reasons, the disconnect order originates from BellSouth's retail operations. In either case, a specialized reason code is assigned to each order.

For an LSR sent by a CLEC, the disconnect or change order and the appropriate disconnect reason code are generated electronically by BellSouth's OSS or generated by the LCSC if the CLEC has sent the LSR manually. For a retail customer who has called BellSouth to disconnect service, the reason code is assigned by the retail customer service agent who handles the call. Regardless of origin, this reason code indicates why the disconnection occurred, if known.

Each night, SOCS creates an extract file of all orders from the preceding 24-hour period. Also each night, various types of orders - including retail and wholesale disconnect orders and orders of other types - are harvested from this extract file and downloaded into a database called the Harmonize database.

Once each week, completed residential orders from the preceding seven days are downloaded into a temporary table known as the Operation Sunrise temporary table. If an order has not completed or is not associated with a residential account, it is not downloaded into the temporary table. Next, Operation Sunrise eliminates all orders except disconnect (D) and single C (or change) orders. At this point, the temporary table contains all orders in SOCS from the previous seven days that involve completed disconnections of residential retail service - both CLEC-initiated disconnections and those initiated by BellSouth's retail operations.

Next, Operation Sunrise eliminates from the temporary table orders that do not have disconnect reason codes, and orders that have certain retail-inserted disconnect reason codes indicating that the disconnect was for a reason other than a switch to a competitor. What remains is a pool of disconnect orders with no disconnect reason codes. BellSouth presumes that all of these remaining orders are competitive disconnections; in reality, some of them are, but others are non-competitive retail-initiated disconnections.

Next, Operation Sunrise copies into a permanent table in the Sunrise database certain data from each remaining disconnect order: the NPA, the NXX, the line, the customer code, and the date the data was extracted from SOCS. The temporary table is then purged completely. At this point, all information contained in the

disconnect order that could be considered CPNI or wholesale information is gone.

Then, using the data in the permanent Sunrise table, Operation Sunrise matches each disconnect order to a former BellSouth customer service record. The customer service record, which is actually a snapshot extract from the CRIS database, shows the last information BellSouth had concerning the customer's name, address, and subscribed-to services before the disconnection occurred.

Once the information from the permanent Sunrise table is matched with the CRIS snapshot data, it is put in a target table where leads are generated. Operation Sunrise uses that information to generate leads for the retail marketing organization, which, in turn, are sent to third-party vendors.

The BellSouth records sent to the third-party vendors include the former BellSouth customer's name, billing address, working telephone number, account number, language preference, NPA state code, and, in some cases, a product availability indicator, geographical indicator, and a feature spend calculation, along with directions instructing the vendor what letter or marketing piece should be sent to that former customer and when it should be sent.

Once the above process is complete, Operation Sunrise conducts a second sweep of the Harmonize Database to identify D orders containing certain retail noncompetitive disconnect reasons codes, such as NF (No Further Activity), CO (Competition), and AS (Abandoned Station), which were previously excluded in the first sweep addressing competitive disconnects. Once identified, Operation Sunrise extracts the selected D order information into the empty temporary table. From the temporary table, Operation Sunrise then extracts the following service order information and places it in the permanent candidate table: retail noncompetitive disconnect reason code, NPA, NXX, line, customer code, and the order completion date. The temporary table is purged again and the information in the permanent candidate table is matched against the CRIS snapshot of retail customer data, and leads are generated.

c. Supra Complaint

In order to address the Supra Complaint, we have identified the following Supra issues for discussion: 1) Operation Sunrise

Information vs Line Loss Reports; 2) Supra Evidence of Alleged Wholesale Information Sharing - BellSouth Mailings; 3) Local Toll Reacquisition; 4) Business Customer Reacquisition; and 5) Wholesale vs Retail Information.

1. Operation Sunrise Information vs Line Loss Reports

BellSouth maintains that the information obtained from Operation Sunrise is comparable to the information received by CLECs through the Performance Measurement and Analysis Platform (PMAP) Line Loss Notification reports. The Line Loss Notification reports provide notification to CLECs that they have lost an entire account or portion of an account. The reports contain a Disconnect Reason code for each account providing an indication to the losing carrier of the reason for the disconnect or partial disconnect.

The Line Loss Notification reports post daily, except Sunday, to the CLECs' individual Internet web pages and contain only the individual CLEC's accounts. BellSouth asserts that the PMAP line loss report actually provides more information than Sunrise provides, since it provides the name of the customer and specifically notifies Supra that they lost a customer to another carrier.

Supra agrees that the PMAP line loss report provides it with a list of customers that have disconnected service from Supra, but it stated that, although it could, it does not use the PMAP line loss report to identify potential winback targets. Supra believes that when it comes to form, the information that is available to them in PMAP is not substantially different on a technical basis than what BellSouth has available to it in its Sunrise table. Under Supra's interpretation of FCC rules and orders, it believes it could use the fact that it received notice through PMAP that it lost a customer for winback purposes, but BellSouth can't use the notice it receives from Operation Sunrise for winback purposes.

The FCC addressed the use of wholesale information for winback purposes in FCC Order 03-42, issued March 17, 2003, stating:

> We clarify that, to the extent that the retail arm of an executing carrier obtains carrier change information through its normal channels in a form available throughout the retail industry, and after the carrier

> change has been implemented (such as in disconnect reports), we do not prohibit the use of that information in executing carriers' winback efforts. This is consistent with our finding in the Second Report and Order that an executing carrier may rely on its own information regarding carrier changes in winback marketing efforts, so long as the information is not derived exclusively from its status as an executing carrier. Under these circumstances, the potential for anti-competitive behavior by an executing carrier is curtailed because competitors have access to equivalent information for use in their own marketing and winback operations.
>
> We emphasize that, when engaging in such marketing, an executing carrier may only use information that its retail operations obtain in the normal course of business. Executing carriers may not at any time in the carrier marketing process rely on specific information they obtained from submitting carriers due solely to their position as executing carriers. We reiterate our finding in the Second Reconsideration Order that carrier change request information transmitted to executing carriers in order to effectuate a carrier change cannot be used for any purpose other than to provide the service requested by the submitting carrier. We will continue to enforce these provisions, and will take appropriate action against those carriers found in violation. In addition, we note that our decision here is not intended to preclude individual State actions in this area that are consistent with our rules.

A discussion was held at hearing regarding the phrase "in a form available throughout the retail industry" contained in the first sentence of paragraph 27. Supra believes that "in order for it to be available throughout the retail industry, it would have to be available to anyone who wanted to either acquire it or purchase it if there was a charge for acquiring it and not be something that was available to only one carrier like Supra."

We disagree. We find that "in a form available throughout the retail industry" means that equivalent information is provided throughout the industry, not exact information. Supra would not

want its PMAP report available to other carriers, just as BellSouth would not want its Operation Sunrise information available to the entire industry. As mentioned above, Supra believes the PMAP information it receives is not substantially different than what BellSouth receives from Operation Sunrise. We find that BellSouth should be allowed to receive equivalent information regarding lost customers just as it provides to the CLECs through the PMAP reports.

2. Supra Evidence of Alleged Wholesale Information Sharing - BellSouth Mailings

In his direct testimony, Supra witness Nilson alleges that three BellSouth mailings received by Supra employees show that BellSouth is sharing wholesale information with its retail unit.

The first mailing is a notice from BellSouth Advertising and Publishing Corporation (BAPCO) stating that BAPCO's records indicate that a change in telephone service has occurred, and states that if the customer needs a directory, to contact them through a special 800 number. A pin number is provided to identify the customer needing the directory. Witness Nilson states that this mailing was received on two occasions this year, once when his Supra line was converted from resale to UNE, and once when his number was placed in a list of lines scheduled for disconnection for non-payment.

In response to the first mailing, BellSouth states that the letter simply advises him of a automated toll-free number, along with an order number and pin number that can be used to order directories through an automated system. The letter was sent by BAPCO, not BellSouth's retail operations. BAPCO gets notification of service orders for both BellSouth and CLEC customers that are not true new connects, and these customers may or may not need directories. In answer to Interrogatory No. 16 of staff's second set of interrogatories, BellSouth did state that BAPCO determined that certain "C" orders were carrying an indicator in the directory section that was interpreted as a request for directories. Subsequently, BAPCO put a block on these "C" orders to prevent the directory cards from being sent out to customers who did not need directories.

The second mailing is a general BellSouth letter that is addressed to "Neighbor", offering BellSouth service and BellSouth's Complete Choice Plan. Supra alleges that this letter was sent to a Supra attorney within a week of the attorney converting to Supra from BellSouth. BellSouth responds that this letter is typical of an effort by BellSouth's retail operations to reacquire a customer that has left BellSouth for another local carrier, and believes that there is nothing improper about the letter. It believes that it is evidence that information is properly flowing from SOCS to initiate disconnection of the customer from BellSouth's retail operations when the customer leaves BellSouth for another local carrier.

The third mailing is a BellSouth winback letter which includes a $75.00 cash back offer for signing up for the Complete Choice plan, along with a waiver of the local service connection fee. Supra states that the customer that received this letter has not had a single change to his service, and nothing regarding his service flowed through SOCS for 619 days. Supra believes that the only way for BellSouth to know which lines are in service is to broach the retail/wholesale barrier and exchange information.

BellSouth responds to the third mailing by stating that BellSouth may send winback mailings to former customers for a period of months or even years, and that it is not unrealistic for former BellSouth customers that left several years ago to be the subject of reacquisition efforts.

Supra would like the Commission to require BellSouth to personalize any winback mailing with the date of printing at the same time the letter is printed for mailing. It believes a dated letter would help to clearly identify when winback marketing efforts are initiated.

BellSouth believes dating the winback letters is not necessary. It believes that the 10-day waiting period before winback marketing is initiated is sufficient to ensure that there is no issue with BellSouth undertaking winback activity prior to the completion of a disconnect of BellSouth's service.

Supra also suggests in its testimony that the Commission should prohibit BellSouth from sending any sort of letter to former customers for a period of 90-days after the switch is complete. By

Commission Order No. PSC-03-0726-FOF-TP, the Commission acknowledged BellSouth's voluntary 10-day waiting period after a customer has switched to a competitor, before winback marketing is initiated. We see no sufficient evidence in the record as to why the 10-day waiting period should be expanded to 90 days. Winback campaigns can promote competition in the marketplace and result in lower prices for Florida consumers.

After review of each of the mailings, our staff has found no evidence contained in them which would suggest any violations of the use of wholesale information. We find that BellSouth has provided a satisfactory explanation for each of the mailings. We also find that dating winback letters is unnecessary since winback marketing cannot begin until 10 days after the transfer of the customer is complete.

3. Local Toll Reacquisition

Supra alleges that BellSouth's use of the Customer Account Record Exchange (CARE) as its source to generate targeted marketing leads is a violation of section 222(b) and our previous Orders.

CARE is an industry-wide interface, created and managed by BellSouth's interconnection services, that interexchange carriers (IXCs) and local exchange carriers (LECs) use to communicate when an interLATA or intraLATA toll customer has been acquired or lost. Any time a transaction occurs that affects an end user's interLATA or intraLATA toll service, CARE sends certain data to (1) the acquiring interLATA or intraLATA carrier, (2) the losing interLATA or intraLATA carrier, and (3) the end user's local exchange carrier. The first two pieces of data serve to notify the acquiring and losing interLATA or intraLATA carriers that a customer has been lost or gained. The third piece of data serves to notify the end user's local exchange carrier that one of its customers has undergone a change in interLATA or intraLATA toll carriers.

Supra believes that the establishment of CARE was appropriate, but that BellSouth's use of it as its source to generate targeted marketing leads is improper. CARE data is used as part of BellSouth's local toll reacquisition. The CARE records flow nightly into Sunrise, which processes these feeds once each week. Sunrise uses the information in the records to identify leads for

various local toll campaigns. BellSouth's retail operating unit subscribes to CARE like any other carrier, and receives exactly the same data as any other carrier.

We find that the use of CARE information by BellSouth's retail unit for local toll reacquisition is appropriate since, as any other carrier, it only receives notification of a lost local toll customer when the transfer is complete.

4. Business Customer Reacquisition

Supra believes that if it is illegal for MKIS to harvest records from SOCS and CRIS to generate a marketing list, then it is also illegal for BellSouth's Marketing Communications Database (MCDB) to generate a similar list for business accounts using the same sources for information.

BellSouth's business customer reacquisition program is handled through MCDB. The database uses retail information to develop a list of retail locations where service with BellSouth has been disconnected. The leads are developed by taking a monthly snapshot of the monthly billing data to see if the retail service has been discontinued; and then, the Harmonize database is used to make sure that the customer is not contacted during BellSouth's ten-day voluntary waiting period. No Operation Sunrise data or processes are used in BellSouth's business customer reacquisition efforts.

We find the process used by BellSouth for business customer reacquisition does not violate any wholesale information rules or Orders. BellSouth uses retail information that a customer already has left BellSouth, and then verifies that the ten-day waiting period has passed, before initiating winback marketing of business customers.

5. Wholesale vs Retail Information

Supra's complaint alleges that BellSouth is using carrier-to-carrier, or wholesale information, to trigger marketing reacquisition efforts. Supra does not have a problem with the way the information flows through BellSouth's ordering system to populate the permanent Operation Sunrise table. BellSouth has also stated that "the parties agree pretty much to the process." Supra does contend that all of the records and orders that populate the

permanent Operation Sunrise table are orders which originated from the wholesale side of BellSouth's operations and not the retail side. Supra believes that the information contained in the permanent Operation Sunrise table is wholesale information and thus cannot not be used for winback efforts by BellSouth retail marketing operations or third party vendors.

Supra believes that information contained on the Supra LSR must remain wholesale information throughout, and after, the completion of the conversion of the customer to Supra. Supra references FCC Order 03-42 which discusses WorldCom's request that the FCC clarify that an executing carrier is prohibited from using information obtained from a carrier change request to winback the customer after carrier change completion and disconnection, even if the disconnect information reveals that a customer's service was disconnected as the result of a carrier change order. The FCC clarified its position regarding WorldCom's request by stating in FCC 03-42, at ¶ 27:

> We clarify that, to the extent that the retail arm of an executing carrier obtains carrier change information through its normal channels in a form available throughout the retail industry, and after the carrier change has been implemented (such as in disconnect reports), we do not prohibit the use of that information in executing carriers' winback efforts.

We disagree with Supra's position that carrier change information obtained from an LSR remains wholesale information even after the carrier change is completed. We believe that once the information in CRIS is updated showing that Supra is now the provider of service, the information that a customer has switched to Supra is no longer wholesale information.

Both parties agree that the CRIS database is located on the retail side of BellSouth. Supra agrees that certain functions on the retail side of BellSouth's operations have to be updated when a BellSouth customer is switching to Supra. However, Supra contends that the MKIS winback operations are the only people that cannot get this information.

We find that once CRIS is updated showing Supra as the new provider, the information regarding the switch of a BellSouth customer to Supra is no longer wholesale information, it becomes

retail information, not subject to the wholesale information rules contained in the FCC orders, or Order Nos. PSC-02-0875-PAA-TP, and PSC-03-0726-FOF-TP. We find the information of the carrier change is obtained in the normal course of business as CRIS is updated.

d. The Second Sweep Incident of Sharing Wholesale Information

On August 27, 2003, BellSouth advised the Commission (via letter), and Supra (via e-mail) that beginning on July 18, 2003, the second sweep of the Harmonize data base extracted disconnect orders associated with at least two wholesale disconnect codes because of a coding error. The two wholesale codes were CC and RT. CC is UNE CLEC to reseller, UNE CLEC to UNE CLEC, or reseller to UNE CLEC. RT is reseller to reseller. This resulted in a sharing of BellSouth wholesale information with its retail division in violation of Commission Order No. PSC-02-0875-PAA-TP which states:

> ...BellSouth's wholesale division shall be prohibited from sharing information with its retail division, such as informing the retail division when a customer is switching from BellSouth to an ALEC.

As a result of the list, which included CC and RT as well as legitimate and appropriate codes, at least 478,457 marketing pieces were sent in BellSouth's region, of which at least 140,555 of which were sent in Florida. Eleven CC and nine RT customers received these marketing pieces. Out of those twenty customers, one CC and two RT Florida customers received them. None of the CC and RT customers who were sent marketing pieces returned to BellSouth.

To correct these coding errors, BellSouth has stated that it immediately suspended all marketing efforts or customer contact associated with any customer list that could have included customers identified through D orders containing the disconnect code of CC and RT, and also removed CC and RT from the list of disconnect codes that the second sweep of Operation Sunrise extracts.

Our staff examined BellSouth's OSS ordering system and believes that the system itself, as designed, does not allow wholesale information to be shared with BellSouth's retail division. This incident of sharing wholesale information was

caused by a manual coding error which BellSouth discovered and then reported.

Supra believes that the fact that BellSouth acknowledged that it had sent marketing letters out using wholesale information is not central to this case. It believes that the issue is whether or not BellSouth can use information initially obtained from CLEC LSRs for marketing purposes. Although the coding errors which began on the July 18, 2003, second sweep of the Harmonize database did not cause harm to Supra since no customers were lost, BellSouth did cause wholesale information to be shared with its retail winback operations in violation of a Commission Order.

Supra, in its petition, has recommended that the following penalties be imposed on BellSouth if the Commission finds that BellSouth has shared wholesale information with its retail division:

1. $25K for each day that violation has been occurring until now. (Statutory option)

2. Suspension of certificate. (Statutory option)

3. Dismantle the harmonize feed/or order that BST provide direct access to the harmonize feed for when a customer switches away from the CLEC, the CLEC can send a Letter of Acknowledgment.

4. Require BST to print a date on the letter at the same time they personalize the customer name/address showing "when" the letter was mailed. This date must not be preprinted, or postdated. It must be the actual date the letter is printed.

5. Prohibit a Letter of any sort from being sent to the customers for 90 days - presently Commission policy is 10 days. The - feed takes 7 days for the letter to be generated so 10 days is right on target for when a customer could receive the letter at the earliest. 90 day ban would ensure that if BST continues to use - in the future, the customer is with the competitor for at least three billing cycles.

> 6. Order that BST shall be required to allow a OSS expert to examine BST's system, twice a year at random. The expert shall be chosen by Supra, but paid for by BellSouth. This expert will report back to see if BellSouth is still utilizing this feed or some other similar system.

Jurisdiction for penalties for violations of Commission Orders can be found in Section 364.285(1), Florida Statutes, which provides that:

> The commission shall have the power to impose upon any entity subject to its jurisdiction under this chapter which is found to have refused to comply with or to have willfully violated any lawful rule or order of the commission or any provision of this chapter a penalty for each offense of not more than $25,000, which penalty shall be fixed, imposed, and collected by the commission; or the commission may, for any such violation, amend, suspend, or revoke any certificate issued by it. Each day that such refusal or violation continues constitutes a separate offense. Each penalty shall be a lien upon the real and personal property of the entity, enforceable by the commission as a statutory lien under chapter 85. Collected penalties shall be deposited in the General Revenue Fund unallocated.

Notification of the coding error which resulted in BellSouth's sharing of wholesale information with its retail division was provided to the PSC by BellSouth through an August 27, 2003 letter, and notification at hearing by BellSouth Counsel. The second sweep of BellSouth's harmonize database which included the CC and RT codes by error, was initiated July 18, 2003.

Pursuant to Section 364.285(1), Florida Statutes, we are authorized to impose upon any entity subject to its jurisdiction a penalty of not more than $25,000 for each day a violation continues, if such entity is found to have *refused to comply with* or *to have willfully violated* any lawful rule or order of this Commission, or any provision of Chapter 364, Florida Statutes, or revoke any certificate issued by it for any such violation.

Section 364.285(1), Florida Statutes, however, does not define what it is to "willfully violate" a rule or order. Nevertheless, it appears plain that the intent of the statutory language is to penalize those who affirmatively act in opposition to a Commission order or rule. See, Florida State Racing Commission v. Ponce de Leon Trotting Association, 151 So.2d 633, 634 & n.4 (Fla. 1963); c.f., McKenzie Tank Lines, Inc. v. McCauley, 418 So.2d 1177, 1181 (Fla. 1st DCA 1982) (there must be an intentional commission of an act violative of a statute with knowledge that such an act is likely to result in serious injury) [citing Smit v. Geyer Detective Agency, Inc., 130 So.2d 882, 884 (Fla. 1961)]. Thus, a "willful violation of law" at least covers an act of purposefulness.

However, "willful violation" need not be limited to acts of commission. The phrase "willful violation" can mean *either* an intentional act of commission or one of omission, that is *failing* to act. See, Nuger v. State Insurance Commissioner, 238 Md. 55, 67, 207 A.2d 619, 625 (1965)[emphasis added]. As the First District Court of Appeal stated, "willfully" can be defined as:

> An act or omission is 'willfully' done, if done voluntarily and intentionally and with the specific intent to do something the law forbids, or *with the specific intent to fail to do something the law requires to be done;* that is to say, with bad purpose either to disobey or to disregard the law.

Metropolitan Dade County v. State Department of Environmental Protection, 714 So.2d 512, 517 (Fla. 1st DCA 1998)[emphasis added]. In other words, a willful violation of a statute, rule or order is also one done with an intentional disregard of, or a plain indifference to, the applicable statute or regulation. See, L. R. Willson & Sons, Inc. v. Donovan, 685 F.2d 664, 667 n.1 (D.C. Cir. 1982).

We find that the inclusion of the CC and RT codes in Operation Sunrise's permanent table was simply a glitch in initiating a new marketing program. Only three customers in the State of Florida wrongfully received winback letters, and none of the three returned their service to BellSouth, therefore Supra was not harmed. BellSouth is the party which brought this wholesale/retail breach to the attention of the Commission as soon as it was discovered. BellSouth also took immediate steps to correct the coding errors, suspending all marketing efforts or customer contact associated

with any customer list that could have included customers identified through D orders containing the disconnect code of CC or RT, and removed CC and RT from the list of disconnect codes that the second sweep of Operation Sunrise extracts.

Therefore, we find that BellSouth, due to a manual coding error, did, between July 18, 2003, and August 27, 2003, share and/or use carrier-to-carrier information, acquired from its wholesale OSS and/or wholesale operations, in its retail division, with its in-house marketers and/or third party marketers for marketing purposes. However, this was an isolated incident immediately corrected by BellSouth. Since the mistake was minor, no harm was caused to Supra, and the error was corrected immediately by BellSouth, BellSouth shall not be penalized or fined for this coding error, but BellSouth is put on notice that future non-compliance of Order No. PSC-02-0875-PAA-TP, or any other order or rule of this Commission, will not be tolerated.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that the specific findings set forth in this Order are approved in every respect. It is further

ORDERED that this docket shall remain open for 32 days after issuance of this Order, to allow the time for filing an appeal to run.

By ORDER of the Florida Public Service Commission this 11th Day of December, 2003.

/s/ Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

This is a facsimile copy. Go to the Commission's Web site, http://www.floridapsc.com or fax a request to 1-850-413-7118, for a copy of the order with signature.

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by

the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

EXHIBIT KLW-5
PAGE 86 OF 403
IDS NON-CONFIDENTIAL

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-M-E-M-O-R-A-N-D-U-M-

DATE: March 18, 2004

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Office of the General Counsel (Christensen) PAC
Division of Competitive Markets & Enforcement (Barrett) JLF for MB DM SLC

RE: Docket No. 031125-TP – Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

AGENDA: 03/30/04 – Regular Agenda – Partial Motion to Dismiss - Parties May Participate

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\GCL\WP\031125.RCM.DOC

Case Background

On November 3, 2003, IDS filed its informal complaint against BellSouth for alleged overbilling (CATS file 567409-T). Commission staff sent a letter on December 16, 2003, closing out the complaint indicating the informal complaint process was not the appropriate forum in which to resolve this matter.

On December 19, 2003, BellSouth denied IDS access to "LENS."[1] On December 23, 2003, IDS Telecom LLC (IDS) filed a Complaint against BellSouth Telecommunications, Inc. (BellSouth) for Overbilling and Discontinuance of Service and a Petition for Emergency Order Restoring Service. On December 24, 2003, BellSouth restored "LENS" access to IDS. On

[1] "LENS" is an acronym for Local Exchange Navigation System; "LENS" is a support platform that BellSouth developed for competitive local exchange carriers.

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Discussion of Issues

Issue 1: Should the Commission grant BellSouth Telecommunications, Inc.'s Partial Motion to Dismiss?

Recommendation: Staff recommends that BellSouth's Partial Motion to Dismiss IDS' Amended Complaint be granted. Specifically, staff recommends that Count Three (seeking relief for alleged violation of the Settlement Agreement) and Count Five (seeking relief for alleged violation of the Telecommunications Act of 1996) be dismissed for lack of subject matter jurisdiction. (CHRISTENSEN)

Staff Analysis: As noted in the Case Background, BellSouth filed its Partial Motion to Dismiss and Answer on January 16, 2004. On February 6, 2004, IDS filed its response to BellSouth's Partial Motion to Dismiss and Answer.

BellSouth's Motion to Dismiss

In support of its Motion, BellSouth states that in IDS' Amended Complaint, IDS asks this Commission to interpret the parties' current Interconnection Agreement (Current Agreement), the parties' settlement agreement (Settlement Agreement), and the parties' amended settlement agreement (Settlement Amendment). BellSouth contends that IDS' wants this Commission to find that (1) it violated the Settlement Agreement and the Present Agreement; and (2) its actions relating to the violation of the Settlement Agreement and Present Agreement also violate Florida and federal law. BellSouth asserts that this Commission does not have subject matter jurisdiction to do either.

BellSouth states that a motion to dismiss questions whether the complaint alleges sufficient facts to state a cause of action as a matter of law. Varnes v. Dawkins, 624 So. 2d 349, 350 (Fla. 1st DCA 1993). BellSouth asserts that in disposing of a motion to dismiss, the Commission must assume all of the allegations of the complaint to be true.[2] In determining the sufficiency of a complaint, the Commission should confine its consideration to the complaint and the grounds asserted in the motion to dismiss. See Flye v. Jeffords, 106 So. 2d 229 (Fla. 1st DCA 1958).

BellSouth states that, additionally, in order to hear and determine a complaint or petition, a court or agency must be vested not only with jurisdiction over the parties, but also with subject matter jurisdiction to grant the relief requested by the parties. See Keena v. Keena, 245 So. 2d 665, 666 (Fla. Dist. Ct. App. 1971). BellSouth asserts that that subject matter jurisdiction arises only by virtue of law – it must be conferred by constitution or statute and cannot be created by waiver or acquiescence. Jesse v. State, 711 So. 2d 1179, 1180 (Fla. 2nd Dist. Ct. App. 1998).

[2] Order No. PSC-99-1054-FOF-EI, issued May 24, 1999, in Docket No. 981923-EI, In the matter of Complaint and Petition of John Charles Heekin Against Florida Power & Light Company (citing to Varnes, 624 So.2d at 350).

BellSouth asserts that the Commission recently addressed this exact issue in Order No. PSC-03-1892-FOF-TP[3], BellSouth contends that in the Sunrise Order, the Commission held that "[f]ederal courts have ruled that a state agency is not authorized to take administrative action based solely on federal statutes" and that "[s]tate agencies, as well as federal agencies, are only empowered by the statutes pursuant to which that are created." See Sunrise Order at p. 3 (citations omitted). BellSouth continues to cite the Sunrise Order for the proposition that the Commission, however, can construe and apply federal law ". . . in order to make sure [its] decision under state law does not conflict" with federal law. Id. at pp. 3-4. BellSouth asserts that accordingly, in the Sunrise Order, the Commission determined that it ". . . cannot provide a remedy (federal or state) for a violation of . . ." federal law, but can interpret and apply federal law to ensure that its decision under state law does not conflict with federal law. Id. at p. 5. BellSouth contends that the Commission noted that any ". . . [f]indings made as a result of such federal law analysis would not, however, be considered binding on the FCC or any court having proper jurisdiction . . . ." Id.

BellSouth contends that here, IDS is requesting that the Commission find, based on the same acts, that BellSouth violated Florida law as well as federal law. See Amended Complaint at pp. 12-13. BellSouth asserts that as set forth in the Sunrise Order, under Florida law, the Commission lacks jurisdiction to make such a finding. Accordingly, BellSouth requests that the Commission dismiss IDS' Amended Complaint to the extent it seeks a finding that BellSouth has violated federal law.

Next, BellSouth claims that the Commission lacks subject matter jurisdiction to interpret and enforce a Settlement Agreement. BellSouth asserts that IDS nevertheless, requests that the Commission interpret the Settlement Agreement and Settlement Amendment and find that BellSouth is in violation of both. BellSouth acknowledges that the Commission does have authority under state and federal law to interpret and enforce agreements that it approves pursuant to the Act but contends that it is well-settled that the Commission does not have any authority to interpret and enforce general contracts. See Section 364.162, Florida Statutes (authorizing Commission to interpret and enforce agreements that it approves under state law); BST v. MCImetro Access Transmission Serv., 317 F. 3d 1270 (11th Cir. 2003) (finding the state commissions have the same authority under the Act); United Tel. Co. of Fla. v. Public Service Commission, 496 So. 2d 116, 118 (Fla. 1986) (finding that the Commission did not have authority to modify rate contracts between telephone companies); and, Order No. PSC-95-0536-S-WS, issued April 28, 1995, in Docket No. 930256-WS, In Re: Petition for Limited Proceeding to Implement Water Conservation Plan in Seminole County by Sanlando Utilities Corporation (Sanlando Case), at p. 3 (finding that the Commission lacked authority to resolve certain disputes relating to a settlement and stipulation).

[3] Order No. PSC-03-1892-FOF-TP, issued December 11, 2003, in Docket No. 030349-TP, In re: Complaint by Supra Telecommunications and Information Systems, Inc. Against BellSouth Telecommunications, Inc. Regarding BellSouth's Alleged Use of Carrier-to-Carrier Information (Sunrise Order)

a violation of 47 U.S.C. §222(b). IDS emphasizes however, that the Commission noted that it could interpret a federal provision and apply it to the facts of a case (to the extent necessary to ensure its findings and conclusions under state law do not conflict with federal law.) Order No. PSC-03-1392-FOF-TP at page 5

IDS asserts that in order to make the finding requested by IDS, the Commission need only interpret a federal provision and apply it to the facts of this case, as it has previously found it has the authority to do. IDS contends that unlike Supra, it has not asked the Commission to take administrative action based solely on federal statutes or to provide a specific remedy for violation of a federal statute. IDS states that it seeks, enforcement of its interconnection agreements with BellSouth, and the particular relief sought is specific to the terms of those agreements. IDS argues that the fact it asserts that BellSouth's actions also constitute violations of federal law does not remove this Commission's authority to review those actions.

IDS contends that BellSouth's argument regarding the Commission's alleged lack of authority over the parties' Settlement Agreement is overly broad and therefore flawed, for at least two reasons. IDS argues that first, the Settlement Agreement forms the basis for billing disputes under the Current Agreement. IDS states that BellSouth has declared that IDS' failure to make payments under the Settlement Agreement constitutes a breach of the Current Agreement, thus allegedly justifying BellSouth's discontinuance of LENS service. IDS asserts that on the other hand, it has raised good faith disputes regarding BellSouth's billing pursuant to the Settlement Agreement. IDS contends that the Commission therefore must review and interpret the Settlement Agreement in order to resolve Counts One, Two, and Four of IDS' Amended Complaint.

IDS states that second, the Current Agreement incorporates the Settlement Agreement and makes it clear that a failure to make payment of prior obligations – including those obligations embodied in the Settlement Agreement – will constitute a breach of the Current Agreement:

> [T]his Agreement sets forth the entire understanding and except for Settlement Agreements that have been negotiated separate and apart from this Agreement, supersedes prior agreements between the Parties relating to the subject matter contained in this Agreement and merges all prior discussions between them. Any orders placed under prior agreements between the Parties shall be governed by the terms of this Agreement and IDS . . . acknowledges and agrees that *any and all amounts and obligations owed for services provisioned or orders placed under prior agreements between the Parties, related to the subject matter hereof, shall be due and owing under this Agreement and be governed by the terms and conditions of this Agreement* as if such services or orders were provisioned or placed under this Agreement. (emphasis in Response).

Commission to refer to a privately negotiated settlement agreement and federal law to settle the dispute. In the Sunrise Order, this Commission found that

> In order to ensure that our decision under state law does not conflict with the federal provision, we may interpret the federal provision and apply it to the facts of this case. Findings made as a result of such federal law analysis would not, however, be considered binding on the FCC or any court having proper jurisdiction to hear and remedy complaints regarding violations of Section 222 of the Act.

Order No. 03-1392-FOF-TP at p. 5. That analysis is equally applicable here. Thus, the fact that a count of this Complaint asks the Commission to interpret and apply federal law is not in and of itself reason to dismiss those portion of the complaint.

However, the Commission also noted in the Sunrise Order that it has never asserted jurisdiction to enforce an alleged violation of the Act in any situation in which the Commission did not also have state law authority for doing so. Id. at 4-5. In addition, the Commission found that state agencies, as well as federal agencies, are only empowered by the statutes pursuant to which those agencies were created. Id. (citing Louisiana Public Service Commission v. FCC, 476 U.S. 355, 374, 375 (1986); Florida Public Service Commission v. Bryson, 569 So.2d 1253, 1254-1255 (Fla. 1990); Charlotte County v. General Development Utilities, Inc., 653 So.2d 1081, 1082 (Fla. 1st DCA 1995). The Commission acknowledged that federal courts have found that a state agency is not authorized to take administrative action based solely on federal statutes. Id. at 3 (citing Curtis v. Taylor, 648 F. 2s 946 (5th Cir. 1989)). Since Count Five relies solely on a federal statute as the basis for relief, staff believes it is appropriate to dismiss Count Five.

Similarly, staff believes it is appropriate to dismiss Count Three. Even IDS acknowledged in its response that Count Three would be appropriately dismissed if its Amended Complaint had only alleged a breach of a Settlement Agreement (not approved by the Commission).[4] Staff agrees that the Commission in this instance is not the appropriate forum to enforce this non-commission approved Settlement Agreement. In the Sanlando Case, the Commission noted that in a typical contract dispute a party may always seek to enforce a provision or remedy a breach of contract in court. Order No. PSC-95-0536-S-WS at p. 4. Staff notes that a settlement agreement is in essence a contract. Since Count Three solely relies the Settlement Agreement as the basis for resolving the dispute in IDS's favor, staff also believe it is appropriate to dismiss Count Three. Dismissal of Count Three, however, does prevent the Commission from considering the Settlement Agreement as evidence in the current dispute.

[4] In its Complaint, IDS notes that the Settlement Agreement was reached as a resolution to Docket No. 010740-TP. By Order No. PSC-01-2191-FOF-TP, issued November 8, 2001, this Commission acknowledged the withdrawal of the Complaint and closed the docket. Staff notes that this Commission did not issue any order approving the Settlement Agreement.

Issue 2: Should this docket be closed?

Recommendation: No, this docket should remain open pending further proceedings. (CHRISTENSEN)

Staff Analysis: If the Commission approves staff's recommendation, this matter should be set for an administrative hearing. Thus, this docket should remain open pending further proceedings.

IDS Telecomm , LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Dispute Form

5/11/04
FW
5/11/04

1. * Date	2. * New Dispute ☒	3. * Carrier Claim/Audit Number:
5. * Carrier (IXC) ACNA/CLEC/OCN: 8368		6. * BAN/Q Account:
7. * End User Telephone Number (If Q Account):		8. * BellSouth Circuit number(s) (If Applicable):
9. * Amount Disputed:	10. ☐ Recurring Charges / 11. ☒ NonRecurring Charges	12. * Bill Dates/Invoice Dates: or From: & To: Dates (yyyy/mm/dd)
13. Amount Withheld from Bill:		14. * # BAN Number(s)/Q Account(s) Short Paid:

15. * Reason Amount Is In Question ***(Tariff or Contract Reference as appropriate):*** (Continue on second page if needed)

☒ Attached, is a marked-up copy of the page(s) on which the questioned item(s) appears:
Additional Information (i.e. page number(s), item number(s) on bill etc.)

☐ Attached, is a Spreadsheet listing dispute details, this is required for Mass Disputes.

Select Mass Dispute Type: ☐ MRC ☒ OCC ☐ USG ☐ LPC ☐ TAX

(Note: Only one dispute type may be submitted per Audit Number on the BAR RF1461 Form.)

Disputing Carrier Contact Section:

16. Name:	17. e-mail:
18. Telephone #:	19. (Area Code) Fax #:
20. Address:	

BellSouth Dispute Receipt Acknowledgement Section:

21. Date (yyyy-mm-dd)	22. BellSouth Audit Number:	23. Contact Number: Contact Name:

Dispute Rejection Section:

☐ **Dispute Rejected See** Field # 33 For Explanation:

24. $ Amount Disputed:	25. $ Credit:	26. $ Debit	27. $ Denied:	28. $ Additional Credit:	29. $ Additional Debit:
30. $ Net Credit / Debit:			31. Invoice or Bill Adjustment will appear: Bill Section Adjustment will appear: (OCC, MRC etc.)		

34. Service Rep Name:	36. Fax #:
35. Telephone #:	37. Date: (yyyy-mm-dd):

38. BellSouth considers this dispute resolved; if we do not hear from you within 5 business days we will consider this dispute closed and concurred. "All UN-Disputed Monies Are Now Due."

* **Indicates this is a required field see list of field descriptions.**
This form may be found at: http://www.interconnection.bellsouth.com/forms/html/billing&collections.html

04/15/04

2000 BellSouth. All Rights Reserved
Private/Proprietary Contains Private and / or Proprietary Information. May not be used or disclosed outside the BellSouth companies except pursuant to a written agreement

Ksr (Rev 01-22-2002) Ver 18.0 (Increased Field 33 Character Count)

5-8

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Issue I.D

3/11/04 KW 3/14/04

Alina Dieguez

From: Kathy Welch
Sent: Monday, April 26, 2004 7:52 AM
To: Alina Dieguez
Subject: FW: 031125-TP IDS/BST Complaint

commission staff issue.pac.doc...

print out for me with attachment

-----Original Message-----
From: Denise Vandiver
Sent: Friday, April 23, 2004 10:35 AM
To: Kathy Welch
Subject: FW: 031125-TP IDS/BST Complaint

Attached is the list of issues that came out of the Issue ID meeting. **Two other things:**
1) Bellsouth is asserting that there was an oral modification to the Q account settlement. This was news to everyone here. **Laura King was thinking Bell must have some e-mails or** something to back it up - it seems unusual that Bell, of all companies, would be alleging oral modifications.
2) Bell is still talking about a counter claim of 26 items, they said they would try to get it in next week. **We still don't know any more about the specifics.**

-----Original Message-----
From: Laura King
Sent: Thursday, April 22, 2004 3:54 PM
To: Denise Vandiver
Subject: FW: 031125-TP IDS/BST Complaint

-----Original Message-----
From: Patty Christensen
Sent: Thursday, April 22, 2004 3:53 PM
To: Norton Horton (E-mail); Jim Meza III (E-mail)
Cc: Laura King; Michael Barrett
Subject: 031125-TP IDS/BST Complaint

Attached is a copy of the tentative issues list. Please let me know as soon as possible if you find any problems. Thanks.

5-9

TENTATIVE ISSUES LIST

ISSUE 1: Was there a further agreement to include additional billed amounts into the Settlement Agreement and Settlement Amendment Q account?

a. What are the amounts owed under the original Settlement Agreement and Settlement Amendment?

b. What are the amounts owed under any other agreement or amendment?

c. Have those amounts been paid?

ISSUE 2: Did BellSouth properly terminate IDS's access to LENS in December 2003 pursuant to the interconnection agreement?

ISSUE 3: If BellSouth improperly terminated IDS's access to LENS in December 2003, then would such action constitute anticompetitive behavior in violation of Chapter 364, Florida Statutes?

ISSUE 4: When should any credit or payment be submitted?

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: August 5, 2002
BY: Joseph P. Lacher, President -FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Second Revised Page 18
Cancels First Revised Page 18

EFFECTIVE: August 20, 2002

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.2 Credit and Deposits for Applicants (Cont'd)

F. Responsibility For Payment (T)

The fact that a deposit has been made in no way relieves the applicant or subscriber from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for nonpayment of any sums due for service rendered.

A2.4.3 Payment for Service

A. The subscriber is responsible for payment of all appropriate charges for completed calls, services, and equipment. All charges due by the subscriber are payable at the Company's Business Office or at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where any undercharge in billing of the subscriber is the result of a Company mistake, the Company may not backbill in excess of twelve months. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled.

B. The subscriber shall pay monthly in advance or on demand all charges for service and equipment and shall pay on demand all charges for long distance service. The subscriber is responsible for payment of all charges for services furnished the subscriber, including charges for services originated or charges accepted at the subscriber's station.

Payment for Federal Government customers will be in compliance with the Federal Acquisition Regulations Clause 52.232-25 – Prompt Payment. (N)

1. Effective April 1, 1996, a charge of $20.00 or 5 percent of the face value of the check, whichever is greater, will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written. For a check or draft written prior to this date, a charge of $15.00 will apply.[1]

Note 1: Nonpayment of the charge in 1. above will not constitute sufficient cause for interruption or cancellation of service.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: April 21, 2003
BY: Joseph P. Lacher, President -FL
Miami, Florida

Eighth Revised Page 19
Cancels Seventh Revised Page 19

EFFECTIVE: May 5, 2003

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.3 Payment for Service (Cont'd)

A Late Payment Charge of $1.95 for residence subscribers and a Late Payment Charge of $11.85 for business subscribers will be applied to each subscriber's bill, (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. (T)

This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. The Late Payment Charge for Federal Government customers will be in compliance with the Federal Acquisition Regulations Clause 52.232-25 – Prompt Payment.

D. Should service be suspended for nonpayment of charges, it will be restored upon payment of the Line Change Charge applicable for restoration of service as provided in Section A4. of this Tariff.

E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.

F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.

G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:

1. Where service is terminated or abandoned.
2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

H. Toll Credit Limit (TCL)

Toll Credit Limit (TCL) is an interim phase of toll denial in lieu of local service denial. It offers subscribers the option of toll restriction while paying a deposit or an overdue bill balance on an installment basis.

1. The Toll Credit Limit process shall apply for subscribers requesting new service with no outstanding bill balance, subscribers requesting new service with unpaid balances from previous service, and for existing subscribers with overdue outstanding charges.

   a. New Service With No Outstanding Charges For Previous Service

   When the Company deems it necessary for a subscriber requesting new service to pay a deposit and the subscriber is unable to pay the deposit in full, the subscriber may be allowed to pay the deposit in up to four (4) installments if the subscriber agrees to a full toll restriction of the service, at no charge, until the deposit is paid in full.

   An arrangement may be made to waive the deposit if the subscriber chooses to have a full toll restriction on the requested service until satisfactory credit has been established.

   b. New Service With Outstanding Charges For Previous Service

   Residence subscribers requesting new service who have outstanding charges from previous service with the Company, which have not yet been referred to an outside collection agency, will be allowed to select full toll restriction of the service until the charges are paid in full. These subscribers can make arrangements to pay the charges in up to four installments.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: April 21, 2003
BY: Joseph P. Lacher, President -FL
Miami, Florida

PRIVATE LINE SERVICES TARIFF

Fifth Revised Page 14
Cancels Fourth Revised Page 14

EFFECTIVE: May 5, 2003

B2. REGULATIONS

B2.4 Payment Arrangements and Credit Allowances (Cont'd)

B2.4.1 Payment of Charges and Deposits (Cont'd)

B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the service connection or installation charges, if applicable, and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.

C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's regulations as to advance payments or the prompt payment of bills on presentation. At such time as the service is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded in all or part or credited to the customer at any time prior to the termination of the service. In case of a cash deposit, interest is paid at the rate of 6% per annum to begin and run from the date said deposit is made except that, no interest shall apply on a deposit unless the deposit and the service have been in existence for a continuous period of six months.

D. The Company reserves the right to increase the deposit requirement when in its judgment the conditions justify such action.

E. Effective April 1, 1996, a charge of $20.00 or 5 percent of the face value of the check, whichever is greater, will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.[1] For a check or draft written prior to this date, a charge of $15.00 will apply.

A Late Payment Charge of $1.95 for residence subscribers and a Late Payment Charge of $11.85 for business subscribers will be applied to each subscriber's bill when the previous month's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) has not been paid in full prior to the next billing date. (T)

This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. The Late Payment Charge for Federal Government customers will be in compliance with the Federal Acquisition Regulations Clause 52.232-25 – Prompt Payment.

G. At the option of the customer, all nonrecurring charges associated with an order for service may be billed over a three month period subject to the following:

- 50% of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25% of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
- The Extended Billing Plan Charge is calculated at a rate of 1.0% per month or 12% annually, on the unbilled balance of the nonrecurring charges.
- If the customer disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan charge, if applicable, will be included in the final bill rendered.
- If the customer fails to make any of the payments prior to the next billing date these late payment charges as specified in F. preceding will apply.

Note 1: Nonpayment of this charge will not constitute sufficient cause for interruption or cancellation of service.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: July 1, 1996
BY: Joseph P. Lacher, President - FL
Miami, Florida

EFFECTIVE: July 15, 1996

E2. GENERAL REGULATIONS[1] (N)

E2.4 Payment Arrangements and Credit Allowances (Cont'd)

E2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

A. The Company will, in order to safeguard its interests, only require an IC which has a proven history of late payments to the Company or does not have established credit to make a deposit prior to or at any time after the provision of a service to the IC to be held by the Company as a guarantee of the payment of rates and charges. No such deposit will be required of an IC which is a successor of a company which has established credit and has no history of late payments to the Company. Such deposit may not exceed the actual or estimated rates and charges for the service for a two month period. The fact that a deposit has been made in no way relieves the IC from complying with the Company's regulations as to the prompt payment of bills. At such time as the provision of the service to the IC is terminated, the amount of the deposit will be credited to the IC's account and any credit balance which may remain will be refunded.

Such a deposit will be refunded or credited to the IC's account when the IC has established credit or, in any event, after the IC has established a one-year prompt payment record at any time prior to the termination of the provision of the service to the IC. In case of a cash deposit, for the period the deposit is held by the Company, the IC will receive interest at the same percentage rate as that set forth in B.3.a. or in B.3.b following whichever is lower. The rate will be compounded daily for the number of days from the date the IC's deposit is received by the Company to and including the date such deposit is credited to the IC's account or the date the deposit is refunded by the Company. Should a deposit be credited to the IC's account, as indicated above, no interest will accrue on the deposit from the date such deposit is credited to the IC's account.

B. The Company shall bill on a current basis all charges incurred by and credits due to the IC under this Tariff attributable to services, including, but not limited to the Trouble Location Charge as set forth in E13.3.1 following. established or discontinued during the preceding billing period. In addition, the Company shall bill in advance charges for all services to be provided during the ensuing billing period except for charges associated with service usage, and for the Federal Government which will be billed in arrears. The bill day (i.e., the billing date of a bill for an End User or IC for Access Service under this Tariff), the period of service each bill covers and the payment date will be as follows:

1. For services provided under this Tariff that are billed directly to the End User, the Company will establish a bill day each month for each end user account. The bill will cover charges applicable to the End User for the ensuing billing period, except for the Federal Government which will be billed in arrears. Any known unbilled charges for prior periods and any known unbilled adjustments for prior periods for the charges applicable to the End User will be applied to this bill. Such bills are due when rendered.
2. For services provided under this Tariff that are billed directly to the IC the Company will establish a bill day each month for each IC account. The bill will cover nonusage sensitive service charges for the ensuing billing period for which the bill is rendered, any known unbilled nonusage sensitive charges for prior periods and unbilled usage charges for the period after the last bill day thru the current bill day. Any known unbilled usage charges for prior periods and any known unbilled adjustments will be applied to this bill. Payment for such bills is due as set forth in 3. following. If payment is not received by the payment due date, as set forth in 3. following in immediately available funds, a late payment penalty will apply as set forth in 3. following.

Note 1: Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this filing.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: July 1, 1996
BY: Joseph P. Lacher, President - FL
Miami, Florida

EFFECTIVE: July 15, 1996

E2. GENERAL REGULATIONS[1] (N)

E2.4 Payment Arrangements and Credit Allowances (Cont'd)

E2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

B. (Cont'd)

3. All bills dated as set forth in 2. preceding for services provided to the IC and/or End User by the Company are due on the payment due date. The payment due date is the date which is 31 days after the bill day or by the next bill date (i.e., same date in the following month as the bill date) whichever is the shortest interval, except as provided herein, and are payable in immediately available funds. If such payment due date would cause payment to be due on a Saturday, Sunday or Holiday (i.e., New Year's Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and a day when Washington's Birthday, Memorial Day or Columbus Day is legally observed), payment for such bills will be due from the IC and/or End User as follows:

   If such payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If such payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday.

   Further, if any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds which are not immediately available to the Company, then a late payment penalty may be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be the lessor of:

   a. The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the payment due date to and including the date that the IC and/or End User actually makes the payment to the Company, or

   b. 0.000590 per day, compounded daily for the number of days from the payment due date to and including the date that the IC and/or End User actually makes the payment to the Company.

4. In the event of a billing dispute, the IC or End User must submit a documented claim for the disputed amount. If the dispute is submitted on or before the payment due date or within 90 days after the payment due date and the disputed amount is paid prior to resolution of the dispute, any interest credits due the IC or End User upon resolution of the dispute shall be calculated from the date of the overpayment to the resolution date. If the dispute is submitted more than 90 days after the payment due date and the disputed amount is paid prior to resolution of the dispute, any interest credits due the IC or End User upon resolution of the dispute shall be calculated from the dispute date or the date the payment is made, whichever occurs later, to the resolution date. The Company will resolve the dispute and assess interest credits or late payment penalties to the IC or End User as follows:

   - If the dispute is resolved in favor of the Company and the IC or End User has paid the disputed amount on or before the payment due date, no credits or late payment penalties will apply to the disputed amount.
   - If the dispute is resolved in favor of the Company and the IC or End User has withheld the disputed amount, any payments withheld pending settlement of the dispute shall be subject to the late payment penalty.

Note 1: Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this filing.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: July 1, 1996
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 15, 1996

E2. GENERAL REGULATIONS[1] (N)

E2.4 Payment Arrangements and Credit Allowances (Cont'd)

E2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

B. (Cont'd)

4. (Cont'd)

- If the dispute is resolved in favor of the IC or End User and the IC or End User has withheld the disputed amount, no credits or late payment penalties will apply to the disputed amount.
- If the dispute is resolved in favor of the IC or End User and the IC or End User has paid the disputed amount, the IC or End User will receive a credit from the Company for the disputed amount times a penalty factor as set forth preceding. The penalty factor shall be the lesser of:

a. The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the payment due date to and including the date that the IC and/or End User actually makes the payment to the Company, or

b. 0.000590 per day, compounded daily for the number of days from the payment due date to and including the date that the IC and/or End User actually makes the payment to the Company.

If an IC's traffic terminates to an end office via an alternative Tandem Service Provider (TSP), any terminating usage dispute for that end office must identify the quantity of MOUs the IC's records indicate to be terminated via an alternative TSP.

Upon receipt of the dispute involving usage terminated via an alternative TSP, the Company will verify that the disputed bill accurately represents the information provided to the Company pursuant to E6.6.5 following, within five days of receipt of a dispute notification.

If the billing agrees with the billing data received pursuant to E6.6.5 following, the Company will refer the dispute to the entity providing the billing date information within sixteen days from the date the dispute was received.

The provider of the billing data information will investigate the claim and reply to the Company within fifteen days of the referral.

The provider of the billing data information, the IC and the Company will work cooperatively to resolve any remaining discrepancies.

If the entity providing the billing data information fails to cooperate with the Company to resolve billing disputes involving usage billed based on the billing data information received, the Company may refuse to accept future billing data information and bill the full terminating charges for all usage to the alternative TSP.

The terms and conditions in E2.4.1.B.3. preceding still apply except for the following:

- If the Company accurately billed the usage as contained in the billing data information provided to it, the Company will not be liable for any interest due the IC for overpayment if the dispute is revolved in the IC's favor.

Note 1: Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this filing.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: February 14, 1997
BY: Joseph P. Lacher, President -FL
Miami, Florida

ACCESS SERVICES TARIFF

irst Revised Page 22
Canceis Original Page 22

EFFECTIVE: March 1, 1997

E2. GENERAL REGULATIONS (T)

E2.4 Payment Arrangements and Credit Allowances (Cont'd)

E2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

C. Adjustments for the quantities of services established or discontinued in any billing period beyond the minimum period set forth for services in other sections of this Tariff will be prorated based on the number of days the IC or End User had service during the billing period times one-thirtieth (1/30th) the monthly rate. Billing for service begins on the day following the date of installation and shall accrue through and include the day service is discontinued. The Company will, upon request and if available, furnish such detailed information as may reasonably be required for verification of any bill.

D. When a rate as set forth in this Tariff is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).

E. When more than one copy of an IC bill for services provided under the provisions of this Tariff is furnished to the IC an additional charge applies for each additional copy of the bill as set forth in E13.3.6 following.

F. The dispute date is the date the IC or End User presents sufficient documentation to support the claim. Sufficient documentation consists of the following information, where such information is relevant to the dispute and reasonably available to the IC or End User:

1. Dedicated Access
   a. The nature of the dispute (i.e., incorrect rate, incorrect circuit type etc.), including the basis for the IC's or End User's belief that the bill is incorrect.
   b. The billing account number(s) assigned by the Company.
   c. The amount of money in dispute.
   d. The date of the bill in dispute.
2. ***BellSouth SWA*** (Non-Usage) (T)
   a. The nature of the dispute (i.e., incorrect rate etc.), including the basis for the IC's belief that the bill is incorrect.
   b. The billing account number(s) assigned by the Company.
   c. The amount of money in dispute.
   d. The date of the bill in dispute.
3. ***BellSouth SWA*** (Usage) (T)
   a. The nature of the dispute (i.e., incorrect rate, incorrect minutes of use, etc.), including the basis for the IC's belief that the bill is incorrect.
   b. The type of usage (i.e., originating or terminating).
   c. The Company end office where the minutes of use originated or terminated (if applicable).
   d. The number of minutes in dispute.
   e. The billing account number(s) assigned by the Company.
   f. The amount of money in dispute.
   g. The date of the bill. (M)

Material appearing on this page previously appeared on page(s) 23 of this section.

E2. GENERAL REGULATIONS (T)

E2.4 Payment Arrangements and Credit Allowances (Cont'd)

E2.4.1 Payment of Rates, Charges and Deposits (Cont'd)

G. The Company and the IC or End User shall work cooperatively to resolve the dispute.

If additional information from the IC or End User would assist in resolving the dispute, the IC or End User may be requested to provide additional information relevant to the dispute and reasonably available to the IC or End User. This data may include, but is not limited to summarized usage data by time of day. The request for such additional information shall not affect the dispute date established pursuant to F. preceding.

H. For purposes of B.4., the resolution date is the date on which the Company completes the investigation of the dispute, and the Company's service representative notifies the IC or End User of the disposition and notes the IC's or End User's account or when the Company forwards the amount of credit to the customer, depending upon IC or End User preference.

I. At the option of the IC or end user, all nonrecurring charges associated with a Standard or Negotiated Interval Access Order may be billed over a three month period subject to the following:

- 50 percent of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25 percent of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
- The Extended Billing Plan Charge is calculated at a rate of 1.0 percent per month or 12 percent annually, on the unbilled balance of the nonrecurring charges.
- The IC or end user must request extended billing at the time the Access Service request is placed for a Standard or Negotiated Interval Access Order.
- If the IC or end user disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan Charge, if applicable, will be included in the final bill rendered.
- This payment arrangement is not available for Daily Program Audio ***(a.k.a. BellSouth SPA Program Audio)***. (T)
- If the IC or end user fails to make any of the payments on the payment due date as set forth in B.3. preceding, these late payment charges as specified in B.3.a. or b. preceding will apply.

E2.4.2 Minimum Periods

A. The minimum periods for which services are provided and for which rates and charges are applicable are set forth in Sections E5., E6. and E7. following, for ***BellSouth SWA*** and ***Dedicated*** Access services; in Sections E8. and E9. following, for Billing and Collection Services and ***BellSouth*** Directory Assistance ***Access*** Service; in Section E13. following, for Scheduled Testing; and, in Section E14. following for Special Construction. (T)

(M)

Material previously appearing on this page now appears on page(s) 22 of this section.

T-030015

BELLSOUTH

EXHIBIT KLW-5
PAGE 104 OF 403
IDS NON-CONFIDENTIAL

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Tallahassee, FL 32301-1556

marshall.criser@bellsouth.com

Marshall M. Criser III
Vice President
Regulatory & External Affairs

850 224 7798
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January 7, 2003

Mr. Walter D'Haeseleer, Director
Competitive Markets and Enforcement
Attn: Tariff Section
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

The purpose of this revision is to remove the Interest Charge pursuant to Commission Order PSC-01-1769-FOF-TP issued in Docket No. 000733-TL. The following pages will be revised:

General Subscriber Service Tariff

Section A2.4	- Seventh Revised Page 19
Section B2.4	- Fourth Revised Page 14

The issue date is January 7, 2003 to be effective January 7, 2003.

Acknowledgment, date of receipt and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

Your consideration and approval will be appreciated.

Yours very truly,

Marshall M. Criser III

Regulatory Vice President

Attachments

COMPETITIVE SERVICES

EXECUTIVE SUMMARY

Introduction

Enclosed is a filing package that removes the Interest Charge pursuant to Commission Order PSC-01-1769-FOF-TP issued in Docket No. 000733-TL. BellSouth is currently in the process of determining appropriate customer refunds.

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.3 Payment for Service (Cont'd)

C. Effective September 1, 2002, a Late Payment Charge of $1.95 ~~plus an interest charge of 1.5 percent on the unpaid balance exceeding $6.00~~ for residence subscribers and a Late Payment Charge of $11.85 ~~plus an interest charge of 1.5 percent on the unpaid balance exceeding $6.00~~ for business subscribers will be applied to each subscriber's bill, (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. ~~The 1.5 percent interest charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill~~ (C)

This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. ~~Effective January 1, 1992, county and municipal governments will be assessed a 1.0 percent Late Payment Charge in accordance with the provisions of the Florida Prompt Payment Act, Section 218.70-218.79, Florida Statutes.~~ ***The Late Payment Charge for Federal Government customers will be in compliance with the Federal Acquisition Regulations Clause 52.232-25 – Prompt Payment.*** (C)

D. Should service be suspended for nonpayment of charges, it will be restored upon payment of the Line Change Charge applicable for restoration of service as provided in Section A4. of this Tariff.

E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.

F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.

G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:

1. Where service is terminated or abandoned.
2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

H. Toll Credit Limit (TCL)

Toll Credit Limit (TCL) is an interim phase of toll denial in lieu of local service denial. It offers subscribers the option of toll restriction while paying a deposit or an overdue bill balance on an installment basis.

1. The Toll Credit Limit process shall apply for subscribers requesting new service with no outstanding bill balance, subscribers requesting new service with unpaid balances from previous service, and for existing subscribers with overdue outstanding charges.

   a. New Service With No Outstanding Charges For Previous Service

   When the Company deems it necessary for a subscriber requesting new service to pay a deposit and the subscriber is unable to pay the deposit in full, the subscriber may be allowed to pay the deposit in up to four (4) installments if the subscriber agrees to a full toll restriction of the service, at no charge, until the deposit is paid in full.

   An arrangement may be made to waive the deposit if the subscriber chooses to have a full toll restriction on the requested service until satisfactory credit has been established.

   b. New Service With Outstanding Charges For Previous Service

   Residence subscribers requesting new service who have outstanding charges from previous service with the Company, which have not yet been referred to an outside collection agency, will be allowed to select full toll restriction of the service until the charges are paid in full. These subscribers can make arrangements to pay the charges in up to four installments.

FLORIDA PUBLIC SERVICE COMMISSION

Complaint of IDS Telcom, LLC against BellSouth Telecommunications, Inc. for over billing and discontinuance of service, and petition for emergency order restoring service	))))	Docket No. 031125-TP Filed: April 14, 2004

PETITIONER IDS TELCOM'S COMBINED RESPONSES TO BELLSOUTH'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION

Petitioner IDS TELCOM, LLC ("IDS"), by and through its undersigned counsel hereby serves this its response and objections to the Respondent BELLSOUTH TELECOMMUNICATIONS, INC.'s ("BellSouth") First Set Of Interrogatories To IDS Telcom, LLC and First Set Of Requests For Production To IDS Telcom (both dated March 15, 2004), and in support thereof states as follows.

I. General Objections Applicable To All Interrogatories

1 IDS objects to each document request to the extent it seeks material protected by the attorney-client privilege, the attorney work product privilege, accountant-client privilege or any other recognized privilege.

2 IDS objects to each interrogatory on the grounds that BellSouth has exceeded the number of interrogatories allowed under Fla.R.Civ.P. 1.340(a), which limits interrogatories in an action to a total of thirty (30), including all subparts. On its face and without considering subparts, BellSouth has numbered thirty-five (35) interrogatories. However, numerous interrogatories have multiple questions, and some have enumerated subparts ranging from four to ten subparts within each interrogatory. When all subparts have been counted, BellSouth has propounded approximately one-hundred and twenty-three (123) interrogatories. IDS objects to BellSouth's

interrogatories on the grounds that they exceed the number allowed under Fla.R.Civ.P. .340(a).

3. IDS also objects to BellSouth's interrogatories on the grounds that they seek information irrelevant to the dispute identified in the Amended Petition. The Amended Petition alleges facts and issues involving BellSouth's disconnection of IDS' access to LENS as a result of a dispute over payments made (and credits given) under a Settlement Agreement between the parties dated September 27, 2001, and a subsequent Amendment To Settlement Agreement dated March 25, 2002 Those agreements resolved certain prior disputes (including billing disputes) between the parties. Despite IDS having made all payments required under those agreements, BellSouth nevertheless demanded more monies and then unilaterally denied IDS access to LENS. IDS objects to BellSouth's interrogatories to the extent they ask about other disputes between the parties.

4. IDS objects to BellSouth's interrogatories on the grounds that they are vague, overly broad, abusive, harassing, seek confidential and proprietary information wholly irrelevant to anything possibly at issue.

5 IDS objects to BellSouth's interrogatories on the grounds that they are vexatious, harassing, and unduly burdensome and call for information that is wholly irrelevant and are not reasonable calculated to lead to the discovery of admissible evidence.

6. IDS objects to BellSouth interrogatories to the extent they purport to impose obligations upon IDS beyond those set forth in the Florida Rules of Civil Procedure, the Florida Administrative Code, and/or any other statute or rules governing BellSouth's interrogatory requests.

These response are made without waiver of and with the preservation of: (i) all questions as to competency, relevancy, materiality, privilege and admissibility of any response, answer and/or document provided herein, as evidence for any purpose in any further proceedings in this action and

in any other action; (ii) the right to object to the use of any such response, answer and/or document, or subject matter thereof, on any ground and in any further proceedings of this action or any other action; and (iii) the right to object on any ground at any time to a demand or to any other request, interrogatory, or other discovery proceeding involving or relating to the subject matter of the interrogatories responded to herein.

II. Specific Responses To Each Interrogatory

Interrogatory 1:

Identify all persons participating in the preparation of the answers to these Interrogatories or supplying information used in connection therewith.

Response:

(1) Angel L. Leiro

(2) Elizabeth Fefer

(3) Raquel Rencher

Interrogatory 2:

Identify all persons who have any knowledge about any of the allegations asserted in the Complaint, describing in detail the name of the person, the last known address of the person, where the person is employed, and a summary of each person's knowledge.

Response:

IDS incorporates its general objections by reference herein. IDS also objects on the grounds that this interrogatory is overly broad and purports to seek information regarding BellSouth employees, which are under BellSouth's own possession and control. Hence IDS only responds to this request by providing the names of current and former IDS employees; and

otherwise objects to providing any further answer other than that given below.

The following current and former employees of IDS have information regarding the Amended Petition:

(1) Angel M. Leiro – currently employed by IDS at 1525 N.W. 167 Street, Suite 200, Miami, Florida 33169. Mr. Leiro has general knowledge about most (if not all) of the allegations in the Amended Petition.

(2) Elizabeth Fefer – currently employed by IDS at 1525 N.W. 167 Street, Suite 200, Miami, Florida 33169. Ms. Fefer has knowledge about the IDS payments made (and BellSouth application of such payments) under the Settlement Agreement and Amendment To Settlement Agreement, and issues surrounding BellSouth denying IDS access to LENS after demanding monies no longer owed under these agreements.

(3) Raquel Rencher – currently employed by IDS at 1525 N.W. 167 Street, Suite 200, Miami, Florida 33169. Ms. Rencher has knowledge about the BellSouth bills and the billing dispute over application of IDS' payments under the Settlement Agreement and Amendment To Settlement Agreement

(4) Robert Hacker – no longer employed by IDS. Last known address is 240 Cranwood Drive, Miami, Florida 33149. Mr. Hacker was formerly the CFO of IDS and has knowledge of the negotiation and execution of the Settlement Agreement and Amendment To Settlement Agreement.

Interrogatory 3:

Identify all documents that refer or relate to any issue or allegations raised in the Complaint.

Response:

IDS incorporates its general objections by reference herein. Moreover, apart from the

overly broad nature of this request and other objections, this interrogatory can be answered by making available documents for inspection and copying. Notwithstanding these objections, pursuant to Fla.R.Civ.P. 1.340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 4:

Identify each person whom you expect to call as an expert witness at the hearing of this matter. With respect to each such expert, please state the subject matter on which the expert is expected to testify, the substance of the facts and opinions to which the expert is expected to testify, and a summary of the grounds for each opinion.

Response:

IDS currently has no intention of calling an expert witness in this docket.

Interrogatory 5:

Identify all documents that were provided or made available to any expert identified in response to Interrogatory No. 4.

Response:

IDS currently has no intention of calling an expert witness in this docket. Hence, no

documents have been provided to any experts.

Interrogatory 6:

Identify all documents upon which IDS intends to rely or introduce into evidence at the hearing on this matter.

Response:

IDS incorporates its general objections by reference herein. Furthermore, this request calls for the disclosure of information protected by the work product privilege. Apart from the overly broad nature of this request, the fact that discovery has only begun and is still subject to change, and other relevant objections, this interrogatory can be answered by making available documents for inspection and copying. Notwithstanding these objections, pursuant to Fla.R.Civ.P. 1.340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 7:

Identify the last known address of Bob Hacker.

Response:

Robert Hacker's last known address is 240 Cranwood Drive, Miami, Florida 33149.

Interrogatory 8:

Describe the reason why Bob Hacker is no longer employed with IDS and state the date Mr. Hacker ceased being employed by IDS.

Response:

Robert Hacker was originally employed in or about September 2000, for the primary purpose of assisting in the making of preparations for and thereafter selling the business. Since that time, IDS and Hacker have mutually decided to end their business relationship amicably. Hacker ceased being employed by IDS on or about December 16, 2003.

Interrogatory 9:

Identify the person(s) at IDS who were responsible for negotiating the Confidential Settlement and Settlement Amendment on behalf of IDS.

Response:

Robert Hacker was primarily involved in the negotiation of the Settlement Agreement and Amendment To Settlement Agreement. He had assistance and input from Angel Leiro, Elizabeth Fefer and Raquel Rencher. Final approval authority over the Settlement Agreement and Amendment To Settlement Agreement rested with Joseph Millstone.

Interrogatory 10:

Identify all Commission, FCC, or state and/or federal court proceedings where IDS has asserted billing complaints or disputes against BellSouth. For each such proceeding, identify (1 the case caption; (2) the disputes asserted in each proceeding; (3) the monetary value of each dispute asserted in each proceeding; (4) the time period of each dispute asserted in each proceeding; and (5) the status of each dispute.

Response:

IDS incorporates its general objections by reference herein. Moreover, this request is irrelevant to the subject matter of this docket, overly broad and abusive, and not likely to lead to the discovery of admissible evidence. Nevertheless, IDS will state that the counts alleged in the Amended Petition (including the limited subject matter thereof) have only been brought in this docket and are not currently before any other Commission, the FCC, or any state and/or federal court.

Interrogatory 11:

Is IDS asserting any billing dispute in the instant Commission proceeding that IDS is also asserting in another Commission, FCC, state court or federal court proceeding? If so, identify each such dispute and the date each similar dispute was asserted in another proceeding.

Response:

The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. This dispute has only been brought in this docket and is not currently before any other Commission, the FCC, or any state and/or federal court.

Interrogatory 12:

Identify all billing disputes that IDS is asserting in the instant Commission proceeding, the monetary value of each dispute, the basis for each such dispute, all documents that support each dispute, and the person with the most knowledge at IDS about each dispute.

Response:

IDS incorporates its general objections by reference herein. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full.

There is technically no monetary value associated with the dispute because IDS has paid all amounts due under of the **Settlement Agreement and Amendment To Settlement Agreement in full.** Nevertheless, the gross amount of dollars involved can be found in Exhibit "A" to the Amended Petition, which is a copy of the Amendment To Settlement Agreement and details the payments to be made. Exhibit "B" to the Amended Petition shows IDS' accounting of payments made under the Settlement Agreement and Amendment To Settlement Agreement and reflects the fact that IDS had in fact overpaid the account in error. It is IDS' position that the overpayment of $334,272.1 reflected in Exhibit "B" to the Amended Petition, has been and/or should have been applied to other billing accounts. Notwithstanding IDS' overpayment of this account (set up under the Settlement Agreement and Amendment To Settlement Agreement), BellSouth claimed that IDS still owed approximately $611,627.42. IDS disputes this BellSouth position.

Furthermore, it is IDS' position that Angel Leiro's letter of November 3, 2003 to the Florida Public Service Commission regarding an informal complaint under Rule 25-22.032, raised the issues in this docket under the rubric of Category 8. BellSouth took unilateral action to deny IDS access to LENS knowing that dispute Category 8 in Mr. Leiro's letter of November 3, 2003 referred to the matters alleged in this docket.

IDS further objects to BellSouth's request for documents in this interrogatory as being protected by the work product privilege. Nevertheless, apart from the overly broad nature of this

request, the fact that discovery has only begun and is still subject to change, and other relevant objections, this interrogatory can be answered by making available documents for inspection and copying. Notwithstanding its objections, pursuant to Fla.R.Civ.P .340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 13:

Regarding the FCC Complaint referred to in paragraph 20 of the Complaint, state whether the DUF charge dispute at the FCC is also at issue in the instant Commission proceeding.

Response:

IDS incorporates its general objections by reference herein. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. The "DUF charge dispute" (as characterized by BellSouth) is not an issue in the instant Commission proceeding.

Interrogatory 14:

Regarding IDS' allegations in paragraph 20 of the Complaint wherein it states that it "has begun to prepare filings on each of its remaining disputes," please (1) describe in detail the nature

and basis of each "remaining" dispute; (2) identify the amount of each "remaining" dispute; (3) identify where IDS is pursuing or intends to pursue each "remaining" dispute; (4) identify the person at IDS with the most knowledge of each "remaining" dispute; and (5) state whether IDS has submitted billing disputes to BellSouth for each such "remaining" dispute.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement.

Interrogatory 15:

Regarding paragraph 21 of the Complaint, please identify all billing disputes that IDS was referencing when it stated that there was "the possibility of additional unresolved disputes." For each such "possible" dispute, please (1) describe in detail the nature and basis of each dispute; (2) identify the amount of each dispute; (3) state whether IDS is pursuing this dispute and if so in what forum; (4) identify the person at IDS with the most knowledge of each dispute; and (5) state whether IDS has submitted billing disputes to BellSouth for each such dispute.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement.

Interrogatory 16:

Regarding paragraph 21 of the Complaint, please identify all disputes "that are more appropriate before another commission..." For each such dispute, please (1) describe in detail the nature and basis of each dispute; (2) identify the amount of each dispute; (3) state whether IDS is pursuing this dispute and if so in what forum; (4) identify the person at IDS with the most knowledge of each dispute; and (5) state whether IDS has submitted billing disputes to BellSouth for each such dispute.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises

from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement.

Interrogatory 17:

Identify all communications (verbal and/or written) between BellSouth and IDS relating to the Confidential Settlement and/or the Settlement Amendment. For each such dispute, please identify (1) the date of each communication; (2) the medium of each communication (written or verbal); (3) all IDS employees involved in the communication; and (4) a summary of each communication.

Response:

IDS incorporates its general objections by reference herein. Furthermore, this request is harassing and abusive because the information sought herein can more efficiently be obtained by use of requests for production, supplemented by deposition testimony (if needed). As a compromise (and as offered in other responses), IDS is willing to make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents

will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 18:

Is IDS asserting that IDS does not owe BellSouth the $3,049,140.74 allegedly paid to the Q account or the $3,231,996.10 allegedly billed in the Q account, as set forth in paragraphs 10 and 12 of the Complaint, solely because the amount billed and paid exceeds the amount set forth in the Settlement Amendment?

Response:

IDS objects to this interrogatory on the grounds that it is vague, unintelligible and contradicts the very allegations of the Amended Petition. Nevertheless, IDS states that its position is that the parties entered into a Settlement Agreement and Amendment To Settlement Agreement, and no other agreements regarding the subject matter. Furthermore, IDS has made all payments due under the Settlement Agreement and Amendment To Settlement Agreement in accordance with such documents. Lastly, IDS has fulfilled its obligations under Settlement Agreement and Amendment To Settlement Agreement and thus BellSouth had no right to demand additional monies or otherwise deny IDS access to LENS in order to extort excess monies.

Interrogatory 19:

Identify the specific irreparable harm that IDS alleged it sustained as a result of BellSouth terminating IDS' access to LENS, as set forth in paragraph 27 of the Complaint.

Response:

IDS objects to this interrogatory on the grounds that it is vague and unintelligible.

Particularly since the definition of irreparable harm includes factors that cannot be quantified. Nevertheless, IDS will state that without access to LENS, it is: (a) impossible to convert new customers and accounts; (b) impossible to service existing customer accounts; and (c) impossible to terminate specific existing accounts. In short, without access to the OSS systems available in LENS, it is impossible for a CLEC to maintain and service its customers, thereby causing injury to IDS' customer base.

It is also IDS' understanding that two federal court judges (Judge Mark of the Southern District Bankruptcy Court and Judge Hinkle of the Northern District of Florida District Court) have found irreparable harm where BellSouth denied another CLEC access to LENS (i.e. Supra Telecom). The reasons each such court found irreparable harm in BellSouth's denial of access in those cases, apply equally here. IDS does not restate those reasons because BellSouth obviously has copies of those court proceedings.

Interrogatory 20:

Identify each customer by working telephone number ("WTN") that IDS allegedly lost or was unable to retain and the date of each alleged loss as a result of BellSouth terminating IDS' access to LENS

Response:

IDS has not quantified its lost customers or lost customer good will resulting from BellSouth's denial of access to LENS, and thus cannot reasonably answer this interrogatory at this time. Moreover, by their very nature, these losses are difficult to identify and quantify. The lack of an ability to quantify such injury (to the extent possible), is further evidence that the harmed caused by BellSouth was irreparable.

Interrogatory 21:

Please provide all legal support for IDS' contention that Rule 25-22.032(6), Florida Administrative Code, prohibits BellSouth from discontinuing service to IDS during the complaint process because of any unpaid disputed bill, as alleged in paragraph 26 of the Complaint.

Response:

IDS incorporates its general objections by reference herein. IDS further objects to this interrogatory on the grounds that it calls for legal conclusions and violates the work product privilege. The legal rational which BellSouth seeks, will most likely be the subject of post-hearing briefing, and thus are arguments and legal reasoning which BellSouth is not yet entitled to have. Finally, the Florida Administrative Code section, and decisions interpreting it, speak for themselves.

Interrogatory 22:

Identify IDS' gross revenues on a monthly basis from March 2002 to the present.

Response:

IDS incorporates its general objections by reference herein. IDS further objects to this interrogatory on the grounds that it is harassing, abusive and calls for the disclosure of confidential information that is irrelevant and not likely to lead to the discovery of admissible evidence. Notwithstanding this objection, if BellSouth can demonstrate to IDS a legitimate need for this information, IDS in its sole discretion, will consider producing documents from which this information can be derived.

Interrogatory 23:

Identify all legal proceedings (by case caption and court) where IDS, any owner of IDS, any

present or former officer of IDS, and/or any current or former employee of IDS testified about or provided discovery responses relating to IDS' disputes with BellSouth, the Confidential Settlement, and/or the Settlement Amendment. For each such proceeding, identify all pleadings, depositions, and discovery responses responsive to this Interrogatory.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Notwithstanding the above, IDS will state that this dispute has only been brought in this docket and is not currently before (nor has it been before) any other Commission, the FCC, or any state and/or federal court. Hence, there are no other legal proceedings in which information regarding issues in this docket have been disclosed or otherwise made a part of any discovery proceedings.

Interrogatory 24:

Identify all legal proceedings (by case caption and court) where former employees of IDS sued IDS and alleged facts that implicated or relate to the IDS' disputes with BellSouth, the Confidential Settlement, and/or the Settlement Amendment.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's

interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Notwithstanding the above, IDS will state that it knows of no other legal proceedings (including proceeding involving former employees) which allege any of the facts at issue before the Commission in this docket.

Interrogatory 25:

Regarding IDS' dispute entitled "Conversion charges" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that BellSouth continues the charge the "old rate" for UNE conversions; (2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; (6) identify how IDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has paid the undisputed portion of these charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further

monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues in dispute in this docket, were in fact referenced in Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 26:

Regarding IDS' dispute entitled "Engineering charges" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth erroneously imposes engineering charges for which there is no documentation or an otherwise adequate method for validating charges" and that "BellSouth is charging us for repairs on the BellSouth side of the demarcation point"; (2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; (6) identify how IDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has paid the portion of these undisputed charges, and if so, state

the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 27:

Regarding IDS' dispute entitled "Non-Basic 1 and Non-Basic 4 charges" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth erroneously bills non basic charges on basic UNE lines";

(2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; (6) identify how IDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has paid the undisputed portion of these charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 28:

Regarding IDS' dispute entitled "Port install and disconnect charges" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth inappropriately charges multiples of the first-line port install or disconnect charge for all lines on multi-line orders" and that "BellSouth charges a disconnect fee to IDS when BellSouth or a third party carrier wins an IDS customer"; (2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; (6) identify how IDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has paid the undisputed portion of these charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the

fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 29:

Regarding IDS' dispute entitled "Port/loop rerates" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth mistakenly continued to charge the old rate for a period of time and failed to credit IDS for such overcharges"; (2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; (6) identify how IDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has paid the undisputed portion of these charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in

this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 30:

Regarding IDS' dispute entitled "Usage rerates" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth mistakenly continued to charge the old rate for a period of time and failed to credit IDS for such overcharges"; (2) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (4) identify the time period and billing cycles that are the subject of the dispute; (5) identify the WTNs at issue in this dispute on a monthly basis; {6) identify how iDS learned of the dispute; (7) identify the person at IDS who has the most knowledge about the dispute; and (8) state whether IDS has charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery

of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

Interrogatory 31:

Regarding IDS' dispute entitled "Market-based rates" as set forth in Exhibit F to the Complaint, please (1) identify all documents that support the dispute and specifically the allegation that "BellSouth bills IDS an improper rate for ports on accounts in excess of four lines and fails to bill in a mechanized fashion" and that "BellSouth improperly bills a market-based rate on lines that are not in the MSA"; (2) identify the rate that IDS believes BellSouth should be charging IDS for ports on accounts in excess of four lines; (3) identify the source of any obligation of BellSouth to bill IDS "in a mechanized fashion"; (4) describe in detail what IDS' understanding of what a bill in

a "mechanized fashion" would look like; (5) describe in detail the basis for the dispute; (3) identify the amount of the dispute; (6) identify the time period and billing cycles that are the subject of the dispute; (7) identify the WTNs at issue in this dispute on a monthly basis; (8) identify how IDS learned of the dispute; (9) identify the person at IDS who has the most knowledge about the dispute; and (10) state whether IDS has paid the undisputed portion of these charges, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to

LENS.

Interrogatory 32:

Regarding the "issues subject to confidentiality requirements" that IDS refers to in Exhibit F to the Complaint, please (1) identify each such dispute and any documents that support each dispute; (2) describe in detail the basis for each dispute; (3) identify the amount of each dispute; (4) identify the time period and billing cycles that are the subject of each dispute; (5) identify the WTNs at issue in each dispute on a monthly basis; (6) identify how IDS learned of each dispute; (7) identify the person at IDS who has the most knowledge about each dispute; and (8) state whether IDS has paid the undisputed portion of each dispute, and if so, state the amount paid.

Response:

IDS incorporates its general objections by reference herein. The "issues subject to confidentiality requirements" refer to those issues set forth in the Amended Petition in this docket (at least as of the date of November 3, 2003). The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. The specifics of this dispute are set forth in the Amended Petition. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally

declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

IDS further objects to BellSouth's other requests for details as harassing, abusive, vexatious and more properly the subject of other discovery methods, including production requests and/or depositions. Nevertheless, most (if not all) of the details requested can be found in relevant documentation, and thus pursuant to Fla.R.Civ.P. 1.340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 33:

Please identify all documents that support your contention in Exhibit F to the Complaint that BellSouth "failed to promptly acknowledge and properly process billing disputes" and that "BellSouth refuses to supply [IDS] with requested information."

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further

monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS. These actions reflect that BellSouth "failed to promptly acknowledge and properly process billing disputes". Moreover, BellSouth's act of refusing to specify how it claimed IDS still owed BellSouth money under the settlement agreements, is evidence that "BellSouth refuses to supply [IDS] with requested information."

Interrogatory 34:

Please identify all instances where BellSouth allegedly "failed to promptly acknowledge and properly process billing disputes, setting forth the date of each such instance; the BellSouth employee(s) associated with each such instance; and the specific dispute in question.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery

of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS.

IDS further objects to BellSouth's other requests for details as harassing, abusive, vexatious and more properly the subject of other discovery methods, including production requests and/or depositions. Nevertheless, most (if not all) of the details requested can be found in relevant documentation, and thus pursuant to Fla.R.Civ.P. 1.340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements.

Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

Interrogatory 35:

Please identify all instances where BellSouth allegedly failed to "supply [IDS] with requested information", setting forth the date of each such instance; the BellSouth employee(s) associated with each such instance; the specific dispute in question; and the information requested by IDS.

Response:

IDS incorporates its general objections by reference herein. Moreover, BellSouth's interrogatory is irrelevant to any matter at issue in this docket, and not likely to lead to the discovery of admissible evidence. The only dispute alleged in this docket (and the Amended Petition) arises from BellSouth's denial of access to LENS as a result of IDS' refusal to pay BellSouth further monies under the Settlement Agreement and Amendment To Settlement Agreement, which IDS claims have been paid and satisfied in full. Any other disputes are not before the Commission in this proceeding. Moreover, any other dispute between the parties (which is not before this Commission), may to so some degree, not yet be ripe for formal dispute resolution because it may still be in the midst of an escalated informal procedure provided for in the parties' Interconnection Agreement. Exhibit F to the Amended Petition was referenced for the purpose of highlighting the fact that the very issues at dispute in this docket, were in fact referenced in as Category 8 of IDS prior November 3, 2003 request for informal resolution from this Commission, and that BellSouth was fully aware that these issues were disputed when it took unilateral action to deny IDS access to

LENS. Hence providing proof that BellSouth deliberately and unilaterally declared a dispute, "undisputed" for the sole purpose of injuring by taking unlawful action in denying IDS access to LENS. These actions reflect that BellSouth "failed to promptly acknowledge and properly process billing disputes". Moreover, BellSouth act of refusing to specify how it claimed IDS still owed BellSouth money under the settlement agreements, is evidence that BellSouth failed to "supply [IDS] with requested information."

IDS further objects to BellSouth's other requests for details as harassing, abusive, vexatious and more properly the subject of other discovery methods, including production requests and/or depositions. Nevertheless, most (if not all) of the details requested can be found in relevant documentation, and thus pursuant to Fla.R.Civ.P. 1.340(c), IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

III. Response To Request For Production

Request 1:

Please produce all documents identified, referred to, relied upon or responsive to BellSouth's First Set of Interrogatories propounded upon IDS on March 15, 2002.

Response

IDS objects to this request on the grounds that it is overly broad, vague, abusive, harassing, seek confidential and proprietary information, and seeks documents that are irrelevant and not likely to lead to discovery of admissible evidence. Notwithstanding this objection, IDS will make available for inspection and copying, documents relating to the Settlement Agreement and Amendment To Settlement Agreement, payments made under these settlement agreements, correspondence between the parties regarding the settlement agreements, and correspondence regarding BellSouth's discontinuance of IDS' access to LENS as a result of the dispute over the settlement agreements. Such documents will be made available for inspection and copying upon reasonable advance notice and at IDS corporate offices in Miami, Florida. Alternatively, the parties may mutually agree upon other arrangements for the production of these documents.

IDS TELCOM, LLC.

By:

STATE OF FLORIDA)SS:
COUNTY OF MIAMI-DADE)

BEFORE ME, the undersigned authority, this 14th day of April, 2004, personally appeared Angel Leiro, as V. P Regulatory aff. of IDS Telcom, LLC who after being sworn, deposes and states that he executed the above and foregoing interrogatories, that he has proper authority to do so, that the answers provided are true and correct to the best of his knowledge and belief, and who is personally known to me or provided _____ as identification.

OFFICIAL NOTARY SEAL
TAMARIE RIVERA
COMMISSION
MY COMMISSIO

Notary Public, State of Florida
Print Name:
My Commission Expires:

EXHIBIT KLW-5
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IDS NON-CONFIDENTIAL

my Florida Public Service Commission

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Document Detail For Docket Number: 031125

Document	Date	Description
04489-04	04/13/2004	GCL/Christensen - Memo dated 4/12/04 to all parties and interested persons advising of issue identification meeting to be held 4/22/04 at 1:00 p.m., 362 Gunter Bldg, 2540 Shumard Oak Blvd, Tallahassee.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04489-04.pdf	69 KB	20 seconds	11 seconds
notice of issue id.doc	50 KB	14 seconds	8 seconds

Document	Date	Description
04470-04	04/13/2004	TRANSCRIPT - Pgs 1-15 of Item No. 2A of 4/6/04 agenda conference in Tallahassee before BZ, JB, DS, BD, DV.

File Name	File Size	Download Time 28.8K	Download Time 56K
04470-04-trn.doc	27 KB	8 seconds	4 seconds

Document	Date	Description
04443-04	04/12/2004	AUS/Vandiver - Copy of 4/8/04 letter to BellSouth/Criser advising PSC will conduct audit of certain financial records related to issues involved in complaint by IDS against BellSouth for alleged overbilling; formal report expected to be issued for internal Commission use on 7/15/04.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04443-04.pdf	116 KB	33 seconds	18 seconds

Document	Date	Description
04442-04	04/12/2004	AUS/Vandiver - Copy of 4/8/04 letter to IDS/Leiro advising PSC will conduct audit of certain financial records related to issues involved in complaint by IDS against BellSouth for alleged overbilling; formal report expected to be issued for internal

Commission use on 7/15/04.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04442-04.pdf	110 KB	32 seconds	17 seconds

04307-04 04/06/2004 Vote sheet fr 4/6/04 ag - staff rec approved. {BZ DS JB BD DV)

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04307-04.pdf	77 KB	22 seconds	12 seconds

04287-04 04/05/2004 IDS Telcom, LLC (Horton) - Notice of appearance and substitution of counsel.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04287-04.pdf	121 KB	35 seconds	19 seconds

04065-04 03/30/2004 Vote sheet fr 3/30/04 ag - deferred.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04065-04.pdf	58 KB	17 seconds	9 seconds

04004-04 03/29/2004 EXD/Bane - Note dated 3/29/04 approving suggested revision to pg 9 of staff recommendation for 3/30/04 agenda; note states no need to file revised recommendation as e-mail will provide notice to Commissioners and to CCA of correction.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04004-04.pdf	90 KB	26 seconds	14 seconds

03955-04 03/25/2004 CMP/Barrett; GCL/Christensen - Request for change to agenda conference; requests deferral of Item 5 to 4/6/04 agenda per request of IDS counsel (request attached), with noted approval by EXD and Chairman's office.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 03955-04.pdf	143 KB	41 seconds	22 seconds

03644-04 03/18/2004 RECOM for 3/30/04 ag fr GCL/Christensen; CMP/Barrett - grant BellSouth's partial motion to dismiss IDS's amended complaint; docket should remain open pending further proceedings.

File Name	File Size	Download Time 28.8K	Download Time 56K
031125.rcm.doc	100 KB	29 seconds	15 seconds
* 03644-04.pdf	911 KB	4 minutes 20 seconds	2 minutes 17 seconds

03501-04 03/15/2004 BellSouth (Meza) - Letter notification of service of 1st set of interrogatories and 1st request for production of documents to IDS.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 03501-04.pdf	75 KB	22 seconds	12 seconds

02578-04 02/23/2004 Order PSC-04-0185-PCO-TP granting BellSouth's motion for extension of time. (DS)

File Name	File Size	Download Time 28.8K	Download Time 56K
* 02578-04.pdf	163 KB	47 seconds	25 seconds
04-0185.ord.doc	35 KB	10 seconds	6 seconds

02577-04 02/23/2004 Order PSC-04-0184-PCO-TP granting IDS's motion for extension of time. (DS)

File Name	File Size	Download Time 28.8K	Download Time 56K
* 02577-04.pdf	152 KB	44 seconds	23 seconds
04-0184.ord.doc	35 KB	10 seconds	6 seconds

01808-04 02/06/2004 BellSouth (Meza) - (CONFIDENTIAL) Portions of partial motion to dismiss and answer. [x-ref. DN 00725-04]

01807-04 02/06/2004 BellSouth (Meza) - Redacted version of confidential DN 01808-04.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01807-04.pdf	922 KB	4 minutes 23 seconds	2 minutes 18 seconds

01806-04 02/06/2004 BellSouth (Meza) - Request for specified confidential classification of DN 01808-04.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01806-04.pdf	186 KB	53 seconds	28 seconds

01790-04 02/06/2004 IDS Telecom (Rule) - Request for oral argument.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01790-04.pdf	64 KB	18 seconds	10 seconds

01789-04 02/06/2004 IDS Telecom (Rule) - Response to BellSouth's partial motion to dismiss and answer.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01789-04.pdf	498 KB	2 minutes 22 seconds	1 minutes 15 seconds

01046-04 01/23/2004 IDS (McDonnell) - Unopposed motion for extension of time.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01046-04.pdf	166 KB	47 seconds	25 seconds

00931-04 01/21/2004 BellSouth (Kay) - Letter dated 1/20/04 requesting Nancy B. White be named qualified representative in Dockets 031097, 031125, 031132, 040018, 040026, and 040028, with attached affidavit.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00931-04.pdf	389 KB	1 minutes 51 seconds	59 seconds

00930-04 01/21/2004 BellSouth (Kay) - Letter dated 1/20/04 requesting James Meza III be named qualified representative in Dockets 031125-TP, 031132-TP, 040018-TP, 040026-TP, and 040028-TP, with attached affidavit.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00930-04.pdf	336 KB	1 minutes 36 seconds	51 seconds

00725-04 01/16/2004 BellSouth (Meza) - (CONFIDENTIAL) Portions of partial motion to dismiss and answer. [x-ref. DN 01808-04]

00724-04 01/16/2004 BellSouth (Meza) - Notice of intent to request specified confidential classification of DN 00725-04.

	File Name	File Size	Download Time 28.8K	Download Time 56K
	* 00724-04.pdf	144 KB	41 seconds	22 seconds

00719-04 01/16/2004 BellSouth (Meza) - Partial motion to dismiss and answer to IDS amended complaint.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00719-04.pdf	1,069 KB	5 minutes 4 seconds	2 minutes 40 seconds

00429-04 01/09/2004 BellSouth (Meza) - Motion for extension of time.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00429-04.pdf	291 KB	1 minutes 23 seconds	44 seconds

13556-03 12/30/2003 IDS (McDonnell) - Amended complaint against BellSouth for alleged overbilling and discontinuance of service, and petition for emergency order restoring service.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 13556-03.pdf	1,571 KB	7 minutes 27 seconds	3 minutes 55 seconds

13449-03 12/24/2003 CCA/Bayo - Copy of notice of complaint to BellSouth.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 13449-03.pdf	73 KB	21 seconds	11 seconds

13420-03 12/23/2003 IDS Telecom LLC (Rule) - Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 13420-03.pdf	927 KB	4 minutes 24 seconds	2 minutes 19 seconds

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To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail For Docket Number: 030158

Document	Date	Description
04332-03	05/15/2003	CMP/Bates; GCL/Rojas - Memo dated 5/14/03 to docket file advising agreement has met criteria outlined in APM and docket can be closed; docket closed by XCM.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04332-03.pdf	74 KB	21 seconds	11 seconds

Document	Date	Description
04235-03	05/09/2003	BellSouth (Criser) - Letter dated 5/9/03 forwarding page 24 of 914, inadvertently omitted from initial filing.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04235-03.pdf	75 KB	22 seconds	12 seconds

Document	Date	Description
01383-03	02/10/2003	BellSouth Telecommunications, Inc. (Criser) - Request for approval of interconnection, unbundling, resale, and collocation agreement with IDS Telecom LLC.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01383-03.pdf	60,852 KB	288 minutes 29 seconds	151 minutes 39 seconds

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To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail For Docket Number: 010085

Document	Date	Description
05361-01	05/01/2001	RGO/Pruitt 5/1/01 memo to RAR/Lockard advising confidential DN 00897-01 in Docket 010080-TX and 00934-01 in Docket 010085-TI may be returned to IDS.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 05361-01.pdf	33 KB	10 seconds	5 seconds

Document	Date	Description
04227-01	04/05/2001	Consummating Order PSC-01-0871-CO-TI makes Order PSC-01-0574-PAA-TI effective and final and closes docket.

File Name	File Size	Download Time 28.8K	Download Time 56K
04227-01.html	5 KB	2 seconds	1 seconds
01-0871-ord.wpd	9 KB	3 seconds	2 seconds
* 04227-01.pdf	85 KB	25 seconds	13 seconds

Document	Date	Description
03123-01	03/12/2001	PAA Order PSC-01-0574-PAA-TI approving transfer of and name change on IXC Cert 2467 to IDS Telcom LLC; docket to be closed if order becomes final; protests due 4/2/01. (JDJBP)

File Name	File Size	Download Time 28.8K	Download Time 56K
03123-01.html	9 KB	3 seconds	2 seconds
01-0574-ord.wpd	16 KB	5 seconds	3 seconds
* 03123-01.pdf	224 KB	1 minutes 4 seconds	34 seconds

Document	Date	Description
02367-01	02/21/2001	VOTE SHEET fr 2/20/01 consent ag - JC, DS, JB, BZ, PL, staff recomm approved.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 02367-01.pdf	290 KB	1 minutes 23 seconds	44 seconds

01851-01 02/08/2001 RECOM for 2/20/01 ag (consent) fr RGO/Pruitt; LEG/Pena (PAA).

File Name	File Size	Download Time 28.8K	Download Time 56K
010085-rcm.wpd	7 KB	2 seconds	2 seconds
* 01851-01.pdf	78 KB	23 seconds	12 seconds

01408-01 01/31/2001 RGO/Pruitt 1/30/01 note to RAR/Williams updating docket to: "Application for transfer of and name change on IXC Cert 2467 from IDS Long Distance to IDS Telcom"; docket updated by RAR.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01408-01.pdf	36 KB	10 seconds	6 seconds

00935-01 01/22/2001 IDS (Norton) - Redacted version of confidential DN 00934-01.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00935-01.pdf	66 KB	19 seconds	10 seconds

00934-01 01/22/2001 IDS (Norton) - (CONFIDENTIAL) Financial statements.

00933-01 01/22/2001 IDS (Norton) - Letter dated 1/19/01 claiming confidentiality of DN 00934-01.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00933-01.pdf	61 KB	18 seconds	10 seconds

00932-01 01/22/2001 IDS Telcom LLC [IDS] (Norton) - Application for approval of transfer of IXC Cert 2467 from IDS Long Distance, Inc. to IDS Telcom.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00932-01.pdf	959 KB	4 minutes 33 seconds	2 minutes 24 seconds

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To download viewer plug-ins: Adobe Acrobat PDF and Microsoft Office Product Viewers (Word, Excel, PowerPoint, etc.)

Document Detail For Docket Number: 010027

Document	Date	Description
00381-03	01/13/2003	GCL/Christensen - Memo dated 1/10/03 amending close docket memorandum indicating agreement had been withdrawn; staff has reviewed agreement and agreement has met criteria outlined in APM; docket to remain closed. [CCA note: Entered in 010027 and 030000; placed in 030000 for filming.]

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00381-03.pdf	99 KB	29 seconds	15 seconds

Document	Date	Description
09265-01	07/30/2001	CMP/Audu; LEG/Christensen 7/25/01 memo to CCA/Bayo advising company withdrew petition; therefore, docket should be closed; closed by XMC.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 09265-01.pdf	50 KB	15 seconds	8 seconds

Document	Date	Description
08667-01	07/16/2001	IDS (Summerlin) - Notice of withdrawal of petition for arbitration with BellSouth.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 08667-01.pdf	86 KB	25 seconds	13 seconds

Document	Date	Description
08489-01	07/11/2001	BellSouth (Turner) - Executed interconnection agreement between BellSouth and IDS, effective 1/27/01.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 08489-01.pdf	30,588 KB	145 minutes 1 seconds	76 minutes 14 seconds

08461-01 07/11/2001 FAW notice (to be published 7/20/01) of 8/6/01 prehearing in Tallahassee.

File Name	File Size	Download Time 28.8K	Download Time 56K
010027tp-not.wpd	4 KB	1 seconds	1 seconds
* 08461-01.pdf	60 KB	18 seconds	9 seconds

07240-01 06/11/2001 BellSouth (Turner) - Letter dated 6/11/01 informing Commission of mutually-agreeable resolution of all unresolved issues in arbitration; executed copy of interconnection agreement will be filed for approval within 30 days; no pre-filed testimony will be filed.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 07240-01.pdf	79 KB	23 seconds	12 seconds

06449-01 05/22/2001 Order PSC-01-1169-PCO-TP establishing procedure. (D)

File Name	File Size	Download Time 28.8K	Download Time 56K
06449-01.html	24 KB	8 seconds	5 seconds
01-1169-ord.wpd	38 KB	11 seconds	6 seconds
* 06449-01.pdf	697 KB	3 minutes 19 seconds	1 minutes 45 seconds

06302-01 05/18/2001 BellSouth (Meza) - Letter dated 5/18/01 waiving 9-month statutory deadline.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 06302-01.pdf	60 KB	18 seconds	9 seconds

06001-01 05/14/2001 IDS (Summerlin) - Proposed list of issues.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 06001-01.pdf	93 KB	27 seconds	14 seconds

06000-01 05/14/2001 IDS (Summerlin) - Notice of substitution of counsel.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 06000-01.pdf	61 KB	18 seconds	9 seconds

05150-01 04/24/2001 LEG/Christensen 4/24/01 memo to all parties of record and interested persons advising of 2nd revised notice of 5/16/01 issue identification meeting at 9:30 a.m., Room 362 of Gerald L. Gunter

Building in Tallahassee.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 05150-01.pdf	93 KB	27 seconds	14 seconds

04950-01 04/20/2001 LEG/Christensen 4/19/01 memo to all parties of record and interested persons advising of revised notice of 4/25/01 issue identification at 9:30 a.m. to 12:30 p.m.; advising parties have requested telephone participation.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04950-01.pdf	85 KB	25 seconds	13 seconds

04482-01 04/11/2001 LEG/Christensen 4/11/01 memo to all parties of record and interested persons advising of 4/25/01 issue identification meeting at 9:30 a.m. to 12:30 p.m., Room 362, Gerald L. Gunter Building in Tallahassee.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 04482-01.pdf	79 KB	23 seconds	12 seconds

03934-01 03/30/2001 Order PSC-01-0821-PCO-TP authorizing Patrick W. Turner qualified representative status. (D)

File Name	File Size	Download Time 28.8K	Download Time 56K
03934-01.html	6 KB	2 seconds	2 seconds
01-0821-ord.wpd	12 KB	4 seconds	2 seconds
* 03934-01.pdf	136 KB	39 seconds	21 seconds

03398-01 03/16/2001 BellSouth (Edenfield) - Letter dated 3/13/01 requesting Patrick W. Turner be named qualified representative.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 03398-01.pdf	101 KB	29 seconds	16 seconds

03009-01 03/08/2001 Order PSC-01-0545-PCO-TP authorizing James Meza III qualified representative status. (D)

File Name	File Size	Download Time 28.8K	Download Time 56K
03009-01.html	6 KB	2 seconds	2 seconds
01-0545-ord.wpd	12 KB	4 seconds	2 seconds
* 03009-01.pdf	129 KB	37 seconds	20 seconds

01454-01 01/31/2001 BellSouth (Liebman) - Letter dated 1/30/01 requesting James Meza III be named qualified representative for BellSouth with affidavit attached.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01454-01.pdf	150 KB	43 seconds	23 seconds

01393-01 01/31/2001 Order PSC-01-0278-PCO-TP authorizing Nancy B. White qualified representative status. (Jc)

File Name	File Size	Download Time 28.8K	Download Time 56K
01393-01.html	6 KB	2 seconds	2 seconds
01-0278-ord.wpd	12 KB	4 seconds	2 seconds
* 01393-01.pdf	132 KB	38 seconds	20 seconds

01359-01 01/30/2001 BellSouth (Turner) - Response to IDS Telcom's petition for arbitration.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 01359-01.pdf	1,566 KB	7 minutes 26 seconds	3 minutes 55 seconds
01359-01.wpd	117 KB	34 seconds	18 seconds

00796-01 01/19/2001 BellSouth (Liebman) - Letter dated 1/17/01 requesting Nancy B. White be named qualified representative.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00796-01.pdf	98 KB	28 seconds	15 seconds

00248-01 01/05/2001 IDS Telcom, LLC [IDS] (Frazier) - Petition for arbitration with BellSouth, pursuant to Section 252(b) of the Telecommunications Act of 1934.

File Name	File Size	Download Time 28.8K	Download Time 56K
* 00248-01.pdf	34,465 KB	163 minutes 24 seconds	85 minutes 54 seconds
00248-01.wpd	184 KB	53 seconds	28 seconds

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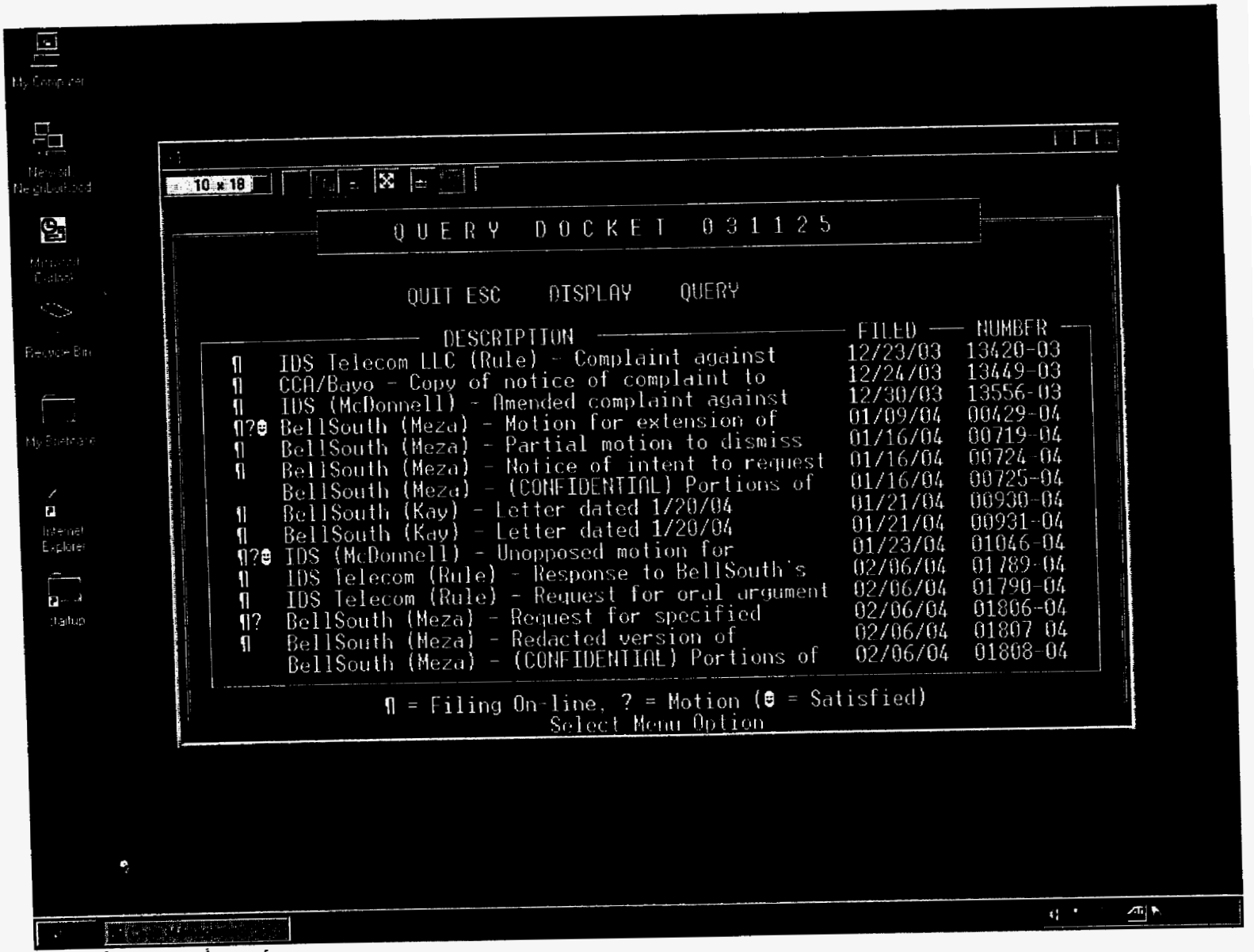

QUERY DOCKET 031125

QUIT ESC DISPLAY QUERY

	DESCRIPTION	FILED	NUMBER
¶	IDS Telecom LLC (Rule) - Complaint against	12/23/03	13420-03
¶	CCA/Bayo - Copy of notice of complaint to	12/24/03	13449-03
¶	IDS (McDonnell) - Amended complaint against	12/30/03	13556-03
¶?☻	BellSouth (Meza) - Motion for extension of	01/09/04	00429-04
¶	BellSouth (Meza) - Partial motion to dismiss	01/16/04	00719-04
¶	BellSouth (Meza) - Notice of intent to request	01/16/04	00724-04
	BellSouth (Meza) - (CONFIDENTIAL) Portions of	01/16/04	00725-04
¶	BellSouth (Kay) - Letter dated 1/20/04	01/21/04	00930-04
¶	BellSouth (Kay) - Letter dated 1/20/04	01/21/04	00931-04
¶?☻	IDS (McDonnell) - Unopposed motion for	01/23/04	01046-04
¶	IDS Telecom (Rule) - Response to BellSouth's	02/06/04	01789-04
¶	IDS Telecom (Rule) - Request for oral argument	02/06/04	01790-04
¶?	BellSouth (Meza) - Request for specified	02/06/04	01806-04
¶	BellSouth (Meza) - Redacted version of	02/06/04	01807 04
	BellSouth (Meza) - (CONFIDENTIAL) Portions of	02/06/04	01808-04

¶ = Filing On-line, ? = Motion (☻ = Satisfied)
Select Menu Option

1st ckt: # 010027
010085

Co. code: TX 559
TJ 500 - facility based carrier switchless reseller

Thursday, Apr 15, 2004 12:23 PM

My Computer
Network Neighborhood
Recycle Bin
My Briefcase
Internet Explorer
Jabber
10 x 18
QUERY DOCKET 031125
QUIT ESC DISPLAY QUERY
DESCRIPTION FILED NUMBER
¶ Order PSC-04-0184-PCO-TP granting IDS's motion 02/23/04 02577-04
¶ Order PSC-04-0185-PCO-TP granting BellSouth's 02/23/04 02578-04
¶ BellSouth (Meza) - Letter notification of 03/15/04 03501-04
¶ RECOM for 3/30/04 ag fr GCL/Christensen; 03/18/04 03644-04
¶ CMP/Barrett; GCL/Christensen - Request for 03/25/04 03955-04
¶ EXD/Bane - Note dated 3/29/04 approving 03/29/04 04004-04
¶ Vote sheet fr 3/30/04 ag - deferred. 03/30/04 04065-04
¶ IDS Telcom, LLC (Horton) - Notice of appearanc 04/05/04 04287-04
¶ Vote sheet fr 4/6/04 ag - staff rec approved. 04/06/04 04307-04
¶ AUS/Vandiver - Copy of 4/8/04 letter to 04/12/04 04442-04
¶ AUS/Vandiver - Copy of 4/8/04 letter to 04/12/04 04443-04
¶ TRANSCRIPT - Pgs 1-15 of Item No. 2A of 4/6/04 04/13/04 04470-04
¶ GCL/Christensen - Memo dated 4/12/04 to all 04/13/04 04489-04
¶ = Filing On-line, ? = Motion (= Satisfied)
Select Menu Option

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IDS NON-CONFIDENTIAL

IDS Telcom LLC (Company Code: TX559)

Currently Regulated by the Florida Public Service Commission

Services covered by certificate number: 5228

Competitive Local Exchange

Mailing Address:

Mr. Angel Leiro
1525 N.W. 167th Street, Suite 200
Miami FL 33169-5131

Contact Information

Angel Leiro, Vice President - Regulatory Affairs, (305) 612-4311
Fax: (305) 612-3027
Internet Email: aleiro@idstelcom.com
Internet WWW Home Page: http://www.idstelcom.com

Current Open Dockets

040109: Request for approval of amendment to interconnection, unbundling, resale, and collocation agreement between BellSouth Telecommunications, Inc. and IDS Telecom, LLC.

040096: Request for approval of two amendments to interconnection, unbundling, resale, and collocation agreement between BellSouth Telecommunications, Inc. and IDS Telcom LLC.

031125: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

Current Closed Dockets

View associated closed dockets

Tariffs

Search by Date Range

From: 1/1/2004 To: 04/16/2004

Retrieve all tariffs for this company

View Tariffs

Current Closed Dockets

030158: Request for approval of interconnection, unbundling, resale, and collocation agreement between BellSouth Telecommunications, Inc. and IDS Telecom LLC.

030114: Request for approval of three amendments to interconnection, unbundling, resale, and collocation agreement between BellSouth Telecomunications, Inc. and IDS Telcom LLC.

020169: Request by BellSouth Telecommunications, Inc. for approval of amendment to existing adopted collocation agreement with IDS Telecom LLC.

020152: Request by BellSouth Telecommunications, Inc. for approval of three amendments to existing interconnection, unbundling, resale, and collocation agreement with IDS Telecom LLC.

011458: Compliance investigation of IDS Telcom LLC for apparent violation of Section 364.183(1), F.S., Access to Company Records.

011254: Request by BellSouth Telecommunications, Inc. for approval of adoption of Attachment 4 (Physical Collocation) of negotiated agreement with Intetech, L.C. by IDS Telecom, LLC.

010870: Petition by Verizon Florida Inc. for approval of interconnection, resale, unbundling, and collocation agreement with IDS Telcom LLC.

010740: Request for arbitration concerning complaint of IDS Telcom LLC against BellSouth Telecommunications, Inc. regarding breach of interconnection agreement.

010157: Request by BellSouth Telecommunications, Inc. for approval of amendment to existing interconnection, unbundling, and resale agreement with IDS Telcom LLC.

010080: Application for transfer of and name change on ALEC Certificate No. 5228 from IDS Long Distance, Inc. to IDS Telcom LLC.

Tariffs

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Docket 010027 - Closed as of 07/30/2001

Petition by IDS Telcom, LLC for arbitration of terms of interconnection agreement with BellSouth Telecommunications, Inc.

- Document Filings Index
- Events List
- Utilities
- Parties of Record and Interested Persons
- Staff Assigned
- Commissioners Assigned

WARNING: THIS TIME SCHEDULE IS TENTATIVE AND SUBJECT TO REVISION.
Time Schedule (CASR) for Docket 010027:

Description	Previous Due Date	Due Date	Completed Date
BST Response Due	None	01/30/2001	01/30/2001
Order Establishing Procedure	05/04/2001	05/21/2001	05/22/2001
FAW Notice Filed for Prehearing	None	07/11/2001	07/11/2001
Petition for Arbitration Withdrawn	None	07/16/2001	07/16/2001
Close Docket	None	07/26/2001	07/30/2001

Utilities Involved in Docket 010027

BellSouth Telecommunications, Inc. (more about this company...)
IDS Telcom, LLC

Parties of Record and Interested Persons in Docket 010027:

- *
  BellSouth Telecommunications, Inc.
  Nancy White/James Meza III/P. Turner
  c/o Ms. Nancy H. Sims
  150 South Monroe Street, Suite 400
  Tallahassee, FL 32301-1556
  Phone: (850) 224-7798

EXHIBIT KLW-5
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IDS NON-CONFIDENTIAL

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- •

IDS Telcom, LLC
1525 NW 167th Street
Miami, FL 33169
Phone: 305-913-4000 ext.102
Fax: 305-628-4922

- *

Suzanne Fannon Summerlin, Esq.
1311-B Paul Russell Rd., #201
Tallahassee, FL 32301
Phone: 850-656-2288
Fax: 656-5589

"*" Indicates an entry which is an "official party of record".

Staff Assigned to Docket: 010027

Division of Legal Services
Patricia (Patty) Christensen
Jason Fudge

Division of Competitive Markets & Enforcement
Jonathan Audu
Lennie Fulwood

Commissioners Assigned to Docket: 010027

Pre-hearing Officer:
J. Terry (Terry) Deason

Hearing Officer(s):
J. Terry (Terry) Deason
Lila Jaber
Braulio Baez

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Docket 010085 - Closed as of 04/05/2001

Application for transfer of and name change on IXC Certificate No. 2467 from IDS Long Distance, Inc. to IDS Telcom LLC.

- Document Filings Index
- Events List
- Utilities
- Parties of Record and Interested Persons
- Staff Assigned
- Commissioners Assigned

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Time Schedule (CASR) for Docket 010085:

Description	Previous Due Date	Due Date	Completed Date
Staff Recommendation	None	02/08/2001	02/08/2001
Agenda	None	02/20/2001	02/20/2001
PAA Order - Close if No Protest	None	03/12/2001	03/12/2001
Consummating Order if No Protest - Close Docket	None	04/06/2001	04/05/2001

Utilities Involved in Docket 010085

IDS Long Distance, Inc. (more about this company...)
IDS Telcom LLC (more about this company...)

Parties of Record and Interested Persons in Docket 010085:

- *
  IDS Long Distance, Inc.
  1525 N.W. 167th Street. Suite 200
  Miami, FL 33169-5131
  Phone: (305) 913-4000
  Fax: (305) 913-4026

Email: jmillstone@idstelcom.com

- *

IDS Telcom LLC
1525 N.W. 167th Street, 2nd Floor
Miami, FL 33169-5143
Phone: (305) 913-4000
Fax: (305) 913-4011
Email: kkramer@idstelcom.com

- *

Technologies Management, Inc.
Robin Norton
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"*" Indicates an entry which is an "official party of record".

Staff Assigned to Docket: 010085

Division of Regulatory Oversight
Nancy Pruitt

Division of Legal Services
Kimberley Pena

Commissioners Assigned to Docket: 010085

Pre-hearing Officer:
Administrative

Hearing Officer(s):
All Commissioners

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Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
1-800-342-3552

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 031125-TP

In the Matter of:

COMPLAINT AGAINST BELLSOUTH TELECOMMUNICATIONS, INC. FOR ALLEGED OVERBILLING AND DISCONTINUANCE OF SERVICE, AND PETITION FOR EMERGENCY ORDER RESTORING SERVICE, BY IDS TELECOM LLC.
_____/

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A CONVENIENCE COPY ONLY AND ARE NOT
THE OFFICIAL TRANSCRIPT OF THE HEARING,
THE .PDF VERSION INCLUDES PREFILED TESTIMONY.

PROCEEDINGS:	AGENDA CONFERENCE ITEM NO. 2A
BEFORE:	CHAIRMAN BRAULIO L. BAEZ COMMISSIONER J. TERRY DEASON COMMISSIONER LILA A. JABER COMMISSIONER RUDOLPH "RUDY" BRADLEY COMMISSIONER CHARLES M. DAVIDSON
DATE:	Tuesday, April 6, 2004
PLACE:	Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, Florida
REPORTED BY:	JANE FAUROT, RPR Chief, Office of Hearing Reporter Services FPSC Division of Commission Clerk and Administrative Services (850) 413-6732

PARTICIPATING:

JAMES MEZA III, ESQUIRE, BellSouth Telecommunications, Inc., c/o Ms. Nancy H. Sims, 150 South Monroe Street, Suite 400, Tallahassee, Florida 32301-1556, appearing on behalf of BellSouth Telecommunications, **Inc.**

NORMAN H. HORTON, JR., Esquire, Messer, Caparello and Self, 215 South Monroe Street, Tallahassee, Florida 32301, appearing on behalf of IDS Telecom LLC.

PATTY CHRISTENSEN, ESQUIRE, FPSC Office of General Counsel, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, appearing of behalf of the Florida Public Service Commission Staff.

P R O C E E D I N G S

CHAIRMAN BAEZ: We are now on Item 2A.

Ms. Christensen, you had let me know that you needed -- you had a correction to make?

MS. CHRISTENSEN: Correct. I can do that now with the introduction.

CHAIRMAN BAEZ: Okay. Why don't we take care of that before we hear from the parties.

MS. CHRISTENSEN: Okay. Commissioners, Item 2A is staff's recommendation to grant BellSouth's partial motion to dismiss. Specifically, the Staff recommends dismissing Count Three, seeking relief for alleged violation of the settlement agreement, and Count Five, seeking relief for alleged violation of the Act. Staff would also like to make an oral modification to Page 9, the last paragraph, last sentence, which should read, "Dismissal of Count Three, however, does not prevent the Commission from considering the settlement agreement as evidence in the current dispute."

Staff is available to answer any questions, and I believe the parties have --

CHAIRMAN BAEZ: And that is the balance of the changes you need to make?

MS. CHRISTENSEN: That is the extent of the changes that Staff wishes to make; and we are available for questions, and I believe the parties would like to address the Commission.

CHAIRMAN BAEZ: Very well. And, Mr. Meza, go ahead.

MR. MEZA: Yes, it is BellSouth's motion. Thank you, Mr. Chairman. And my arguments go directly to Staff's oral modification, and specifically it relates to the analysis that the Commission should dismiss Count Three of IDS's complaint which requires or asks the Commission to enforce and interpret the confidential private settlement agreement between IDS and BellSouth, while also recommending to this Commission that notwithstanding the dismissal of that count, **it can construe** and consider the settlement agreement as evidence.

As Staff correctly points out in its recommendation, this Commission does not have subject matter jurisdiction to enforce and interpret private contracts that are 952 arbitration contracts, and I will cite to you the United Telephone case, which is a Supreme Court decision finding that this Commission does not have jurisdiction to alter contractual relationships between telephone companies. There is also Order Number 95-0536 where this Commission refused to interpret the terms of a settlement agreement. **And likewise in Order** 95-0209, the Commission granted a motion to dismiss a petition requesting that it interpret and resolve a contract dispute.

And that is exactly what we have here. IDS has claimed in its complaint that BellSouth violated the terms of a settlement agreement by disconnecting access to LENS for failure to -- in IDS's view of the world, even though IDS

complied with the terms of the settlement agreement. So they have taken the position that the disconnection of LENS, which is now back on, was improper under the terms of that agreement. And Staff correctly points out that you don't have jurisdiction to make that finding or to even consider and construe the terms of that settlement agreement, yet also finds that you can consider the settlement agreement as evidence.

That is inherently inconsistent. Because if you don't have jurisdiction to enforce and interpret the terms of the settlement agreement, then logically I would presume if you don't have the ability to consider it as evidence, **because to** consider it as evidence would require you to interpret and enforce the settlement agreement.

So I would recommend that you please adopt Staff's recommendation with the caveat that you not find that you have the authority to consider the settlement agreement as evidence because to do so would necessarily violate the limits of your authority. Thank you.

CHAIRMAN BAEZ: Thank you, Mr. Meza. Mr. Horton.

MR. HORTON: Yes. Thank you, Mr. Chairman. **Norm**an H. Horton, Jr., Messer, Caparello and Self on behalf of IDS Telecom. **And we filed a notice of appearance for IDS yester**day in this proceeding.

To move this along, let me just address what Mr. Meza has discussed about whether it is evidence or not. We have

alleged that BellSouth has violated their interconnection agreements with us by terminating the LENS service. The settlement agreement is involved. I think at best to make any determination at this point whether it is or is not evidence would be premature. I think there is a basis for using the settlement agreement in this proceeding as we go along, and I think that the time to make a decision as to whether it should be admitted as evidence or not is at the time that I try to use it or Mr. Meza tries to use it rather than at this point.

At no point up until now has BellSouth asked that the settlement agreement not be considered evidence, so I think it is, again, prematurely before you, and it is not necessary to make the decision whether it would be evidence or not evidence, and the time to do that is as we go forward. That is primary it. And I would even note that in their response in the answer BellSouth suggests an affirmative defense of the settlement in accord, and I don't know exactly what they are going to approach with that, but it seems to me that the question of whether or not the settlement agreement will or will not be evidence would be decided when somebody tries to use it.

CHAIRMAN BAEZ: Thank you, Mr. Horton.

Commissioners, do you have any questions?

Commissioner Bradley.

COMMISSIONER BRADLEY: I have a question of General Counsel. Mr. Melson, I'm looking at Staff's recommendation,

and as it relates to Issue 1 it states that this Commission does not have subject matter jurisdiction. What would your opinion be of Staff's rendering?

MR. MELSON: To the extent the complaint alleges a violation of the federal act, the Commission does not have subject matter jurisdiction. **You do have jurisdiction over the** interconnection agreement itself, which the Commission approved. BellSouth has got several different counts in its complaint, and I think Staff correctly analyzed those and determined that there are three of the counts that you do have jurisdiction over and two counts where you lack subject matter jurisdiction.

COMMISSIONER BRADLEY: So, basically what we have is what I would call a hodgepodge here. We have some matters that we have jurisdiction over and some that we don't have jurisdiction over.

MR. MELSON: Yes, sir. If you look at Page 2 of the recommendation, there is a listing of the five counts in the complaint. The first count talks about the violation of the Florida Administrative Code. **Clearly you have jurisdiction** over that. The second relates to the interconnection agreement. You clearly have jurisdiction over that. And then Count Four relates to violation of the anticompetitive provision of the Florida Statutes. **You clearly have** jurisdiction over that.

Count Five relating to the Telecommunications Act and a separate violation of that is one that you do not have jurisdiction over. And Count Three is probably a little closer call. I agree with the Staff's analysis that you don't have jurisdiction to enforce that settlement agreement.

This is no different than you would see in a circuit court case where a party plead three or four different counts and the court determined that it had jurisdiction over some and did not have jurisdiction over others.

CHAIRMAN BAEZ: No more questions?

Commissioner Davidson, you had a question?

COMMISSIONER DAVIDSON: Yes. Also for General Counsel, and also for the parties if they have any supplement to Mr. Melson's answer, what is the relationship between the settlement agreement and the parties' interconnection agreement?

MR. MELSON: As I understand it, the settlement agreement, the parties had disputes about amounts payable under the interconnection agreement and ultimately entered into a separate settlement agreement to deal with how those amounts would -- what amounts would be paid and over what time. That agreement, though, unlike the interconnection agreement itself, did not come to the Commission for approval.

COMMISSIONER DAVIDSON: So it is fair to state that the settlement agreement relates to the interconnection

agreement, but that it was not specifically approved by the Commission?

MR. MELSON: I believe that is correct, yes, sir.

COMMISSIONER DAVIDSON: And just one follow-up. Even assuming for this question that we wouldn't have jurisdiction to determine the rights and obligations of the parties under the settlement agreement, I'm not aware of a legal principle that would preclude us from looking at that agreement for evidentiary purposes, but help me out there.

MR. MELSON: No, I agree with you. To the extent that the settlement agreement -- and I have not read the settlement agreement, but to the extent by its terms it does not preclude its use in interpreting the underlying agreement, I see no reason that you could not use it as evidence.

I think I have to agree with Mr. Horton, though, that the issues before you today are really whether or not to grant the motion to dismiss, and any questions about the evidentiary use of that settlement agreement really are not germane to the issue in front of you, and is something that is probably better left for the hearing stage of the docket.

COMMISSIONER DAVIDSON: And that's fine. I asked simply because one of the parties raised it. But as I sit here, I'm still not quite comfortable on this, that sort of how we handle an agreement by the parties that addresses rights and obligations that we addressed in an order. I want to make sure

that we don't inadvertently create some loophole so that we address something in an order and the parties sort of in the future materially perhaps modify that or address what we have addressed, and that is no longer sort of within our purview, notwithstanding that we have addressed the general subject matter of that issue in a prior case.

So what is your comfort level with the proposition that we can have jurisdiction over an interconnect agreement obviously, but if the parties subsequently modify or address that agreement with a subsequent agreement we would not have jurisdiction over that subsequent agreement?

MR. MELSON: I think I would draw a distinction, Commissioner, between an amendment to the interconnection agreement which would have to come back to the Commission for approval, and which we would have jurisdiction over -- excuse me, I've got a frog in my throat this morning -- and a settlement agreement which resolves a particular dispute that the parties have had under the interconnection agreement, but does not amend the agreement or rise to the level that it has got to come back to you for approval.

COMMISSIONER DAVIDSON: And I'm assuming that the settlement agreement here, the proper venue for that would be state court, or wherever the parties -- does that agreement with a dispute resolution clause in it?

MR. MEZA: It says that -- well, I don't know if I'm

at liberty to disclose the contents of the settlement.

COMMISSIONER DAVIDSON: That's fine.

MR. MEZA: I would like to modify something Mr. Melson said to put it in perspective. What happened is that the disputes resolved via the settlement agreement were under a prior interconnection agreement that was necessarily -- I don't know if it was incorporated into the current interconnection agreement, but the current interconnection agreement in the mergers provision specifically refers to the settlement agreement and says that notwithstanding the settlement agreement, all other agreements between the parties are superseded by this agreement.

So you have two separate functioning agreements operating between the parties. You have the current interconnection agreement, which this Commission has approved, and a private resolved commercial contract to resolve billing disputes between the parties that was not approved by the Commission.

COMMISSIONER DAVIDSON: Which would be litigated in court.

MR. MEZA: Yes, in court as a breach of contract.

COMMISSIONER DAVIDSON: Fine. That answers everything from me, Chairman.

CHAIRMAN BAEZ: And I need to get a couple of questions. I'm sorry, we will go down the line, Commissioners.

Any other questions?

A quick question to whoever can answer it, I guess. Mr. Horton, I heard you say that the settlement agreement somehow plays into the three remaining counts, is that accurate?

MR. HORTON: Mr. Chairman, to be quite honest with you, I haven't gone all the way through it in the short amount of time that I have had it, but I do believe that it could be raised in some of those other counts.

CHAIRMAN BAEZ: As an affirmative --

MR. HORTON: Well, BellSouth has raised an affirmative defense of settlement in accord in their answer. I don't know -- I don't know to what -- I don't want to put words in their mouth. I don't want to say that they are using the settlement agreement, but --

MR. MEZA: The affirmative defense of accord and satisfaction was raised in an abundance of caution in case this Commission does not agree with our interpretation of its authority.

CHAIRMAN BAEZ: Okay.

MS. CHRISTENSEN: And it is Staff's understanding that certain aspects of the settlement agreement play into whether or not the current interconnection agreement was violated. So that is the reason for Staff saying that at least at this point we are not willing to make that distinction.

CHAIRMAN BAEZ: And I just want to be clear that the intent of the modification that you made is not to settle the question, the evidentiary question here. I mean, is that a fair understanding?

MR. MEZA: That's fine. That's fair. Yes, sir.

MS. CHRISTENSEN: Correct. It's just we wanted to ensure that by dismissing Count Three, we weren't precluding it as a future evidentiary question.

CHAIRMAN BAEZ: Okay. Mr. Meza, I know what you would you like us to do, and you stated it, but, I mean, do you see it as more of a comfort that that question gets preserved and all your rights to --

MR. MEZA: Yes, sir. My only concern was that the issue of whether or not this agreement can be before this Commission as an evidentiary basis be preserved at the appropriate time and not handled through a Staff recommendation.

CHAIRMAN BAEZ: Very well. Commissioners, any more questions or a motion?

COMMISSIONER JABER: I move staff as modified, Mr. Chairman.

COMMISSIONER DEASON: Second.

COMMISSIONER BRADLEY: Second.

CHAIRMAN BAEZ: Moved and a second. All those in favor say aye.

(Unanimous affirmative vote.)

CHAIRMAN BAEZ: Thank you all.

* * * * * * *

STATE OF FLORIDA)
: CERTIFICATE OF REPORTER
COUNTY OF LEON)

I, JANE FAUROT, RPR, Chief, Office of Hearing Reporter Services, FPSC Division of Commission Clerk and Administrative Services, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 12th day of April, 2004.

JANE FAUROT, RPR
Chief, Office of Hearing Reporter Services
FPSC Division of Commission Clerk and
Administrative Services
(850) 413-6732

IDS Telecomm, LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003
Title: Agreement of 2003

KW 5/5/04
5/11/04

State of Florida
-M-E-M-O-R-A-N-D-U-M-

Public Service Commission

03 MAY 14 AM 10:3 COMMISSION CLERK

RECEIVED-FPSC

DATE: May 14, 2003

TO: Docket File

FROM: Jeff Bates (Division of Competitive Markets and Enforcement) SAS
Jason Rojas (Office of the General Counsel) JR PDC

RE: Docket No. 030158-TP - Request for approval of interconnection, unbundling, resale, and collocation agreement between BellSouth Telecommunications, Inc. and IDS Telecom LLC.

By letter dated February 10, 2003, BellSouth Telecommunications, Inc. filed a request for approval of the interconnection, unbundling, resale, and collocation agreement with IDS Telecom LLC. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved. The statutory deadline for the Commission to take action on this matter was May 12, 2003.

Staff reviewed the agreement in this Docket on May 8, 2003. The agreement met the criteria outlined in Section 2.07.C.17 of the Administrative Procedures Manual. Therefore, it has gone into effect by operation of law in accordance with Section 252(e)(4) of the Telecommunications Act of 1996. Accordingly, with this Memorandum, the docket is hereby closed.

CC: Division of the Commission Clerk and Administrative Services (S. Moses)

OK
SM
5/15/03

DOCUMENT NUMBER-DATE
04332 MAY 15 8
FPSC-COMMISSION CLERK

INTEGRITY BUSINESS FORMS, INC. (847) 698-2626 FAX (847) 696-4608

IDS Telecomm , LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE. 2003

Title: IDS Craig Dept.

B7/1/04 KW 5/5.

5-15

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for transfer of and name change on IXC Certificate No. 2467 from IDS Long Distance, Inc. to IDS Telcom LLC.	DOCKET NO. 010085-TI ORDER NO. PSC-01-0574-PAA-TI ISSUED: March 12, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING TRANSFER OF AND NAME CHANGE ON
INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On January 22, 2001, IDS Long Distance, Inc. (IDS Long Distance) and IDS Telcom LLC (IDS Telcom) filed with this Commission a joint request for transfer of and name change on Interexchange Telecommunications (IXC) Certificate No. 2467 from IDS Long Distance to IDS Telcom.

IDS Long Distance and IDS Telcom have complied with Rule 25-24.473, Florida Administrative Code, regarding the transfer of IXC certificates. We find the transfer to be in the public interest and, therefore, approve the transfer. IXC Certificate No. 2467 shall be amended to reflect that IDS Telcom is the holder of this certificate.

DOCUMENT NUMBER-DATE
03123 MAR 12 5
FPSC-RECORDS/REPORTING

If this Order becomes final and effective, it shall serve as IDS Telcom's certificate. IDS Telcom should, therefore, retain this Order as proof of certification. The Commission is vested with jurisdiction over this matter pursuant to Sections 364.335 and 364.345, Florida Statutes.

IXC providers are subject to Chapter 25-24, Florida Administrative Code, Part X, Rules Governing Telephone Service Provided by Interexchange Telephone Companies. IXC providers are also required to comply with all applicable provisions of Chapter 364, Florida Statutes, and Chapters 25-4, Florida Administrative Code.

In addition, under Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee (RAFs) of $50 if the certificate was active during any portion of the calendar year. A RAFs Return notice for the year 2001 will be mailed to both IDS Long Distance and IDS Telcom. Neither the cancellation of the certificate nor the failure to receive a RAFs Return notice shall relieve IDS Long Distance and IDS Telcom from their obligation to pay RAFs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the request for transfer of and name change on Interexchange Telecommunications Certificate No. 2467 from IDS Long Distance, Inc. to IDS Telcom LLC, is hereby approved. It is further

ORDERED that Interexchange Telecommunications Certificate No. 2467 shall be amended to reflect that IDS Telcom LLC, is the holder of this certificate. It is further

ORDERED that IDS Telcom LLC's Interexchange Telecommunications Certificate No. 2467 is subject to the terms and conditions set forth in the body of this Order. It is further

ORDERED that this Order shall serve as IDS Telcom LLC's certificate and should be retained by IDS Telcom LLC as proof of certification and as evidence of the name change. It is further

ORDERED that IDS Long Distance, Inc. shall remit Regulatory Assessment Fees for the year 2001. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. **It is further**

ORDERED that in the event this Order becomes final, these Dockets shall be closed.

By ORDER of the Florida Public Service Commission, this 12th day of March, 2001.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

KMP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 2, 2001.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

210 N. Park Ave.
Winter Park, FL
32789

P.O Drawer 200
Winter Park, FL
32790-0200

Tel: 407-740-8575
Fax: 407-740-0613
tmi@tminc com

January 19, 2001
Via Overnight Delivery

010085-TT

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

RE: Application of IDS Telcom LLC For Approval of Transfer of Existing Certificate to Provide Interexchange Telecommunications Service

Dear Ms. Bayo:

Enclosed for filing are the original and six (6) copies of the application of IDS Telcom LLC ("IDS") for the Transfer of Certificate in the above-entitled matter. Also enclosed is the documentation on the registration of this name with the Florida Secretary of State (Attachment I) and labels for the headers of the company's Tariff No. 1 currently on file (Attachment II).

Attachment IV to this application contains the financial statements of IDS Telcom LLC, which have been filed under separate cover with a claim of confidentiality, as provided for under Chapter 364.183(1), Florida Statutes.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Questions regarding this filing may be directed to my attention at (407) 740-3004.

Sincerely,

Robin Norton

Robin Norton
Consultant to IDS Telcom LLC

RN/mw

cc: Angel Leiro - IDS Telcom
file: IDS Telcom - FL IXC
tms: FLi0101

DOCUMENT NUMBER-DATE
00932 JAN 22 a
FPSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION

Application Form for Authority to Provide Interexchange Telecommunications Service Between Points Within the State of Florida

---

Instructions

* This form is used as an original application for an original certificate and for approval of assignment or transfer of an existing certificate. In case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 16).

* Print or Type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.

* Use a separate sheet for each answer which will not fit the allotted space.

* Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **$250.00** to:

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6770

* If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480

1. This is an application for √ (check one):

   ( ) **Original certificate** (new company)

   (X) **Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the certificate of authority of that company.

   ( ) **Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.

   ( ) **Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve a new controlling entity.

2. Name of Company:

   IDS TELCOM LLC

3. Name under which applicant will do business (fictitious name, etc.):

   IDS TELCOM LLC

4. Official mailing address (including street name & number, post office box, city, state, zip code):

   Name: **IDS TELCOM LLC**
   Street: 1525 N. W. 167th Street, 2nd FLoor
   P.O. Box:
   City: **Miami**
   State: **Florida**
   Zip Code: **33169**

5. Florida address (including street name & number, post office box, city, state, zip code):

   Name: **IDS TELCOM LLC**
   Street: 1525 N. W. 167th Street, 2nd FLoor
   P.O. Box:
   City: **Miami**
   State: **Florida**
   Zip Code: **33169**

6. Select type of business your company will be conducting. √ (check all that apply):

(X) **Facilities based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.

(X) **Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.

(X) **Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.

( ) **Switchless Rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.

( ) **Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers. Then offers the resold service by enrolling unaffiliated customers.

( ) **Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

7. Structure of organization:

( ) Individual
( ) Corporation
( ) Foreign Corporation
( ) Foreign Partnership
( ) General Partnership
( ) Limited Partnership
(X) Other

Limited Liability Company

8. If individual, provide:

Name:
Title:
Address:
City, ST, Zip:

Telephone #: **Fax #:**
Internet E-Mail Address:
Internet Website Address:

9. **If incorporated in Florida,** provide proof of authority to operate in Florida:

Florida Secretary of State Corporate Registration #: **L00000008398 - Limited Liability Company**

10. **If foreign corporation,** provide proof of authority to operate in Florida:

Florida Secretary of State Corporate Registration #: _____

11. **If using fictitious name-d/b/a,** provide proof of compliance with fictitious name statute (Chapter 865.09,FS to operate in Florida:

Florida Secretary of State fictitious name registration #: _____

12. **If a limited liability partnership,** provide proof of registration to operate in Florida:

Florida Secretary of State registration #: _____

13. **If a partnership,** provide name, title and address of all partners and a copy of the partnership agreement.

Name:
Title:
Address:
City, ST, Zip:

Telephone #: **Fax #:**
Internet E-Mail Address:
Internet Website Address:

14. If a foreign limited partnership, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169,FS), if applicable.

Florida registration #: _____

15. Provide **F.E.I. Number** (if applicable):

F.E.I. Number is: 65-0923839

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
(X) Yes **( ) No**

(b) If not, who will bill for your services?

Name:
Title:
Address:
City, ST, Zip:

Telephone #: **Fax #:**

(c) How is this information provided?

IDS Telcom LLC's name will appear on the bill

17. Who will receive the bills for your service?

(X)	Residential customers	(X)	Business customers
( )	PATS providers	( )	PATS station end-users
(X)	Hotels & motels	( )	Hotel & motel guests
( )	Universities	( )	Univ. dormitory residents
( )	Other:		

18. Who will serve as liaison the Commission with regard to the following:

(a) the application:

Name: **Robin Norton**
Title: **Consultant to IDS Telcom LLC**
Address: **P. O. Drawer 200**
City, State, Zip: **Winter Park, Florida 32790**
Telephone No.: **(407) 740-8575** **Fax No.: (407) 740-0613**
Internet E-Mail Address: **rnorton@tminc.com**
Internet Website Address: **tmi@tminc.com**

(b) Official point of contact for the ongoing operations of the company:

Name: **Keith Kramer**
Title: **Senior Vice President**
Address: **1525 N.W. 167th Street, 2nd Floor**
City, State, Zip: **Miami, FL 33169**
Telephone No.: **(305) 913-4000** **Fax No.: (305) 913-4011/4036**
Internet E-Mail Address: **kkramer@idstelcom.com**
Internet Website Address: **www.idstelcom.com**

(c) Complaints/Inquiries from customers:

Name: **Celia Johnson**
Title: **Manager of Customer Service**
Address: **1525 N.W. 167th Street, 2nd Floor**
City, State, Zip: **Miami, FL 33169**
Telephone No.: **(305) 913-4000/Toll Free:(800) 335-4437**
Fax No.: **(305) 913-4011/4036**
Internet E-Mail Address: **cjohnson@idstelcom.com**
Internet Website Address: **www.idstelcom.com**

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company:

Kentucky, Alabama, Georgia

(b) has applications pending to be certificated as an interexchange telecommunications company:

Connecticut, Louisiana, Maine, Maryland, and Tennessee.

(c) is certificated to operate as an interexchange telecommunications company:

Alabama, Delaware, Georgia, Kentucky, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia and West Virginia.

(d) has been denied authority to operate as an interexchange telecommunications company and the circumstances involved:

None

(e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved:

None

(f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved:

None

20. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

None

(b) an officer, director partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

Current officers of IDS Long Distance, Inc. are also officers of IDS Telcom LLC.

21. The applicant will provide the following interexchange carrier services √ (check all that apply):

a._____**MTS with distance sensitive per minute rates**

_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

b._____**MTS with route specific rates per minute**

_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

c.__X__**MTS with statewide flat rates per minute (i.e. not distance sensitive)**

_____ Method of access is FGA
_____ Method of access is FGB
__X__ Method of access is FGD
_____ Method of access is 800

d._____**MTS for pay telephone service providers**

e._____**Block of time calling plan (Reach Out Florida, Ring America, etc.)**

f.__X__**800 Service (toll free)**

g.__X__**WATS type service (bulk or volume discount)**

_____Method of access is via dedicated facilities
_____Method of access is via switched facilities

h._____**Private line services (Channel Services) (For ex. 1.544 mbps., DS-3, etc.)**

i.__X__**Travel service**

_____Method of access is 950
_____Method of access is 800

j._____**900 service**

k.__X__**Operator Services**

__X__Available to presubscribed customers
__X__Available to non presubscribed customers (for example, patrons of hotels, students in universities, patients in hospitals).
_____Available to inmates

21. Continued

l. __X__ **Services included are:**

__X__ Station assistance
__X__ Person to person assistance
__X__ Directory assistance
__X__ Operator verify and interrupt
__X__ Conference calling

22. Submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

See Attachment II.

23. Submit the following:

A. **Managerial capability;** give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

See Attachment III.

B. **Technical capability;** give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

See Attachment III.

C. **Financial capability.**

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. The balance sheet:
2. Income statement: and
3. Statement of retained earnings.

Further, the following (which includes supporting documentation) should be provided:

1. **written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.

2. **written explanation** that the applicant has sufficient financial capability to maintain the requested service.

3. **written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

See Attachment IV.

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

THIS PAGE MUST BE COMPLETED AND SIGNED

APPLICANT ACKNOWLEDGMENT STATEMENT

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of $50 is required.

2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.

3. **SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.

4. **APPLICATION FEE:** I understand that a non-refundable application fee of $250.00 must be submitted with this application.

UTILITY OFFICIAL:

Keith Kramer
Print Name

Signature

Senior Vice President
Title

1/17/01
Date

(305) 913-4000
Telephone No.

(305) 913-4011/4036
Fax No.

Address: 1525 NW 167th Street, 2Nd Floor
Miami, Florida 33169

FORM PSC/CMU 31 (12/96)
Required by Commission Rule Nos. 25-24.470, 25-24.471, and 25-24 480(2).

THIS PAGE MUST BE COMPLETED AND SIGNED

CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be responded to in one of the following ways (applicant please • check one):

(X) The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.

( ) The applicant intends to collect deposits and/or advance payments formore than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.(The bond must accompany application.)

UTILITY OFFICIAL:

Keith Kramer
Print Name

Signature

Senior Vice President
Title

1-17-07
Date

(305) 913-4000
Telephone No.

(305) 913-4011/4036
Fax No.

Address: 1525 NW 167th Street, 2Nd Floor

Miami, Florida 33169

FORM PSC/CMU 31 (12/96)
Required by Commission Rule Nos. 25-24.470, 25-24.471, and 25-24.480(2).

THIS PAGE MUST BE COMPLETED AND SIGNED

AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange service in the State of Florida. I have read the foregoing and declare that to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s.775.082 and s. 775.083".

UTILITY OFFICIAL:

Keith Kramer
Print Name

Signature

Senior Vice President
Title

1-17-01
Date

(305) 913-4000
Telephone No.

(305) 913-4011/4036
Fax No.

Address: 1525 NW 167th Street, 2Nd Floor
Miami, Florida 33169

FORM PSC/CMU 31 (12/96)
Required by Commission Rule Nos. 25-24.470, 25-24.471, and 25-24.480(2).

CURRENT FLORIDA INTRASTATE SERVICES

Applicant **has** ( ) or **has not** (X) previously provided intrastate telecommunications in Florida.

If the answer is has, fully describe the following:

1. What services have been provided and when did these services begin?

Service has been provided by IDS Long Distance, Inc. In this application, the current certificate is requested to be transferred to IDS Telcom LLC.

2. If the services are not currently offered, when were they discontinued?

UTILITY OFFICIAL:

Keith Kramer
Print Name

Signature

Senior Vice President
Title

1-17-01
Date

(305) 913-4000
Telephone No.

(305) 913-4011/4036
Fax No.

Address: 1525 NW 167th Street, 2Nd Floor
Miami, Florida 33169

FORM PSC/CMU 31 (12/96)
Required by Commission Rule Nos 25-24.470, 25-24.471, and 25-24 480(2).

CERTIFICATE TRANSFER, OR ASSIGNMENT STATEMENT

I, (Name) Michael Noshay

(Title) President of (Name of Company)

IDS Long Distance, Inc.

and current holder of Florida Public Service Commission Certificate Number # 2467

_____, have reviewed this application and join in the petitioner's request for a:

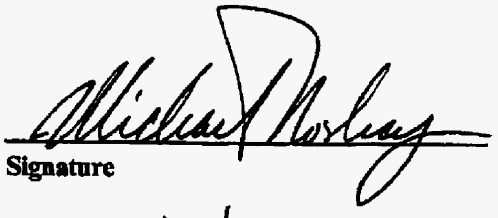
(X) transfer

( ) assignment

of the above mentioned certificate.

UTILITY OFFICIAL:

Michael Noshay
Print Name


Signature

President
Title

1/17/00
Date

(305) 913-4000
Telephone No.

(305) 913-4011/4036
Fax No.

Address: 1525 NW 167th Street, 2Nd Floor

Miami, Florida 33169

FORM PSC/CMU 31 (12/96)
Required by Commission Rule Nos 25-24.470,
25-24 471, and 25-24 480(2).

ATTACHMENT I

AUTHORITY TO OPERATE IN FLORIDA

State of Florida

Department of State

I certify the attached is a true and correct copy of the Certificate of Conversion, filed on July 14, 2000, for IDS TELCOM LLC, the resulting Florida Limited Liability Company, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H00000037085. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this entity is L00000006396.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Nineteenth day of July, 2000

Authentication Code: 100A00039109-071900-L00000006396-1/1

Katherine Harris

Katherine Harris
Secretary of State

CR2EO22 (1-98)

ARTICLES OF ORGANIZATION
OF
IDS TELCOM LLC

ARTICLE I - Name

The name of the Limited Liability Company is "IDS TELCOM LLC" (the "Company").

ARTICLE II - Principal Office

The mailing address and street address of the principal office of the Company is: 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169.

ARTICLE III - Registered Agent

The name of the initial registered agent of the Company is Michael Noshay, and the street address of the Company's initial registered agent is 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169.

ARTICLE IV - Management

The Company will be a manager-managed company. The initial Managers shall be ANTHONY PETRONE, JOSEPH C. MILLSTONE, and MICHAEL NOSHAY.

These Articles of Organization are hereby executed by the undersigned Members of the Company.

IDS LONG DISTANCE, INC., a Florida corporation

By: _____
Michael Noshay, President
Date: 7/13/00

ANTHONY L. PETRONE, INC., a Florida corporation

By: _____
Anthony L. Petrone, President
Date: 7/13/00

JOSEPH C. MILLSTONE, LLC, a Florida limited liability company

By: _____
Joseph C. Millstone, as the sole Member and Manager
Date: 7/13/00

H00000037085

CERTIFICATE OF CONVERSION TO A LIMITED LIABILITY COMPANY

Pursuant to Florida Statutes Section 608.439, IDS Telcom, a Florida general partnership, hereby converts to a Florida limited liability company by simultaneously filing the attached Articles of Organization and stating as follows:

1. IDS Telcom was formed on June 2, 1999 as a Florida general partnership. IDS Telcom remained as a Florida general partnership until the date of filing this Certificate of Conversion to a Limited Lisbility Company.

2. The name of the general partnership immediately prior to the filing of this Certificate of Conversion to a Limited Liability Company was "IDS Telcom".

3. The name of the limited liability company, as set forth in the attached Articles of Organization, is "IDS Telcom LLC".

4. The conversion to a limited liability company shall be effective as of the date this Certificate and the attached Articles of Organization are filed.

H00000037085

H00000037085

This Certificate of Conversion to a Limited Liability Company is hereby executed by the undersigned Partners of IDS Telcom and Members of IDS Telcom LLC.

IDS LONG DISTANCE, INC., a Florida corporation

By: _____
Michael Noshay, President
Date: 7/13/00

ANTHONY L. PETRONE, INC., a Florida corporation

By: _____
Anthony L. Petrone, President
Date: 7/13/00

JOSEPH C. MILLSTONE, LLC., a Florida limited liability company

By: _____
Joseph C. Millstone, as the sole Member
Date: 7/13/00

H00000037085

Acceptance of Appointment of Registered Agent

MICHAEL NOSHAY, having been named the Registered Agent of IDS TELCOM LLC, hereby accepts such designation and is familiar with, and accepts, the obligations of such position, as provided in Chapter 608 of Florida Statutes.

MICHAEL NOSHAY
Date: 7/13/00

ATTACHMENT II

PROPOSED TARIFF
(LABELS ONLY)

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

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IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

IDS TELCOM LLC

ATTACHMENT III

PROFILES OF KEY PERSONNEL

BIOGRAPHICAL INFORMATION

Mr. Joe Millstone, Chief Executive Officer

Mr. Joe Millstone is a founding member of IDS. Over the last 11 years Mr. Millstone has carefully managed the staff, designed the network, selected the switching facilities and developed the sales and marketing divisions of IDS. Mr. Millstone oversees every aspect of the retail side of IDS Telcom along with the sister company, Interconnect Data Service (the telephone equipment company affiliate), including the purchase of switching equipment, the development of point of sale materials, and billing and collections.

Mr. Millstone created IDS to provide telephone inter-connect equipment and operator services for small to medium sized businesses, particularly hotels, in South Florida. Under his leadership, IDS installed well over one hundred new phone and billing systems in major hotels in South Florida. The strong business relationship between Mr. Millstone and the hotel industry through his Interconnect Company was the foundation that launched the long distance company that became IDS Telcom.

Prior to establishing IDS, Mr. Millstone was the owner/operator of an audio-stereo equipment store that grew into a chain of stores. These stores, called "Stereo Etc.", developed throughout Florida to include a warehouse, corporate centers and eleven branch stores. Stereo Etc. grossed $11 million dollars annually with 70 employees.

Mr. Michael Noshay, President

Mr. Noshay co-founded IDS with Mr. Millstone. Mr. Noshay has a vast wealth of experience in various businesses including construction, real estate, manufacturing, distribution and the hotel industry. His relationships helped to establish a customer base that secured the company's revenue stream at a critical time.

Mr. Noshay has had over 10 years experience in the telecommunications industry. As president of IDS Telcom, Mr. Noshay is responsible for the development and negotiation of all interconnection agreements with companies such as BellSouth, Bell Atlantic, GTE and Sprint, along with several PTT agreements with foreign countries. He is responsible for all of the legal and contractual matters, including regulatory issues and billing disputes. He also is responsible for maintaining tariffs and licensing requirements for the company.

BIOGRAPHICAL INFORMATION, (Cont'd.)

Mr. Anthony Petrone, Executive Vice President

As Executive Vice President, Mr. Petrone is repsonsible for the management of the International Wholesale Carrier Division. In this capacity, Mr. Petrone has negotiated PTT agreements for IDS throughout the world, including Nigeria, India, Colombia, Peru, Ecuador, Venezuela, Mexico, Jamaica, and various other Caribbean and South American countries. Establishing these networks with other countries requires extensive knowledge and experience with voice and data, VOIP, fiber and satellite systems. Mr. Petrone manages a team of engineers and back office staff that is responsible for auditing and billing wholesale carrier minutes and operating these networks 24 hours a day, 7 days a week.

Mr. Petrone's background includes ownership of TCI, Ltd. of Virginia Beach, a telecommunications company dedicated primarily to the resale of long distance service and the sale of pre-paid phone cards. In the development of IDS Telcom, Mr. Petrone forged relationships with telecommunication industry giants who continue to do business with his Wholesale Carrier Services Division today. Mr. Petrone merged his customer base from TCI, Ltd. with IDS Long Distance in 1998.

Mr. Minor "Freddy" Oquendo, Director of Network Operations

Mr. Oquendo has served as Director of Network Operations of IDS since November 1998. In this capacity, Mr. Oquendo is responsible for the Company's switching network, including network planning and network engineering. He has over seven years of management and operations experience in the telecommunications industry. Prior to joining IDS, Mr. Oquendo was the Customer Operations Manager at Intermedia/National Tel, where he developed and implemented local resale and local facility-based products for National-Tel; and Customer Service Supervisor at AT&T, where he was responsible for 25 to 35 people that handled inbound calls with billing and product questions.

Mr. Robert Hacker, Chief Financial Officer

Mr. Hacker is Chief Financial Office of IDS Telcom. Mr. Hacker has over 25 years of experience in finance, investor relations and strategic planning. Prior to IDS he served as Chief Financial Officer at ByeByenow.com, where he was responsible for acquiring five companies and raising $32 million in equity. From 1990 to 1999 he served as Vice Chairman, Chief Financial Officer and a Director of Matahari Purta Prima, a publicly traded retail company headquartered in Indonesia, where he was responsible for the Company's initial public offering and several international debt and equity financings. Mr. Hacker also worked for ten years as a financial consultant and as an officer of Chase Manhattan Bank, N.A.

ATTACHMENT IV

FINANCIAL STATEMENTS

The information included in this attachment has been filed under separate cover with a claim of confidential treatment.

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: E Mail

KLW
6/30/04
B 1/1/04

5-16

Kathy Welch

From: Michael Barrett
Sent: Monday, June 28, 2004 1:46 PM
To: Kathy Welch
Subject: RE: IDS

Hey Kathy . . . I'm a bit perplexed what Elizabeth has told you I have; I haven't been faxed anything from IDS during the pendency of this docket. However, if she is generically referring to e-mails, here's what I found: In staff's 1st round of discovery, the IDS response to POD#1 contains e-mails that pre-date March 25, 2002; An e-mail notification of the IDS response came here (to Patty), along with a hard copy. The total response to POD#1 is about an inch thick, and I believe Denise sent it to you.

Way back when (i.e., before this case was docketed), Angel (probably via Elizabeth) sent up some EXCEL files for YTD disputes for the year 2003. The earliest entry on those files is January, 2003.

If you can possibly press her for more detail on what she believes I have, I would appreciate it; I keep flipping over rocks searching.

Thanks.

-----Original Message-----
From: Kathy Welch
Sent: Monday, June 28, 2004 1:14 PM
To: Michael Barrett
Subject: IDS

Elizabeth at IDS told me they faxed you some e-mails that I am looking for. If you do have any e-mails between IDS and Bellsouth that are dated prior to March 25, 2002 that discuss interest and late payments on the account or have anything about the interest, please call me and let me know. I'm really trying to wrap it up and just have one thing I'm waiting on from Bell and now this interest stuff.

Proposed Case Assignment and Scheduling Record Revision

Section 1 - Bureau of Records and Hearing Services Completes

Docket No. 031125-TP Date Docketed: 12/23/2003 Title: Complaint against BellSouth Telecommunications, Inc. for alleged overbilling and discontinuance of service, and petition for emergency order restoring service, by IDS Telecom LLC.

Company: BellSouth Telecommunications, Inc.

Official Filing Date: _____
Last Day to Suspend: _____ Expiration: _____

Referred to: ("()" indicates OPR)	AUS	CAF	CCA	CMP	ECR	EXT	(GCL)	MMS	PIF
				X			X		

Section 2 - OPR Completes and returns to CCA in 10 workdays.

Program/Module A9

Staff Assignments

OPR Staff: P Christensen

Staff Counsel: P Christensen

OCRs (CMP): M Barrett, ~~C Vinson~~
(RCA): D Vandiver, K Welch
( ):
( ):
( ):
( ):

Recommended assignments for hearing and/or deciding this case:

- Full Commission X
- Commission Panel
- Hearing Examiner
- Staff

This case (will) (will not) require a hearing, to be held at: (location)

Transcript delivery time recommended:

Normal ___ Expedited ___ Daily Copy ___

Time Schedule

* Events completed; therefore unavailable for revision

Current CASR revision level: 1

		Due Dates Current	Proposed
1.	*BellSouth Response to Complaint	01/20/2004	XXXXXXXXX
2.	*Staff Recommendation	03/18/2004	XXXXXXXXX
3.	*Agenda (deferred)	03/30/2004	XXXXXXXXX
4.	*Agenda	04/06/2004	XXXXXXXXX
5.	*Standard Order	04/26/2004	XXXXXXXXX
6.	*Order Establishing Procedure	05/06/2004	XXXXXXXXX
7.	Close Docket or Revise CASR	~~05/19/2004~~	
8.			
9.	DIRECT TESTIMONY IS DUE	JULY 22	
10.	REBUTTAL TESTIMONY IS DUE	SEPT 2	
11.	PREHEARING STATEMENTS ARE DUE	SEPT 16	
12.	PREHEARING CONFERENCE	OCT 4	
13.	HEARING	OCT 14	
14.	TRANSCRIPTS ARE DUE	OCT 21	
15.	BRIEFS ARE DUE	NOV 19	
16.	STAFF REC	JAN 20	
17.	~~FEB~~ AGENDA	FEB 1	
18.	POST-HEARING ORDER	FEB 21	
19.	CLOSE OR REVISE	MAR 21	
20.			
21.			
22.			
23.			
24.			
25.			
26.			
27.			
28.			

REASON FOR REVISION

Pursuant to the ORDER Establishing PROCEDURE, ORDER No. PSC-04-0472-PCO-TP, ISSUED ON MAY 6, 2004, the ~~ORIGINAL~~ CONTROLLING DATES ARE NOTED ABOVE.

ALSO, THIS CASR MODIFIES STAFFING, AS NOTED. (DROP CARL VINSON, and ADD KATHY WELCH)

RECEIVED
MAY 12 2004
Florida Public Service Commission
Division of RCA

SUBMITTED BY OPR-GCL: _____

DATE: _____

STAFF COUNSEL (GCL): _____
OCR INITIALS (CMP): MBARRETT 5-11-2004
(SCR): _____
(RCA): _____
( ): _____
( ): _____
( ): _____

PSC/CCA038-C (Rev. 01/03)

5-16

IDS TELECOMMUNICATIONS VS. BELLSOUTH TELECOMMUNICATIONS
AUDIT PROGRAM
TEST YEAR ENDED MARCH 25, 2004
BY KATHY L. WELCH kw 7/1/04

PROGRAM STEPS	DONE BY	WORKPAPER NUMBER
DISCUSS AUDIT WITH ANALYST AND ATTORNEYS	KW	
REVIEW DEPARTMENT OF STATE LISTINGS	KW	5-1
READ FINANCIAL STATEMENTS OF IDS	KW	2-2
REVIEW WEB SITE OF IDS	KW	5-2
READ ALL ORDERS	KW	5
READ AMENDED SETTLEMENT AGREEMENT	KW	2-1
MEET WITH IDS	KW	
VERIFY PAYMENTS TO Q ACCOUNT TO CANCELLED CHECKS	KW	43-1/1
DETERMINE HOW BELLSOUTH ARRIVED AT ITS BALANCES AND TRACE TO DETAIL	See B audit	
VERIFY CREDITS RECEIVED TO BELLSOUTH BILL	KW	43-2
VERIFY CREDITS GIVEN FOR INTEREST REFUND AS PART OF THE SETTLEMENT AGREEMENT	KW	43-2/2
DETERMINE SUPPORTING DOCUMENTATION FOR BELLSOUTH AMOUNTS RECORDED AS CURRENT DISPUTES AS OF MARCH 25, 2002 AND VERIFY THAT CREDITS WERE RECORDED IN REGULAR VS. SETTLEMENT ACCOUNTS.	KW	See BS audit
VERIFY THAT ADDITIONAL AMOUNT DUE BASED ON AGING WERE FOR AMOUNTS AFTER MARCH 25, 2002.	KW	See Bellsouth audit
FOR DUF DISPUTE-OBTAIN CLAIM FORMS AND OBTAIN SUPPORTING DOCUMENTATION. TRACE TO ORDER RATES AND VERIFY CALCULATION. TRACE A SAMPLE OF THE DETAIL TO AMOUNTS CHARGED BY BELLSOUTH ON BILLS.	KW	43-4
FOR THE MARKET RATE DISPUTE, VERIFY AMOUNTS DISPUTED RANDOMLY TO BELLSOUTH BILLS TO DETERMINE IF ONLY THE INCREMENTAL AMOUNT IS PART OF THE DISPUTE.	KW	43-5

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Audit Requests

5/11/04 KW 5/14/04

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Angel Leiro
UTILITY: FDS Telecom LLC
FROM: Kathy Welch (AUDIT MANAGER) _____ (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 1 DATE OF REQUEST: 4/15/04
AUDIT PURPOSE: Complaint Investigation

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 4/18/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide copies of all checks & any correspondence sent with the checks paid on the Q account that show the payment were for that account. Portal on 4/21/04 Epart on 4/14/04
2. A copy of the Feb & April 2002 CD for the bill that had the $925,000 credit & show the payments made to those accounts. received April not Feb
3. Copy of emails that BellSouth claims amends the agreement. Provided
4. Copy of schedule of interest & any other schedule provided to any of the parties to clarify the dispute. Provided
5. Provide copies of all correspondence that discuss the problems with the balances on BellSouth's schedule of the Q accounts. Portal
6. Provide 2002 & 2003 audited financial statements done
7. Page 1-25 of Interconnect Agreement done in 2003 done

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1,2,4,5,6 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

V.P. Regulatory Affairs
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
White: Utility Complete and Return to Auditor
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FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Angel Leiro
UTILITY: IDS Telecom LLC
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 2
DATE OF REQUEST: 4/19/04
AUDIT PURPOSE: Complaint Investigation

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 4/23/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. Provide ~~your~~ your excel spreadsheets that show your disputes that are outstanding for all bills from March 2002 forward. (If provided on disk, save as a Lotus file) - Duff & Mkt Rate
2. ~~X~~ Provide all payments on all Florida accounts made since March 2002. withdrawn
3. Provide a summary showing what you were billed, total disputed & total paid for each account for each month ~~in 2002~~ since March 2002. for Duff & Mkt now provided
4. Provide the portion of the old & new agreements that describe handling of disputes & time frame.
5. ~~X~~ Provide current bills for all accounts withdrawn

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1 and 3 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

VP Regulatory Affairs
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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Post-It™ brand fax transmittal memo 7671 | # of pages ▸ 1

To Angel Leiro	From Kathy Welch
Co.	Co. PSC
Dept.	Phone # 305-470-5602
Fax # 305-662-3027	Fax #

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Angel Leiro
UTILITY: IDS
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 3
DATE OF REQUEST: 6/23/04
AUDIT PURPOSE: Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 6/28/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1.) Attached is a list of Disputes held out of Settlement Amount Worksheet. Please verify that you did receive credit for these amounts in these accounts. Did not provide

2.) Also attached is a list of disputes that backup was supposed to be provided for in Request 2 that has not yet been provided. This is due tomorrow. OK

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1 and 2 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

V-P Regulatory Affairs
(SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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EXHIBIT KLW-5
PAGE 220 OF 403
IDS NON-CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Angel Leiva (Elizabeth Feter)
UTILITY: IDS
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)
REQUEST NUMBER: 4
AUDIT PURPOSE: Complaint
DATE OF REQUEST: 6/28/04

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 7/1/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

1. For the schedule of interest provided "C:\Documents and Settings\efeter\Local Settings\Temporary Internet Files\OLK1" that shows interest on each account in 2001, please expand the schedule to show January 2002 & Feb 2002 interest & show payments/credits given by BellSouth as a result of the settlement for each account. Did not provide

2. For each month, show how much of the interest relates to outstanding disputes & what the balance of the disputes were each month and how much relates to payments (complete) Could not separate

3. Provide interest rates charged each month 1.5%

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☐ AND IN MY OPINION, ITEM(S) _____ IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

_____ (SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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PSC/AFA-6 (Rev.2/95)

FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT

TO: Angel Leiva (Elizabeth Feteo)
UTILITY: IDS
FROM: Kathy Welch (AUDIT MANAGER) (AUDITOR PREPARING REQUEST)

REQUEST NUMBER: 5
DATE OF REQUEST: 6/28/04

AUDIT PURPOSE: Complaint

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 7/1/04 (DATE)

REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: ☐ INCIDENT TO AN INQUIRY ☒ OUTSIDE OF AN INQUIRY

ITEM DESCRIPTION:

Provide a copy of the original settlement agreement.

Provide any e-mails with Bellsouth prior to March 25, 2002 that discuss interest on the settlement

TO: AUDIT MANAGER _____ DATE: _____

THE REQUESTED RECORD OR DOCUMENTATION:

(1) ☐ HAS BEEN PROVIDED TODAY

(2) ☐ CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY _____

(3) ☑ AND IN MY OPINION, ITEM(S) 1 IS(ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL, THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE DIVISION OF RECORDS AND REPORTING. REFER TO RULE 25-22.006, F.A.C.

(4) ☐ THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

_____ (SIGNATURE AND TITLE OF RESPONDENT)

DISTRIBUTION:
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Pink: Audit File Copy
Canary: Utility Retain

IDS TELCOM Headquarters 1525 N.W. 167th Street, Suite 200, Miami, Florida 33169 U.S.A.
T+ 305 913 4000 F+ 305 612 3025 TOLL FREE+ 800 335 4437

July 2, 2004

Via Federal Express

Kathy L. Welch, CPA
Florida Public Service Commission
Bureau of Auditing
Division of Auditing and Safety
3625 NW 82nd Avenue
Suite 400
Miami, Florida 33166-7602

Re: **Auditor's Supplemental Record Request**

Dear Ms. Welch:

Pursuant to your most recent records request (attached hereto) I have enclosed documentation which I trust is responsive to said requests. Included is a set of documents numbered IDS-100001 through 1000215. These documents were produced to Staff pursuant to their First Request for Production of Documents.

I have flagged several documents for your ease of reference as they relate to your request. Some documents you will notice are separately bound but not part of the numbered documents, we intend to supplement our record production with these documents shortly.

Elizabeth indicated she would be sending you certain other responsive documents via e-mail tonight. I understand you both spoke about this portion of the request but I was unable to have them prepared for this package.

If you have any questions, please contact me directly at (305) 612-4311.

Thank you for your assistance in this regard.

Sincerely,

Angel Leiro
V-P Regulatory Affairs

IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: Co Response

8/1/04 KLW 11/1/04

10-1

April 21, 2004

Via Hand Delivery

Kathy L. Welch, CPA
Public Utilities Supervisor
Bureau of Auditing
Division of Auditing and Safety
3625 NW 82nd Avenue
Suite 400
Miami, Florida 33166-7602

Re: **Docket 031125-TP IDS Telcom vs. BellSouth**

Dear Ms. Welch:

Kindly allow this letter to serve as a formal response to your April 15, 2004 document request regarding the above docket.

Request No.1 – Provide copies of all checks and any correspondence sent with the checks paid on the Q account that show the payments were for that account.

Response: IDS is producing all checks that are readily available (8 from 4/02 through 2/03). Due to the volume of records that must be searched, IDS will require additional time to complete its search for the remaining checks paid on the Q account.

Request No. 2 - A copy of the February and April 2002 CD for the bill that had the $925,000 credit and show the payments made to those accounts.

Response: IDS is producing a copy of the April 2002 bill, which depicts the credits applied pursuant to the Amended Settlement Agreement.

Request No. 3 – Copy of the e-mail that BellSouth claims amends the agreement.

Response: IDS is producing a copy of an e-mail dated 4/10/02 from David Melton (BellSouth) to Robert Hacker (IDS) which was provided via facsimile to IDS for the first time on 12/31/03. This is the only document that BellSouth has produced purporting to amend the Amended Settlement Agreement.

Request No. 4 – Copy of the schedule of interest and any other schedule provided to any of the parties to clarify the dispute.

1525 N.W.167th St, 2nd Floor, Miami, Florida 33169
Tel.(305) 612-4305 Fax.(305) 913-4024 Toll Free: 1-800-335-4437
www.idstelcom.com

Response: See No 5 – E-mail dated 12/23/03 From Elizabeth Fefer (IDS) Angel Leiro (IDS).

Request No 5 – Provide copies of all correspondence that discuss the problems with the balances on BellSouth's schedule of the Q account.

Response: In addition to the letter produced in Number 3 above IDS is producing various e-mail Communications between IDS and BellSouth and dated between June 2002 and January 2004.

Request No. 6 – Provide 2002 and 2003 audited financial statements

Response: IDS is providing copies of its 2001 and 2002 audited financial statements. IDS does not currently have prepared 2003-audited financial statement.

Request No. 7 – Page 1-25 of the Interconnection Agreement done in 2003.

Response: IDS is providing a copy of the requested pages

IDS shall continue to prepare the documents requested in your 4/19/04 request and contact you when they are ready for you to pick up.

If you have any questions in the interim, please do not hesitate to contact me directly.

Thank you,

Sincerely,

Angel Leiro
V-P Regulatory Affairs

Cc: Norman Horton, Esq. Counsel for IDS

CONFIDENTIAL DOCUMENT LOG

Company name IDS Telecom
Docket No. 031125 TP
Audit purpose Complaint

Date 4/15/04

Page 1 of

	Document description	Receipt of material					Disposition of material				
1 Item No.	2 Description	3 Number of Pages	4 Document Request #	5 Received From	6 Received By	7 Date Received	8 Returned to	9 Returned by	10 Date Returned	11 Received by	12 Work paper Locater
											43-1
1	Copies of checks	9	1	Elizabeth Fyfe	KLWeber	4/21/04					43-1
		2	1	Elizabeth	KLWeber	5/10/04					
2	CD of April bill	~~CD~~	1		KLWeber		received from BK Keller				
											43-2/2
3	Interest Schedule	1	1	Elizabeth Fyfe	KLWeber	5/4/04					
											43-3
5	Emails	34	1	Angel Lewis	KLWeber	5/4/04					
											2-2
6	Audited P/S	16	1	Angel Lewis	KLWeber	4/30/04					
											all of 43-4 & 43-5
7	Disputes	numerous	2	Raquel	KLWeber	6/24/04					
											2-3
8	Original Settlement	~~24~~ 26	5	Elizabeth Fyfe	KLWeber	6/29/04					
											43-4/2-1, 2-2, 2
9	AUEP Market Backup	36 disk	3	Raquel	KLWeber	6/29/04	Ann	KLWeber disk			

EXHIBIT KLW-5
PAGE 226 OF 403
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AUDIT POINT SHEET IDS Telecomm., LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP

DOCKET NO. TYE: 2003

AUDIT CONTROL NO.

COMPANY Title: Reviewer Notes

DATE PREPARED 6/3/04

AUDIT MANGER K Welch

REVIEWED BY R. Young

	WORKING PAPER	REVIEW COMMENT	DISPOSITION	CORRECTED BY DATE
1	43	Include your audit disclosure		
2		reference		
3				
4	Disclosure 1	#2 - Amount paid by IDS?		
5		check		
6				
7	43	Reference all workpapers when you		
8		include disclosure in WP 43		
9	43-4 / 4A	reference to supporting schedule		
10				
11	43-4 / 43	Reference to disclosure		
12				
13	43-4 / 8	Reference to disclosure		
14				
15				
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PAGE NUMBER 14

Kathy Welch

From: rdvand@netzero.com
Sent: Friday, July 02, 2004 6:15 PM
To: Kathy Welch
Subject: BST-IDS

Here are a few things - overall - I think it is pretty clear. Audit Disclosure 1:
3rd Paragraph, 2nd line - add "of" after "due as"
2nd page - after 3:50 paragraph - IDS provided e-mails (are there any dates? The next sentence says other e-mails so are these separate and we should identify a date? At the end of the paragraph can you delete the "that" before "states"?
Next Page - Opinion:
The "Settlement" agreement
Next paragraph: However if BellSouth "is" able to ...
Next page - Fourth line -
according to "the" e-mail

Comment: I don't have the agreement with me - but lots of settlements have a clause that says something along the lines of "this agreement settles all claims ..." Does this agreement say anything like that? If so, we may also want to quote that. If not, we may even want to add language that the agreement does not even refer to a true-up of the amounts - but we may not want to mention it.

Audit Disclosure 3: the second claim number needs a space before the number.

Audit Disclosure 4:
second line: doing the "original" DUF Re-rate
third line: Had additional messages
fourth line: IDS filed disputes

Audit Disclosure 5:
second line: rates different "than" the Commission order
However, no change (?) - what change are we talking about? Can you make this a little more clear?

14

IDS Telecomm , LLC
Complaint against BellSouth
Audit: #04-098-4-2 Dkt: #031125-TP
TYE: 2003

Title: E Mail on Internet

Angel Leiro

From: Elizabeth Fefer
Sent: Tuesday, January 06, 2004 2:54 PM
To: 'Harris, Regenia A'
Cc: 'Rodger.Edmonds@bellsouth.com'; Angel Leiro; Silvia Guardado
Subject: $1,000,000 application schedule

Bellsouth
yment-$1,000,000 a

Elizabeth Fefer
IDS Telcom
phone (305)612-4310
fax (305)612-4880

-----Original Message-----
From: Harris, Regenia A [mailto:Regenia.Harris@BellSouth.com]
Sent: Tuesday, December 23, 2003 9:30 AM
To: Elizabeth Fefer; Mason, Ann M
Subject: RE: Our conversation regarding LENS shut off

OK!
R.

----Original Message-----
rom: Elizabeth Fefer [mailto:efefer@IDSTELCOM.com]
Sent: Tuesday, December 23, 2003 8:27 AM
To: Harris, Regenia A; Mason, Ann M
Subject: RE: Our conversation regarding LENS shut off

As soon as you hear anything please do keep me posted.
Thank you.
Elizabeth Fefer
IDS Telcom
phone (305)612-4310
fax (305)612-4880

-----Original Message-----
From: Harris, Regenia A [mailto:Regenia.Harris@BellSouth.com]
Sent: Tuesday, December 23, 2003 9:10 AM
To: Elizabeth Fefer; Mason, Ann M
Subject: RE: Our conversation regarding LENS shut off

Elizabeth,

We are still speaking with our regulatory people on this matter. Someone should contact you in reference to this matter soon.

Thanks,
Regenia
-----Original Message-----
From: Elizabeth Fefer [mailto:efefer@IDSTELCOM.com]
ent: Monday, December 22, 2003 11:48 AM
.o: Mason, Ann M
Cc: Harris, Regenia A
Subject: Our conversation regarding LENS shut off
Importance: High

Hello All:
Rodger Edmonds is on vacation until the 29th, I need answers to my e-mail below.
Our Lens service has been shut down due to this issue.

Elizabeth Fefer
IDS Telcom
phone (305)612-4310
fax (305)612-4880

-----Original Message-----
From: Elizabeth Fefer
Sent: Saturday, December 20, 2003 1:09 PM
To: 'Edmonds, Rodger '
Cc: Alagar, Maxine P; mbarrett@psc.state.fl.us; Mangina, Leisa G; Angel Leiro
Subject: RE: Our conversation regarding LENS shut off
Importance: High

Rodger,
See below the last e-mail I received from Maxine regarding the discrepancy on this account.
As you can see neither Maxine nor anybody at Bellsouth has been able to explain why the Special settlement account beginning balance is $3,232,266.10 instead of $2,475,000 as stated on the Arbitration Final Document. I brought this to Bellsouth's attention since July 2003 and to-date I have received no explanation telling me why the beginning balance on the special settlement account was $757,266.10 higher than what the settlement states. Why is it that Bellsouth has not been able to prepare written documentation explaining the $757,266.10 discrepancy in the beginning balance of settlement account, which is the reason why Bellsouth shows a past due balance on resale and demanding payment on in order to restore IDS access to LENS.
Also, please refer to Maxine's e-mail dated September 11, 2003 where she states the following: "the issue IDS views as overpayment to the Q account is correct ". If Bellsouth Collections admitted that we have overpaid this account, how can we now owe $600K on the same account we overpaid?
2 of 3 excel spreadsheet attached were prepared by Bellsouth personnel and these show clearly that the beginning balance on this account was $3,232,266 and not $2,475,000 as stated on provision 1 on the settlement agreement.
Also attached are 2 schedules (205Q974557- special Q prepared by Bellsouth, and IDS schedule of 205Q974557- transactions) we both agree on the total amount paid of $3,049,140.74.
<<2054557-special Q account.XLS>> <<Bellsouth balance transfers of old balances to new acct.XLS>> <<205Q974557 account transactions billed & paid.xls>>
<<BLS Arbitration Final.DOC>>
All documents attached and all of our e-mails since July of 2003 indicate that Bellsouth set up the beginning balance incorrectly and over billed us or over a year incorrect interest charges.
Bellsouth's action to deny access to LENS was based on a mistake created by Bellsouth.
Once again, I ask that you immediately restore IDS' access to LENS as all documentation provided to Bellsouth is sufficient proof of Bellsouth's error.
Elizabeth Fefer
IDS Telcom
305-612-4310

From: Alagar, Maxine P [mailto:Maxine.Alagar@BellSouth.com]
Sent: Tuesday, October 21, 2003 2:53 PM
To: Elizabeth Fefer; Harris, Regenia A
Cc: Robert Hacker
Subject: RE: Documents requested on amendment to settlement agreement

The total amount due is based on the agreement of the Alabama Q account that was created solely for this agreement.
Max
-----Original Message-----
From: Elizabeth Fefer [mailto:efefer@IDSTELCOM.com]
Sent: Tuesday, October 21, 2003 1:33 PM
To: Alagar, Maxine P; Harris, Regenia A

Cc: Robert Hacker
Subject: RE: Documents requested on amendment to settlement agreement

Leah Cooper requested a breakdown of all prior interest and late payments. The spreadsheet I sent you was given to Leah during her visit to negotiate amendment, and $819K was the amount agreed to that should have been waived. Also, notice that in December 2001 Bellsouth applied a portion of the $1.5 million credit to 30S19 and 305N19 accounts. C,N, & S account balances are part of the total amount due to Bellsouth.
Item 4 reads – BST will waive all prior interest or late payment charges on the Total Amount Due.
Elizabeth Fefer
-----Original Message-----
From: Alagar, Maxine P [mailto:Maxine.Alagar@BellSouth.com]
Sent: Tuesday, October 21, 2003 2:07 PM
To: Elizabeth Fefer; Harris, Regenia A
Cc: Robert Hacker
Subject: RE: Documents requested on amendment to settlement agreement

Elizabeth,
Thanks for the documentation. Please explain why C,N, & S accounts for $111,735.82 were included on the spreadsheet. It was my understanding that only Resale dollars were included in the settlement agreement on Q account 205 Q97-4557.
Thanks,
Max

-----Original Message-----
From: Elizabeth Fefer [mailto:efefer@IDSTELCOM.com]
Sent: Monday, October 20, 2003 6:05 PM
To: Alagar, Maxine P; Harris, Regenia A
Cc: Robert Hacker
Subject: Documents requested on amendment to settlement agreement
Importance: High
<<Bellsouth balance transfers of old balances to new acct.XLS>> <<Application of Credits.xls>> <<bellsouth LPC 2001.XLS>>
Elizabeth Fefer
From: Alagar, Maxine P [mailto:Maxine.Alagar@BellSouth.com]
Sent: Thursday, September 11, 2003 9:26 AM
To: Robert Hacker
Cc: Mangina, Leisa G
Subject: RE: IDS

Bob,
As I remember, and Leisa correct me if I am wrong, the issue IDS views as overpayment to the Q account is correct. However, the money was applied to the Access outstanding balances. If the money is moved to the Q accounts it would create an unpaid undisputed balance on Access accounts. With the payments that have been posted to both Access and the Q accounts an unpaid balance in Resale and the Q accounts still exist.
Leisa, please respond with the total outstanding balances that you have provided to Elizabeth.
Thanks,
Max

From: Elizabeth Fefer
Sent: Tuesday, August 19, 2003 10:40 AM
To: 'Regenia.Harris@BellSouth.com'
Subject: analysis & documents on 205Q974557
Importance: High

FPSC Docket No. 031125-TP
IDS-100108

Attached please find documents sent to us with 205Q97 account information.
Per settlement agreement Bellsouth was to do the following:
* Only $2,475,000 should have been transferred.
* Interest outstanding should have been waived on the total amount due
* And a $925,000 credit needed to be posted to our ONE accounts and to be withheld from

Feb 2002 payment
Please note the interest outstanding was not waived, instead it was added to the old balance agreed to on account 2050974557. The way it was interpreted by David Melton was to treat the $925,000 credit and interest credit as one and the same. When in fact the settlement stated that interest had to be waived and a $925,000 credit had to be posted to our UNE accounts.
Regarding the 2 $200K payments in question I found them applied to unpaid interest billed on accounts 305 S19-0008 and 561 Q971090. This application was wrong because interest had to waived.
Elizabeth Fefer
-----Original Message-----
From: Edmonds, Rodger [mailto:Rodger.Edmonds@BellSouth.com]
Sent: Friday, December 19, 2003 5:36 PM
To: Elizabeth Fefer
Cc: Alagar, Maxine P; mbarrett@psc.state.fl.us; Mangina, Leisa G
Subject: RE: Our conversation regarding LENS shut off

Elizabeth,

Regarding our earlier conversation, BellSouth has discussed and explained the bill in question numerous times. BellSouth has not been able to identify any mistakes in the billing on the account in question. Notices were sent that have expired. IDS has not paid the undisputed portion of the bill. Lens will be restored when we receive the full amount of the undisputed charges, $611,627.42.
Rodger Edmonds
Customer Service Manager
BellSouth - ICS Billing & Collections
(205) 714-3324

-----Original Message-----
From: Elizabeth Fefer [mailto:efefer@IDSTELCOM.com]
Sent: Friday, December 19, 2003 4:09 PM
To: Edmonds, Rodger
Cc: Alagar, Maxine P; mbarrett@psc.state.fl.us
Subject: Our conversation regarding LENS shut off

Rodger:
As we discussed just a few minutes ago, you know that the Q account balance is wrong and that the settlement agreement says that the beginning balance should have only been $2,475,000. You also cannot explain to me how the balance in the Q account was originally set up at over $3 million, and that BellSouth does not care that there is a difference or a mistake in the Q account. According to you, since we have already discussed this issue in the past, the $611,000 is now undisputed. You also told me that despite what is an obvious mistake by BellSouth, you were told to shut down IDS' access to LENS unless we send you the $611,000. You made no sense at all. If LENS is down all weekend, you will cause IDS allot of damage. I ask that you immediately restore IDS' access to LENS. Angel Leiro has asked me to send a copy of this memo to Michael Barrett of the Florida PSC.
Elizabeth.

*****
"The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential, proprietary, and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from all computers." 113

*****
"The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential, proprietary, and/or privileged material. Any

review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from all computers." 117

Joe Millstone

From: Robert Hacker
Sent: Friday, April 06, 2001 10:15 AM
To: Joe Millstone; Larry Bialek
Subject: FW: IDS $ 27,000

I talked to claude this morning and he confirmed he'll get back to us on the finance charges on Monday. See below. He explained staff overzealousness on a BLS concern with all CLEC creditworthiness. He also confirmed that we had been adhering to the agreement.

Regards.
Robert H. Hacker
Chief Financial Officer
IDS Telcom
rhacker@idstelcom.com
305-612-4204

-----Original Message-----
From: Claude.P.Morton@bridge.bellsouth.com
[mailto:Claude.P.Morton@bridge.bellsouth.com]
Sent: Friday, April 06, 2001 9:55 AM
To: rhacker@idstelcom.com
Cc: Ann.Mason@bridge.bellsouth.com; Mary.Peed@BellSouth.COM;
Julie.Royer@bridge.bellsouth.com; Lynn.A.Smith@bridge.bellsouth.com
Subject: IDS $ 27,000

I have tried to return your call and left a message. I asked Ann Mason to hold
up any further treatment action until we have talked.

I have reviewed the agreement (January 23, 2001) that Mr. Millstone and I
signed and found nothing to address the Late Payment Charges. I am pursuing
that issue with our Legal staff here to determine BellSouth's rights and obligations.

You are certainly correct in your assumption that Late Payment Charges should
not apply to amounts in dispute. BellSouth is commited to following its practices to resolve disputes expeditiously and when a credit is due to a CLEC
to rebate back any Late Payment Charges that have accrued to the credited
amount.

I appreciate the payments we have received according to the agreement to date.
And I look forward to speaking to you soon.

Claude Morton

Unknown

From: Robert Hacker [rhacker@idstelcom.com]
Sent: Friday, August 17, 2001 4:23 PM
To: Elizabeth Fefer (E-mail)
Subject: FW: BellSouth

Keep in your files the following:
A few months ago BLS tried to collect interest on the past due balance, saying we were underpaying current bill. I told Claude Morton that our January agreement did not provide for interest on past due to be paid as part of current because the agreement did not include interest on past due balances. He said he would check with his legal department, never got back to me and we have not had a recurrence of underpayment for excluding interest

Regards.
Robert H. Hacker
Chief Financial Officer
IDS Telcom
rhacker@idstelcom.com
305-612-4204

-----Original Message-----
From: Unknown@unknown.com [mailto:Unknown@unknown.com]
Sent: Friday, August 17, 2001 4:15 PM
To: jmillstone@idstelcom.com; Efefer@idstelcom.com; Rhacker@idstelcom.com
Subject: BellSouth

The following article was forwarded to you from http://www.telecombiz.com by ELIZABETH FEFER. ELIZABETH FEFER also wrote: **I wanted to make sure that this is added to the** complaint with the PSC. It has come to my attention that the $200,000 per month towards old balance that we have been sending Bellsouth is being applied to interest billed. As you know, they charge 1.5% interest on unpaid balance even if it's being disputed. **If we** were to add up all the interest that they've billed us so far. I'm sure this could add up to at least $500K

To view the article, "Florida orders BellSouth to stop charging interest on unpaid balances ", please visit: http://www.telecombiz.com/news.asp?ContentID=2147447599

If the above URL does not appear as a link please copy the above URL and paste it into you browser address bar.

As reported on http://www.telecombiz.com Thursday, August 16, 2001 © 2001 BizSpace, Inc. All Rights Reserved

Angel Leiro

From: Robert Hacker [rhacker@idstelcom.com]
Sent: Thursday, January 17, 2002 8:27 AM
To: 'Diane O'Donnell'; Sean Davis (E-mail)
Subject: RE: BellSouth Late Payment Charges

when we true up with BLS in the next 1-2 weeks, historic issue will go away.going forward beginning with January, we should accrue LPC but I want to review first accrual because we are still finalizing agreement for amount subject to LPC.

-----Original Message-----
From: Diane O'Donnell [mailto:dodonnell@IDSTELCOM.com]
Sent: Tuesday, January 15, 2002 2:38 PM
To: Robert Hacker; Sean W Davis; Elizabeth Fefer; Joe Millstone
Subject: BellSouth Late Payment Charges

Bob,

You have spent a great deal of time over the past several months to come to a settlement with BellSouth.

We also have, as a company policy here at IDS, that we do not book into accounts payble any late payment charges. According to the Settlement Agreement we reached with BellSouth, I did not see Late Payment Charges addressed. In reviewing our original Interconnection Agreement, it states we WILL be billed Late Payment Charges on past due balances.

My question and concern is: Do we continue to ignore Late Payment Charges for BellSouth? Do we file disputes for these amounts? (We will never have this deduction recognized if we do NOT file a dispute). We need to be aware of BellSouth's belief that these charges are due and payable, and leaving these balances open each month, will eventually put the status of our accounts with them in jeopardy.

Please advise how we are to proceed with recording BellSouth invoices from this point on. Do we continue to ignore Late Payment Charges or do we recognize them?

Thank you,

Diane J. O'Donnell
Accounts Payable Mgr
IDS Telcom LLC
Phone: 305-612-4174
Fax: 305-612-4880
Email: DODONNELL@idstelcom.com

Angel Leiro

From: Robert Hacker
Sent: Wednesday, April 10, 2002 5:01 PM
To: Diane O'Donnell
Subject: RE: IDSADJ2.XLS

Importance: High

should be 12/31/01. Does not include current disputes--in other words they should still be on our books. All late payment charges through 2/28/02 have been written off by BLS.

Balance in account should be $2.543 ($2475 per agreement+$68 for a BLS clerical error.) I believe their balance of $3232 is before Dec, Jan and Feb catchup payments.

Email the guy to confirm whether balance is $2543 or $2632. Be very nice. We do not want this re-opened. Worse case

BLS Arbitration Final.DOC

we

Robert H. Hacker
Chief Financial Officer
IDS Telcom LLC
305-612-4204
rhacker@idstelcom.com

****

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-----Original Message-----
From: Diane O'Donnell
Sent: Wednesday, April 10, 2002 4:37 PM
To: Robert Hacker
Subject: IDSADJ2.XLS

<< File: IDSADJ2.XLS >>
This is the file that was sent to you by David Melton at BellSouth.
It looks like the balances they will be transferring to the new Q account for us to pay the $200,000 per month against. The concern Elizabeth and I have is the balances on each account are as of what date? Are all our payments and recent disputes taken into consideration? Have the late payment charges been removed, as you had said they were going to grant us credit on those?

Angel Leiro

From: Robert Hacker
Sent: Tuesday, May 28, 2002 3:38 PM
To: 'Leah. Cooper (E-mail)'
Subject: FW: bellsouth settlement amendment

Importance: High

any thoughts on the material below. maybe you can refer us to the fellow who joined a few of our discussions or somebody else.

Robert H. Hacker
Chief Financial Officer
IDS Telcom LLC
305-612-4204
rhacker@idstelcom.com

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-----Original Message-----
From: Elizabeth Fefer
Sent: Tuesday, May 28, 2002 12:09 PM
To: Robert Hacker
Subject: bellsouth settlement amendment
Importance: High

- According to the March 2002 settlement amendment total amount due to Bell was $2,475,000; however, $3,232,266 was transferred to the new Q account as past due amount.
- They agreed to waive all prior interest on total amount due. I don't see where and how this was done.
- On the settlement, it states that late payment charges will accrue on the new account which amounts to ~ $42,000 per month.

Can you consult with the legal dept to see if anybody at Bell can answer my questions and provide me detailed statements for accounts transferred to new Q account?
Thanks

Elizabeth Fefer
IDS Telcom, L.L.C.
Phone : (305)612-4310
Fax:: (305)913-5019

Angel Leiro

From:	Claude.P.Morton@bridge.bellsouth.com
Sent:	Thursday, July 18, 2002 6:21 PM
To:	Robert Hacker
Cc:	Leah.Cooper@BellSouth.COM; Harry.Goldberg@BellSouth.COM; Langley.Kitchings@BellSouth.COM; Leisa.Mangina@BellSouth.COM; Ann.Mason@BellSouth.COM; David.Melton@bridge.bellsouth.com; Julie.Royer@BellSouth.COM; Lynn.A.Smith@BellSouth.COM
Subject:	IDS

Yes. This is to confirm my offer to you that your monthly payments ($200,000.00) agreed to in the settlement agreement can be postponed for two months (presumably this would be August and September, 2002). The interest charges would continue to accrue.

The other conditions of the settlement agreement are not affected by this offer. IDS must continue to pay the current monthly bills within terms as noted in the settlement agreement. Failure to do so will be cause for BellSouth to stop processing orders and to begin the disconnection process.

After the two month hiatus, the payments would resume and run until the full amount of the settlement agreement (plus interest) has been paid.

I would ask that you e-mail me each of the two months when you delay the payment, so that I can notify my people monitoring the compliance to the settlement agreement.

If you have any questions about this, please call me at 205-714-7385.

Claude Morton

Angel Leiro

From: Robert Hacker
Sent: Wednesday, June 18, 2003 8:31 AM
To: Elizabeth Fefer
Subject: RE: interest billed

Importance: High

call me on this

Robert H. Hacker
Chief Financial Officer
IDS Telcom LLC
305-612-4204
rhacker@idstelcom.com

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-----Original Message-----
From: Elizabeth Fefer
Sent: Tuesday, June 17, 2003 3:41 PM
To: Robert Hacker
Cc: Joe Millstone
Subject: interest billed

- Regina, collector at Bell, said per tariff, they are allowed to bill interest on ALL past due balances even if past due balance includes interest. She in fact agreed to my conclusion that Bellsouth bills interest on interest.
- She did say that unless our interconnection agreement says otherwise then we have to pay **all interest billed.**
- In order to payoff interest outstanding we have to pay $360K by tomorrow, and $360K by next month---This is just to cover remaining balance on **the total interest charged on this account = $1.3mm** (interest transferred from old accounts as agreed with Diane O. when she first created account for past due balances in April 2002= $920K + $379K billed in 1 year)
- We are to pay $250K on principal next month. This means we will be done paying off Bellsouth old balance in July if we adhere to Maxine's proposal.

Elizabeth Fefer
Controller
IDS Telcom
phone (305)612-4310
fax (305)612-4880

Angel Leiro

From: Robert Hacker
Sent: Wednesday, June 18, 2003 8:43 AM
To: 'Alagar, Maxine P'
Subject: RE:

I guess Regina and Elizabeth have reached a point where you and I need to talk. Pls call at your convenience.

Sorry to miss you at the users meeting, but.....

Robert H. Hacker
Chief Financial Officer
IDS Telcom LLC
305-612-4204
rhacker@idstelcom.com

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-----Original Message-----
From: Alagar, Maxine P [mailto:Maxine.Alagar@bellsouth.com]
Sent: Friday, June 13, 2003 3:02 PM
To: Robert Hacker
Cc: Harris, Regenia A; Mangina, Leisa G
Subject:

Bob,

205 Q97-4557 is the account that the arrangements were made on with Leah Cooper and Claude Morton. The outstanding balance is $1,120,315.64. The balance represents $400,000.00 that I understand was from two payments that Claude agreed to postpone. The remainder is late payment charges that total $720,315.64.

I would agree to you paying half of the late payment charges June 17, 2003, $360,157.82 and $250,000.00 a month including late payment charges until the balance is paid in three to four months.

Call and we can discuss these arrangements,
Max

*****
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Angel Leiro

From: Robert Hacker
Sent: Thursday, July 31, 2003 9:46 AM
To: 'Alagar, Maxine P'
Subject: RE: IDS

Reviewed what you wrote which matches what we discussed. One point we may have overlooked is that your balance includes July 17 bill run which we would be paying at end of Augustand which we did not discuss yesterday. This totals about $2 million which suggests that the $2.7 million you remain concerned about may be a smaller problem to deal with.

Robert H. Hacker
Chief Financial Officer
IDS Telcom LLC
305-612-4204
rhacker@idstelcom.com
****
****
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-----Original Message-----
From: Alagar, Maxine P [mailto:Maxine.Alagar@bellsouth.com]
Sent: Wednesday, July 30, 2003 6:07 PM
To: Robert Hacker
Cc: Patterson, Gary D; French, William D; Mangina, Leisa G
Subject: IDS

Bob,

Per our conversation this afternoon I wanted to recap what UNE payments will be sent:

Current changes of $1,622,611.31 will be paid By August 15th or 16th business as usual. No disputed dollars expected on these charges.
1-31 days = $1,436,847.11 ($1.M in dispute) $141K has been sent and $295,847.11 to be paid by 08/15/03.
31-60 days = $2,544,567.64 ($2.M in dispute) $136K credit to be given on a dispute and $108,567.64 to be paid by 09/15/03.
61-90 days $1,099,073.40 ($1M in dispute) $99,073.40 arrangements to be made by 08/08/03.
Over 90 days = $2,783,921.84 arrangements to be made by 08/08/03.

In reference to the $2.M dispute concerning ADUF/ODUE, in absence of mediation the denied dispute is payable and due. I understand Bill French is to contact Glenn Reynolds this week since receiving the contact information from you on July 28, 2003.

It is also my understanding that you will be sending the back up documentation for $400K that is in question concerning late payment charges associated with the settlement agreement and I look to receive that information shortly and do appropriate investigation to resolve the issue as quickly as possible.

As mentioned in an earlier message today the outstanding unpaid/undisputed balance is $3,920,466.83 and you must bring that amount current quickly. The arrangements made today will pay $681,414.75 by 09/15/03 leaving a balance of $3,239,052.08.
Of course, you understand that late payment charges are assessed on the unpaid balances.

Although we have made arrangements it should be understood that if these arrangements are not kept immediate steps will be taken to stop you ability to process service requests.

Max

*****
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into pricing of unbundled network elements. (BellSouth Track)	DOCKET NO. 990649A-TP ORDER NO. PSC-02-1311-FOF-TP ISSUED: September 27, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
MICHAEL A. PALECKI

APPEARANCES:

ANDREW SHORE, ESQUIRE, PATRICK TURNER, ESQUIRE, and JAMES MEZA, III, ESQUIRE, 150 South Monroe Street, Suite 400, Tallahassee, Florida 32301
On behalf of BellSouth Telecommunications, Inc.

JOHN P. FONS, ESQUIRE, Ausley & McMullen Law Firm, 227 South Calhoun Street, Tallahassee, FL 32302, and SUSAN MASTERTON, ESQUIRE 1313 Blairstone Road, Tallahassee, Florida 32301
On behalf of Sprint Communications Company, Limited Partnership.

JOSEPH A. MCGLOTHLIN, ESQUIRE, and TIMOTHY PERRY, ESQUIRE, McWhirter, Reeves, McGlothlin, Davidson, Decker, Kaufman, Arnold & Steen, P.A., 117 South Gadsden Street, Tallahassee, Florida 32301
On behalf of Z-Tel.

TRACY W. HATCH, ESQUIRE, Messer, Caparello and Self, Post Office Box 1876, Tallahassee, Florida 32302
On behalf of AT&T Communications of the Southern States, Inc.

See p 116 for dates in effect
DUF starts on p 57
Rates on p 71

DONNA CANZANO MCNULTY, ESQUIRE, MCI WorldCom, Inc. 325 John Knox Road, The Atrium Building-Suite 105, Tallahassee, Florida 32303
On behalf of MCI WorldCom, Inc.

MICHAEL A. GROSS, ESQUIRE, 246 East 6th Avenue, Tallahassee, Florida 32303
On behalf of Florida Cable Telecommunications Association.

MATTHEW FEIL, ESQUIRE, 390 North Orange Avenue, Suite 2000, Orlando, Florida 32801
On behalf of Florida Digital Network, Inc.

WAYNE D. KNIGHT, ESQUIRE, and BETH KEATING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Commission.

FINAL ORDER ON RATES FOR UNBUNDLED NETWORK ELEMENTS PROVIDED BY BELLSOUTH TELECOMMUNICATIONS, INC. (120-DAY FILING)

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ACRONYMS

LIST OF ACRONYMS AND ABBREVIATIONS USED IN THE ORDER

AA	Allocation Area
ACC	Account
ADSL	Asymmetrical Digital Subscriber Line
ADUF	Access Daily Usage File
ALEC	Alternative Local Exchange Company
ARMIS	Automated Reporting and Management Information System
AT&T	AT&T Communications of the Southern States
ATM	Asynchronous Transfer Mode
BCC	BellSouth Cost Calculator
BCPM	Benchmark Cost Proxy Model
BR	Brief
BRI	Basic Rate Interface (i.e., Integrated Services Digital Network - ISDN-BRI)
BSCC	BellSouth Cost Calculator
BST or BellSouth	BellSouth Telecommunications, Inc.
BSTLM	BellSouth Telecommunications Loop Model
BT	Building Terminal
CATV	Cable Television

CC	Common Carrier
CFR	Code of Federal Regulations
CLEC	Competitive Local Exchange Company
CO	Central Office
CRIS	Customer Records Information System
CSA	Carrier Serving Area
DA	Distribution Area
d/b/a	Doing business as
DLC	Digital Loop Concentrator, or Digital Loop Carrier
DLR	Design Layout Record
DN	Docket Number
DS1	Digital Signal-Level 1
DSL	Digital Subscriber Line
DSLAM	Digital Subscriber Line Access Multiplexer
DT	Distribution Terminal
DUF	Daily Usage File
EF&I	Engineered, Furnished, and Installed
Eighth Circuit	U.S. Court of Appeals for the Eighth Circuit
EODUF	Enhanced Optional Daily Usage File
EXH	Exhibit
F.S.	Florida Statutes
FASB	Financial Accounting Standards Board
FCC	Federal Communications Commission
FCTA	Florida Cable Telecommunications Association, Inc.
FDI	Feeder/Distribution Interface

FDN	Florida Digital Network, Inc.
FPSC	Florida Public Service Commission
Ft.	Feet
GTEFL	GTE Florida Incorporated
HAI	Hatfield Model
HCPM	Hybrid Cost Proxy Model
ILEC	Incumbent Local Exchange Company
ISDN	Integrated Services Digital Network
ISP	Internet Service Provider
ITC	Independent Telephone Company
IXC	Interexchange carrier
kft	Kilofeet (Also Kft. and kf)
LEC	Local Exchange Company
JCTN	Junction Point
MCI	MCI WorldCom, Inc.
MNHL	Manhole
MOU	Minutes of Use
MPB	Meet-Point Billing
NGDLC	Next Generation Digital Loop Carrier
NID	Network Interface Device
No.	Number
NRC	Non-Recurring Charge
OC3	Optical Carrier-Level 3
ODUF	Optional Daily Usage File
OSPCM	Outside Plant Construction Management System
OSP	Outside plant

OSS	Operations Support Systems
POD	Production of Documents
PSC	Public Service Commission
RT	Remote Terminal
RTAP	Resource Tracking Analysis and Planning
RTU	Right-To-Use
SAI	Serving Area Interface
SC	Structure Cost
SCIS/IN	Switching Cost Information System/Intelligent Network
SCIS/MO	Switching Cost Information System/Model Office
SCP	Service Control Point
SCR	Selective Carrier Routing
SDSL	Symmetric Digital Subscriber Line
SME	Subject Matter Expert
SOP	Statement of Position
Sprint	Sprint-Florida, Incorporated
TELRIC	Total Element Long Run Incremental Cost
TPI	Telephone Plant Index
TR	Transcript
UCL	Unbundled Copper Loop
UCL-L	Unbundled Copper Loop-Long
UCL-ND	Unbundled Copper Loop-Nondesigned
UCL-Short	Unbundled Copper Loop-Short
UNE	Unbundled Network Element
UNE-P	UNE-platform

USF	Universal Service Fund
Verizon	Formerly GTE Florida Incorporated
xDSL	"x" distinguishes various types of DSL
Z-Tel	Z-Tel Communications, Inc.

BY THE COMMISSION:

CASE BACKGROUND

The Federal Telecommunications Act of 1996 (Act) made sweeping changes to the regulation of telecommunications common carriers in this country. The Act envisioned that firms would use one of three entry strategies to enter the local exchange services market: (1) resale of the incumbent's services; (2) pure facilities-based offerings, thus only requiring a competitor to interconnect with the incumbent's network; and (3) a hybrid involving the leasing of unbundled network elements (UNEs) of the incumbent's network facilities, typically in conjunction with network facilities owned by the entrant.

The Act required that the FCC promulgate rules to implement the resale, interconnection, and UNE requirements within six months after passage of the Act. Therefore, the FCC's Local Competition Order, FCC Order 96-325, released August 8, 1996, included in its pricing rules Rule 51.507(f), which requires each state commission to establish rate zones for UNEs, the deaveraging rule. That rule states:

> State commissions shall establish different rates for elements in at least three defined geographic areas within the state to reflect geographic cost differences.

Since the establishment of the pricing rules, these rules have been the subject of a number of court decisions and FCC actions, which have directly impacted this issue and its resolution.

Our proceeding was initiated on December 10, 1998, when a group of carriers, collectively called the Competitive Carriers,

filed their Petition of Competitive Carriers for Commission Action to Support Local Competition in BellSouth's Service Territory. Among other matters, the Competitive Carriers' Petition asked that we set deaveraged unbundled network element (UNE) rates.

On May 26, 1999, we issued Order No. PSC-99-1078-PCO-TP, granting in part and denying in part the Competitive Carriers' petition. Specifically, we granted the request to open a generic UNE pricing docket for the three major incumbent local exchange providers, BellSouth Telecommunications, Inc. (BellSouth), Sprint-Florida, Incorporated (Sprint), and GTE Florida Incorporated (GTEFL, now Verizon). Accordingly, Docket No. 990649-TP was opened to address the deaveraged pricing of UNEs, as well as the pricing of UNE combinations and nonrecurring charges.

On May 25, 2001, we issued our Final Order on Rates for Unbundled Network Elements Provided by BellSouth (Phases I and II), Order No. PSC-01-1181-FOF-TP. Within the Order, we addressed the appropriate methodology, assumptions, and inputs for establishing rates for unbundled network elements for BellSouth. We ordered that the identified elements and subloop elements be unbundled for the purpose of setting prices, and that access to those subloop elements shall be provided. We also determined that the inclusion of non-recurring costs in recurring rates should be considered where the resulting level of non-recurring charges would constitute a barrier to entry. In addition, we defined xDSL-capable loops, and found that a cost study addressing such loops may make distinctions based upon loop length. We then set forth the UNE rates, and held that they shall become effective when existing interconnection agreements are amended to incorporate the approved rates, and those agreements become effective.

Furthermore, we ordered BellSouth to refile, within 120 days of the issuance of the Order, revisions to its cost study addressing hybrid copper/fiber xDSL-capable loops, network interface devices (NIDs), and cable engineering and installation. The parties to the proceeding were also ordered to refile within 120 days of the issuance of the Order, proposals addressing network reliability and security concerns as they pertain to access to subloop elements. Later, BellSouth determined, through proceedings in other states, that changes were needed to the inputs for Daily Usage Files (DUF) rates. As a result, that issue has been

incorporated into this proceeding as well. This proceeding has come to be referred to as "BellSouth's 120-day filing."

By Order No. PSC-01-2132-PCO-TP, this docket was divided into sub-dockets in an effort to alleviate confusion between the BellSouth track, Docket No. 990649A-TP, and the Sprint/Verizon track, Docket No. 990649B-TP.

On March 11 and 12, 2002, we conducted an administrative hearing to receive evidence regarding the issues addressed as part of BellSouth's 120-day filng. This Order addresses the resolution of those issues.

I. LOOP COST STUDIES AND MODIFICATIONS

First, we have been asked to address whether or not BellSouth's 120-day filing comports with our directives as set forth in Order No. PSC-01-1181-FOF-TP. The relevant language in that decision which is germane to our consideration here is:

> . . . BellSouth shall be required to refile the BellSouth Telecommunications Loop Model (BSTLM) within 120 days of the issuance of this Order. As previously explained, the revised model shall explicitly model all cable engineering and installation placements and associated structures. Thereafter, we shall consider whether it is necessary to revisit and revise, on a prospective basis, the loop rates we set in this proceeding. The refiling shall include all BellSouth assumptions used in developing the cable placements, the basis and source data for the revised input values, and a clear identification and listing of all input values.

Order No. PSC-01-1181-FOF-TP at pages 306-307. We directed BellSouth not only to provide specific data and the assumptions that underlie the data, but to clearly identify its input values for the purposes of this proceeding.

A. COMPLIANCE WITH ORDER NO. PSC-01-1181-FOF-TP

AT&T/MCI witness Pitkin submitted in excess of 300 proposed alternate input values for the BSTLM and identified the source for these inputs as AT&T/MCI witness Donovan. Witness Donovan

testified, however, that he did not address each input. Instead, he offered work papers and documentation in support of 22 of these inputs. Herein, we have considered the inputs proffered by AT&T as they relate to the direction we specifically gave to BellSouth by Order No. PSC-01-1181-FOF-TP.

1. ENGINEERING FACTOR

In its previous filings in this docket in August 2000, the BellSouth Cost Calculator's internal logic calculated engineering as a loading on material. For its 120-day filing, BellSouth modified the logic of the BSTLM to calculate engineering costs by applying factors to the total non-engineering investment, according to BellSouth witness Caldwell. To make its calculations for the "bottoms-up" 120-day filing, witness Caldwell contends that BellSouth relied on two sources for inputs: 1) outside plant contractor costs; and 2) BellSouth's outside plant construction management system (OSPCM). Witness Caldwell explains that outside plant contracts for each Florida district were reviewed for specific work activities. BellSouth's actual usage from its contracts during 2000 became the basis for each activity in the 120-day filing. The OSPCM, which is used internally by BellSouth to estimate job costs, provided source code data and assumptions for splicing and placing time inputs, according to witness Caldwell. The inputs used by BellSouth in its original 120-day filing yielded two engineering factors, 27 percent for copper cable accounts, and 35.7 percent for fiber accounts, according to witness Caldwell.

The record reflects that at her deposition prior to hearing, witness Caldwell was asked to produce the inputs from the OSPCM that were used to arrive at the engineering factors in the 120-day filing as a late-filed deposition exhibit. This request precipitated a revision by BellSouth to its 120-day filing. This revision included changes to BellSouth's engineering factors, as well the following explanation of why the factors changed:

> The engineering factors in the OSPCM were applied to Telco labor plus contractor costs. The BSTLM, however, was programmed to apply the factors to Telco labor, contractor costs, and material costs. Thus, the application of factors from BellSouth's OSPCM resulted in

> an overstatement of the engineering costs for copper and fiber cable accounts. In order to address this problem, BellSouth has developed engineering factors based on relationships between engineering costs and the total non-engineering investments for each plant account.

BellSouth also acknowledged in response to discovery requests that no documentation existed to substantiate the engineering factors in the OSPCM that had formed the basis for BellSouth's original engineering factors.

Witness Caldwell has, however, provided the following explanation of how BellSouth arrived at its final revisions to the engineering factors after discarding its initial approach using the OSPCM inputs, "Basically, we used 1998 RTAP data in which we looked at each one of the individual accounts and looked at the engineering dollars associated with that account." The witness further explains that BellSouth then took the RTAP data, which comes from BellSouth's Resource Tracking Analysis and Planning database, and created a spreadsheet that calculated BellSouth's final engineering factors. The final revised engineering factors range from 8.8 percent to 52.7 percent for copper cable accounts, and from 7.9 percent to 25.1 percent for fiber cable accounts.

AT&T/MCI witness Donovan believes that in spite of BellSouth's changes to its calculation methods, the engineering factors fail to accurately reflect forward-looking costs. He explains that:

> BellSouth should have created an engineering cost that correlates with technician labor. BellSouth has muddied the waters by creating a factor that treats engineering cost to be proportional to labor costs plus material costs. This inappropriately includes the cost of materials in the allocation of engineering costs. Engineers create Engineering Work Orders to instruct technicians what to do. They do not create Engineering Work Orders to instruct materials.

The remedy, witness Donovan maintains, is for BellSouth to further modify the logic of the BSTLM to yield engineering costs that reflect a direct correlation to internal direct labor and contract direct labor, but eliminate material costs as a driver of engineering allocations.

The witness further contends that, ideally, engineering costs should be broken down into three components: 1) one based on sheath feet of cable or structure engineered, calculated on a "per feet per day engineered" cost; 2) one for cable splicing on a "minutes of engineering time per splice" basis; and 3) a third for groups of copper or fiber pairs spliced on a "minutes of engineering per 300 pairs spliced" or "minutes of engineering time per 12 fibers spliced."

Witness Donovan also advocates establishing a ratio of engineering to technician labor, which he refers to as a "span of control." Witness Donovan explains that he analyzed BellSouth's embedded data for the years 1997 through 2000 and found the ratio of engineers to technicians varied depending on accounts. The ratio was as low as one engineer to one technician in some accounts, and as high as one engineer to roughly five technicians in some accounts. According to witness Donovan, "The ratio of 1.1[sic] engineers per technician is absurd because such a ratio would indicate that as much time was spent on the engineering and paperwork as was spent on building a piece of outside plant."

Witness Donovan thus contends that we should direct BellSouth to modify the BSTLM to reflect a 16.7 percent engineering to labor ratio, which is the equivalent of having a "span of control" of one engineer to six technicians. This "span of control" ratio advocated by witness Donovan translates to an engineering to labor percentage of 16.7 percent. If the 16.7 percent ratio of engineering to labor were used in the BSTLM, according to witness Donovan, BellSouth's engineering factor input would range between seven and 11 percent -- averaging 9.4 percent -- depending on the account. Witness Donovan notes that his proposal is consistent with the FCC's finding in its Universal Service Final Inputs Order FCC Order No. 99-304, CC Docket No. 96-45, which set the engineering factor at 10 percent.

In response, BellSouth witness Caldwell argues that witness Donovan's proposal to mandate an engineering-to-technician ratio of 1:6, "dismisses the actual data" and replaces the data with, "his own personal judgment."

Acknowledging witness Caldwell's argument, AT&T/MCI witness Donovan agrees that he has used his own personal experience as a

partial basis for his "span of control" argument. However, he maintains that:

> . . . I know enough about how costs are accumulated having done those studies on a corporate staff, albeit with a different regional telephone company, to know that there are miscellaneous costs frequently included in the alleged cost data. I have looked at those numbers, they seem unreasonable, and it is not outside my experience to have investigated those in other companies only to find out that the data is - may not be as granular as it could be in looking at span of control.
>
> In other words, isolating exactly engineers' labor costs alone and exactly the technicians' labor cost alone is not always as clean as that when data is collected at the macro level that this data was collected in.

BellSouth's decision to use data from a single year for the purpose of establishing engineering rates was incorrect, according to witness Donovan. "Work must be planned by engineers, funding must be secured, and detailed engineering must be completed even before technicians begin work," witness Donovan contends. "Therefore it is unrealistic to assume that one year should be selected to determine an appropriate ratio." Instead, witness Donovan proposes using data from 1997 through 2000 to establish an average that would, "levelize those obvious year-to-year timing differences."

DECISION

We begin by noting that BellSouth's witness Caldwell initially recommended engineering factors drawn from a single year's contractor data and inputs from the OSPCM. The OSPCM inputs were not included as part of the initial filing with us. When witness Caldwell was asked in deposition to provide the inputs, BellSouth changed its calculation method to include RTAP data and admitted that no documentation existed to substantiate the OSPCM inputs. This gives us some concern as to the stability of BellSouth's underlying analysis. An unstable premise may lead to an unstable conclusion.

Furthermore, we share witness Donovan's concern that reliance on a single year's data could potentially skew results. We also

have difficulty reconciling witness Caldwell's admission that BellSouth's engineering factors are linear loadings since we specifically determined in Order No. PSC-01-1181-FOF-TP that such factors generate questionable results when deaveraged rates are the intended outcome because they preclude economies of scale. See Order at p. 282.

However, AT&T/MCI witness Donovan's "span of control" ratio of one engineer for six technicians, regardless of the type of work performed, appears to rest entirely on the witnesses's own experience. Furthermore, witness Donovan's proposal also appears somewhat flawed. By calculating labor dollars in relationship to engineering dollars without accounting for labor rates, witness Donovan's calculations could yield inaccurate engineer-to-technician ratios.

Based on the evidence presented, we have considered the following options. The first option would be to accept BellSouth's engineering factors from its third revision to its 120-day filing. Another option would be to accept the percentages proposed by witness Donovan, and adjust these figures appropriately for inflation. A third option would be to accept BellSouth witness Caldwell's and AT&T/MCI witness Donovan's respective methodologies and split the difference between their values for each account. A final option would be to order BellSouth to modify the logic of the BSTLM to have engineering costs reflect a correlation to internal direct labor and contract direct labor but exclude material costs.

The delays necessarily associated with the final option render it unacceptable. As for the first three options, while each has its own benefits, we find that the second option has the most merit. BellSouth's admission that its engineering factors are linear loadings renders their use inconsistent with our directive in Order No. PSC-01-1181-FOF-TP. Further, BellSouth's decision to change its methodology for arriving at its engineering factors midway through this phase of the proceeding creates an aura of uncertainty about its premise and correspondingly, its conclusion. Using the AT&T factors, adjusted for inflation, yields the following engineering factors for fiber and cable accounts:

Poles	9.61%
Underground Metallic	7.51%
Aerial Cable Metallic-Bldg. Entrance Cable	8.61%

Aerial Cable Metallic	7.37%
Buried Metallic Cable	10.46%
Intrabuilding Network Cable Metallic	7.94%
Underground Non-Metallic Cable	5.11%
Aerial Cable Fiber-Bldg Entrance Cable	9.30%
Aerial Non-Metallic Cable	7.24%
Buried Non-Metallic Cable	11.88%
Intrabuilding Network Cable Fiber	9.80%

Therefore, upon consideration, we hereby approve the engineering factors identified above.

2. STRUCTURE COSTS

a. Miscellaneous Contractor Charge

The parties dispute the validity of applying a Miscellaneous Contractor Charge, or closing factor, of 25.43 percent to each function performed under the category of outside plant structure costs. These functions include placement and restoration operations necessitated by the placement of telecommunications cable.

AT&T/MCI witness Donovan contends BellSouth's application of the 25.43 percent Miscellaneous Contractor Charge is a "potpourri of charges" for which BellSouth could find no other place in the BSTLM-SC. As such, he contends that they should be excluded from every cable placement category. BellSouth witness Milner counters that the miscellaneous category includes legitimate costs that are appropriate in a cost study designed to reflect the forward-looking costs associated with placing cable.

BellSouth witness Milner does acknowledge that some of the costs included in the miscellaneous category - use of a bulldozer when plowing cable, as one example - would occur infrequently. He explains:

> If you need, if you need a police officer because you're working in the middle of a street to direct traffic, if the situation is that you've got to rent equipment like chainsaws to remove brush or trees from the property before you can begin the work. So it's all sort of incidental. The question becomes to what degree of

> granularity do you want to start accounting these things such that you make sure they're absolutely, absolutely in the right bucket, if the net result is that the average cost per foot reflects these costs anyway?

In that context, maintains witness Milner, BellSouth has elected to spread the cost of all miscellaneous items evenly across all cable placement categories. Witness Milner asserts that a possible alternative would be for BellSouth to determine which of the miscellaneous costs apply to each individual cable placement category, and derive specific charges. Witness Milner believes that if miscellaneous charges are specifically applied by placement category, the result will be "individual placement types that are more expensive because you took all of those costs and applied them solely to that type of placement. But at the gross level the math, you know, works out the same."

AT&T/MCI witness Donovan did not address witness Milner's suggestion that the miscellaneous costs could be reallocated to specific cable placement operations instead of being treated as a percentage factor applied across all categories.

DECISION

We begin by assessing the following options: 1) acceptance of BellSouth's method of distributing and recovering miscellaneous costs equally over all structure activities as proposed; 2) acceptance of AT&T/MCI witness Donovan's suggestion to disallow all miscellaneous contractor charges; 3) requiring BellSouth to segregate miscellaneous contractor costs and apportion the costs on an activity-specific basis; 4) directing BellSouth to refile this aspect of its cost study, making provisions to allow ALECs to book contractors to perform certain functions and include all costs that may arise from coordination activities; or 5) adopting a miscellaneous contractor charge separate from that recommended by BellSouth.

The first option is problematic because it appears to contradict the purpose of this 120-day filing. As previously noted, we sought in this phase of the proceeding to arrive at costs that did not include linear loadings. While not precisely a linear loading, the miscellaneous contractor charge applies a percentage of costs to all structure activities, regardless of whether the

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The first option is problematic because it appears to contradict the purpose of this 120-day filing. As previously noted, we sought in this phase of the proceeding to arrive at costs that did not include linear loadings. While not precisely a linear loading, the miscellaneous contractor charge applies a percentage of costs to all structure activities, regardless of whether the

activity generates the cost. By blurring the distinction between cost causation and cost allocation, the practical effect of applying a miscellaneous contractor charge in this manner appears to be at least reminiscent of the application of a linear loading.

As for witness Donovan's suggestion that we disallow all miscellaneous contractor charges, we are concerned that this would result in non-recovery of legitimately incurred costs. Aside from AT&T/MCI witness Donovan's overarching assertion that these miscellaneous contractor charges do not meet TELRIC, BellSouth's claim that the costs are legitimate is uncontested by evidence or testimony of any ALEC witness. While BellSouth witness Milner did concede that some costs booked to the miscellaneous contractor charge category may be incurred infrequently, no ALEC witness demonstrated these costs are not incurred.

The third option, which would group costs by type of placement, provides an opportunity to more accurately determine what costs should be associated with structure related activities than is currently possible using BellSouth's 120-day filing. Unfortunately, however, the necessary level of detail to perform such an analysis is not available in this record. Furthermore, BellSouth witness Milner asserts that adopting this approach will increase per-foot costs within some structure categories, and decrease costs within others. Thus, the lack of record support and the lack of clarity as to the impact preclude this option.

If we were to accept the fourth option, which is to allow ALECs to contract independently for some of the services BellSouth performs, we recognize that this would likely result in delay because, as noted by BellSouth witness Milner, we would have to conduct further proceedings to develop the costs of coordinating activities between BellSouth and ALEC in order to meet the TELRIC standard. We find this potential delay unacceptable.

The last option would involve the introduction of new cost model inputs into the record. We are concerned this option would also create unacceptable delay by necessitating further proceedings.

does not s[illegible] We note that with the deletion of the 25.43 percent miscellaneous contractor charge, input values to the model will be reduced in a num[illegible] caused by the

b. Aerial Structure

AT&T/MCI witness Donovan alleges that BellSouth's use of an average of 120 feet between poles in urban, suburban and rural density zones does not pass what he describes as "the red-face test." In his deposition, witness Donovan described the "red-fact test" accordingly:

> What I mean by the red-face test is that it doesn't pass the common layman's real-life observations about a particular topic. It just doesn't make sense, and probably when presented with real evidence, real live evidence in person before your own eyes, the author may end up with a red face.

Witness Donovan further contends that a simple observation can be performed by driving along a stretch of road where telecommunication cable is attached to poles. Witness Donovan explains that the observer should begin by setting the automobile odometer at zero, and then should drive for one mile, counting the number of poles. At the end of one mile, the number of linear feet in one mile is divided by the number of poles counted to yield an average distance.

Witness Donovan supplements his recommended observational method by citing the FCC's Final Inputs Order, which he asserts used the BellSouth Cost Proxy Model (BCPM), the Hatfield Model (HAI), and the FCC's own calculations to arrive at proposals in §214 that distances between poles range from 150 feet to 250 feet. Witness Donovan takes the distances cited by the FCC in each of nine density zones, divides the aggregate number by nine, and arrives at a figure of 184 feet between poles, which he advocates that we use.

BellSouth witness Caldwell responds that witness Donovan's method of computing average distances between poles is not better than making calculations utilizing actual data and should not be accepted. Witness Caldwell acknowledges some spans vary, but BellSouth's 120-foot increment should be accepted:

> Clearly, some span lengths may be 150, 200 or 250 feet depending on the size cables carried on the span and a host of other factors. However, there are also those areas of the network - for example, a road intersection with multiple cable routes intersecting - where there are

> several poles at various corners of the intersection all in close proximity to one another. While BellSouth agrees it is a simple task to ride in one's car for a mile and count poles per mile, as Mr. Donovan suggests, this is in no way superior to basing cost study inputs on real data.

Regarding the FCC's Final Inputs Order, witness Caldwell maintains, "the facts clearly reveal that those other model default values are understated."

However, witness Donovan is also critical of BellSouth's proposed linear-foot intervals for downguys and anchors, which are used to stabilize pole lines. Witness Donovan maintains that, "In my experience, downguys and anchors should be expected to occur every 1,000 to 1,200 feet. In fact, developers of BellSouth's BSTLM agree with that, and included a default of 1,200-foot spans." Witness Donovan references page 72 of the BSTLM Methodology Manual in support of his contention, which reads, in part:

> The Investment Process calculates anchors, guys, and poles on a per foot basis. Per foot development assumes an average span of 1200 feet to determine the number of anchors and guys needed.

Witness Donovan further asserts that BellSouth's proposal to place anchors and downguys every 500 feet is contrary to "common industry knowledge."

BellSouth witness Caldwell nevertheless counters that witness Donovan's claim of a 1,200-foot default in the BSTLM is a misperception. She explains:

> BellSouth does not maintain records of the number of anchors and guys used, so an approach to determine average spacing similar to that taken for poles was not possible. Furthermore, the 1,200 foot anchor and guy spacing included as a filler in the BSTLM was never modified or evaluated since BellSouth had no intention of using that variable prior to our order for a bottoms-up study.

BellSouth witness Stegeman elaborates on the use of the 1,200-foot figure in the BSTLM cost methodology manual:

> This distance has nothing to do with guy and anchor spacing. Rather, the 1200-foot value is used to account for the number of poles, including the end pole, on a typical aerial span length; that is, if you have a 1200-foot span with 150-foot spacing between poles, you need 9 poles, not 8, if you simply divide 1200 by 150.

DECISION

Upon consideration of the foregoing, we hereby adopt a distance of 150 feet between poles in all density zones. BellSouth's proposed 120-foot distance is less than the shortest distance of 150-foot used by the FCC in any of its nine density zones for Universal Service assumptions, rendering BellSouth's proposal unacceptable. Witness Caldwell's dismissal of the value of all other cost models without supporting evidence or testimony is difficult to validate. Of similar concern to us is the fact that witness Donovan's observation method for pole placement appears to be subject to probable inconsistencies. Furthermore, we do not believe that it is compatible with any definition of TELRIC compliance. However, witness Donovan's use of substantive data previously relied on by the FCC to establish pole placement distances for Universal Service purposes lends credibility to his proposal.

Conversely, witness Donovan's proposal that we adopt 1,200 feet as a distance between downguys and anchors appears to be based on a misunderstanding of material taken from the BSTLM cost methodology manual. BellSouth witnesses Caldwell and Stegeman argue the 1,200-foot value alluded to by witness Donovan is not a default for anchor and downguy spacing but a hypothetical figure in an example to calculate the number of poles in a span. Witness Donovan offers nothing to dispute this assertion. Therefore, we hereby adopt BellSouth's 500-foot value for downguys and anchors.

We also find it appropriate to require a reduction in the cost of poles from BellSouth's $300.16 to $239.31 based on our decision to eliminate BellSouth's miscellaneous contractor charge of 25.43 percent.

c. Aerial Structure Contract Labor

AT&T/MCI witness Donovan contends BellSouth's calculations for aerial structure contract labor are flawed for two reasons. First, witness Donovan alleges, BellSouth includes the cost of placing power company poles without taking credit for the number of poles placed. "Because the objective is to determine the installed cost per pole, it is inaccurate to divide the costs of installing two poles (one telco pole + one power pole) by only a single (telco) pole." Second, witness Donovan alleges BellSouth includes costs for placing "Carry-In" poles without taking credit for the number of poles placed. These pole placements, witness Donovan believes, "must be excluded to balance the numerator and the denominator." Witness Donovan's proposed resolution is to exclude from the BSTLM calculations contractor line items that have pole placement costs but no matching quantities of poles, which would result in a reduction of $38.23 in labor costs for each pole placed.

BellSouth witness Kephart, whose testimony was adopted by BellSouth witness Milner, argues that witness Donovan misinterprets the contract data associated with pole placements. Witness Milner maintains that the cost categories referenced by witness Donovan are additional contract labor costs over and above standard pole-placing costs. For example, the witness explains that the additional costs to carry a pole into a location at the back of a property line prior to the actual placement of the pole is accounted for as the "Carry-In" line item referred to by witness Donovan. Witness Milner concludes, "These are additional costs that are experienced in the real world, and will be experienced in a forward-looking environment, and are correctly included as part of the average cost of placing poles."

AT&T/MCI witness Pitkin has provided an exhibit illustrating a proposed reduction in the price for aerial poles from $300.16 to $239.31. Witness Pitkin has not, however, provided any testimony in support of his proposed reduction. Furthermore, AT&T/MCI witness Donovan, upon whose analysis witness Pitkin has relied, presents proffered no testimony or exhibits supporting witness Pitkin's proposed reduction.

DECISION

Given the absence of any evidence to the contrary, we find that labor costs shall be included for the aerial structure categories in dispute. BellSouth's value, however, includes the previously referenced 25.43 percent miscellaneous contractor charge. This loading shall be deleted, and both aerial pole and pole labor input values shall be appropriately reduced.

d. Buried Excavation Contract Labor

BellSouth witness Caldwell asserts that while the BSTLM input tables were modified to permit the prices charged by contractors for buried excavation to vary depending on the type of terrain, the agreements between BellSouth and its outside contractors do not differentiate prices by terrain type. "Therefore," witness Caldwell explains, "all excavation cost values are the same regardless of terrain type." The witness continues:

> Excavation costs were determined in the same manner as the aerial structure contract labor costs. Contract labor costs for buried excavation activities were obtained from actual outside contractor contracts in each district in Florida. Each district contractor's price was weighted by the amount of usage in the district in 2000 to arrive at a weighted average price per foot for buried excavation in the state.

AT&T/MCI witness Donovan, however, contests BellSouth witness Caldwell's assertion that buried excavation contract labor costs do not vary in seven of the nine types of excavation BellSouth lists in the BSTLM. According to witness Donovan, the BSTLM fails to delineate costs for the following types of excavation: Trench & Backfill, Backhoe Trench, Hand Dig Trench, Cut & Restore Asphalt, Cut & Restore Concrete, Cut & Restore Sod, and Plow Cable. Witness Donovan explains, "BellSouth's witness Caldwell claims that buried excavation contract labor costs do not vary by type of excavation because BellSouth's agreements with its contractors do not vary with terrain type. I believe this to be a misleading statement." Witness Donovan asserts that BellSouth purportedly allows contractors to determine which of the seven types of excavation will be used without direction from BellSouth engineers. He explains:

> During my career, in every instance of which I am aware, a contractor hired to install cable was specifically directed to install that cable in a particular manner, as directed by the engineer. This allows the engineer to specify the exact type of construction, and allows economical use of much less expensive plowing where appropriate.

In response, BellSouth witness Milner explains that within the seven categories challenged by witness Donovan, BellSouth negotiates a single price:

> The rate per foot is negotiated between BellSouth and, and contractors. We describe the work that we want done, we put a bid sheet out. Various contractors come back and give us their prices for what they would do that unit of work for. We agree to a contract, sign it. And then when we have work, we place the work with those contractors and the prices are those found in the contract.

To this, witness Donovan counters that he does not argue that BellSouth witness Caldwell's statements are "misleading," but rather,

> My testimony says that I think that that is an unreasonable or - I don't think it's the most cost-effective way to do the procurement function, having done the procurement function myself, to mix a very low cost with a much higher cost excavation method and not take advantage of the extremely low cost of plowing cable.

Witness Donovan does not contest BellSouth's assertion that plowing cable is the predominant form of excavation used in rural areas of Florida; in fact, witness Donovan describes BellSouth's stated ratio of 78 percent for plowing cable in rural zones "reasonable." What is unreasonable, according to the witness, is the combining for cost purposes of relatively low cost cable placement methods, such as plowing cable, with a more expensive type of placement, such as backhoe trenching. Witness Donovan proposes a cable plowing input of $0.80 per foot, while BellSouth proposes a proprietary per-foot input that is several times greater than witness Donovan's proposal. Witness Donovan bases his input value

of $0.80 per foot on industry experience and the FCC's Synthesis Model, which he contends generated a $0.77 per-foot cost in rural density zones.

DECISION

Based on the evidence and testimony presented, we have considered the following options. First, we can accept BellSouth's proprietary single per-foot cost for all types of buried excavation contract labor. Another option is to accept the discrete values recommended by AT&T/MCI witness Pitkin in Exhibit 59. A third option would be to adopt the BellSouth values with the exception of plowing cable, for which witness Donovan offers supporting documentation.

While we believe that BellSouth's practice of merging high-cost and low-cost forms of excavation for the purpose of procuring contracts to perform buried excavation activities may not yield the preferred level of detail desired in a cost study, there is no evidence in the record to dispute that this is BellSouth's business practice. Witness Donovan appears incredulous that each discrete buried excavation activity contracted for by BellSouth does not have a separate per-foot negotiated price; however, he offers nothing factual to usurp the existence of a "one-price-fits-all" approach.

AT&T/MCI witness Pitkin initially offered separate inputs for each buried excavation activity which were subsequently modified, but supplied no documentation to support his exhibits. Asked for the source for the inputs, witness Pitkin cited AT&T/MCI witness Donovan. AT&T/MCI witness Donovan was asked if his testimony supported each input value in the exhibits submitted by witness Pitkin, to which he responded, "I don't discuss all the inputs in my testimony, only some of them."

Given the interval between the depositions on January 18, 2002, and the hearing in this phase of the proceeding on March 11, 2002, coupled with our clear indication of interest in the source of inputs contrary to those proposed by BellSouth, we believe witnesses Donovan and Pitkin had sufficient time to marshal documentation in support of their input values. The witnesses' failure to corroborate their position leaves us little choice but to give greater credence to BellSouth's inputs and adopt them with

the exception of the $0.80 per-foot cost for plowing cable. In theory, the per-foot cost for other forms of buried excavation should be adjusted upward from BellSouth's contract value; however, we find there is no record evidence to calculate such an adjustment.

Here again we note that the deletion of the miscellaneous contractor charge of 25.43 percent will result in decreased input values for a number of activities in this category.

e. Buried Splice Pits

On this point, AT&T/MCI witness Donovan asserts that BellSouth spreads its contractor costs for buried splice pits across bore buried cable and buried cable operations, which increases BellSouth's costs. Witness Donovan believes this method of accounting for buried splice pits results in inequities for competitors because, "Splice pits are not needed for normal buried splicing operations because such splices are routinely placed in above ground pedestal enclosures." Witness Donovan contends that since the costs of enclosures are included in BellSouth's Exempt Material Loading Factor, the buried splice pit contractor costs should be excluded from the model.

BellSouth witness Caldwell rejects witness Donovan's premise that the cost of buried splice pits should not be included. The witness contends that:

> First, the actual data, i.e., the 2000 contractor activity in Florida, clearly shows that costs associated with buried splice pits, including digging, shoring and costs, do occur. Furthermore, if we were to accept Mr. Donovan's proposal that all buried splices should occur above ground in pedestals, he has not accounted for all of the costs in his proposed inputs.

Costs associated with pedestals would include labor associated with the placing of the pedestals, according to witness Caldwell.

DECISION

Witness Donovan's contention that buried splice pit structures are accounted for in the exempt material loading factor appears to misinterpret BellSouth's filing. The costs to which witness Donovan refers in his testimony appear to be labor costs, not material costs. As such, we believe AT&T/MCI witness Donovan's testimony on this issue cannot sustain the conclusion he advocates. Thus, there shall be no adjustment to BellSouth's costs in this category.

f. Bore Buried Cable and
Push Pipe/Pull Cable

The BSTLM identifies two methods of excavation as unique cost items, Bore Buried Cable and Push Pipe/Pull Cable. The record reflects that boring necessary to bury cable involves use of a drilling device to create subsurface channels through which cable can be run in order to avoid disturbing surface structures, such as roads. The latter cost category refers to the practice of pushing a length of pipe between two points and pulling a telecommunication cable through the pipe.

AT&T/MCI witness Donovan assails BellSouth's per-foot cost for Bore Buried Cable excavation, alleging BellSouth has included in its calculations the price of steel, polyvinylchloride (PVC), non-specific conduit and flexible pipe. Witness Donovan believes that, "Costs for pipe should be excluded, because Boring Buried Cable does not normally use pipe." The cost of any pipe should be accounted for in the Push Pipe/Pull Cable category, according to witness Donovan.

BellSouth witness Caldwell disagrees with witness Donovan's assessment of the Bore Buried Cable category, contending BellSouth's approach is based on actual contracts listing steel pipe, PVC and flexible pipe as added costs in bidding agreements. Because these pipe costs are actually incurred, witness Caldwell asserts, they are loaded into the BSTLM. Witness Caldwell explains:

> This resulted in every foot of boring assuming a fraction of pipe costs (less than 25%). This is a reasonable and factually based approach for identifying pipe costs. It does not imply that every foot of boring requires pipe of some sort.

Witness Caldwell also disagrees with witness Donovan's proposal that all pipe investment be included in the Push Pipe/Pull Cable category. In response, she contends that:

> Mr. Donovan prefers to identify the cost of the pipe in the push pipe pull cable category, in reality ignoring the contractual facts. In effect, Mr. Donovan's approach is not based on fact and will result in inaccuracies.

DECISION

The record offers clear alternatives on this issue. BellSouth's option is to assess costs for materials across both categories, resulting in a lower per-foot cost for push pipe/pull cable activities while raising the cost for bore buried cable activities. AT&T/MCI witness Donovan believes the conduit investment should be excluded from the bore buried cable category because conduit is not used for bore buried cable activities. Witness Donovan notes his proposal will more than quadruple the per-foot cost for push pipe/pull cable activity.

Witness Donovan's point is well taken. While BellSouth may structure its contracts to include conduit investment for both activities, this practice appears to obscure the relationship between cost causation and cost recovery. Nothing in the record contradicts witness Donovan's assertion that conduit is not normally used for bore buried cable and BellSouth's procurement practices notwithstanding, competitive interests are not served by attributing costs to activities where costs are not warranted. Therefore, we find that conduit costs from the bore buried cable category shall be excluded, and instead they shall be included in the push-pipe/pull-cable category.

g. Buried Cable

Witness Donovan further believes the BSTLM improperly adds investment to the buried cable category, which results in a higher per-foot cost than is justifiable, based on his experience. In confidential Hearing Exhibit 66, witness Donovan arrives at a per foot cost that is $0.71 below that advocated by BellSouth. Witness Donovan proposes the per-foot reduction by eliminating the inclusion of conduit, concrete handholds and "other inappropriate costs." Witness Donovan contends the only appropriate costs in

this category should be those necessary to place the cable, which forms the basis of his calculations.

BellSouth witness Milner responds, "The costs he (Witness Donovan) refers to are legitimate costs associated with burying cable, thus are correctly included in BellSouth's study. Those real costs of burying cable include such things as disposal costs of trench aggregate, placing additional cables in the same trench, etc."

DECISION

We found testimony on this issue to be limited, and BellSouth witness Milner does not provide a detailed response to witness Donovan's specific proposals as to which investments should be excluded for the buried cable placement category. Witness Donovan is persuasive in his argument that the appropriate method of arriving at a per-foot cost for placing buried cable is to include only those costs that can be specifically identified with the activity, and divide the costs by the number of linear feet of cable placed. In the absence of detailed rebuttal from BellSouth witnesses, we adopt witness Donovan's proposal and reduce the per-foot rate of placing buried cable by $0.71.

h. Underground Excavation Contract Labor

According to BellSouth witness Caldwell, the BSTLM input tables were modified to allow contractor underground excavation prices to vary contingent on terrain type. The witness notes, however, that contracts between BellSouth and its outside contractors do not differentiate by terrain type, similar to buried excavation contract labor.

To derive the figures in the BSTLM, witness Caldwell explains that:

> Contractor labor costs for underground excavation activities were obtained from actual outside contractor contracts in each district in Florida. Each district contractor's price was weighted by the amount of usage in the district in 2000 to calculate a weighted average price per foot for underground excavation in the state.

Witness Donovan emphasizes, however, that BellSouth assumes eight types of underground excavation labor: 1) Rocky Trench; 2) Trench and Backfill; 3) Backhoe Trench; 4) Hand Dig Trench; 5) Cut & Restore Asphalt; 6) Cut & Restore Concrete; 7) Cut & Restore Sod; and 8) Bore Underground Cable. For Florida, the BSTLM assumes zero percentage occurrence for rocky trench excavation. Witness Donovan is nevertheless critical of BellSouth's methodology in arriving at a per-foot cost for the remaining seven categories of underground excavation, because BellSouth includes the cost to bore underground cable, which he alleges is a rarely used, high-cost activity. Witness Donovan contends:

> BellSouth's overall combined weighted input costs for underground conduit placing per foot vary significantly between Rural, Suburban, and Urban density zones. One might ask, if excavation costs are the same regardless of the excavation method, then why are the costs by density zone not the same? The answer is simple. BellSouth inappropriately used an extremely high Bore Underground Cable Cost, and then applied varying percentages of use by density zone as a "fudge-factor" to make the cost per density zone vary.

Using BellSouth proprietary data, witness Donovan contends the frequency of use of Bore Underground Cable by BellSouth is less than one half of one percent (0.47%) on a linear foot basis. Witness Donovan alleges, however, that BellSouth allocates this "rare, and extremely high cost type of construction" as 2.67 percent in rural zones, 5.75 percent in suburban zones, and 12.5 percent in urban zones. Witness Donovan concludes, "I recommend adjusting these BSTLM input percentages, based on underground route feet produced by [the] BSTLM, to result in an overall average of 0.47%, but varying density zone based on sheath feet differences." It is noteworthy that neither BellSouth witness Caldwell nor witness Milner directly address AT&T/MCI witness Donovan's criticisms of the allocation of Bore Underground Cable percentages.

Witness Donovan also advocates reallocating restoration costs for asphalt, concrete and sod to the appropriate underground excavation categories instead of spreading the cost of all three across all categories of excavation. To this, BellSouth witness Caldwell responds, "Rather than argue about subject matter expert based estimates in the BSTLM of how often these restoration costs

actually occur, BellSouth chose to spread these costs out over buried cable placements, underground placements, buried boring and underground boring to develop the average placement costs based upon what actually occurred in Florida."

DECISION

Work papers submitted by BellSouth in this proceeding support witness Donovan's conclusion that the occurrence of the activity labeled Bore Underground Cable is negligible in Florida. Conversely, BellSouth's tables show the percentage of activity attributed to Bore Underground Cable as indicated by witness Donovan for rural, suburban and urban density zones. No BellSouth witness addresses this apparent incongruity and the matter is not addressed in BellSouth's brief. By omission, whether intentional or inadvertent, the available evidence favors witness Donovan's position. We find it appropriate to adopt witness Donovan's proposal on this point, and the appropriate inputs for Bore Cable.

Conversely, we decline to adopt witness Donovan's proposal to reapportion restoration costs in the model. While there may be merit in witness Donovan's proposal, outstanding questions regarding implementation give us pause. Witness Donovan purports to demonstrate how he achieves per-foot reductions in the removal and restoration of concrete, asphalt and sod, but does not offer an explanation of his methodology. Witness Donovan also fails to address the frequency with which he believes these activities may occur, leaving us in a position of accepting BellSouth's inputs or AT&T/MCI witness Donovan's incomplete analysis. Upon consideration, we adopt BellSouth's inputs for all other categories. However, here again we note that the elimination of BellSouth's 25.43 percent miscellaneous contractor charge, reduces input values in this category. In addition, a reduction in the loading for conduit material, as explained in detail in the ensuing decision is appropriate, based on the reduction in engineering factors. The reduction in the loading for conduit material will further decrease the input values in this category.

i. Conduit Material

AT&T/MCI witness Donovan alleges BellSouth's methodology for arriving at a per-foot cost for conduit material is flawed by the application of a 40 percent loading factor, which he argues

artificially inflates BellSouth's price. BellSouth witness Caldwell counters that the 40 percent loading factor is actually a conservative estimate of BellSouth's costs which, if averaged over a three-year period from 1998 to 2000, would result in a loading factor of 49 percent.

Witness Caldwell believes the loading on conduit material is appropriate, because it properly captures miscellaneous material costs incurred for the material. These costs, according to witness Caldwell, include engineering (28 percent of the 40 percent loading factor), exempt material (eight percent of the 40 percent loading factor), and other costs, including plant labor, supply expense, contract labor, right of way and interest during construction (four percent of the 40 percent loading factor). Witness Caldwell explains:

> The costs identified here are not included in the bill from the contractor. Specifically, this factor excludes exempt material, supply expense, engineering and other miscellaneous costs that are considered in the conduit account. Mr. Donovan says exempt material should be excluded from the account: however, he is incorrect. Documents we filed associated with the cost study clearly indicate the exempt material dollars are charged against the conduit account and in fact make up 8 percent of the 1998 factor. Again, these are real dollars incurred by BellSouth that BellSouth should be allowed to recover.

Witness Donovan, however, disputes the validity of the 40 percent loading factor, and instead advocates a reduction of BellSouth's engineering factor, as well as the elimination of the exempt material input. Witness Donovan believes that based on industry experience, the appropriate engineering factor for conduit material should be 12 percent, not BellSouth's proposed 28 percent. As far as exempt material, witness Donovan explains, "There are no exempt materials that are added to plain white pipe. A pipe is a pipe, and such things as nuts and bolts do not apply." Witness Donovan does not advocate changing the four per cent input for other materials. Reducing BellSouth's loading factor from 40 percent to 16 percent would result in a reduction of BellSouth's proprietary per-foot cost by $1.11, according to AT&T/MCI witness Donovan.

DECISION

Based upon the evidence and testimony presented, we have considered the following options regarding the appropriate loading for conduit. BellSouth witness Caldwell proposes a 40 percent loading, while witness Donovan proposes 16 percent. Another alternative is to adopt engineering factor of 6.313 percent, which is an average of our proposed engineering factors for underground copper cable and fiber discussed previously in this Order. We find an average of the two to be appropriate because the available data do not support a distribution of conduit between copper and fiber cable on this issue. There is no dispute between the witnesses on the viability of four percent loading for other costs, and we therefore retain this figure, bringing the alternative loading up to 10.313 percent. This leaves the extent to which exempt material should be included, if at all, in this loading. The testimony on the appropriateness of including exempt material in this loading leaves us disinclined to exclude recovery completely. However, BellSouth has done little to inspire confidence that the 11 percent historical figure or eight percent figure proposed for exempt material in this loading relates directly to conduit. Given the ambivalence surrounding the inclusion of an exempt material factor in this loading, a compromise is appropriate. Therefore, BellSouth shall be allowed to include a 5.5 percent exempt material factor in its conduit loading, which is half of the four-year historical average of 11 percent. The 5.5 percent, added to the existing 10.313 percent results in a loading of 15.813 percent, which we find appropriate and hereby adopt.

j. Buried Restoration

BellSouth labels the activities necessary to restore the ground surface in the wake of underground cable placement, "Buried Restoration." BellSouth provided exhibits that demonstrate these activities may include the replacement of asphalt, concrete, gravel or dirt, reseeding or other necessary restoration operations.

Rejecting the notion that these activities are, in fact, properly addressed in the BSTLM, AT&T/MCI witness Donovan first contends that BellSouth has erred in its application of buried restoration activities by aggregating the costs of the activities and spreading them over all structure accounts related to buried cable placement. Witness Donovan finds this approach problematic

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because, he maintains, ". . . performing Boring Cable operations is done to avoid the need to cut and restore the ground surface; therefore, surface restoration costs are inappropriate for Boring Cable. Plowing Cable also requires no surface restoration activities."

Second, witness Donovan contends, BellSouth distributes the cost of splice pits over bore cable and buried cable placement accounts. This is inappropriate, according to the witness, because splices for buried cable are normally contained in above ground pedestal enclosures, and the material costs for these enclosures are included in the Exempt Material Loading Factor. He further contends that the labor is already included in the category of splicing labor.

Finally, witness Donovan contends that BellSouth assesses the cost of furnishing and placing various diameter corrugated pipe on all placement accounts, which he believes is inappropriate because, "By definition, buried cable involves cable in contact with dirt, not pipe."

BellSouth witness Caldwell counters by noting that:

> While Mr. Donovan seems to agree these restoration costs are appropriate costs to include in the bottoms-up study, he appears to disagree with the manner in which BellSouth has spread those costs over buried cable placement and boring costs.

Witness Caldwell then explains that BellSouth chose to spread the buried restoration costs over all accounts to derive the most accurate per foot cost for restoration on a Florida-specific basis. Witness Caldwell further cautions that if witness Donovan's approach is approved by us and restoration costs are allocated directly to specific operations, a reduction in per-foot costs will result in some operations, while an increase in costs will occur in others.

Witness Donovan does, however, recognize that his proposal may result in increased costs in certain categories. Nevertheless, he notes, "But I believe this is the more appropriate way of

allocating costs into the correct categories. I just think it's the right thing to do."

DECISION

As noted in our decision on the issue of underground excavation contract labor, the concept advocated by witness Donovan has validity, but his analysis does not achieve a level of completeness that allows a thorough evaluation of his conclusions and proposed implementation. While BellSouth's method of distributing restoration costs across all buried cable and bore cable activities may admittedly create some blurring of distinctions between cost causation and cost recovery, we believe the parties have provided limited opportunities for resolution on this issue. Thus, no changes shall be made on this issue.

k. Manholes

BellSouth witness Caldwell asserts that costs for manholes/underground structures, in which telecommunications cables may be spliced and transmission equipment located, are based on actual outside contractor contract costs.[1] Witness Caldwell explains that each district contractor's price was weighted by the amount of usage in the respective district in 2000 to arrive at a weighted average price for furnishing and installing conduit in manholes in Florida. Because contractors charge BellSouth for placing manholes on a per cubic foot basis, the BSTLM inputs for manholes were based on the total cubic feet of the different sizes.

We note that in BellSouth's revised 120-day filing, revisions were made that affected the development of manhole costs. In a letter accompanying its third revision of the 120-day filing, counsel for BellSouth explained that BellSouth had neglected to apply certain loadings to Type 1 (less than 351 cubic feet) and Type 2 (greater than 351 cubic feet) manholes. The application of the miscellaneous loading (25.43 percent) and material loading (40 percent) factors increased the per-cubic-foot cost of a Type 1 manhole from BellSouth's contracted cost of $48.06 to $84.39 and increased the per-cubic-foot cost of a Type 2 manhole from $16.90 to $29.68.

[1]Also referred to by witnesses as "vaults."

In response, AT&T/MCI witness Donovan calls into question BellSouth's methods of arriving at a per-cubic-foot cost for manholes. First, witness Donovan contends that BellSouth's sample size consists of seven manholes, one of which is an "exceptionally high-cost Type-A manhole that is almost 3 times the cost of the other 6 manholes in the sample." Witness Donovan advocates the exclusion of the Type-A manhole for calculating the cubic-foot cost.

Second, witness Donovan contends that BellSouth attempts to inflate the cost of manhole covers and collars by distributing the costs of 207 manholes and collars over the seven manholes in its sample. This mismatch between numerator and denominator results in the allocation of 30 manhole covers for each manhole in the sample, according to witness Donovan. The witness maintains that BellSouth's methodology of calculating manhole cover and collar costs is flawed, because covers and collars do not change in size in relationship to the size of the manhole, retaining the same 30-inch diameter regardless of the size of the manhole beneath.

In addition, witness Donovan argues that BellSouth underestimates the capacity of manholes to handle conduit, leading BellSouth to gravitate unnecessarily to larger structures, which, when costs are calculated on the basis of cubic footage, results in inflated prices to ALECs. The witness asserts that, "BellSouth claims that its smallest manhole is 4 feet wide by 3 feet deep by 6 feet long (72 cubic-feet)." Referring to Hearing Exhibit 68, witness Donovan contends that a 72 cubic-foot manhole can support four cables and retain space for additional cables, and that even smaller vaults (52.5 cubic feet) can accommodate four cables. Witness Donovan attached drawings from two vendors purporting to demonstrate that underground vaults of less than 100 cubic feet are capable of accommodating up to 12 cables, compared with the BSTLM's use of a 504-cubic-foot manhole to accommodate 12 cables.

Furthermore, witness Donovan argues that BellSouth's final cubic foot costs are unsupported by cost data. He believes that BellSouth also "fails the test of logic" in proposing that the installed price of a 224 cubic-foot manhole is $19,337.15, even though the installed price of a 503 cubic-foot manhole is $15,330.54. Witness Donovan also dismisses BellSouth's addition of its 25.43 percent miscellaneous factor and its addition of a 40 percent material loading as a "grab-bag of alleged contractor items

that have nothing to do with manholes, and certainly nothing to do with manhole covers."

Finally, witness Donovan alleges that BellSouth's 40 percent loading factor includes exempt material costs that include manhole covers and collars. What this means, according to witness Donovan, is that:

> BellSouth should not be allowed to recover the costs of manholes covers and collars through its exempt material loading factors and also include the cost of that material directly in its computation of total manhole costs.

Witness Donovan proposes recalculating the costs of manholes, collars, and covers as follows:

> (1) retain the BSTLM's use of 72-cubic-foot manholes with 4-cable capacity for all existing applications in the model involving the use of four cables;
>
> (2) replace all 224-cubic-foot manholes housing four cables with 72-cubic-foot manholes with 4-cable capacity;
>
> (3) replace all 703-cubic-foot manholes housing five cables with 5-cable capacity 224-cubic-foot manholes;
>
> (4) compute the cost of one manhole cover and collar for each manhole based on contractor data; and
>
> (5) eliminate manhole cover and collar costs that are based on the cubic footage of the manhole.

Witness Donovan's proposals produce a per-cubic-foot cost of $16.90, regardless of size, and a flat rate of $246.48 for manhole covers.

At hearing, BellSouth witness Caldwell appeared to confirm witness Donovan's observation that the size of manhole covers does not change based on the size of the subsurface vault. Responding to a question as to whether the size of a manhole collar and the manhole cover depend upon the size of the manhole itself, the witness acknowledged that

> I don't believe the actual cover does. You can have different heights of collars. But the way the input that we input into the model we just used the one collar cost that is associated here.

Likewise, witness Caldwell appears to acknowledge flaws in the cost development methodology for manholes and manhole cover costs. In responding to witness Donovan's statement that BellSouth distributed the costs of 207 manhole covers and collars over 7 installed manholes, witness Caldwell concedes that witness Donovan is "mathematically correct," but further contends that:

> . . . one must consider that it was BellSouth's aim in the input development to create simple, understandable, and supportable inputs. In regard to Manhole costs, BellSouth originally chose to use cubic feet as the approach to develop costs. Thus, all incurred manhole costs were divided by the installed cubic feet. In most areas and circumstances this simple method is appropriate.

Thus, while acknowledging doubts about the efficacy of BellSouth's approach, witness Caldwell rejects witness Donovan's proposals, as follows:

> In fact, Mr. Donovan failed to recognize that BellSouth's simplified inputs also resulted in 'distortion' of the costs for large manholes (Size 5) and the smaller manholes (Sizes 1, 2 and 3). According to the contract, BellSouth incurs a much lower per cubic foot cost for the larger manholes (above 351 cubic feet) than for smaller manholes (under 351 cubic feet). Thus, if we attempt to override BellSouth's simplified inputs on the manhole covers, it must also take the step of applying the appropriate contractor costs for the size of the manhole.

Witness Caldwell therefore concludes that we should approve per cubic-foot rates of $84.39 for 72-cubic-foot manholes and 224-cubic-foot manholes, a rate of $29.68 per cubic foot for 502-cubic-foot manholes and a flat rate of $432.82 for manhole covers regardless of size. These rates, according to the witness, include the application of the loadings filed in the third revision of BellSouth's 120-day filing.

DECISION

Upon consideration, we adopt witness Donovan's proposal on manhole sizes and manhole collars and covers accordingly:

1. We shall use 72-cubic-foot manholes with 4-cable capacity for all existing applications in the model involving the use of four cables.
2. We shall replace all 224-cubic-foot manholes housing four cables with 72-cubic-foot manholes with 4-cable capacity.
3. We shall replace all 703-cubic-foot manholes housing five cables with 5-cable capacity 224-cubic-foot manholes.
4. We shall compute the cost of one manhole cover and collar for each manhole based on contractor data.
5. We shall eliminate manhole cover and collar costs that are based on the cubic footage of the manhole.
6. We shall eliminate the application of the 25.43 percent miscellaneous contractor charge.

Further, we adopt BellSouth's per-cubic-foot manhole contract unit costs, before any loadings, of $48.06 for Type 1 (less than 351 cubic feet) and $16.90 for Type 2 (greater than 351 cubic feet), and $246.48 for manhole covers.

As noted in the decision on the conduit material issue, a number of options present themselves to us to resolve the dispute over the appropriate loading for manholes. BellSouth witness Caldwell proposes a 40 percent loading, while AT&T/MCI witness Donovan proposes elimination or, failing that, 16 percent. Another option is to adopt the engineering factor of 6.313 percent. This represents the average of 7.51 percent for copper and 5.11 percent for fiber, as previously discussed in this Order, retain the four percent loading for other materials that is not in dispute, and allow a 5.5 percent loading for exempt material to arrive at a loading of 15.813. We find this last option appropriate, and adopt it as such.

1. Structure Sharing

AT&T/MCI witness Donovan is also critical of BellSouth's proposed input of 0.07 percent for structure sharing -- the percentage of BellSouth's conduit leased by other parties --

contending the figure is "highly suspect." Witness Donovan contends:

> Whereas Verizon claims that more than 30 different companies occupy its conduits in Manhattan, it appears that BellSouth is either monopolizing access to its own ducts and creating severe barriers to entry, or is mistaken in its forward looking structure sharing projections.

To resolve this, witness Donovan proposes that we change the input for structure sharing to 50 percent in rural density zones and to 33 percent in suburban and urban density zones.

In response, BellSouth witness Milner observes that witness Donovan's recommended inputs are, "not realistic" and should not be adopted. Witness Milner contends that witness Donovan's proposal has no basis in the record other than witness Donovan's own personal experience outside the state of Florida.

Witness Milner further explains:

> First, due to work coordination, safety and available space considerations, significant sharing of underground construction costs is very unlikely and thus BellSouth seldom, if ever, shares in underground excavation. Underground structure sharing would occur only when BellSouth is excavating for underground conduit and other parties are willing to share that excavation and conduit cost with BellSouth. However, BellSouth rarely, if ever, jointly places conduit with another party.

Witness Donovan is, however, also critical of BellSouth's inputs regarding buried structures:

> BellSouth has assumed that it never encounters cases where housing development contractors provide free trenches for BellSouth. In addition, BellSouth claims that joint buried trenching only occurs 6% of the time. Based on my experience, this is an extremely low number.

Witness Donovan proposes the same inputs be applied to buried structure accounts as those he proposes for sharing conduit: 50

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Witness Donovan proposes the same inputs be applied to buried structure accounts as those he proposes for sharing conduit: 50

percent in rural zones and 33 percent in urban and suburban zones.

At hearing, witness Donovan did acknowledge that his recommended inputs are not based on any documentation in the record and offers nothing to refute the inputs recommended by BellSouth. When asked if the imposition of strict sharing inputs would mean BellSouth would under-recover its costs if it cannot locate other parties to share buried structure placement expenses, witness Donovan explained:

> Once again, I'm not a cost recovery person, but if I have got to answer as an engineer, to me it means that extra effort needs to take place to coordinate the activities of the telephone company, the power company, the cable TV companies, municipal traffic lights, cabling companies and a number of others so that the streets are not dug up every year or every nine months in your cities."

Witness Milner argues that sharing the costs of buried structures is rare because of timing problems and because CATV and power lines are already in place. Witness Milner also emphasizes that in Order No. PSC-99-0068-FOF-TP, in Docket No. 980696-TP, we found, "Accordingly, we hereby adopt each LEC's proposed sharing percentages because they are a reasonable surrogate for sharing percentages likely to be achieved by an efficient provider of basic service."

DECISION

We have addressed this issue in proceedings dating back to 1996, including Docket Nos. 960757-TP, 960833-TP, 960846-TP and 980696-TP. In these dockets, we declined to adopt the position advocated by AT&T and MCI that in a forward-looking, competitive environment there will be significantly "greater opportunities and incentive for telecommunications companies to share pole lines, trenches, and conduit runs." See Order No. PSC-98-0604-FOF-TP, p.77 In this order, which was issued to resolve arbitration issues between BellSouth and AT&T, WorldCom, and Metropolitan Fiber Systems of Florida, Inc., we provided a comprehensive treatment of the structure sharing issue. Significantly, we found that the "cost causer" was responsible for any rearrangement occasioned by structure sharing. In addition, we found that placement of telecommunications lines in proximity to high voltage lines could

cause interference and that insistence on joint trenching could prompt poor economic decisions. Accordingly, we concluded:

> We are not persuaded by AT&T/MCI's argument that a competitive environment will encourage more structure sharing, at least in the foreseeable future. Therefore, we find it appropriate to accept BellSouth's structure haring assumptions.

Id., p.78

Subsequently, in Order No. PSC-99-0068-FOF-TP, we found, "While this proceeding is to determine the cost of a forward-looking scorched node network, there needs to remain a basis in reality if the costs developed for the networks are to have any relevance to the cost of basic local telephone service. We believe that assuming sharing percentages which require, for example, power and cable TV companies to rebuild their networks so that more of the cost of a telephone network can be shifted to other industries, means a network severed from reality." Again, we rejected the AT&T/MCI recommended structure sharing inputs.

Nothing in the record of this proceeding overcomes our aforementioned conclusions that although structure sharing percentages should reflect forward-looking values, they must be tempered by reality. Therefore, we decline to adopt changes to BellSouth's inputs.

m. Feeder/Distribution Facility Sharing

AT&T/MCI witness Donovan believes the BSTLM does not assume a forward-looking perspective for feeder and distribution cable structure sharing, which refers to those occasions when the feeder and distribution cable share the same geographic route and can share space on or within a facility. Witness Donovan explains that structures are "a high cost limited resource," and that the investment should not only be shared with other service providers, but used as a resource for both feeder and distribution cables.

In its model, witness Donovan asserts, BellSouth assumes feeder and distribution cable laid along the same route share the distribution cable structure 25 percent of the time. Witness Donovan believes that in a TELRIC environment, facilities would

frequently be shared; thus, he proposes modifying the input "to reflect the fact that feeder facilities ride on or in structures already built by distribution plant 75% of the time." Witness Donovan further explains the meaning of this percentage, stating:

> It's not that 75 percent of the distribution cable shares the structure, it's that 75 percent of the feeder -- first of all, there are many more sheath feed [sic] distribution. It's like the veins versus the capillaries. So there is a lot of small distribution cable. So much so that there is plenty of structure around and when an engineer designs a feeder route, the engineer will look for structure that is already there to support the distribution.

Witness Donovan also relies on an order by the State Corporation Commission of Kansas (Docket No. 99-GIMT-326-GIT) determining Kansas-specific inputs to the FCC's cost proxy model to establish a cost-based universal service fund for that state. At pages 27-28 of the Order, the Kansas Commission found that in an evaluation of 14 selected wire centers, "In every case, at least 40 percent of the feeder routes also included distribution cable. In some wire centers, the percentage was much higher."

BellSouth witness Milner concedes that data does not exist pertaining to this percentage, but contends that, "[T]here are many reasons that sharing of structures between feeder and distribution do not happen that frequently, including timing of placements, need for more frequent access to distribution cables than to feeder cables, etc." Though lacking data upon which to base a percentage, witness Milner argues, "BellSouth's estimate is based on BellSouth Network's experience and forward looking projections regarding the infrequency of such occurrences."

DECISION

We have a number of options before us to establish the value for this input. We can accept either BellSouth's 25 percent, witness Donovan's 75 percent, the Kansas Commission's finding of 40 percent, or some other number.

Given the lack of supporting documentation, any of the figures recommended by the witnesses may be as valid as any other. We

found witness Donovan's arguments that the value should be set at 75 percent most persuasive in view of apparent support for his rationale by the Kansas Commission. As such we adopt this figure for this input.

3. CABLE PLACEMENT COSTS

a. Copper Cable Placement Costs

AT&T/MCI witness Donovan offers four specific criticisms of BellSouth's copper cable placement costs. Witness Donovan criticizes: 1) BellSouth's failure to correctly populate the BSTLM with travel and set-up times that would lead to reasonable productivity; 2) its assumption of low cable splicing rates; 3) its inclusion of copper cable stubs in underground construction; and 4) its use of a material loading factor, plant labor, and interest during construction.

i. Travel and Set-up Times

Witness Donovan argues that a reasonable amount of time for a crew to travel to a work site is 15 minutes, and that two hours is a reasonable time for a crew to set up a cable placing operation. Witness Donovan argues that it is not possible to determine what inputs BellSouth uses for travel and set-up times because BellSouth folds travel and set-up times into a single proprietary figure that yields a chronological increment for each 100 feet of cable placed. In effect, witness Donovan contends, BellSouth's decision to use a per-100-foot input value for cable placement creates a linear loading for copper cable placement, which he believes violates our the direction in Order No. PSC-01-2051-FOF-TP.

Witness Donovan summarizes his disagreement with BellSouth's results accordingly:

> The reason why the BellSouth method fails is simple. The result of BellSouth combining setup costs into a Cable Feet Placed per Day productivity figure is equivalent to BellSouth assuming that its technicians will travel to the work site, place 100 feet of cable, and stop work. The work crew would then travel to another work site, place 100 feet of cable, and stop work. It would then

> travel to a third work site, place 100 feet of cable, and return to the garage.

Witness Donovan, therefore, recommends that we order BellSouth to file bottoms-up cable placement inputs "with reasonable productivity numbers." Based on his experiences, witness Donovan expects an underground placing crew to place 3,000 feet of cable a day, a buried cable crew to place 8,000 feet of cable daily, and an aerial crew to place 5,000 feet per day.

At his deposition, BellSouth witness Kephart responded,

> Mr. Donovan has his own set of theories, but we use the same information that we use to manage our own business in the construction. That's what we are using as input into developing these cost models. So we are dealing with actuals, and I'm not sure where his information is coming from. But we are dealing with actuals. And let me further state we are dealing with actuals in the State of Florida, and he is talking from his experience, which, I think is outside the State of Florida.

We note that the time allocated for travel and set up for slicing cable pairs in the BSTLM, while proprietary, is more than double the time increment proposed by AT&T/MCI witness Donovan.

ii. Copper Cable Splicing Costs

Generally, witness Donovan raises the same criticism of BellSouth's proposed splicing rates for copper cable that he raised in the context of BellSouth's copper cable placing costs -- that BellSouth fails to account specifically for travel and set-up times, providing only a proprietary figure for cable pairs spliced per hour, which is equivalent to a linear loading factor. Specifically, witness Donovan contends:

> In the case of any copper cable larger than 100 pairs, such as splicing a 200-pair cable, BellSouth's model creates costs equivalent to traveling to the job location, preparing the splice, splicing 100 pairs, closing up the splice case, driving around the block, opening up the same splice case, splicing 100 more pairs, closing up the splice case, and then going home for the

> day. In the case of a 4200-pair copper cable, the example is simply 42 iterations of the 100-pair splice operation.

Witness Donovan advocates discarding BellSouth's approach, and implementing, instead, a "conservative" splicing rate of 300 pairs per hour, which we note is more than three times the per-hour proprietary rate proposed by BellSouth.

Witness Donovan relies on two sources for corroboration of his proposed 300-pair per hour rate. The first is a letter from AMP Incorporated, a manufacturer of wire connectors, which states that an "average" technician can splice 300 cable pair per hour and a skilled technician should be able to splice 500 pairs per hour. Witness Donovan also references the FCC's Universal Service Fund Final Inputs Order at §218, which found that a splicing rate of 250 pairs per hour, presuming average conditions, was an appropriate assumption for Universal Service modeling.

At hearing, BellSouth witness Caldwell suggested that this debate is of little consequence, since BellSouth rarely experiences large-scale splicing operations. The witness maintains:

> One of the things, though, that I pointed out in Phase 1 of the cost docket is that predominantly in the BSTLM the cable placements are approximately, close to 50 percent 25-pair. You have very little over 100. There was an exhibit to my testimony. So predominantly, the numbers in the first two columns [referencing Hearing Exhibit 43], 25 and 100, come into play in the modeling.

iii. Copper Cable Stub Investment

Here, AT&T/MCI witness Donovan contends BellSouth doubles the cost of copper cable splicing at each splice point to account for copper stub cables. The stub cable is a cable that brings the splice point up to the surface so that maintenance can be done on the surface, rather than in a subsurface structure.

Witness Donovan contends that a copper stub cable is required only in a situation where a copper splice case, which is normally limited to four cable entry/exit holes, requires five or more cable entry/exit points. Witness Donovan describes circumstances that

would require the use of a stub cable as, "very unusual." The witness explains:

> If the splice point is a branch point, then one cable enters the splice case from the central office, one cable exits the splice case to serve a side-leg branch off the main cable path, and one cable exits the splice case to continue on down the main cable path, which requires the use of three holes.

Quoting from the BSTLM Methodologies Manual, witness Donovan, however, contends that BellSouth's own protocols eschew the use of more than three cables at a splice point:

> The model will place a splice point at which the cable changes size. Splicing can occur at any plant locations (DTBT, FDI [feeder/distribution interface], and DLC [digital loop carrier]). In addition to these plant locations, the model will place a splice at each junction point of the network. A junction point typically represents a road intersection where the cable splits into two directions. This would occur where a road segment intersects a perpendicular road segment forming a "T." Junction points are noted in the data as JCTN.

Based on this excerpt, witness Donovan concludes that copper stub cables are unnecessary, and as such, we should order BellSouth to remove any stub cable costs.

BellSouth witness Stegeman responds that the inclusion of stub cable investment in the BSTLM at each splice point is not an error. He contends:

> Rather, it is a difference of opinion as to whether a stub cable is required for underground placement. As I understand the modular splicing rules and as the BSTLM is subsequently coded, a stub and an additional splice are required to facilitate CSA [carrier serving area], DA [distribution area], and AA [allocation area] administration.

iv. Miscellaneous Material Loading Factor

As emphasized in their post-hearing briefs, the parties disagree over the appropriate method of applying the miscellaneous material loading factor in the BSTLM and whether double counting has occurred in BellSouth's exempt material accounts, which are the basis of the material loading factor. The parties do, however, apparently agree that exempt materials are "nuts and bolts" items that are exempt from "cradle to grave" tracking under the FCC's System of Accounts for telecommunications companies. We note that a 71-page list of items comprising exempt materials was submitted as Hearing Exhibit 7, Item No. 5. Witness Caldwell explains that the list of materials contained in Exhibit 7 is not used in the BSTLM, which instead uses an overall exempt material dollar figure.

Specifically, the parties dispute the appropriate method of applying the miscellaneous material rate. AT&T/MCI witness Donovan argues that exempt materials are normally computed as a portion of a technician's fully loaded labor rate, based on actual material usage audits. He maintains that the labor component usually ranges from $6 to $10 per hour for cable splicing technicians and cable placing technicians. Witness Donovan concedes he did not perform an analysis of the exempt material loading, but notes, "I believe that Exempt Material is already included in the fully loaded labor rate proposed by BellSouth, and that the Miscellaneous Material Rate proposed by BellSouth should be disallowed as double counting." Witness Donovan suggests that if BellSouth can prove exempt material has been excluded from the fully loaded labor rate, we should limit the exempt material loading rate on labor to 20 percent.

BellSouth witness Caldwell responds that the miscellaneous material loading factor develops a relationship between exempt and non-exempt materials, which is subsequently applied as a percentage to forward-looking material prices. BellSouth witness Caldwell rejects witness Donovan's advocacy of the inclusion of exempt material costs in labor rates. In addition, maintains witness Caldwell, the recommended 20 percent cap on the exempt material, "Besides being arbitrary, Mr. Donovan's method is inappropriate." Witness Caldwell explains:

> Exempt material varies by field reporting code; the amount of exempt material associated with aerial placements is not the same as buried or underground placements. Furthermore, the amount of exempt material

> associated with cable provisioning varies vastly between copper and fiber placements. On the other hand, labor rates do not vary. A splicer is paid the same per hour whether he is splicing aerial, buried, or underground cable.

At hearing, witness Caldwell referenced Hearing Exhibits 49 and 50 with regard to the concern of double counting of network interface devices (NIDs) and cable drop investments, concluding that not only could she not confirm what the potential overstatement for NIDs and drops is, but she could not identify the understatement for aerial terminals, which she contends get excluded because they are assigned to Accounts 248 and 548.

As further support for AT&T/MCI's contentions, AT&T/MCI witness Pitkin relies upon a quote from a Reply Affidavit filed by witness Caldwell in a 271 proceeding in the state of Georgia. The portion of the affidavit quoted by witness Pitkin reads as follows:

> The material costs of the service drop wires and associated NID units are classified to exempt material. The cost of exempt material, however, is distributed as part of the monthly allocations process to the various ACCs (including ACC 248 and ACC 548) based on the direct labor dollars associated with each ACC.

Reply Affidavit of D. Daonne Caldwell, CC Docket No. 01-277, paragraph 37. From this language, witness Pitkin concludes:

> Because the BSTLM explicitly models the costs of NIDs and drops, the exempt material loading factor should exclude these items. BellSouth did not remove any of the exempt materials associated with NIDs or drop wires in its calculation of the exempt material loading factor and thus double-counts these investments.

BellSouth witness Caldwell contends that witness Pitkin quotes selectively from her Reply Affidavit and that a complete reading neutralizes witness Pitkin's assertion. According to witness Caldwell, we must consider the full text, which reads:

> The labor-related costs of placing service drop wires and the associated NIDs are assigned to Asset Category Code

> ("ACC") 248 (Aerial cable - Metallic Drop). The material costs of the service drop wires and associated NID units are classified to exempt material. The cost of exempt material, however, is distributed as part of the monthly allocations process to the various ACCs (including ACC 248 and ACC 548) based on the direct labor dollars associated with each ACC. In the development of in-plant factors for ACC 022 (Aerial Cable -Metallic) and ACC 045 (Buried Cable - Metallic), BellSouth does not include any of the assignments to ACC 248 or ACC 548. Therefore, the costs of placing service drops and NIDs are **not** reflected in the in-plant factors.

Caldwell Reply Affidavit, CC Docket 01-277, ¶37, emphasis added. Witness Caldwell concludes, "Again, BellSouth excluded ACCs 248 or 548, the asset accounts containing NID/drop costs, in the development of the material loading factors. Thus, Mr. Pitkin's claim is without merit."

In its brief, AT&T/MCI specifically cite five items or categories of items that they believe should be excluded from the list of exempt materials identified in Hearing Exhibit 7: 1) bracket tap video; 2) card 56 Kbps CO SM8806-1318-1 through CARD T1 CO EXT. 8806-1325-1; 3) CASE COIL 1 MOD 1PR through CASE MODULAR 6SGL COILS, COIL LOAD LID TP 880040-1; 4) DROP COMP 2FB2TWP 37581590-250 through 37581590-750; and 5) FRAME&COVER MNHL B30 through SH30.

AT&T/MCI witness Donovan also takes issue with two other inputs that are included in BellSouth's Material Loading Factor, the Other-Plant Labor-Indirect Salaries, Benefits, and Other category; and Other-Interest During Construction Items. Witness Donovan assails BellSouth's inclusion of plant labor, indirect salaries, benefits, and other expenses as a loading on non-exempt material. He maintains that direct supervision costs are already components of the fully loaded labor rate, which would mean BellSouth would over recover its expenses. Witness Donovan proposes excluding the category Other-Plant Labor-Indirect Salaries, Benefits, and Other from the Material Loading Factor.

Finally, AT&T/MCI witness Donovan contends BellSouth has improperly used the Interest During Construction input, but offers no evidence to buttress his argument.

BellSouth witness Caldwell contests witness Donovan's assertion that direct supervision and other indirect expenses are already components of the fully loaded labor rate in the BSTLM, arguing instead that, "While it is true that direct supervision is included in the labor rates, it is not included in the Other-Indirect factor created for this filing." She continues, "The salaries, benefits, and other direct costs are for 'supervision and support **above the first level** (emphasis by the witness) of work reporting plant employees.' These costs are not direct supervision costs, as Mr. Donovan claims." She also disputes witness Donovan's assertions regarding the Interest During Construction input and maintains that BellSouth adheres to the rules promulgated by the FCC for outlining costs and refers specifically to 32 C.F.R. 32.200(c)(2)(x) as the basis for BellSouth's inclusion of interest during construction. BellSouth witness Caldwell also notes that Hearing Exhibit 48 (DDC-5, 120 day, p.1) shows interest during construction constitutes "a small fraction [1.2 percent] of the sum of the Other loading factor."

DECISION

Witness Donovan raises valid concerns regarding BellSouth's treatment of travel and set-up times in the BSTLM for cable placement and cable splicing. Assuming the intention of BellSouth's filing was to provide a level of granularity sufficient to clearly delineate between a tops-down and a bottoms-up approach to cost determination, we believe that ambition has been thwarted in this instance. BellSouth's failure to populate the BSTLM with discrete travel and set-up times for placement and splicing activities and to instead calculate times based on 100 feet of cable placed or 100 pairs spliced creates distortions in cost relationships and leads to productivity levels that are not realistic.

For example, using BellSouth's distance of 120 feet between poles and BellSouth's travel and set-up times based on 100 feet of cable placed, the BSTLM assumes a crew would be required to incur travel and set-up time equal to two separate operations simply to place cable between two poles 120 feet apart.

Witness Donovan proposes specific travel and set-up and closure times based on his industry experience in addition to

recommendations on crew sizes and the sheath feet of cable that should be placed each day.

Witness Donovan proposes 15 minutes of travel time and two hours of set-up time for cable placement and splicing operations. In a previous order in this proceeding, we established travel times of 20 minutes. (Order No. PSC-01-1181-FOF-TP, p.358) We find nothing in the record of this proceeding that would prompt us to reconsider this interval. Therefore we adopt travel time of 20 minutes. Witness Donovan also proposes a set-up and closure time of two hours, which is unchallenged by BellSouth. Therefore, we adopt the two-hour set-up and closure time proposed by witness Donovan.

The same issues that affect cable placement affect cable splicing. Here, witness Donovan has provided sufficient corroborative evidence to support a copper cable splicing rate of 300 pairs per hour, and a fiber splicing rate of one pair every six minutes. BellSouth witness Caldwell does not dispute this productivity. Thus, we adopt a splicing rate of 300 pairs per hour. The parties appear to agree that a splicing rate of one fiber strand every six minutes is appropriate, and we adopt this value.

We also find it appropriate to adopt AT&T/MCI witness Donovan's inputs for daily placements of aerial cable of 5,000 feet, underground cable of 3,000 feet, and buried cable of 8,000 feet. However, we believe that witness Donovan's position on the number of technicians needed to place aerial cable is flawed. He contradicts himself on this issue, on one hand recommending a crew size of one for the placing of aerial cable, but acknowledging that "Typically, in a [sic] RBOC, two technicians place aerial cable." We find it appropriate to adopt an assumption of two technicians for placing aerial cable.

We do find some merit to witness Donovan's argument to eliminate copper cable stub investment. BellSouth witness Stegeman offers little justification for including this investment in every splice case in the model. However, witness Donovan does not identify a specific, quantifiable, investment input in the model that can be amended to accomplish his proposal. As such, we decline to adopt changes to the copper cable stub investment.

Regarding the Miscellaneous Material Loading Factor, we believe witness Donovan's testimony on this issue to be speculative and unsubstantiated. As such, we adopt BellSouth's application of a miscellaneous material factor as a loading on material.

4. FIBER CABLE INPUTS

AT&T/MCI witness Donovan grafts a number of his criticisms applied to copper cable placing costs on to BellSouth's fiber cable inputs. Specifically, he contends that: 1) BellSouth does not have appropriate cable placing set-up and cable placing productivity parameters; 2) there are not separate splicing set-up and fiber splicing productivity parameters; 3) that the Miscellaneous Material loading on Non-Exempt Material is inappropriate; 4) Other-Plant Labor-Indirect Salary, Benefits and Other Loading on Non-Exempt Material is inappropriate; 5) Interest During Construction is inappropriate; and 6) BellSouth's engineering loading factor of 35.72 percent is too high.

Witness Donovan proposes: 1) reducing the engineering factor to 10 percent; 2) slashing the Miscellaneous Material loading on Non-Exempt Material to no more than 20 percent on labor costs; 3) disallowing costs listed under Other-Plant Labor-Indirect Salary, Benefits, and Other; 4) using inputs of 45 minutes for travel and set-up for fiber cable placement; 5) a fiber placing rate of 3,000 feet-per-day for underground placement, 8,000 feet-per-day for buried placement, and 5,000 feet-per-day for aerial placement; 6) a travel and set-up input of two hours for fiber cable splicing; and 7) a productivity rate of five minutes per fiber strand spliced.

BellSouth witness Caldwell's are those previously set forth with regard to copper cable.

In summary, we are persuaded that while the methods used by the parties to arrive at certain input values for the cost model have their respective flaws, overall these flaws can be minimized. Therefore, on balance, we find that with the adjustments to the methods used and input values as outlined above, the loop cost study submitted in BellSouth's 120-day filing complies with Order No. 01-1181-FOF-TP.

B. MODIFICATIONS TO LOOP RATES OR RATE STRUCTURE

Here we consider whether BellSouth's loop rates or rate structure previously approved in Order No. PSC-01-2051-FOF-TP should be modified, and if so, to what extent. Z-Tel witness Ford, AT&T/MCI witness Darnell and AT&T/MCI witness Gillan apply separate methods to assert that the UNE rates we set in two previous orders, Order No. PSC-01-1181-FOF-TP and Order No. PSC-01-2051-FOF-TP, are not TELRIC-compliant for a number of reasons.

Witness Ford advocates the use of a "sanity" test, based on a benchmark methodology used by the FCC in evaluating UNE rates for regional Bell Operating Companies seeking authority to originate interLATA traffic under Section 271 of the Telecommunications Act. The test employed by witness Ford is rooted in the FCC's Hybrid Cost Proxy Model (HCPM) and uses the relative costs of loops across the states in which an ILEC is the dominant local exchange carrier.

In the absence of a state that has had its UNE rates confirmed by the FCC in the Section 271 evaluation, witness Ford maintains his sanity test is useful in attempting to determine if Florida UNE rates are comparable to those of Georgia and Louisiana. Witness Ford concludes that UNE rates in Florida are 23 percent too high, thus failing his sanity test.

Witness Ford was unable to cite an instance in which the FCC rejected a UNE rate using its HCPM benchmark test when comparing rates between states. He acknowledged that the FCC has indicated that a rate could fail the benchmark test and remain TELRIC-compliant.

In its brief, BellSouth argues that witness Ford's sanity test is applicable only if a state commission improperly applies the TELRIC methodology and if the FCC concludes that the rates in the comparison state are reasonable. BellSouth maintains that neither condition exists here.

AT&T/MCI witness Darnell criticizes the Florida UNE rates approved in previous orders in this proceeding, using BellSouth's embedded cost data contained in the FCC's Automated Reporting and Management Information System (ARMIS). The ARMIS data indicate Florida, "has been BellSouth's lowest cost state for every year for the past five years."

Despite Florida's lower costs, contends witness Darnell, both Georgia and Tennessee have lower UNE-platform (UNE-P) rates than Florida. Witness Darnell notes that higher population densities in Florida than in surrounding states should also work to drive down UNE-P rates because, he explains, "Population density is the primary driver of loop cost."

Witness Darnell also argues that BellSouth should be compelled to refile its loop cost study using a single network design scenario, as opposed to the three-scenario approach. Witness Darnell contends FCC Rule 51.505(b) requires the use of a single, unified network design in order to reflect economies of scale and scope, giving ALECs a "realistic opportunity to compete."

Witness Darnell acknowledges having raised the multiple-scenario argument in the two previous phases of this proceeding and that on both occasions we did not accept his argument. Witness Darnell also acknowledges that because a state has the lowest embedded costs does not necessarily mean that state will have the lowest UNE rates. Finally, witness Darnell admits no regulatory body uses embedded costs as a basis for setting or lowering rates.

AT&T/MCI witness Gillan argues that he conducted two analyses to demonstrate that BellSouth's proposed UNE rates are not TELRIC compliant. In the first analysis, explains witness Gillan, he applied BellSouth's TELRIC costs for switched lines and compared those costs to BellSouth's embedded expenses. Witness Gillan contends his analysis shows that BellSouth would only be able to provide service to two-thirds of its existing lines under his scenario. The witness concludes, "if their forward-looking costs are so above their accounting costs, their actual incurred expenses, then they would have a financial catastrophe on the horizon." This indicates the costs submitted in this proceeding are unreliable, according to witness Gillan.

In his second analysis, witness Gillan contends that he took all revenues BellSouth accumulated from switched services and calculated how much BellSouth would pay to lease its network from itself to provide POTS service. In this analysis, witness Gillan concludes, BellSouth's profitability would be about 14 percent, compared with actual earnings of 44 percent in 2000, according to the witness.

Witness Gillan concludes, "the UNE rates that BellSouth has proposed at this high end of the range are simply not plausible."

In its brief, BellSouth counters, "BellSouth never proposed that the Commission adopt the higher costs calculated using the bottoms-up study as new UNE rates," which renders witness Gillan's analyses "irrelevant in any case."

DECISION

The ALEC witnesses addressing this issue offer little substantive testimony regarding specific rates or inputs used in the BSTLM, which they entrust to AT&T/MCI witnesses Pitkin and Donovan. Witnesses Ford, Darnell and Gillan argue for the application of their own devices to evaluate the rates in this phase of the proceeding.

Some of the arguments raised in the context of this issue have been presented by the witnesses in earlier phases of this proceeding or in other dockets. We addressed witness Darnell's advocacy of a single network design in previous orders in this docket, Order No. PSC-01-1181-FOF-TP, p.154 and Order No. PSC-01-2051-FOF-TP, pp.19-24, and witness Darnell acknowledges filing substantially the same rebuttal testimony in this proceeding as he filed in Docket No. 960786-TP. In addition, witness Darnell acknowledges TELRIC-based costs differ substantially from the ARMIS data.

Witness Ford's proposal that we use a sanity test, derived from the FCC's benchmark test for UNE rates in section 271 proceedings, appears self-immolating to some extent. In its most recent 271 order, FCC Order 02-147, Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc. for Provision of In-Region, interLATA Services in Georgia and Louisiana, the FCC cautions:

> Although some benchmarking is advocated by some commenters, our analysis is complete if it reveals that there are no basic TELRIC violations or clear errors on substantial factual matters, and we do not proceed to determine TELRIC compliance on the basis of comparisons with other states, including those that have section 271 approval. To do otherwise would put the Commission in

> the position of establishing benchmark rates for the nation on the basis of a few states where the Commission, thus far, has found state commissions to apply TELRIC correctly. We see no reason to do this as it undermines the importance of state-specific, independent analysis of rates for UNEs.

FCC Order 02-147, ¶24. The FCC acknowledges that reasonable applications of TELRIC principles can produce a range of rates and concludes, "We do not, however, regard failure to meet a benchmark, by itself, as evidence that a state commission failed to reasonably apply TELRIC in setting UNE rates." FCC 02-147, ¶25

Witness Gillan attempts to demonstrate BellSouth itself could not profit from the rates that emerged from the bottoms-up study if it were required to purchase UNEs as are other ALECs, and that BellSouth's UNE costs would allow the company to support only two-thirds of its existing network. None of the arguments, however, truly address BellSouth's TELRIC costs, which are the subject of this proceeding.

Witness Ford's proposed use of a benchmark test spawned by the FCC appears to be in direct conflict with the manner in which the FCC itself applies the test. The so-called "sanity test" requires a finding that TELRIC principles were misapplied. Witness Ford fails to identify any errors in our application of the TELRIC methodology: therefore, we believe proceeding further with his analysis is a moot exercise.

Witnesses Darnell and Gillan essentially argue that the rates that resulted from a bottoms-up analysis would not allow ALECs to sustain profitability, and reiterate arguments we have previous ruled upon.

In its brief, BellSouth points out that the witnesses do not address cost issues, but focus instead on their ability to profit from the rates that emerged from this phase of the proceeding.

We find merit in the arguments BellSouth raises in its brief and find nothing in the testimony of witnesses Ford, Darnell and Gillan to support changes in rates not previously addressed in Issue 1(a) of this proceeding.

Additionally, as noted in Issue 1(a), adopting a number of the recommended inputs proposed by AT&T/MCI witnesses Donovan and Pitkin does not bring the loop rate structure into conformance with criteria established by us for this proceeding. We determined in Order No. PSC-01-1181-FOF-TP, p.284, that BellSouth's 120-day filling should dispense with linear in-plant factors and adopt a "bottoms-up" approach to determine the "magnitude of discrepancies" between linear loadings and a bottoms-up approach.

On the issue of engineering factors, for example, BellSouth filed account-specific factors based on one methodology, while AT&T/MCI witness Donovan recommended account-specific factors based on a separate methodology. While account-specific engineering factors bring us closer to the goal of a bottoms-up analysis, neither party differentiated engineering factors by density zones. We are concerned that the account-specific engineering factors still retain sufficient linear qualities to distort costs between rural and urban areas. We are similarly concerned with the parties' treatment of BellSouth's proposed 25.43 percent miscellaneous contractor charge, and BellSouth's proposed 40 percent loading on conduit and manholes.

We have reservations concerning the "bottoms-up" inputs provided by the parties in this proceeding, specifically BellSouth's use of linear loadings, which is directly contrary to Order No. 01-1181-FOF-TP, we believe changes to selected inputs reflected in Issue 1(a), bring the 120-day filing more into compliance with our directives in this matter. Therefore, we adopt the rates contained in Appendix A, which reflect modifications to the 120-day filing outlined in Issue 1(a).

II. ADUF, ODUF, AND EODUF COST STUDIES AND MODIFICATIONS

Next, we address whether whether the ADUF, ODUF, and EODUF cost studies submitted in BellSouth's 120-day compliance filing are appropriate. We also consider whether the ADUF, ODUF, and EODUF rates or rate structure previously approved in Order No. PSC-01-2051-FOF-TP should be modified, and if so, to what extent.

BellSouth offers three different daily usage services: Access Daily Usage Files (ADUF); Optional Daily Usage files (ODUF); and Enhanced Optional Daily Usage Files (EODUF). These services

provide electronic billing data to the ALECs. An explanation of each service is provided in Table 2-1.

Table 2-1
DUF Services

ELEMENT	SERVICE PROVIDED
ADUF	Information of end user's daily originating and terminating access carrier messages. BellSouth extracts and distributes call detail on these access messages.
ODUF	Call detail information for billable messages transported through BellSouth's network and processed in BellSouth's CRIS (Customer Records Information System) billing system. BellSouth extracts and distributes call detail on messages such as: Measured Local, IntraLATA Toll, and operator-handled calls if the ALEC purchases Operator Services form BellSouth. This element is applicable to both UNEs and resale.
EODUF	Usage data for local calls that originate from resold, flat-rated business and residential lines. BellSouth extracts and distributes call detail on these messages.

As noted in the Case Background, this issue did not arise from our Order No. PSC-01-1181-FOF-TP, issued May 25, 2001, that required certain items in BellSouth's cost study to be revisited. BellSouth witness Caldwell explains that

> Even though the Commission's Order did not specifically include these elements in the 120-day requirement, substantial changes to the study inputs necessitated that BellSouth advise the Commission.

Witness Caldwell continues that BellSouth has experienced a dramatic increase in the number of message records since it

developed its previous cost study inputs in August 2000. Since the cost of DUF is based largely on demand for the services, the result of the increase is to reduce cost on a per-message basis, and thus decrease the rate. Only EODUF demand decreased.

Witness Caldwell states that "BellSouth has developed unique programs at the ALECs' request in order to extract the billing data they requested, in a format such that they can bill their end-users. The costs associated with this on-going process and the computer resources required to implement and support the programs are reflected in BellSouth's cost study. These costs are incremental to BellSouth's normal billing process."

While the parties agree that the services should be provided, there was not a consensus as to what the rates should be. Three specific points arose during the course of this proceeding. At issue is whether certain DUF services should have a zero rate; whether certain costs have been double counted in both the DUF study and the common costs; and whether projected demand adequately reflects ALEC market penetration. We address each in turn.

A. ZERO RATE

AT&T/MCI witness Darnell asserts that BellSouth should not have a separate charge for DUF information. His reasons are twofold. First, he contends that "BellSouth is adequately compensated for its cost to maintain daily usage file systems by the common cost factor." Second, he claims that BellSouth does not always charge independent telephone companies (ITCs) for DUF information, but enters into bill and keep arrangements with some ITCs. The common cost factor will be discussed below under double counting.

AT&T/MCI witness Darnell argues that "[a]ccording to BellSouth data request responses received in other proceedings it has bill and keep arrangements with some ITCs."

AT&T/MCI provided a copy of one interrogatory response from a Kentucky proceeding in which BellSouth stated that it does exchange access records with independent carriers for meet-point billing access, at no charge.

BellSouth responsds that it does not have bill and keep arrangements with any carriers for DUF services. Further, BellSouth states that it does not provide DUF services to ITCs.

Witness Ruscilli contends that BellSouth provides usage records for Meet-Point Billing (MPB) to carriers that have their own switch for the provision of intercarrier billing. He explains that in some cases

> BellSouth will jointly provide a telecommunications service to an Interexchange Carrier ('IXC') or to an ALEC with another carrier. For example, suppose an IXC and an [ITC] are both interconnected with BellSouth at BellSouth's access tandem in Jacksonville. If the [ITC's] end user places a call that transits BellSouth's access tandem and is to be billed by the IXC, then BellSouth and the ITC have jointly provided originating access to the IXC. In this example, BellSouth is providing the tandem and perhaps some portion of interoffice transport, and the ITC is providing the end office switching and perhaps some portion of the transport. BellSouth, as the tandem provider, will make the recording for the call and send the [ITC] a usage record. The ITC will take all of these usage records for a given period of time, summarize them, bill the IXC for its portion of the traffic, and then send to BellSouth summary usage records for BellSouth to bill its portion of the originating access to the IXC. This process ensures that both the [ITC] and BellSouth bill the IXC for exactly the same amount of traffic. Because both the [ITC] and BellSouth are providing each other with usage records, the exchange is done at no charge to either party. The scenario [witness Ruscilli has] just described could also occur between BellSouth and an ALEC that has its own switch. In that case, BellSouth and the ALEC would also exchange these usage records at no charge to either party.

Witness Ruscilli continues that BellSouth provides DUF information to ALECs that do not have their own switches. He explains that "in the case of an ALEC using BellSouth's local switching UNE, all of the usage records are provided in one

direction." He points out that ALECs have no information that BellSouth needs.

DECISION

There is no record support for AT&T/MCI's position that BellSouth provides DUF services at no charge to ITCs. Even the information AT&T/MCI provided from the Kentucky proceeding supports BellSouth's explanation that BellSouth only provides information at no charge in certain meet-point billing situations. Although the information provided to the carriers may be similar, it appears that the distinction is that meet-point billing requires an *exchange* of information between carriers, while the DUF services sought by the ALECs require BellSouth to provide a service for which there is no reciprocity.

We believe that the provision of DUF services benefits ALECs by providing them with billing information that they need in the course of business. BellSouth's contention that there is no exchange of information involved with DUF is unrebutted in the record. Thus, we find that it is reasonable for BellSouth to maintain a separate charge for provision of DUF services.

B. DOUBLE-COUNTING

AT&T/MCI witness Darnell argues that "[t]he cost used by BellSouth in the development of its DUF charges are the same costs that BellSouth used in its development of the common cost factor." Witness Darnell explains that:

> . . . the foundation of the common cost factor is the relationship of its adjusted historical common costs to BellSouth's embedded total cost. . . . The amount of common cost that is included in UNE rates is dependent upon how much direct and shared costs are produced by the costing methodology. This is because common cost is a percentage added on to all costs at the end of the process.

Witness Darnell continues that:

> Included in the development of the common cost factor are costs associated with the systems used to produce daily

> usage information. . . . Therefore, if the Commission permits BellSouth to charge ALECs separate charges for daily usage information, the Commission should lower the common cost factor to account for the system cost being directly assigned to specific rate elements.

He further claims that:

> By proposing an additional rate element for DUF, BellSouth is making the argument that the historical cost used to develop the common cost factor is not enough to cover its forward looking cost of information systems used to provide daily usage information. There is no reason to have additional rate elements for DUF information.

Witness Darnell concludes that "[i]f the amount of cost directly assigned to DUF charges is so insignificant that it does not effect the common cost percentage when this cost is removed from that percentage, we should reject DUF charges because [of] the potential for costing mischief that they create."

BellSouth witness Caldwell counters that the DUF charges in the cost study are not the same as those used in the development of the common cost factor. She contends that the computer resources, programming effort and support labor reflected in BellSouth's DUF costs are directly attributable to the DUF services. She explains that BellSouth developed unique programs to provide the ALECs with billing data in a format that meets the ALECs' needs. Witness Caldwell further contends that BellSouth removed costs that are directly assigned to various services from the costs used to develop shared and common cost factors. She explains that file EXPPRJ00.XLS outlines those adjustments.

She also addresses witness Darnell's statement that if the cost directly assigned to the DUF is so insignificant that it does not impact the common cost percentage, DUF charges should be removed. She argues that this is a self-serving pronouncement and a faulty conclusion. She states that his suggestion of costing mischief on the part of BellSouth is "wholly unfounded."

DECISION

Witness Darnell explained that he "identified the investment amounts that are being directly assigned to [DUF] rate elements." He then subtracted those amounts from the general purpose computers account. However, upon further questioning, witness Darnell was unable to support his contention that BellSouth had double-counted costs associated with the provision of DUF services in the common costs.

It is difficult to discern what is germane to the issue in the cost study materials provided by AT&T/MCI. When questioned on the amounts witness Darnell had marked in responses detailing his procedures, it became apparent that much of it was irrelevant. For example, when asked why he had circled account 2211, analog electronic switching, he responds that "[t]here is no real significance between how much average investment analog switching should have as compared to DUF." His response was similar for Account 2220, operator systems and a number of other accounts. When the discussion arrived at account 2232, analog circuit equipment, he explains, "It's circled because my long-standing thought process being that a forward-looking TELRIC cost model shouldn't have any analog circuit equipment in it, and I saw that, and it threw up a red flag to me." Again, this has nothing to do with the issue of double-counting. Regarding account 2124, General Purpose Computers, which we believe to be specific to the DUF costs in question, witness Darnell states that the numbers he had marked in red "don't really tie into my discovery response." In the end, witness Darnell was unable to proffer any response that showed the double-counting of costs.

BellSouth provides much more credible evidence that it has removed charges associated with the provision of DUF services from the common cost factors. BellSouth explains that the adjustment is not made directly in the shared and common cost calculations; rather, it is made in the "'Normalizing Issues' section of the expense development workbook labeled 'EXPPRJ00.xls'." According to BellSouth, the amounts are included in the column for Operational Support System Upgrades, which contains costs associated with Electronic Interface, Daily Usage File, and Number Portability related costs. We verified that the amount in the stated column exceeds by a substantial sum the amount that witness Darnell claims to be double-counted. Accordingly, we find that no such double-counting exists.

The mere potential for mischief, as alleged by witness Darnell, is not sufficient reason to eliminate a valid cost from a cost study. Nevertheless, there may be other reasons to eliminate certain costs from BellSouth's cost study. While those costs do not appear to be double-counted, the same numbers noted by witness Darnell exhibit other discrepancies.

We found a dramatic increase in Contractor Software Development Cost in the cost study from the September 2001 filing to the November 2001 filing. When asked why the cost increased, BellSouth explains that the cost had initially been booked in 1998 as RTU Software development expense. The 1999 Financial Accounting Standards Board (FASB) Statement of Position (SOP) 98-1 requires that such software development costs be capitalized. Additionally, BellSouth claims that the contractor labor rate reflects the 2002-2004 period, in which the labor rate is higher than that previously used. We interpret this to mean that the changes in accounting period and methods resulted in higher costs in the model.

We also observe that the amounts for software development charges increased dramatically from the September to the November filing. For example, BellSouth witness Caldwell agrees that the number of hours for EODUF IT Non-recurring Developmental Labor Hours Contractor increased by more than seven times between the two versions of the study. She explains that "as we've learned more about it and worked more with it going forward, we felt it would take more time." She also agreed that the contractor hourly labor rate increased by approximately 50 percent. BellSouth never mentioned these increases when it filed its DUF model revisions in November 2001, citing only increases in usage, which reduce rates.

Not only do we have concerns about the large increases in costs in the model values that took place in the November 2001 model revision, but we wonder why such amounts are included in the model at all. The costs identified are clearly labeled as "software development." Witness Caldwell states that the costs are part of scorched node provisioning.

> It's not necessarily that we're going to be changing or adding stuff. I mean, we're not looking at just the cost associated with maintaining. This would be from a TELRIC perspective if we had to go in and develop the system going forward.

BellSouth's cost study documentation shows that software development capitalized costs which were associated with the adoption of SOP 98-1, as discussed above, have now largely been amortized. Further, the rate comparison in table 2-4 at the end of this section shows that BellSouth has been over-recovering its DUF costs. Any modest amounts which are not fully amortized on BellSouth's books have been adequately compensated by BellSouth's over-recovery through its DUF rates. Additionally, as discussed above, the record shows that BellSouth is not developing any new services associated with DUF services. We do not believe BellSouth has justified the inclusion of software development costs in its model for DUF services. Accordingly, we find that the model shall be adjusted to remove this portion of the costs. While the amount is confidential, its impact is reflected in the rate comparison.

C. PROJECTED DEMAND

Z-Tel raised an issue in its brief regarding the DUF usage projections BellSouth used to calculate the DUF rates. Z-Tel cited certain points it elicited through cross-examination and discovery that it believes support the contention that "BellSouth has overstated the [DUF] rate by understating the projection of ALEC messages."

Z-Tel's arguments are twofold. First, Z-Tel contends that witness Caldwell "acknowledged that a projection that understates ALEC demand could have the 'self-fulfilling' effect of overstating the DUF rate and, to the extent that the DUF rate affects the ALECs' costs, decreasing demand.

Second, Z-Tel asserts that "[witness] Caldwell agreed with the concept that the relationship of the projected ALEC demand (expressed in terms of the total ALEC messages) to the overall number of messages handled by BellSouth would in effect be a quantification of the degree of ALECs' market penetration" Z-Tel complains that it asked for a late-filed exhibit containing the assumed ALEC market penetration associated with projected demand, but that BellSouth did not provide the information Z-Tel was seeking in late-filed exhibit 52. Lacking such evidence, Z-Tel asks us to take notice of ARMIS data that is not in the record. Z-Tel argues that the data would show that BellSouth has seriously understated its projected DUF usage.

Upon cross-examination, BellSouth witness Caldwell agreed that it "could be possible" that the projection of a low level of activity could become a self-fulfilling prophesy by reducing demand through a higher DUF rate. However, she states that she disagrees with Z-Tel that a high DUF rate would make the overall demand for DUF decline. She argues that the numbers in question are very small, and are part of an overall offering. Witness Caldwell opines that the overall offering is the driver, not the DUF rate alone.

In discussing ALEC penetration rates with Z-Tel's attorney, witness Caldwell was asked:

> Well, it appears to me that for purposes of developing this DUF rate you made some projections and assumptions that, in essence, predict the degree of market penetration by the ALECs because you project the total activity of ALECs within the universe of total activity period, and wouldn't that be an indication of your prediction of the extent of penetration of ALECs?

In response, the witness stated:

> I follow your analysis, your explanation. What I cannot comment on is exactly how the billing department developed this number, but I follow what you have said in terms of that. There was a projection made. Maybe if I can say that and clarify that. There was a projection into the future years of the number of messages the ALECs would use.

BellSouth did not address this portion of the issue in its brief.

DECISION

One of the bases for Z-Tel's arguments is the supposed admission by witness Caldwell that low projected DUF usage would become a self-fulfilling prophesy. Our reading of the referenced passage reveals that, contrary to Z-Tel's allegations in its brief, witness Caldwell only agreed that it "could be possible" that the projection of a low level of activity could become a self-fulfilling prophesy by reducing demand through a higher DUF rate.

She emphatically states that she disagrees with Z-Tel that a high DUF rate would necessarily make the overall demand go down. She argues that the numbers in question are very small, and are part of an overall offering. Witness Caldwell opines that the overall offering is the driver, not the DUF rate alone. We are not cognizant of any evidence to the contrary in the record.

Z-Tel's emphasis on high DUF rates as a self-fulfilling prophesy is misplaced. The important issue is whether the rates are based on appropriate inputs. Toward that end, Z-Tel made an effort at hearing to obtain information that would show projected DUF usage in the model did not reflect ALEC market penetration. The apparent goal was to show that the DUF messages used by BellSouth in its projections compared to the total universe of telephone messages would give an indication of market penetration. Z-Tel was unsuccessful in obtaining such information in the record. We agree with Z-Tel that the information BellSouth provided in Late-filed Exhibit 52 does not contain the data that was requested. However, BellSouth only agreed to provide it if it was available. Witness Caldwell did not agree that she had knowledge of such information.

While Z-Tel argues that BellSouth's ARMIS report contains message data that Z-Tel finds useful, we note that Z-Tel questioned BellSouth witness Caldwell about the ARMIS report, but did not present it or ask for it to be provided as an exhibit. Beyond a few pages of cross-examination, we are unaware of any testimony on the projected volume of DUF messages. There is also no evidence in the record as to what the relationship may be between market penetration by the ALECs and BellSouth total messages, other than the exchange noted above, and a few similar paragraphs in the transcript.

Even if such information were made available, we question what Z-Tel would gain. In our view, the fatal flaw in Z-Tel's arguments is Z-Tel's implicit assumption that all ALECs use DUF services to obtain billing data for every message they process. Unless one knows the percentage of ALEC messages for which DUF services are obtained, one cannot use DUF as a measure of market penetration. Similarly, levels of market penetration, absent other information, do not indicate levels of DUF usage.

It appears from the record that the purchase of DUF services is optional. For example, BellSouth states "ALECs who receive ODUF do not need to wait on receipt of their bill from BellSouth to invoice their end user customers. ODUF saves time and improves cash flow for the ALEC." There is no record evidence as to how many ALECs choose to avail themselves of this service.

Nevertheless, we note unexplained discrepancies in BellSouth's cost study. It appears that DUF usage may be under-projected, as explained below.

BellSouth's model shows the projected monthly growth in DUF messages in a number of places in the model. For example, projected growth in ODUF messages is shown in ODUF.XLS, WP1, lines 25 through 38. The figures for January through April 2001, appear to be based on actual data, according to BellSouth's explanation that "[a]ctual monthly messages were used as a base to calculate forward looking demand by applying an estimated incremental growth in the number of monthly message [sic] for the years 2002-2004." The average monthly increase in usage is approximately 4 million. For the remainder of 2001, messages were increased by 4 million. However, for 2002 through 2004, messages were increased by only 1 million per month. There is no explanation for this difference. We see no reason why the monthly increase in usage should drop to one-fourth of that experienced for January through April 2001. Accordingly, we find it appropriate to adjust the figures through 2004 to reflect a monthly increase in ODUF usage of 4 million messages.

Table 2-2

Month/2001	Usage	Increase
January	83,890,659	N/A
February	83,661,035	(299,624)
March	94,829,567	11,168,532
April	95,934,904	1,105,337
May	99,934,904	4,000,000
June	103,934,904	4,000,000
July	107,934,904	4,000,000
August	111,934,904	4,000,000
September	115,934,904	4,000,000

October	119,934,904	4,000,000
November	123,934,904	4,000,000
December	124,934,901	4,000,000

A similar situation occurs in the ADUF usage data. BellSouth projected growth in ADUF messages through December 2011 in the file ADUF.XLS, WP1, lines 24 through 37. These numbers are not indicated to be confidential. In year one, during the first 5 months of 2001, the figures appear to be actual, as previously discussed. Table 2-3 below includes an excerpt from the model showing ADUF usage, as well as the increase in projected usage calculated from the data.

Table 2-3

ADUF Usage Projections

Month/2001	Usage	Increase
January	50,184,495	N/A
February	53,916,801	3,732,306
March	72,222,597	18,305,796
April	76,058,866	3,836,269
May	81,792,649	5,733,783
June	85,592,649	3,800,000
July	89,392,649	3,800,000
August	93,192,649	3,800,000
September	96,992,649	3,800,000
October	100,792,649	3,800,000
November	104,592,649	3,800,000
December	108,392,649	3,800,000

Source: EXH 24, ADUF.XLS, WP1, lines 24 through 37

Beginning in January 2002, each month's messages are increased by 1 million per month, rather than the 3.8 million used for 2001. There is no explanation in the record as to why the projected growth in messages was decreased to only about one-fourth of BellSouth's actual 2001 experience.

If the 3.8 million increase per month were used, an additional 336 million messages would be used in the calculation. The average increase over the 5-month period is 7,902,039 messages per month. Accordingly, it appears that 3.8 million messages per month is moderate, and 1 million messages per month is not supportable based on BellSouth's actual experience as shown in the model. The use of a higher average figure of nearly 8 million messages increase per month would be based largely on what appears to be one outlier month (February to March). Therefore, we are concerned that use of the higher figure could over-project the usage. Accordingly, we believe that 3.8 million messages per month, which is half the average monthly increase shown in early 2001, is a reasonable figure to used in calculating the projected ADUF usage. We also note that the use of a dollar amount produces a declining percentage in the increase in projected usage. We find this to be a reasonable approach. **There is no evidence to the contrary.**

A review of the EODUF files shows that an increase in messages of 500 per month is used throughout the projection. These figures are appropriate.

As discussed in the preceding sections, BellSouth should be allowed to recover the cost of providing DUF services through specified rates. Accordingly, it was appropriate for BellSouth to file a cost study in support of those rates. We find that the DUF cost studies submitted in BellSouth's 120-day compliance filing are appropriate with certain adjustments. First, the cost study should be adjusted to remove costs for software development which have already been amortized. Second, the cost study should be adjusted to reflect BellSouth's actual growth experience in DUF messages. We find that the existing DUF rates should be modified to reflect these adjustments. The resulting rates are shown in Table 2-4 below.

Table 2-4

Rate Comparison

		Previous BellSouth Approved Rates	BST DDC-3 01/28/02	BFP-19 2/11/02	Commission Approved
L.0	**ADUF**				
L.1.1	ADUF Message processing, per message	$0.014391	$0.001858	$0.00	$0.001656
L.1.3	ADUF, Data Transmission, per message	$0.0001297	$0.0001245	$0.00	$0.0001245
M.1	**Enhanced Optional Daily Usage File**				
M.1.1	EODUF message processing - per message	$0.229109	$0.235115	$0.235150	$0.080698
M.2	**Optional Daily Usage File**				
M.2.1	ODUF recording, per message	$0.0000071	$0.0000071	$0.00	$0.0000071
M.2.2	ODUF message processing, per message	$0.006835	$0.002505	$0.00	$0.002146

M.2.3	ODUF, message processing, per magnetic tape provisioned	$48.96	$35.91	$35.91	$35.91
M.2.4	ODUF Data Transmission, per message	$0.00010811	$0.000103750	$0.00	$0.00010375

III. UNBUNDLED COPPER LOOP - NONDESIGNED (UCL-ND) LOOP COST STUDY AND MODIFICATIONS

We now examine the UCL-ND loop cost study as submitted by BellSouth in its 120 day filing for compliance with Order No. PSC-01-1181-FOF-TP. We then address what modifications, if any, are appropriate and what should the rates be.

One of the requirements of our Order No. PSC-01-1181-FOF-TP, issued May 25, 2001, is that BellSouth determine xDSL loop nonrecurring costs that exclude the design layout record (DLR), test point, and order coordination. Specifically, our order stated:

> . . . we shall require BellSouth to file modified versions of its xDSL nonrecurring cost studies, which exclude the following: 1) the DLR, 2) a test point, and 3) order coordination. The purpose of these modified cost studies is to provide us with sufficient information to set rates for a menu of separate provisioning options.
>
> . . .
>
> Furthermore, as noted above, although the Data ALECs want a nondesigned xDSL-capable loop, they also want a guarantee that the loop will not be rolled to another facility. We find this to be a reasonable request; therefore, based on [sic] record, we find it appropriate to require BellSouth to provision an SL-1 loop and guarantee not to roll it to another facility, or in other words, guarantee not to convert it to an alternative technology.

Order No. PSC-01-1181-FOF-TP, p. 73.

A. COMPLIANCE WITH ORDER No. PSC-01-1181-FOF-TP

In order to meet the requirements of Order No. PSC-01-1181-FOF-TP, BellSouth introduced its UCL-ND, element number A.13.12. According to BellSouth witness Caldwell, this all copper loop offering satisfies our requirement that BellSouth provision SL-1 loops and guarantee they will not be rolled to another facility or converted to another technology.

Witness Caldwell notes that the UCL-ND differs from other unbundled cooper loops previously discussed in this docket. Specifically, the UCL-ND does not go through the design process, which means it is not provisioned with a test point and a DLR is not provided. Furthermore, the UCL-ND will not have a specific length limitation. However, since its resistance is restricted to 1300 ohms, the UCL-ND generally will be 18,000 feet or less. The costs for the UCL-ND were developed assuming loops only out to 24,000 feet from the central office.

According to witness Caldwell, the UCL-ND has a unique identification when it is ordered by an ALEC. The special ordering identification goes into BellSouth's records, which means the loop will never be moved from the existing copper pair that it is on. Unlike the UCL-ND, an SL-1 loop can be any loop in the network and can be on copper today and switched to fiber the next day.

As stated in Order No. PSC-01-1181-FOF-TP, one purpose of the modified cost studies is to provide us with sufficient information to set rates for a menu of separate provisioning options. To this end, we consider the options below.

1. Test Points

According to BellSouth witness Caldwell the test point is a physical plug-in. It is both a physical location in the central office and a physical piece of equipment that allows BellSouth's technicians to remotely test a loop. There is not a separate offering for the test point piece of equipment, but BellSouth does offer Loop Testing Beyond Voice.

Loop Testing Beyond Voice tests the data portion of the loop. Based on discussions with BellSouth's Network personnel, BellSouth witness Caldwell learned " . . . what the CLECs really are looking

at there is testing that's more or less a joint acceptance testing." She explains that while no test point is provisioned with the UCL-ND, an ALEC may desire a joint acceptance test to benchmark the transmission quality of the loop and to ensure compatibility with the xDSL service they wish to provide. BellSouth's previous filing in this docket included the rate element Testing Beyond Voice (the A. 19 elements). These costs, however, only considered testing a designed loop that had been conditioned. The revised loop testing elements now also consider testing parameters for non-designed loops (SL1 or UCL-ND).

2. Engineering Information

A design layout record (DLR) is not provided with the UCL-ND.[2] However, if an ALEC desires DLR type information it may purchase the separate offering known as Engineering Information (EI). The information provided in the EI regarding the physical characteristics of the loop is the same information provided to an ALEC that does a Loop Make-Up query.

3. Order Coordination

Order coordination is precisely what the name indicates. We note that there was limited testimony addressing this issue. No party other than BellSouth took a position on order coordination. AT&T simply stated "The input revisions recommended by John Donovan in his rebuttal testimony of December 10, 2001 apply equally to BellSouth's UCL-ND BSTLM."

DECISION

We find that BellSouth has complied with our directives that it develop xDSL loop nonrecurring costs that exclude the DLR, test point, and order coordination. Furthermore, it appears that sufficient information has been provided so that rates may be set for various provisioning options. As was required in our order, BellSouth has implemented a unique identifier for its UCL-ND loops which will guarantee they will not be converted to an alternative technology.

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[2] A DLR provides the information about the physical make-up of a loop beginning at the central office to the customer's premises.

B. MODIFICATIONS AND RATES

As was argued by BellSouth in Issue 1, it believes that its studies comply with our order. However, witness Caldwell does not believe that the "bottoms-up" approach develops a more representative result than does the use of factors. She notes that BellSouth has filed the UCL-ND elements in Docket No. 960786-TP (271 docket) based on the use of in-plants and loading factors. She explains that those cost studies reflect our ordered adjustments except for the reinstatement of inflation. The BellSouth witness believes that we should establish rates for the UCL-ND related elements in Docket No. 960786-TP once inflation is considered.

BellSouth currently offers the UCL-ND in Florida. The current recurring and nonrecurring rates for this offering are contained in the BellSouth/Covad Interconnection Agreement.[3] Those rates were reached as part of a settlement agreement of a case in Georgia. Although the agreement was reached in Georgia, BellSouth agreed to apply those rates to all ALECs regionwide. In addition, BellSouth developed a study for the UCL-ND using the non-structure cost (non-SC) version of the BSTLM (i.e., using loading factors). The study included inflation factors as called for in the UNE Reconsideration Order. See Order No. PSC-01-2051-FOF-TP, p. 7.

With regard to modifications to establish UCL-ND rates, AT&T/MCI states that the input revisions recommended by witness Donovan in issue 1 apply equally to BellSouth's UCL-ND BSTLM scenario.[4] In that same response they also note that BellSouth failed to comply with "this Commission's directive to provide a bottoms-up cost analysis. The modifications to the cost model inputs proposed by John Donovan and Brian Pitkin apply equally to BellSouth UCL-ND BSTLM scenario."

DECISION

[3]The Covad/BellSouth arbitrated interconnection agreement was approved by the Commission in Order No. PSC-02-0252-FOF-TP, issued February 27, 2002. The rates for the UCL-ND are found on page 179 of 633.

[4]AT&T/MCI did not propose any non-recurring rates in this proceeding.

As previously discussed, while we believe that the "bottoms-up" approach presented in this case is not without imperfections, loop rates should nevertheless be revised. These recurring rates are shown in Appendix A. The rates for Engineering Information and Test Points should be those proposed by BellSouth in its UCL-ND cost study filing in this phase of this docket. We note that the rates for Loop Testing Beyond Voice Grade were significantly reduced, since loops other than designed loops are now being considered. The rates for Order Coordination should be those rates approved by us in Order No. PSC-01-2051-FOF-TP. Table 3-1 provides a summary of the non-recurring rates for all the UCL-ND elements.

UCL-ND Element Rates

Element Number & Description	Non-Recurring		Disconnect	
	First	Add'l	First	Add'l
A.1.8 - Engineering Information	$13.49			
A.13.12 - UCL-ND				
Zone 1	$44.98	$20.90	$24.88	$6.45
Zone 2	$44.98	$20.90	$24.88	$6.45
Zone 3	$44.98	$20.90	$24.88	$6.45
A.19.1-Loop Test Beyond Voice Grade-Basic per 1/2 hour	$48.65	$23.95		
A.19.2-Loop Test Beyond Voice Grade-Overtime per 1/2 hour	$63.48	$31.35		
A.19.3-Loop Test Beyond Voice Grade-Premium per 1/2 hour	$78.30	$38.74		
N.1.5-Order Coordination	$9.00			
N.1.6-Order Coordination for Specific Conversion Time	$23.02			

ource Information:
Elements A.1.8 and A.13.12 - Exhibit 3, p. 4.
Elements A.19.1, A.19.2, A.19.3 - Exhibit 1, p. 2.
Elements N.1.5 and N.1.6 - Order No. PSC-01-2051-FOF-TP, p. 63.

We find that BellSouth has complied with our directives in Order No. PSC-01-1181-FOF-TP, as far as the UCL-ND cost study. It has determined xDSL loop nonrecurring costs that exclude the design layout record, test point, and order coordination. In addition, it

appears that BellSouth has provided sufficient information to set rates for a menu of separate provisioning options. Furthermore, as we ordered, BellSouth has developed a method to guarantee that UCL-ND loops will not be converted to an alternative technology.

We find that the recurring rates for the UCL-ND shall be those shown in Appendix A. The non-recurring rates for Engineering Information and Test Points shall be those proposed by BellSouth in its cost study filing in this docket, as noted in Table 3-1 above. The rates for Order Coordination should be those rates approved by us in Order No. PSC-01-2051-FOF-TP.

IV. NID COST STUDIES AND RATE OR RATE STRUCTURE MODIFICATIONS

First, we have been asked to address what revisions, if any, should be made to NIDs in both the BSTLM and the stand-alone NID cost study. We are then asked to consider to what extent, if any, should the rates or rate structure be modified.

Because of inconsistencies in BellSouth's application of exempt material costs for its NIDs, we ordered BellSouth to identify and explain all necessary revisions that should be made to its NID costs in the BSTLM and in its stand-alone NID study.[5] Specifically, we stated:

> We find there are inconsistencies in BellSouth's material costs for the 2-line and 6-line NID housing. As we discuss in sub-section O of this Order with regard to loadings, it is our understanding that a component of the in-plant factors applied to investments is designed to recover the cost of exempt materials. However, in the BSTLM the revised inputs for both 2-line and 6-line NID housing include a $9.68 adjustment for exempt materials. We find that because these inputs presumably would also be multiplied by the in-plant loadings which are meant to recover the costs of exempt material, BellSouth may be double counting exempt materials added to the NID investment, which is included in the various loop rates. Our review of BellSouth's work papers for the standalone NIDs (Elements A.2.44 and A.2.45) shows that the input

[5]A NID is the device at a residential or business customer's premises, within which the drop wire terminates. Order No. PSC-01-1181-FOF-TP, p. 235.

> values used for the NID housing (2-line and 6-line) do not include any costs for exempt materials. These work papers do not reflect the application of the in-plant factors which were designed to capture exempt materials; therefore, it does not appear that BellSouth has captured any exempt material costs in its standalone NID rate.

Order No. PSC-01-1181-FOF-TP, pp. 237-238.

Given these inconsistencies we found that an adjustment must be made; however, based on the record in the prior phase of this docket it was not clear what the correction should be. Accordingly, we ordered that BellSouth:

> . . . identify and explain all necessary revisions that should be made to NIDs (both in the BSTLM and in its standalone NID study) when BellSouth refiles the BSTLM and the BSCC within 120 days of the date of the order, as addressed in sub-section O. If BellSouth believes revisions are necessary, BellSouth should, as appropriate, submit modified versions of the BSTLM and the BSCC. If BellSouth believes that no corrections are warranted, BellSouth shall provide a detailed explanation reconciling the apparent inconsistencies discussed above.

Order No. PSC-01-1181-FOF-TP, p. 238.

According to BellSouth witness Caldwell, adjustments are not required to the NID costs considered in the BSTLM (the NID provisioned with the loop). She believes that only the stand-alone NID cost studies require a revision.

Witness Caldwell explains how the NID provisioned with the loop and the stand-alone NID differ. To begin with, the witness notes that typically the NID is provisioned with the loop at the time the residence or business line is constructed and the drop wire is placed and treated as capitalized investment. For most cable placements in BellSouth's studies, exempt material is recovered through an in-plant factor. However, witness Caldwell explains that a different approach is taken for the NID and drop. Specifically, she states:

> BellSouth, in the BSTLM, directly identifies items normally captured in an In-Plant factor (labor, exempt materials, sales tax, etc.) for the capitalized drop and NID. Thus, because the NID investment generated by the BSTLM already considers exempt material, taxes, labor, etc., the BellSouth Cost Calculator does not need to apply the In-Plant factors to drop and NID investments. BellSouth reflected this by assigning special "sub-FRCs" to the drop and NID. These special sub-FRC codes are 22C-01 or 45C-01. The "01" sub-FRCs instruct the BellSouth Cost Calculator not to apply In-Plant factors to those items of plant. Therefore, BellSouth's NID costs associated with unbundled loops are correct and no "double-counting" of In-Plant costs associated with the NID or drop occurs.

Unlike the NID provisioned with the loop, the stand-alone NID is a distinct UNE offering. This offering is designed for situations where the existing NID is not suitable for an ALEC's connection, where BellSouth terminates its loop directly to the inside wire, or when the ALEC specifically requests a particular NID. A nonrecurring fee is assessed for the installation, material, and cross connect (if appropriate) for the stand-alone NID. The witness explains that:

> The stand-alone NID material (housing, interface, and protectors) is exactly the same as the NID placed with the loop. As found by the Commission in its Order, BellSouth did not apply exempt materials in the stand-alone NID study. In fact, BellSouth should indeed have included exempt material in its stand-alone NID costs. BellSouth has included this adjustment in this filing. Further, these are the appropriate costs to be used to establish rates for Stand-Alone NID/NID Access elements.

As part of its arguments as to why the BellSouth cost models fail to meet our ordered requirements, AT&T/MCI witness Pitkin alleges that "BellSouth still includes linear loading factors in the BSTLM - exactly the type of linear loading factors that this Commission previously concluded were the cause of cost distortions." As it relates to the NID, witness Pitkin believes that because the BSTLM explicitly models the costs of NIDs and

drops, the exempt material loading factor should exclude these items. Specifically, he states:

> BellSouth did not remove any of the exempt materials associated with NIDs or drop wires in its calculation of the exempt material loading factor and thus double-counted these investments. In fact, BellSouth has not identified each item that is included in exempt material. Unless BellSouth produces information sufficient to determine that it properly eliminated all such inappropriate and double-counted material from the calculation of the exempt material loading factor, this Commission should reject BellSouth's loading factor estimates.

BellSouth witness Caldwell argues that witness Pitkin's assertions regarding exempt material loading factors are incorrect. The BellSouth witness provided a quote from her reply affidavit filed in connection with BellSouth's application to the FCC to provide in-region long distance service which she believes "fully explains why he is wrong." As stated in witness Caldwell's affidavit:

> The labor-related costs of placing service drop wires and the associated NIDs are assigned to Asset Category Code ("ACC") 248 (Aerial cable - Metallic Drop) and ACC 548 (Buried Cable - Metallic Service Drop). The material costs of the service drop wires and associated NID units are classified to exempt material. The cost of exempt material, however, is distributed as part of the monthly allocations process to the various ACCs (including ACC 248 and ACC 548) based on the direct labor dollars associated with each ACC. In the development of in-plant factors for ACC 022 (Aerial Cable - Metallic) and ACC 045 (Buried Cable - Metallic), BellSouth does not include any of the assignments to ACC 248 or ACC 548. Therefore, the costs of placing service drops and NIDs are **not** reflected in the in-plant factors.

Caldwell Reply Affidavit, CC Docket 01-277,¶37, (emphasis by witness). Witness Caldwell reiterated that BellSouth excluded ACCs 248 and 548, the asset accounts containing NID/drop costs, from the

development of the exempt material loading factors. Therefore, she believes witness Pitkin's claim is without merit.

Whether or not the cost models filed by BellSouth in this phase of the proceeding comply with our Order was addressed earlier in this Order, as well as the use of certain loading factors. We believe that the instant issues are meant to address what corrections, if any, are necessary to BellSouth's NID cost studies, and the appropriate rates for the stand-alone NID and the NID provisioned with the loop. As such, these issues can be resolved independently of any other issues in this Order.

DECISION

As specifically addressed in Order No. PSC-01-1181-FOF-TP, we ordered that BellSouth identify and explain all necessary revisions that should be made to its NID costs both in the BSTLM and in its standalone NID study because of inconsistencies in the application of exempt material costs for its NIDs. We believe BellSouth has satisfactorily explained why there were inconsistencies and how these inconsistencies have been corrected. Therefore, we find that the stand-alone NID rates shall be adjusted to include exempt materials. The appropriate rates for the stand-alone NID shall be those found in Table 4-1. No adjustment shall be made to the costs considered in the BSTLM for the NID provisioned with the loop. The appropriate rates for the NID provisioned with the loop are those rates we ordered in Order No. PSC-01-2051-FOF-TP.

Table 4-1
Stand-Alone NID Rates

Element Number & Description	Non-Recurring First	Non-Recurring Additional
A.2.44-NID - 2 line	$71.49	$48.87

V. HYBRID COPPER/FIBER X-DSL- CAPABLE LOOP: TECHNICAL FEASIBILITY, COMPLIANCE OF 120-DAY FILINNG, AND RATES/RATE STRUCTURE

We now consider what is a "hybrid copper/fiber xDSL-capable loop" offering, and is it technically feasible for BellSouth to provide it. We also consider the appropriateness of BellSouth's compliance filing as well as what should the rate structure and rates be.

By Order No. PSC-01-1181-FOF-TP (Order 1181), issued May 25, 2001, we recognized that there was record testimony regarding DSL service being provisioned over a hybrid copper/fiber loop.

> The Data ALECs apparently view this technology as one worthy of an UNE status. Nevertheless, there is insufficient record evidence regarding the specific components of these loops, such as line cards, vendors, and their associated prices.

Further, Order 1181 stated:

> . . . because we believe that BellSouth is obligated, if technically feasible, to provide hybrid copper/fiber xDSL-capable loops to Data ALECs, BellSouth shall be required to submit a cost study for hybrid copper/fiber xDSL-capable loops within 120 days from the issuance of this Order for further consideration by this Commission. (Order 1181 at p. 75)

Order No. PSC-01-2051-FOF-TP (Reconsideration Order) clarified our position. The Reconsideration Order stated:

> While BellSouth appears to believe that we have already reached a conclusion that BellSouth must provision xDSL service over hybrid loops, we clearly stated in our Order that this obligation applies "if technically feasible." We have drawn no conclusions as to the feasibility of this proposal. In fact, we recognized that there was insufficient record evidence regarding even the components of such a loop. We did, however, find that there was enough evidence in the record to warrant further investigation of hybrid loops.

However, we recognized that the reference to "hybrid copper/fiber xDSL-capable loops" in Order 1181 could be considered somewhat ambiguous. For this reason, we clarified in the Reconsideration Order ". . . that hybrid copper/fiber xDSL-capable loops are those deployed over fiber/DLC loops." Reconsideration Order at p. 11.

A. HYBRID COPPER/FIBER XDSL-CAPABLE LOOP COMPONENTS

BellSouth witness Milner comments on BellSouth's hybrid copper/fiber xDSL-capable loop product design; witness Williams discusses BellSouth's unbundling requirements as it relates to line sharing and line splitting; and witness Caldwell expounds on the cost development of the loop. Witnesses Caldwell and Milner describe BellSouth's modeled hybrid copper/fiber xDSL-capable loop required by Order 1181. The provisioned loop will allow an ALEC to provide Digital Subscriber Line (DSL) capability to its customers over a BellSouth loop served by fiber-fed digital loop carrier systems (DLC), without unbundling packet switching. The Unbundled Network Element (UNE)consists of: (1) a dedicated, non-designed two-wire copper physical transmission facility that connects the Alternative Local Exchange Carrier's (ALEC's) Network Interface Device (NID) at the end user's premises to a Digital Subscriber Line Access Multiplexer (DSLAM) at the remote terminal (RT); (2) a DSLAM located at the RT; and (3) a dedicated DS1 facility from the DSLAM at the RT to the BellSouth central office (CO). Witness Milner asserts that BellSouth's modeled hybrid xDSL UNE loop incorporates the DSLAM functionality, which negates any requirement for ALECs to collocate their own DSLAMs in BellSouth's RTs. The witness opines that this particular loop offering was requested as a result of the expressed desire of ALECs not to have to deploy DSLAMs in RTs.

Witness Milner asserts that BellSouth's cost study only includes the packet switching functionality contained in the DSLAM at the remote terminal (RT); BellSouth has not included any packet switching functionality at the central office (CO). BellSouth's proposed hybrid copper/fiber xDSL-capable loop architecture is designed to terminate the loop into the ALEC's own packet switch for further processing and switching to distant locations. BellSouth witnesses Milner and Williams assert that we only asked BellSouth to submit a cost study for a hybrid copper/fiber xDSL-capable loop. Witness Williams adds that the study is not, and

never was intended to be a total system or an end-to-end offering that included the unbundling of BellSouth's packet switched network. Witness Milner argues that a packet switch is a completely separate and distinct component from the loop which the FCC has addressed and concluded that ILECs are not required to provide as a UNE except in limited circumstances.

As witness Milner explains, the subloop feeder facility, a dedicated DS1, is designed as fiber feeder and provides the transport from the RT to the CO. The facility is assumed to be dedicated to the ALEC. If the facility were not dedicated, a packet switch would be required to disaggregate the packet stream to various service providers. Witness Milner notes that, while BellSouth is opposed to sharing its DSLAM with the ALECs at TELRIC rates, it is not opposed to the ALECs sharing the transport among themselves. However, shared transport implies a packet switch is involved. When questioned regarding the costs of a dedicated circuit and a shared circuit, BellSouth witness Milner contends that the underlying costs would be the same, but the difference would be in the allocation of those costs. If shared transport is used in the feeder portion of the hybrid copper/fiber loop rather than a dedicated circuit, the BellSouth witness asserts that this would result in BellSouth unbundling not only the DSLAM but also a packet switch.

BellSouth witnesses Milner and Williams agree that both ALECs and BellSouth would benefit from the shared placement of DSLAMs at RTs. Further, witness Milner affirms that it is technically feasible for BellSouth and the ALEC to share use of the DSLAM at the RT in providing services, although asserting it is not proper from a regulatory perspective. Assuming there could be an arrangement between the companies to share the DSLAM, witness Milner suggests the costs could be allocated on the basis of the number of ports. However, some costs associated with the DSLAM are more sensitive to the amount of packet traffic that is conveyed by each individual customer. "For example, the ALEC may have half the customers but those customers may generate 95% of the traffic which is carried over the shared facility." In that case, witness Milner suggests an allocation of the transport traffic-sensitive costs based on the number of packets sent. The witness notes that there might also need to be some blending of both traffic-sensitive and non-traffic sensitive costing to accurately assess the right amounts to each party. Finally, witness Williams asserts, in

response to our questions regarding the sharing of DSLAMs, that BellSouth would be interested in an arrangement where it could provide RT DSLAMs at market rates. BellSouth is not willing, however, to provision RT DSLAMs at TELRIC rates.

Contrary to BellSouth, AT&T and MCI witness Darnell and Florida Digital Network, Inc. (FDN) witness Gallagher assert that the hybrid copper/fiber xDSL-capable loop should include the DSLAM at the RT, unbundled packet switching, as well as shared transport. Additionally, FDN witness Gallagher asserts that the characteristics of a hybrid/copper fiber xDSL-capable loop should not be dependent upon a particular type of DLC infrastructure. Whether the DLC is copper-fed or fiber-fed, witness Gallagher argues that the DSL traffic still must be multiplexed at the RT.

FDN witness Gallagher further asserts that the broadband UNE loop as proposed in Docket No. 010098-TP (the FDN Arbitration) should be the hybrid copper/fiber xDSL-capable loop offering under consideration here, rather than the offering configured by BellSouth. The witness explains that for a DLC loop to be xDSL-capable, packet switching must be performed by a DSL line card (combo card or integrated DLC card), or by a DSLAM at the RT. Witness Gallagher asserts that consideration of a new UNE loop without unbundled packet switching at the RT would serve no purpose. The witness argues that ALECs need to be able to purchase a port-at-a-time rather than an entire 16-port DSLAM, and shared DS1 feeder rather than a dedicated DS1. Witness Gallagher explains that there are three components in a hybrid copper/fiber loop.

> The first two components are subloops: (1) the copper subloop between a remote terminal and a customer ("distribution"), and (2) the fiber subloop between a remote terminal and a central office ("feeder"). The third component is the DLC that connects the two subloops, together with any supporting equipment necessary to perform whatever switching functions may be required based upon the nature of the transmission. For circuit-switched voice traffic, this third component includes voice-grade DLC line cards that are used to pass the transmission from the distribution to the feeder. To be "xDSL-capable," however the DLC component must either include DSL-capable line cards or, if such cards are not supported by the DLC system, a DSLAM. The DSL line card

or DSLAM performs packet switching functionality at the remote terminal so that it is possible to transmit the DSL-based services between the distribution pairs and the feeders.

As noted above, the basic difference between BellSouth's modeled hybrid copper/fiber xDSL-capable loop and the loop that AT&T/MCI and FDN advocate is that the ALECs propose a loop with shared rather than dedicated transport and access to the DSLAM at a "line-at-a-time." However, it is important to remember that while BellSouth's modeled UNE loop includes unbundling the packet switching function at the RT, BellSouth is adamant that while this modeled loop has been submitted at our direction to gather additional information, it should not be required. BellSouth believes that in order for an ALEC to provide DSL service to a customer served behind an RT, it should have to locate a DSLAM at the RT.

B. TECHNICAL FEASIBILITY

The parties agree that the hybrid copper/fiber xDSL-capable loop modeled by BellSouth is technically feasible. Moreover, the parties agree that the added unbundling of the DSLAM at a "line-at-a-time" as FDN and AT&T/MCI have recommended, is also technically feasible. However, BellSouth and FDN witnesses agree that allowing access to a DSLAM on a "line-at-a-time" would require the ATM packet switch at the central office to be included in the configuration. The commingling of the packets from the DSLAM at the RT to the CO would require an ATM switch at the CO to separate and send the packets to their respective destinations, whether that be a BellSouth, an FDN, or some other ALEC destination.

While BellSouth witnesses Milner and Williams affirm it is technically feasible for BellSouth to provide the offering it has modeled, they note that one of the elements of this offering is the DSLAM which the FCC has exempted as a UNE except under limited circumstances, none of which exist in Florida. The witnesses reference the FCC's 1999 UNE Remand Order[6], in which the FCC states

[6] Order No. FCC 99-238, Local Competition Third Report and Order and Fourth Notice of Proposed Rulemaking, CC Docket No. 96-98, released November 1999.

that "[t]he packet switching network element includes the necessary electronics (e.g., routers and DSLAMs)." (UNE Remand Order at ¶304) The FCC also states that "We decline at this time to unbundle the packet switching functionality, except in limited circumstances." (UNE Remand Order at ¶306) The "limited circumstances" in which ILECs are required by the FCC to unbundle packet switching are contained in 47 C.F.R. Section 51.319 (Rule 51.319) Rule 51.319(c)(5) states:

> (5) An incumbent LEC shall be required to provide nondiscriminatory access to unbundled packet switching capability only where each of the following conditions are satisfied.
>
> > (i) The incumbent LEC has deployed digital loop carrier systems [DLC], including but not limited to, integrated digital loop carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the distribution section (e.g., end office to remote terminal, pedestal or environmentally controlled vault);
> >
> > (ii) There are no spare copper loops capable of supporting xDSL services the requesting carrier seeks to offer;
> >
> > (iii) The incumbent LEC has not permitted a requesting carrier to deploy a Digital Subscriber Line Access Multiplexer in the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has the requesting carrier obtained a virtual collocation arrangement at these subloop interconnection points as defined by paragraph (b) of this section; and
> >
> > (iv) The incumbent LEC has deployed packet switching capability for its own use.

BellSouth witness Williams asserts that the premise of the FCC finding was that advanced services were being deployed timely in certain market segments in the business area. He notes that the FCC concluded that competitors may be impaired in their ability to

offer service without access to ILEC facilities due in part to the cost and delay of obtaining collocation in every CO, namely the residential and small business market segment. However, BellSouth witness Ruscilli notes that the FCC concluded that the existence of competition alone precludes a finding of impairment.

As part of Docket No. 010098-TP, the FDN and BellSouth arbitration, BellSouth and FDN agreed that we "may establish a new UNE if the carrier seeking the new UNE carries the burden of proving the impairment test set forth in the FCC's UNE Remand Order." Moreover, BellSouth and FDN agreed that the "impair" standard contained in Rule 51.317 is controlling when a state commission determines whether to mandate UNEs in addition to those established by the FCC. FCC Rule 51.317(b)(1) states:

> A requesting carrier's ability to provide service is "impaired" if, taking into consideration the availability of alternative elements outside the incumbent LEC's network, including self-provisioning by a requesting carrier or acquiring an alternative from a third-party supplier, lack of access to that element materially diminishes a requesting carrier's ability to provide the services it seeks to offer. . . If the Commission determines that lack of access to an element impairs a requesting carrier's ability to provide service, it may require the unbundling of that element . . . .

In considering whether lack of access to a network element "materially diminishes" a requesting carrier's ability to provide service, state commissions should consider whether alternatives in the market are available as a practical, economic, and operational matter. In doing so, the state commissions are to rely on factors such as cost, timeliness, quality, ubiquity, and impact on network operations, to determine whether alternative network elements are available. See FCC Rule 51.317(b)(2). State commissions may also consider additional factors, such as whether unbundling of a network element promotes the rapid introduction of facilities-based competition; investment and innovation; and reduced regulation. The state commission may also consider whether unbundling the network element will provide certainty to requesting carriers regarding the availability of the element, and whether it is administratively practical to apply. See FCC Rule 51.317(b)(3).

BellSouth witness Ruscilli contends that BellSouth offers UNEs that allow an ALEC to transport data from the ALEC's packet switch to a DSLAM it collocates at a remote terminal, and BellSouth provides UNEs that allow an ALEC to transport data from a DSLAM it collocates at a RT to its end user's premises. Further, BellSouth will permit a requesting carrier to deploy a DSLAM at the RT, pedestal, or environmentally controlled vault or other interconnection point. If BellSouth cannot accommodate such collocation of a DSLAM, BellSouth will provide unbundled packet switching to that particular location, as required by the FCC's UNE Remand Order.

BellSouth witness Ruscilli further asserts that ALECs are not impaired by the fact that BellSouth provides neither packet switching nor the DSLAM as a UNE because ALECs can purchase, install, and utilize these elements just as easily and as cost-effectively as BellSouth. Once the ALEC has the requisite equipment, the ALEC can use third-party equipment in combination with its own facilities, facilities of a third party, or with UNEs it obtains from BellSouth to provide its own xDSL service to its customers. Besides not meeting the impairment standard, witness Ruscilli argues that unbundling of the packet switching functionality and provisioning the DSLAM as a UNE is not good public policy. BellSouth witness Williams indicates that no ALEC has collocated a DSLAM at a RT in Florida.

On the other hand, FDN witness Gallagher asserts that FDN has collocated in over 110 locations in Florida where it is unable to gain access to DSL-capable loops from those locations to RTs to almost 70% of the addressable DSL market. The result is that BellSouth possesses more than a 90% share of the DSL market in Florida and is the only carrier offering DSL service where DLCs are deployed in RTs. Witness Gallagher asserts that FDN is therefore impaired with regards to the scope and scale of collocation. Additionally, witness Gallagher admits that FDN's impairment is one of financial constraints.

To this, BellSouth witness Ruscilli responds that the FCC addressed impairment in its UNE Remand Order, concluding that:

> Because the ILEC does not retain a monopoly position in the advanced services market, packet switch utilization rates are likely to be more equal as between requesting

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> carriers and incumbent LECs. It therefore does not appear that incumbent LECs possess significant economies of scale in their packet switches compared to the requesting carriers.

UNE Remand Order at ¶308.

Regarding FDN's desired offering, which would require the unbundling of the DSLAM at the RT and the ATM switch at the CO, BellSouth argues that to include ATM packet switching in a UNE offering requires us to find that lack of access to such switching materially impairs an ALEC's ability to provide the services it seeks to offer. FDN witness Gallagher argues that "for a DLC loop to be xDSL-capable, packet switching must be performed by the DSL line card or DSLAM at the remote terminal." However, witness Gallagher agreed that if ALECs were given access to BellSouth's DSLAM a "line-at-a-time" as he wants, the ATM switch at the CO also would have to be unbundled in order to disaggregate the intermingled packets of the ALEC and BellSouth.

BellSouth witness Williams asserts that BellSouth does not currently deploy DLC equipment capable of using the integrated voice and data line cards. The very limited number of Next Generation Digital Loop Carrier (NGDLC) systems deployed by BellSouth support voice only and are not capable of using the combo card, except for a small number used solely for testing purposes. Notwithstanding the inability of BellSouth to provide a NGDLC that uses an integrated combo card and the fact that BellSouth does not offer a hybrid copper/fiber xDSL-capable UNE loop offering, witness Williams argues that FDN is not limited to line sharing only over copper facilities. "For example, FDN could collocate a DSLAM in BellSouth's RT. Alternatively, FDN could provision its own fiber optic cable, install DSLAMs in its own cabinetry in proximity to BellSouth's RT, and acquire only the unbundled loop distribution subloop element." Thus, witness Williams claims that BellSouth does not preclude ALECs from serving customers regardless of whether or not those customers are served by copper loops.

FDN witness Gallagher asserts that if a hybrid copper/fiber xDSL-capable UNE loop is not created that includes DSLAMs provided on a "line-at-a-time" basis, FDN will incur significant delays in deploying service. BellSouth witness Ruscilli responds, noting that the FCC specifically stated in its January 19, 2001 Order in

CC Docket No. 96-98 "that ILECs have no obligation to provide DSLAMs, much less provide them on a 'port-by-port' basis." Additionally, witness Ruscilli asserts that ALECs should not be provided all of the benefits and none of the time or risks that BellSouth has had to incur with its deployment of DSLAMs in RTs. The witness asserts that ALECs can obtain unbundled xDSL loops with the same speed that BellSouth could provide for itself without the proffered UNEs. Obtaining a DSLAM and DS1 feeder at the RT, and the time delays experienced in initiating service to an initial customer served by a RT, are the same for FDN as BellSouth experienced when it first began deployment two years ago.

FDN witness Gallagher further asserts that the use of shared DSL facilities would be more efficient than the use of separate, dedicated facilities, and would increase the deployment of broadband to Florida consumers and businesses. "The aggregation of all ILEC and ALEC traffic through shared DSLAMs would be the best way to ensure efficiency not only for ALECs, but also for BellSouth." Witness Gallagher argues that the higher utilization rate resulting from the shared use of DSLAMs will enable all carriers to reduce their per customer costs, thereby reducing prices. Further, sharing could generate sufficient demand to enable the use of higher capacity facilities, such as 96-port DSLAMs or DS3 feeders, which are more efficient and cost-effective. Additionally, witness Gallagher asserts that sharing of facilities will enable consumers to enjoy the benefits of line sharing, that is, obtaining voice and data services from separate carriers on the same line. Finally, witness Gallagher claims that in a shared facilities architecture, it will be easier and less costly for customers to switch DSL providers.

BellSouth witnesses Milner and Williams respond to FDN's proposal for shared facilities stating that sharing discourages ALECs from building facilities and discourages diversity and innovation. Moreover, witness Williams asserts that FDN's proposal would necessitate very extensive and expensive BellSouth support system re-writes. However, witness Williams admits that there is no evidence or documentation detailing what the cost would be and the details of the changes required. Regarding FDN witness Gallagher's assertions of the benefits of line sharing as a result of the sharing of DSLAMs, witnesses Milner and Williams argue that the noted benefits are without merit because there are no difficulties with cross-connections or alleged potential space and

resource limitations. BellSouth witness Milner asserts that line sharing in a shared condition is no different than in circumstances where the ALEC provides its own DSLAM at the RT. Finally, witness Williams asserts that FDN's shared facilities proposal puts BellSouth at risk of not recovering the cost of the DSLAM investment in the event of underutilization. Notwithstanding this, witness Williams admits that a customer is precluded from obtaining BellSouth DSL service and FDN voice service over the same line. Additionally, a customer currently receiving BellSouth FastAccess service is precluded from obtaining voice service from another provider without losing the BellSouth service.

BellSouth witness Williams concludes that if BellSouth is ordered to unbundle its packet switched network, no additional end users would have broadband access because ALECs would then only target those customers who currently have BellSouth ADSL available to them. The witness argues that such a result contradicts wide scale deployment of competitive broadband networks. Instead, he says, what would result will be nothing more than "customer swapping," as no new deployment would result. In fact, such an unbundling requirement would dissuade ALECs from deploying their own equipment. In contrast, if an ALEC deployed its own DSLAM at a remote terminal where BellSouth has not yet deployed its own DSLAM, that ALEC would get a leg up on other ALECs and on BellSouth, and customers who had previously been unable to receive ADSL service could get the service. This, witness Williams asserts, would make DSL services available to more Floridians than FDN's proposal.

Witness Williams agrees that the hybrid copper/fiber loop designed by BellSouth in the 120-Day filing puts ALECs in the same basic position with regard to having their own dedicated DSLAM and dedicated transport, similar to self-provisioning which is claimed to impair ALECs. While witness Williams agrees that no ALEC has collocated a DSLAM at any RT in Florida, he notes that there are several ALEC collocations underway in other states. Witness Williams notes that these collocations are not the result of any action from a state commission and the rates are negotiated through the interconnection agreement process.

Witness Williams states that TELRIC pricing does not permit BellSouth to recover its costs because TELRIC is based on forward-looking technology and not BellSouth's actual facilities. However, as the witness agreed, "that's what competition is all about; that

if the cost of providing service goes down, it doesn't matter what you have on your books and what you invested years ago, you're limited by competition to what it costs now to provide service. . ." Of course, witness Williams asserts that this same argument applies to all of the components that BellSouth is now required to unbundle.

According to witness Williams, BellSouth's goal is to be able to provide DSL service to 76% of its customers in Florida by the end of 2002. In fact, BellSouth plans to begin deployment of integrated DLC line cards into more rural communities. The integrated line cards will allow BellSouth to retrofit its older DLCs to potentially serve one or two customers. As witness Williams explains, the integrated line card, or combo card, is basically a DSLAM on a card. BellSouth is currently conducting a study to determine the market rate for sharing these new integrated DLC line cards. However, witness Williams asserts that the deployment of integrated line cards is on hold pending the outcome of this proceeding. While BellSouth plans to deploy integrated line cards to support its wholesale ADSL service, given the cost of the technology, witness Williams argues that the line cards cannot be justified at TELRIC rates.

AT&T/MCI witness Darnell disagrees with BellSouth witness Milner's assertion that the FCC has exempted the DSLAM from being a UNE. To the contrary, witness Darnell asserts that the FCC simply does not require BellSouth to provide DSLAMs as UNEs, provided certain conditions are met.

> Simply because the FCC does not require BellSouth to provide DSLAMs as UNEs in all cases does not mean that BellSouth is exempt from ever having to do so. This Commission certainly can require BellSouth to provide DSLAMs as UNEs.

Further, witness Darnell contends that BellSouth's refusal to provide a DSLAM as an UNE will impair an ALEC's ability to compete with BellSouth. He asserts that the additional bandwidth achieved from the DSLAM opens the door for new applications and will help facilitate economic development. "An effectively competitive broadband market is a worthwhile objective of any public service commission." However, witness Darnell is unsure whether we must

determine that ALECs are impaired by lack of access to the DSLAM before we can require that it be unbundled as a UNE.

C. APPROPRIATENESS OF BELLSOUTH'S COST STUDY

Order 1181 noted insufficient record evidence regarding the specific components of a hybrid copper/fiber xDSL-capable loop, such as line cards, vendors, and their associated prices. The hybrid copper/fiber xDSL-capable loop cost study required by Order 1181 was to "explicitly model the costs of hybrid copper/fiber xDSL-capable loops and incorporate all approved adjustments set forth herein, breaking out the additive costs for test points, order coordination, and DLR." Order 1181 at 76. Further, the Reconsideration Order clarified that hybrid copper/fiber xDSL-capable loops "are those deployed over fiber/DLC loops." Reconsideration Order at p. 11.

The BellSouth configuration of a hybrid copper/fiber xDSL-capable loop is comprised of subloop distribution, subloop feeder, and a DSLAM. The subloop feeder as well as the DSLAM are dedicated to the ALEC. In other words, the ALEC is required to purchase an entire 16-port DSLAM regardless of the quantity of customer lines the ALEC serves. Witness Milner explains that the loop element is priced the same whether the ALEC chooses to use it as only a voice circuit or to use it for its higher capacity capability of voice plus broadband. "BellSouth has no obligation to bifurcate its loop offerings between multiple ALECs, although nothing prevents an ALEC from sharing the loops it leases from BellSouth with other ALECs. Of course, if the ALECs desire not to purchase the BellSouth provided DSLAM at the remote, the ALEC always has the option to deploy its own DSLAM."

Regarding the concept of shared DSLAMs, witness Milner responds that "the aggregation of ALEC and ILEC traffic through shared DSLAMs at the remote site would require the use of a packet switch at the central office end of the circuit to disaggregate the packets by service provider and route them to their appropriate destination (such as the ALEC's collocation arrangement). This in effect would equate to a requirement upon BellSouth to provide unbundled packet switching." Witness Milner emphasizes that the FCC has determined that BellSouth is not required to provide unbundled packet switching. However, he notes that nothing

prevents a group of ALECs from incorporating their own sharing arrangements with DSLAMs, transport, and packet switching.

Nonetheless, BellSouth witness Williams asserts that FDN's witness Gallagher is asking us to require BellSouth to unbundle its packet switched network and accommodate FDN's request for a port-at-a-time, while both us and the FCC have ruled previously that BellSouth is not required to do so. Furthermore, FDN's proposal places 100% of all investment and risk on BellSouth, with FDN receiving all of the benefits. Moreover, witness Williams contends that FDN's arguments regarding its inability to provide xDSL services to end users using BellSouth's network are based on speculation rather than fact. He claims that BellSouth provides reasonable and workable solutions to ALECs to offer xDSL services to end users served from a DLC RT. Finally, witness Williams asserts that FDN's request would not increase the number of broadband users, but rather would only change the provider of these services.

Witness Williams notes that in the UNE Remand Order, the FCC stated that "regulatory restraint. . . may be the most prudent course of action in order to further the Act's goal of encouraging facilities-based investment and innovation." UNE Remand Order at ¶316. Further, the FCC declined to require ILECs to unbundle packet switching out of concern that such a requirement would impede competition and stifle innovation. Id., ¶314-316. Witness Williams argues that there have been no significant changes in the telecommunications environment that would warrant any reconsideration of this issue, and accordingly, we should not rule inconsistently with the FCC.

Witnesses Milner and Williams assert that FDN's port-at-a-time proposal exposes BellSouth to the following risks: obsolescence of technology; underutilization of equipment, especially DSLAMs; and, unrecovered BellSouth investment. Regarding the risk of technology obsolescence, witness Williams asserts the risk arises that the ILEC is granted TELRIC based interim rates and then, during a cost proceeding, is ordered to comply with the TELRIC principle of using forward-looking design of the newest equipment. Unfortunately, this may mean that the TELRIC-based rates are significantly lower than the ILEC's actual costs for deployment. Thus, the ILEC could possibly not be able to recover its costs.

Regarding underutilization risks, witness Williams argues that this could mean that BellSouth would be required to deploy a DSLAM at a RT and an ALEC take only one port of the DSLAM. This port could potentially be disconnected in a relatively short period of time, leaving BellSouth with a DSLAM in a RT with no users attached. In this case, the DSLAM may become stranded investment for BellSouth. However, witness Williams stated that his stated risk of underutilization is premised on the presumption of unbundling DSLAMs even in areas where BellSouth does not presently have a DSLAM. The concern is eliminated if unbundling is required only in areas where BellSouth presently has a DSLAM. Additionally, witness Williams agrees that his argument regarding obsolescence, underutilization, and under-recovery goes directly to the matter of TELRIC pricing.

According to the witness, an additional risk remains that, in the name of fostering competition or broadband deployment, a regulatory body could order BellSouth to reduce its rates to some level below BellSouth's costs. While in theory BellSouth may recoup its investment in the future, witness Williams states that this probably will not be the case, much less enable BellSouth to provide a return on investment to its shareholders. Moreover, witness Williams asserts that although an ALEC claims that they have to have an offering, they may not actually purchase it; thus, the significant amount of funds and other resources expended to deliver the offering will never be recouped.

Witness Williams argues that FDN's proposal stifles any potential investment an ILEC might be considering in new technologies, like DLC combo cards. In such a case, BellSouth would simply abort further deployment. If granted unbundled access to a DSLAM, FDN witness Gallagher admits that the footprint of Floridians who are able to get DSL service may not be expanded; FDN would provide innovations to customers who potentially could already be receiving DSL service from BellSouth.

An ALEC can currently provide xDSL service to an end user served by a DLC RT. All of the components are currently available through collocation and UNE offerings for an ALEC to serve end users, regardless of the facilities serving the end user. When BellSouth provides its own ADSL service where DLC is deployed, DSLAM equipment at the DLC RT location is deployed. An ALEC desiring to provide its xDSL service where DLC is deployed must

also collocate its DSLAM equipment at the DLC RT location. This will allow the ALEC to provide the high speed data service in the same manner as BellSouth.

If sufficient space exists within a DLC RT, BellSouth witness Williams asserts that BellSouth will allow an ALEC to collocate its DSLAM in the RT, regardless of whether BellSouth has installed its own DSLAM at that RT. If sufficient space does not exist within the DLC RT and BellSouth has not installed its own DSLAM at that DLC RT location, witness Williams states that BellSouth will file a collocation waiver request with us for that DLC RT site. If sufficient space does not exist within the DLC and BellSouth has installed its own DSLAM at the DLC RT location, then BellSouth will make good faith efforts to augment the space at that DLC RT, such that the ALEC can install its own DSLAM at that DLC RT. In the very unlikely event that BellSouth could not accommodate collocation at the particular RT where BellSouth has a DSLAM, BellSouth will unbundle the BellSouth packet switched network at that RT in accordance with FCC requirements. BellSouth, therefore, provides ALECs the same opportunity to offer DSL service where a DLC is deployed as BellSouth provides itself.

Witness Williams claims that FDN witness Gallagher's concerns regarding RT collocation, rights-of-way, construction of new facilities, and other difficulties are speculative since FDN has not submitted a single RT collocation application. While an ALEC may construct its own facilities, this is not necessary since BellSouth offers subloop DS1, DS3, and OC3 feeder UNEs that would provide all of the capacity required from an RT to a CO. Accordingly, obtaining rights-of-way and constructing new facilities are not necessary.

Witness Williams argues that BellSouth is not depriving ALECs of the opportunity to provision competing DSL services. For example, since the inception of line sharing and line splitting, BellSouth has hosted an industry-wide collaborative for the express purpose of having ALECs assist with the development of line sharing and line splitting offerings and related systems. FDN has chosen not to participate, nor expressed any desire for information relating to the issues discussed and resolved through the collaborative.

Witness Williams notes that business plans are developed by targeting deployment in areas where the provider expects a large percentage of end users to subscribe. Accordingly, BellSouth selectively placed DSLAMs in its COs for several years before the first RT-based DSLAM was placed. CO-based xDSL is far less expensive than RT-based xDSL. BellSouth waited until demand increased before it deployed the more expensive RT infrastructure. Accordingly, if FDN anticipates the low take rate indicated in witness Gallagher's testimony, FDN may be best served by waiting until the anticipated take rate is more significant and not consider deployment in RTs at this time.

If an ALEC does not want RT collocation, BellSouth will allow an ALEC to offer resold BellSouth voice service, with BellSouth's wholesale ADSL service at a price of $33. If the ALEC is an Internet Service Provider (ISP), it can purchase the BellSouth wholesale ADSL transport service and provide xDSL data service to its end users. If the ALEC is not an ISP, it can provide BellSouth FastAccess Internet Service as an authorized sales representative or independently contract with an ISP of its choice. An alternative for an ALEC would be to enter into a line splitting agreement with another data-ALEC, or an ALEC could pursue an available 'home-run' loop. Witness Williams notes that there are other alternatives for broadband service, including satellite, fixed wireless, and cable modem.

However, if the ALEC wants to provide UNE or UNE-P voice service, BellSouth's wholesale ADSL service would not be available. Furthermore, BellSouth will not allow ISPs using BellSouth ADSL wholesale service to work with ALEC voice service. Moreover, it would be unusual for BellSouth to have an available home-run loop that meets DSL tolerances and qualifications.

AT&T/MCI witness Darnell claims that BellSouth's hybrid copper/fiber xDSL-capable loop offering will not help the development of competition. He states that:

> The rigid way BellSouth has designed this UNE and the rates BellSouth has proposed for this UNE eliminate any usefulness it could have.

Witness Darnell asserts that BellSouth's modeled loop is overly rigid because: 1) BellSouth only offers a 16-port DSLAM when

different sizes are available, 2) BellSouth assumes that each ALEC must have a dedicated DSLAM rather than a sharing arrangement between BellSouth and the ALECs, and 3) BellSouth has assumed that the offering is only provided with 1 to 4 DS1s between the DSLAM and the CO, and those facilities are dedicated to the ALEC that purchased the DSLAM. The witness argues that there is no reason why the packet transport from the DSLAM to the CO could not be on DS3 and the transport facilities shared. Witness Darnell argues that ALECs must be able to purchase packet transport at a rate that reflects the same economies of scale as BellSouth; the offering modeled and costed by BellSouth will be of no use to ALECs.

FDN witness Gallagher asserts that BellSouth's hybrid copper/fiber xDSL-capable loop configuration is not a viable option. The witness asserts that the DSLAM functionality at the RT must be unbundled. Because BellSouth's cost study is deficient in this regard, FDN proposes that BellSouth be ordered to file a new cost study based on a hybrid loop offering that unbundles packet switching at the RT.

D. RATES AND RATE STRUCTURE

BellSouth filed recurring and nonrecurring costs associated with providing its modeled hybrid copper/fiber xDSL-capable loop. As discussed earlier, the basic recurring cost components of BellSouth's modeled hybrid copper/fiber xDSL-capable loop are the subloop feeder, the subloop distribution, and the DSLAM.

On the other hand, FDN witness Gallagher contends that the rate structure should include two basic product types: data-only and voice-and-data. Further, each should be offered on a line-at-a-time basis, with a single loop rate for each zone. Witness Gallagher asserts that the rates should simply represent the addition of unbundled packet switching to the different types of existing loops. For data-only xDSL loops, the surcharge would be added to the applicable rate for a line shared loop. For combined voice and data xDSL loops, witness Gallagher proposes adding the surcharge to the applicable rate for a UNE loop. Witness Gallagher believes the approximate rate for the UNE, including the loop, should be between $16 and $22, based on BellSouth's existing retail and wholesale rates for DSL-based services.

BellSouth witness Caldwell maintains that the BSTLM developed the investments associated with the DS1 component of the hybrid copper/fiber loop. The witness notes that the subloop feeder DS1 (element A.20.1) is different from the unbundled subloop feeder 4-wire DS1 (element A.9.2). Witness Caldwell explains that the subloop feeder DS1 (A.9.2) includes the feeder portion of all DS1 loops served by both copper feeder and fiber feeder facilities to a remote DLC terminal. On the other hand, the hybrid copper/fiber DS1 (A.20.1) only considers locations served by a remote DLC terminal with fiber. Therefore, not all the locations used in the calculation of A.9.2 are included in the calculation of the hybrid copper/fiber 4-wire DS1 (A.20.1).

AT&T/MCI witness Darnell questions the difference in recurring costs between the hybrid copper/fiber DS1 (A.20.1) and the subloop feeder DS1 (A.9.2). In response to these concerns, BellSouth witness Caldwell asserts that the hybrid DS1 (A.20.1) is purely fiber and longer in length since, in the BSTLM, DS1s are provisioned on fiber-fed DLCs only if the DS1 loop length is greater than 12,000 feet. The witness notes that the average length of the DS1 subloop (A.9.2) is 10,407 feet while the average length of the hybrid DS1 (A.20.1) is 21,029 feet.

Witness Caldwell argues that the material prices for the 16-port DSLAM were obtained from vendor contracts. Regarding nonrecurring costs, witness Caldwell explains that these costs reflect the work activities required to connect and turn-up the DS1 and the 2-wire transmission facility onto the DSLAM.

Witness Caldwell explains that in order to make this a functional loop and to reflect the manner in which the loop will be provisioned, the individual network components are summed into (1) System, (2) DS1, and (3) Activation elements. The System element represents the cost of the DSLAM (element A.20.3) with an administrative DS1 (A.20.1), which is used for BellSouth's management of the DSLAM. The administrative DS1 terminates into a DSL hub bay at the CO in order to allow BellSouth to control the provisioning, maintenance, and repair of the hybrid copper/fiber loop. Witness Caldwell notes that the cost of the administrative DS1 is the same as the DS1 that terminates into the ALEC's collocation space.

The DS1 element is comprised of the cost of the fiber DS1 that connects the DSLAM at the RT to the ALEC's collocated space in the CO. Witness Caldwell asserts that the recurring cost is the same as the hybrid copper/fiber DS1 (A.20.1). The nonrecurring cost is the sum of the DS1 establishment element (A.20.2) and the nonrecurring cost associated with the subloop feeder per 4-wire DS1 element (A.9.2). Witness Caldwell notes that element A.9.2 was not restudied as a rate was established by Order 1181. The rate of $133.77 was hard-coded into the final cost summary.

Regarding the Activation element, witness Caldwell explains that this cost is the sum of the channel activation cost (element A.20.4) and the nonrecurring cost associated with the 2-wire distribution subloop (element A.2.2).

Notwithstanding his argument that BellSouth's modeled hybrid copper/fiber xDSL-capable loop is not the product desired by the ALECs and will be of no use to the ALECs, AT&T/MCI witness Darnell discusses the specific cost elements of BellSouth's modeled loop. First, witness Darnell asserts that there should be no nonrecurring charge for channel activation (element A.20.4) associated with the 2-wire subloop distribution UNE. Witness Darnell claims that "the nonrecurring charges for element A.2.2 subloop already recover those costs." Further, witness Darnell asserts that the monthly recurring and nonrecurring costs of subloop DS1 feeder, element A.9.2, "already determined by the Commission in Order 1181, already cover the cost of connect and turn-up testing, including central office installation and maintenance and Special Service installation and maintenance." The witness concludes that the only rates that should apply for the DS1 subloop feeder are those already established.

Second, witness Darnell alleges that BellSouth's cost support for the DSLAM is not compliant with TELRIC principles and is not based on forward-looking inputs. Witness Darnell argues that the most fundamental error is BellSouth's "failure to assume total demand in the development of [the DSLAM] rate."

> In the cost support for the DSLAM, BellSouth never evaluates its demand or ALEC demand and unilaterally determines that each ALEC must purchase the DSLAM functionality in increments of a 16-port DSLAM.

Witness Darnell argues that ALECs and BellSouth should share the DSLAM. Further, packet transport should be sold on a per port basis, and the rate per port should be based on the total forward-looking cost of the DSLAM functionality, divided by the total retail and wholesale demand. The witness also proposes that the RT housing cost be removed from the DSLAM rate. The DSLAM rate element should not be developed to recover a portion of the cost of replacing the RT.

Third, witness Darnell alleges that the material prices (i.e., DSLAM, Hub Bay, and DS1 Card) and installation times (i.e., service inquiry) that BellSouth used for the DSLAM recurring and nonrecurring rates do not reflect those of a forward-looking, least cost telecommunications service provider. To this, BellSouth witness Caldwell responds that the cost study "accurately reflects the product description provided by the product team and the equipment and labor resources identified by subject matter experts in BellSouth's Network department." However, witness Caldwell was unable to provide the nature of the subject matter experts' (SMEs) opinions, a description of the data the SMEs relied upon, or the individual SME's expertise being relied upon.

In short, witness Darnell argues that BellSouth's modeled and costed hybrid copper/fiber xDSL-capable loop will be of no use to ALECs.

> When added up, this offering would cost ALECs approximately $150 per month per ADSL line. ALECs cannot pay $150 for an ADSL line and then attempt to use it to compete in a market where the retail rate is about $50. BellSouth sells its Fast Access DSL service for $49.95 in Florida and this includes access to the internet service provider. Just like this Hybrid Copper/Fiber loop proposal, BellSouth often provisions its Fast Access DSL service using subloop copper distribution facilities, DSLAMs and remote terminal to central office packet transport. As such, either BellSouth's cost support for this proposal is seriously wrong or BellSouth is using funds from other services to cross subsidize its Fast Access DSL offering.

In response to witness Darnell's allegations, BellSouth witness Caldwell asserts that the input file for the nonrecurring

charge for channel activation (A.20.4) identifies a work group (Data Support Group) and associated work activity not contained in the input file of the subloop element A.2.2. Witness Caldwell asserts that since the hybrid copper/fiber loop and the DS1 are designed to handle data transmissions, while the distribution subloop is primarily designed to carry only voice traffic, additional work activity is required.

Additionally, witness Caldwell asserts that in a long-run study, such as TELRIC, "all costs are considered variable, i.e., that they will exhaust." The witness argues that since the deployment of the hybrid copper/fiber loop utilizes components of the RT, they should be considered in the cost development.

The model assumes that a certain percentage of the time there will be insufficient space in an RT to accommodate a new DSLAM. However, neither BellSouth witness Ruscilli nor witness Williams could attest to personal knowledge as to whether or not BellSouth has available space in its RTs for ALECs to collocate DSLAMs. BellSouth witness Milner asserts that while DSLAM manufacturers offer various capacities of customer lines, most DSLAM manufacturers do not offer DSLAMs with less than eight customer line capability. According to witness Milner, BellSouth chose a 16-port DSLAM believing that this capacity would economically serve an ALEC's demand at a given RT.

FDN witness Gallagher asserts that it would be impossible to profitably sell DSL service using the rates from BellSouth's cost study. Witness Gallagher argues it is financially impaired due to BellSouth's requirement that it purchase an entire 16-port DSLAM as well as its resulting cost study and rate structure. BellSouth witness Ruscilli argues that the pricing standard is not whether UNE-based entry is profitable, but whether the UNE rates are cost-based.

DECISION

As mentioned earlier, Order 1181 and the Reconsideration Order noted our belief that BellSouth is obligated, if technically feasible, to provide hybrid copper/fiber xDSL-capable loops to ALECs, and required BellSouth to submit a cost study for such hybrid loops. Moreover, the Reconsideration Order clarified that hybrid copper/fiber xDSL-capable loops are those deployed over

fiber/DSL loops. The purpose of the hybrid copper/fiber xDSL-capable loop cost study is to address the feasibility of such a loop, and to develop record evidence regarding the components and costs of those loops.

In addressing the technical attributes of the hybrid copper/fiber xDSL-capable loop in this proceeding, we address whether the loop should include: 1) the unbundling of the DSLAM and 2) the ATM packet switch at the CO. Regarding unbundling of the DSLAM, while the ALECs may have financial constraints in deploying DSLAMs in RTs, these constraints are no more than BellSouth faces itself.

The record is clear that shared transport, as FDN and AT&T/MCI request, will require the unbundling of a BellSouth ATM packet switch at the CO. However, no party's testimony specifically requested or discussed this unbundling. FDN witness Gallagher admits that there is no record evidence supporting a rate for such unbundling. Accordingly, we believe there is insufficient record evidence to require the unbundling of packet switching at the CO, at this time.

Given the direction in Order 1181 and the Reconsideration Order available from the prior record in this proceeding, there is no doubt that BellSouth's hybrid copper/fiber xDSL-capable loop product and design is compliant. While the DSLAM is a component of the "hybrid loop," the ATM packet switch located in the CO is not.

The ALECs do not agree with the product as defined by BellSouth, but we believe their proposed "line-at-a-time" and non-dedicated transport facility goes further than envisioned by Order 1181 and the Reconsideration Order. Accessing DSLAMs located at RTs on a line-at-a-time basis is not technically feasible without unbundling the ATM packet switch at the CO. Without a dedicated DS1 transport, the data packets of BellSouth and the ALECs will be commingled. To separate these packets and send them to their respective destinations, the packets would have to go through BellSouth's ATM switch at the CO. This will require the unbundling of the ATM switch, an element which was not requested by the ALECs in their product design.

Notwithstanding this, in order to require the unbundling of the ATM packet switch at the CO, we would be required to show that

the ALEC community is impaired from providing services they seek to offer. To this end, we believe evidence is needed that shows that ALECs are impaired absent access to the BellSouth ATM switch in the CO or an impairment absent access to the BellSouth DSLAM. In this proceeding, FDN argues that "for a DLC loop to be xDSL-capable, packet switching must be performed by a DSL line card or DSLAM at the remote terminal." However, no impairment evidence was presented in this proceeding that addresses packet switching at the CO. For this reason, the ALECs' proposal for access to DSLAMs at RTs on a "line-at-a-time" basis is rejected.

Regarding the unbundling of the DSLAM, such a requirement could very well have a chilling impact on technology deployment, as BellSouth claims. BellSouth began its deployment of DSLAMs in 1998, with initial placement in its COs based on market conditions. It was not until 2000 that BellSouth began deployment of DSLAMs in RTs, and again this deployment was done selectively in RTs where the market forces dictated. The key reason FDN proffered it was impaired from deploying DSLAMs in RTs was one of financial constraints.

We note that FDN made essentially the same impairment arguments in Docket No. 010098-TP, its arbitration with BellSouth, as it has made in this proceeding. Consistent with our decision in that proceeding, we do not believe that FDN has established it is impaired, absent access to an unbundled DSLAM in a BellSouth RT. The record in this proceeding reflects that, in accord with the FCC's existing requirements, BellSouth will allow FDN or any ALEC to collocate its DSLAM in a BellSouth RT. In those limited instances where this cannot be accomplished, BellSouth acknowledges that it will unbundle packet switching. We find it most telling that BellSouth itself first deployed DSLAMs in its remote terminals in 2000, a mere two years ago. Since ILECs have been obligated to allow ALECs to collocate their DSLAMs in ILEC RTs since November 1999, when the FCC issued its UNE Remand Order, we believe that ILECs and ALECs essentially started from the same place. The only distinguishing factor is perhaps the relative financial wherewithal of various providers; however, we do not believe that differences in the capitalization of parties support a finding of impairment.

Accordingly, at this time we do not require BellSouth to unbundle its DSLAMs located in remote terminals, or packet switches located elsewhere in its network. Thus, the remaining subparts of

this issue are largely moot. Notwithstanding this, we find that a hybrid copper/fiber xDSL-capable loop is a configuration that allows an ALEC to provide xDSL services to its customers that are served off of a BellSouth digital loop carrier remote terminal (DLC RT). Such a configuration is technically feasible and consists of, at a minimum, copper loop facilities between an end user and the RT, a DSLAM located at the RT, and feeder facilities between the RT and the central office.

VI. ACCOUNTING FOR INFLATION IN 120-DAY FILING

We now examine whether BellSouth has accounted for the impact of inflation in its 120-day filing, in a manner consistent with Order No. PSC-01-2051-TP.

As noted earlier, as a result of our concern with linear loading factors and the resulting distortion of costs between rural and urban areas, Order 1181 required BellSouth to file a "bottoms-up" cost study explicitly modeling all cable and associated supporting structures, engineering and installation placements. The purpose of this cost study was to address the magnitude of any differences in results between modeling based on loading factors as opposed to using a "bottoms-up" approach, and to determine whether the loop rates should be modified prospectively. Notwithstanding this, we found BellSouth's inflation factors to be appropriate in Order No. PSC-01-2051-FOF-TP.

BellSouth witness Caldwell and AT&T/MCI witness Pitkin provided testimony addressing the inflation issue in the "bottoms-up" cost study. BellSouth witness Caldwell asserts that BellSouth's cost studies are in compliance with our directive on inflation. Witness Caldwell notes that we found in our Reconsideration Order that the application of inflation factors to both the investment and to labor rates is appropriate. For this reason, the "bottoms-up" cost study reflects the impact of inflation based on factors submitted in BellSouth's previously filed 2001 "tops-down" cost study with no adjustment.

BellSouth argues in its brief that the ALECs have not requested any additional issue regarding inflation be decided in this proceeding. Consequently, BellSouth asserts that we should not consider the new inflation arguments of AT&T/MCI witness Pitkin that were not timely and properly raised.

AT&T/MCI witness Pitkin agrees that the inflation factors that BellSouth uses in its "bottoms-up," 120-day filing, are the same as used in the "tops-down" Phase 1 filing. However, witness Pitkin argues that the issue is with the application of the inflation factors in the 120-day cost study. He alleges that the inflation factors in BellSouth's "bottoms-up" 120-day approach are not applied in a manner we have approved. Witness Pitkin notes that an overall blended inflation factor in a "tops-down" approach, which includes inflation for both material and labor, is not appropriate in a "bottoms-up" approach. Furthermore, witness Pitkin asserts that BellSouth's inflation factors should be updated to reflect more recently available data rather than continuing to rely on projections made in 1998.

A. INFLATION DATA

According to BellSouth witnesses Caldwell and Stegeman, the inflation factors are applied against the material investments in the BellSouth Telecommunications Loop Model (BSTLM). Also, any nonrecurring costs included in the "bottoms-up" study reflect inflated labor rates in the BellSouth Cost Calculator (BSCC). The same inflation rates used in BellSouth's "tops-down" (Phase 1) approach were used in the "bottoms-up," 120-day approach.

BellSouth witness Caldwell argues that the inflation rates used in BellSouth's 120-day cost study are based on a 1998 forecast for a three-year study period of 2000-2002. Witness Caldwell explains that since the material prices and other factors in the Phase 1 cost study, as well as in the 120-day cost study, were based on 1998 data, BellSouth continued its use of the 1998 inflation factors for consistency.

On the other hand, AT&T/MCI witness Pitkin claims that BellSouth's inflation factors should reflect more recently available data. Witness Pitkin questions the reliance on forecasting when actual data is now available. A comparison of the actual inflation BellSouth experienced for 1999-2001 to the inflation factors used in Phase 1 shows that actual inflation has been less than the 1998 projections. For this reason, witness Pitkin proposes revised inflation factors developed using actual 2000 and 2001 inflation data, and linear trending for 2002.

BellSouth witness Caldwell admits that it is not totally inappropriate to use more updated inflation factors. However, BellSouth notes that actual inflation is only known through year 2000. Therefore, an update using actual inflation data would still require projected estimates for 2001 and 2002, two of the three years involved for the 2000-2002 study period in BellSouth's cost study. BellSouth asserts that while there is some merit to the argument that the most recent view of inflation is probably the best available view, there are numerous other areas in BellSouth's cost study where a more recent view of a factor development could hypothetically be utilized. BellSouth views this as a question of consistency throughout the study. Beginning with the initial filing in this docket, BellSouth has consistently utilized 1998 base period data as its fundamental source for factor and labor rate development.

BellSouth argues in its brief that we should not use data that is now available, but was not known at the time BellSouth developed its inflation factors. BellSouth refers to such criticism as being unfair and outside the control of the cost study proponent. Finally, BellSouth argues that it would be inconsistent and unfair to allow the ALECs to selectively update the data as it suits them.

B. Appropriateness of using the same inflation factors in a "bottoms-up" cost study as in a "tops-down" cost study

BellSouth witness Caldwell explains that BellSouth's inflation factors represent a composite or blending of a material component and a labor component for consistency with the factors used in the Phase 1 cost study. On the other hand, AT&T/MCI witness Pitkin asserts that BellSouth inappropriately applies the same inflation rates in its "bottoms-up," 120-day cost study as it used in the "tops-down" cost study. Specifically, witness Pitkin argues that BellSouth applies an overall blended inflation factor, which includes inflation for both material and labor as well as material-only investments, thereby overstating costs.

AT&T/MCI witness Pitkin asserts that a cardinal rule of costing is that cost factors should be developed in a manner consistent with the way they are to be applied. If BellSouth is applying inflation factors to material-only investments, witness Pitkin argues that the inflation factor itself should reflect material-only inflation, not a blend of material and labor.

Witness Pitkin explains that in BellSouth's "tops-down" Phase 1 cost studies, only material investments were generated by the BSTLM. These material investments were then multiplied by in-plant loading factors to develop total installed investment amounts, including both material and labor. The total installed investment amounts were multiplied by blended inflation factors, reflecting inflation of both material and labor, in the BSCC to develop inflated investment amounts. As such, witness Pitkin notes that the blended inflation factors were consistent with the application to combined material and labor investments.

However, in the "bottoms-up" model BellSouth submitted in the 120-day filing, witness Pitkin argues that inflation should be applied separately to labor and material investment. While BellSouth applies a labor-only inflation factor to its labor investment, a material-only inflation factor is not applied to its material investment. Instead, data provided by BellSouth indicates that a blended inflation factor continues to be applied to the material component.

Witness Pitkin notes that material inflation has been significantly lower than labor inflation. Based on witness Pitkin's analysis, he concludes that use of a blended inflation factor in a "bottoms-up" approach overstates material investments. As an illustration, witness Pitkin provided a comparison of BellSouth's application of blended inflation factors and material-only inflation for a 1200-pair aerial copper cable. The illustration shows that use of a blended inflation factor overstates the total investment for a 1200-pair aerial copper cable by about 10%. Therefore, witness Pitkin proposes that a labor-only inflation factor should be applied to labor investment, and a material-only inflation factor should be applied to the material investment.

Witness Pitkin also alleges that BellSouth has erred in its application of the labor-only inflation factor to the labor rate for placing and splicing. The costs for placing and splicing cable are addressed in Section I of this Order.

In response to AT&T/MCI's allegations, BellSouth witness Caldwell agrees that theoretically where material investments and labor costs are developed separately in a "bottoms-up" approach, material-only inflation should be applied to the material-only

investments. However, if that is done, witness Caldwell asserts that engineering should be inflated as well.

Witness Caldwell agrees that using a composite or blended inflation factor in a "bottoms-up" approach will tend to overstate material investments. However, since inflation was not applied to engineering, for accounts where engineering was included, these investments are understated. While BellSouth has looked at individual accounts, witness Caldwell states that the cost model has not been rerun correcting the inflation. Therefore, BellSouth does not know the materiality of the differences if the inflation rates are correctly applied. Additionally, when asked if BellSouth had found any errors in AT&T/MCI's witness Pitkin recommended material inflation factors, witness Caldwell was unable to answer with certainty.

Table 6-1 shows a comparison of the inflation rates proposed by the parties. The first column shows the blended inflation rates originally filed by BellSouth in Phase 1 of this proceeding, as well as a separation of the material and labor components. These inflation factors reflect BellSouth's 1998 forecast. The second column denotes BellSouth's updated inflation factors based on its November 2001 forecast that recognizes actual inflation for 1998-2000. The third column shows the inflation rates recommended by AT&T/MCI witness Pitkin. As noted earlier, these inflation rates reflect BellSouth's actual inflation experience for 2000 and 2001 and BellSouth's projected inflation for 2002.

Table 6-1: Inflation Factors

Account	Inflation Factors		
	BellSouth Original*	BellSouth Updated**	AT&T WorldCom
Poles (Blended)	1.0768	1.0374	
Material Only	1.0737	0.9607	0.9616
Telco OSP Labor	1.0822	0.0448	
Contract Labor	1.0727	0.0700	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Aerial Ca.-Copper (Blended)	1.0822	1.0163	
Material Only	1.0914	0.9672	0.9625
Telco OSP Labor	1.0822	1.0448	
Telco Contract Labor	1.0727	1.0748	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Aerial Cable-Fiber (Blended)	1.0201	1.0035	
Material Only	0.9605	0.9693	0.9789
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0727	1.0748	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Underground Cable-Copper (Blended)	1.0926	1.0036	
Material Only	1.0870	0.9690	0.9735
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0696	1.0557	
Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Underground Cable-Fiber (Blended)	1.0000	0.9941	
Material Only	0.9605	0.9693	0.9789
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0696	1.0557	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Buried Cable-Copper (Blended)	1.0715	1.0379	
Material Only	1.0795	1.0115	1.0098
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0696	1.0557	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Buried Cable-Fiber (Blended)	1.0405	1.0275	
Material Only	0.9605	0.9693	0.9789
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0696	1.0557	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Intrabuilding Cable-Copper (Blended)	1.0926	1.0092	
Material Only	1.0914	0.9574	0.9515
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0727	1.0748	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Intrabuilding Cable-Fiber (Blended)	1.0405	1.0147	
Material Only	0.9605	0.9693	0.9515
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0727	1.0748	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	
Conduit (Blended)	1.0700	1.0458	
Material Only	1.0467	1.0266	1.0000
Telco OSP Labor	1.0822	1.0448	
Contract Labor	1.0727	1.0485	
Telco Engineering	1.0980	1.0163	
Contract OSP Engineering		1.0857	

(Source: EXH 22, pp. 72-76, 92-95; EXH 58, BFP-18. pp. 1, 6)
* Based on 1998 projections.
**Based on November 2001 updated projections.

BellSouth asserts that if the blended inflation factors are separated between material-only and labor-only inflation, then engineering-related costs should be updated to properly recognize the projected inflationary impacts on engineering costs. As discussed in Section I, BellSouth developed its engineering factors based on data from its Resource Tracking Analysis and Planning database and relationships between engineering costs and the total non-engineering investments for each plant account. AT&T/MCI did not specifically address engineering inflation, only to assert that BellSouth's labor rates have already been inflated due to BellSouth including the effects of its August 1998 union wage agreement. However, as noted by witness Caldwell, the inflated labor rates to which witness Pitkin is referring are in the BSCC and are used in developing nonrecurring costs.

DECISION

BellSouth argues that its studies comply with Order 1181 and the Reconsideration Order regarding inflation. Witness Caldwell asserts that we extensively reviewed inflation factors in a specific issue in Phase 1 of this proceeding and found that BellSouth's inflation factors, as originally filed, are appropriate. As discussed above, BellSouth is using the same inflation factors in its 120-day "bottoms-up" approach as in the original Phase 1 "tops-down" approach. BellSouth contends that inflation is a non-issue since we approved the use of inflation in the Reconsideration Order.

AT&T/MCI assert that BellSouth uses inappropriate blended inflation rates in the "bottoms-up" approach. AT&T/MCI recommend that the BSTLM inputs for inflation should be adjusted to 1) use actual inflation data where available, 2) use more recent inflation projections, and 3) use material-only inflation factors for application to the material investment. AT&T/MCI's proposed inflation inputs are shown in Table 6-1.

Tracking to our finding in Section I that changes to BellSouth's loop rates and rate structure should be made based on the "bottoms-up" study, a material-only inflation shall be applied to the material investments, as shown in Table 6-1. Engineering factors shall also should be adjusted to reflect projected inflationary impacts. Likewise, a labor-only inflation factor should apply to the labor cost. A blended inflation rate that includes inflation for both material an labor should not be applied to material-only investment. The result is an overstatement in material investments

Regarding whether BellSouth's inflation rates should be updated to reflect the most current actual data, certainly when 1998-2000 actual inflation is now known, there is some sense to recognizing the actual data. BellSouth even agrees with this. However, as BellSouth notes, material prices and other factors in the cost study are based on 1998 data. For consistency, BellSouth continued its use of inflation rates based on 1998 projections. We also note that the UNE prices reflected in Order 1181 and the Reconsideration Order are based on 1998 data and inflation projections. Only loop rates are being considered for revision in this case as a result of the "bottoms-up" cost approach. For consistency between all UNE rates, we believe 1998 projected inflation rates should continue to be used.

If 1998 projections continue to be utilized, the only inflation rates separating the material and labor inflation components based on these projections are those BellSouth provided in response to discovery. AT&T/MCI's disagreement is centered on the need to update the projections to reflect more recent actual data. AT&T/MCI did not address specific disagreement with the component inflation factors BellSouth provided based on the 1998 projections.

Additionally, if a material-only inflation factor is used to develop material costs, BellSouth asserts that engineering factors should recognize projected inflationary impacts as well. AT&T/MCI did not voice any specific opposition to BellSouth's assertion. In a "bottoms-up" approach, material and installation costs are developed in the BSTLM. Just as it is appropriate to apply a material-only inflation to material costs, we find that it is also appropriate to consider the impacts of inflation on engineering costs for installation and placement.

VII. RESIDUAL CONSISTENCY OF BELLSOUTH'S 120-DAY FILING

We now address if, beyond matters already addressed, BellSouth's 120-day filing is consistent with our Orders in this docket.

Our Order No. PSC-01-1181-FOF-TP, issued May 25, 2001, outlined a number of issues that required a response from BellSouth within 120 days. Specifically we required:

> . . . BellSouth to file modified versions of its xDSL nonrecurring cost studies, which

> exclude the following: 1) the DLR, 2) a test point, and 3) order coordination.

Order No. PSC-01-1181-FOF-TP, p. 73.

. . .

> . . . to the extent BellSouth can come forward with information in its refiling indicating an appropriate inflation adjustment that eliminates the growth mismatch, we will consider that information at that time.

Order No. PSC-01-1181-FOF-TP, p. 313.

. . .

> BellSouth Telecommunications, Inc., shall refile within 120 days of the issuance of this Order revisions to its cost study addressing xDSL-capable loops, network interface devices, and cable engineering and installation placements . . . the parties to this proceedings shall refile within 120 days of the issuance of this Order proposals addressing network reliability and security concerns as they pertain to access to subloop elements, as set forth in the body of this Order.

Order No. PSC-01-1181-FOF-TP, p. 543.

We revised our ruling on inflation in Order No. PSC-01-2051-FOF-TP and stated that:

> Upon consideration, we find that BellSouth has identified a mistake of fact or law in our decision on this point. Based on further scrutiny of the existing record, we have determined that what previously appeared to be a mismatch is not.

. . .

> We find that it is important for us to reconsider our decision regarding the

> inflation factor at this time, rather than as a part of the 120-day filing, due to the significant impact that the inflation factor has on costs.

Order No. PSC-01-2051-FOF-TP, pp. 6-7.

Therefore, the inflation issue was not one of our requirements for BellSouth's 120-day filing.[7]

According to BellSouth witness Caldwell, the cost studies filed by BellSouth incorporate all of the adjustments we ordered. The witness notes that her testimony provides a description of the modifications and that the cost study contains a detailed discussion of the adjustments made in order to comply with our directives. No other party provided any testimony on this issue nor did any party, other than BellSouth, take a position on this issue.

DECISION

We have reviewed our Orders in this docket and apart from the requirements addressed in Issues 1-6, it does not appear that there are any issues that BellSouth has failed to address. Therefore, we find that apart from Issues 1-6, BellSouth's 120-Day filing is consistent with our Orders in this docket.

VIII. DOCKET CLOSING

Having made our findings and adopted the appropriate positions on the issues, this track of this docket may be closed. BellSouth's UNE rates, as established herein, may be incorporated as amendments to existing interconnection agreements. Therefore, upon consideration, we find that it is appropriate for the rates to become effective when the interconnection agreements are amended to reflect the approved UNE rates and the amended agreement becomes effective under the law. For new interconnection agreements, the rates shall become effective when we approve the agreement. Pursuant to Section 252 (e)(4) of the Telecommunications Act of 1996, should we fail to act to approve or reject the agreement adopted by negotiation within 90 days after submission by the

[7]Inflation was made an issue by the ALECs at the issue identification meeting.

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parties, the agreement is deemed approved. Having made our findings, this track of this docket shall be closed.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Commission that the findings set forth herein regarding the appropriate methodology, assumptions, and inputs for establishing rates for unbundled network elements for BellSouth Telecommunications, Inc., are herein approved. It is further

ORDERED that the rates set forth in Appendix A, which is attached and incorporated in this Order, and the rates found in Tables 3-1 and 4-1 herein, are hereby approved. It is further

ORDERED that the approved rates shall become effective when existing interconnection agreements are amended to incorporate the approved rates, and those agreements become effective. It is further

ORDERED that Docket No. 990649A-TP shall be closed.

By ORDER of the Florida Public Service Commission this 27th Day of September, 2002.

/s/ Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

This is a facsimile copy. Go to the Commission's Web site, http://www.floridapsc.com or fax a request to 1-850-413-7118, for a copy of the order with signature.

(S E A L)

WDK

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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APPENDIX A

RATE COMPARISON

The following rate tables show the rates that are produced using BellSouth's revised model. The columns BellSouth Filing and Staff Adjusted are for comparative purposes. The rates are not recommended for adoption, as discussed in the body of the recommendation.

Not all rates that were previously approved are included. Some rates are not impacted by the changes incorporated into the model. Additionally, non-recurring rates are not affected.

Source of Rates

BELLSOUTH APPROVED RATES-Order No. PSC-01-2051-FOF-TP, Appendix A

BELLSOUTH FILING--EXH 47, Revised prefiled exhibit DDC-1 of Daonne D. Caldwell.

AT&T/MCI PROPOSED--EXH 58, Prefiled exhibit BFP-19 of Brian F. Pitkin.

STAFF ADJUSTED--Fallout from staff inputs into BellSouth's proprietary cost model.

APPENDIX A

UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
A.0	UNBUNDLED LOCAL LOOP						
A.1	2-WIRE ANALOG VOICE GRADE LOOP						
	A.1.1	2-Wire Analog Voice Grade Loop - Service Level 1	1	$12.79	$14.59	$6.02	$10.69
			2	$17.27	$19.77	$9.19	$15.20
			3	$33.36	$50.08	$19.41	$26.97
	A.1.2	2-Wire Analog Voice Grade Loop - Service Level 2	1	$14.50	$16.79	$7.36	$12.24
			2	$19.57	$21.98	$10.52	$17.40
			3	$37.82	$52.29	$20.74	$30.87
A.2	SUB-LOOP						
	A.2.1	Sub-Loop Feeder Per 2-Wire Analog Voice Grade Loop	1	$8.05	$7.89	$4.71	$6.41
			2	$10.87	$9.86	$6.20	$9.10
			3	$21.00	$20.50	$10.98	$16.15
	A.2.2	Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop	1	$7.61	$10.57	$3.39	$6.46
			2	$10.27	$13.38	$5.08	$9.18
			3	$19.85	$33.37	$10.57	$16.29
	A.2.11	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop	1	$8.12	$14.87	$4.77	$7.37
			2	$10.96	$32.09	$10.68	$10.47
			3	$21.18	$43.02	$14.13	$18.58
	A.2.14	2-Wire Intrabuilding Network Cable (INC)		$3.50	$3.96	$3.96	$3.96
	A.2.15	4-Wire Intrabuilding Network Cable (INC)		$6.68	$9.37	$9.37	$9.37
	A.2.24	Sub-Loop - Per 4-Wire Analog Voice Grade Loop / Feeder Only	1	$17.26	$17.50	$10.69	$12.47
			2	$23.29	$29.39	$19.42	$17.73
			3	$45.00	$55.70	$32.26	$31.45
	A.2.25	Sub-Loop - Per 2-Wire ISDN Digital Grade Loop / Feeder Only	1	$17.04	$18.76	$12.41	$14.83

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$23.00	$24.14	$15.74	$21.07
			3	$44.43	$47.58	$26.44	$37.39
	A.2.29	Sub-Loop - Per 4-Wire 56 or 64 Kbps Digital Grade Loop / Feeder Only	1	$18.68	$18.58	$11.41	$14.48
			2	$25.21	$27.02	$18.03	$20.59
			3	$48.71	$29.69	$17.78	$36.53
	A.2.30	Sub-Loop - Per 2-Wire Copper Loop / Feeder Only	1	$7.25	$8.27	$3.41	$3.76
			2	$9.79	$5.58	$3.28	$5.35
			3	$18.92	$4.30	$2.73	$9.49
	A.2.32	Sub-Loop - Per 4-Wire Copper Loop / Feeder Only	1	$14.22	$12.01	$6.10	$7.32
			2	$19.20	$9.85	$5.71	$10.40
			3	$37.09	$9.18	$5.47	$18.46
	A.2.40	Sub-Loop - Per 2-Wire Copper Loop / Distribution Only	1	$6.25	$9.12	$3.16	$5.15
			2	$8.44	$10.93	$4.55	$7.31
			3	$16.30	$16.00	$6.92	$12.98
	A.2.42	Sub-Loop - Per 4-Wire Copper Loop / Distribution Only	1	$5.20	$12.11	$4.40	$5.36
			2	$7.02	$17.39	$6.95	$7.61
			3	$13.55	$24.68	$11.06	$13.51
A.4	4-WIRE ANALOG VOICE GRADE LOOP						
	A.4.1	4-Wire Analog Voice Grade Loop	1	$23.02	$29.39	$14.44	$18.89
			2	$31.07	$59.21	$29.06	$26.84
			3	$60.02	$97.26	$45.25	$47.62
A.5	2-WIRE ISDN DIGITAL GRADE LOOP						
	A.5.1	2-Wire ISDN Digital Grade Loop	1	$21.76	$25.14	$14.19	$19.28
			2	$29.38	$36.33	$19.37	$27.40
			3	$56.76	$67.42	$32.80	$48.62
	A.5.6	Universal Digital Channel	1	$21.76	$25.14	$14.19	$19.28

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$29.38	$35.33	$19.37	$27.40
			3	$56.76	$67.42	$32.80	$48.62
A.6	**2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP**						
	A.6.1wLMU	2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP (Nonrecurring w/ LMU)					
		A.6.1 2-Wire Asymmetrical Digital Subscriber Line (ADSL) Compatible Loop	1	$12.65	$14.49	$5.82	$8.30
			2	$17.08	$15.62	$7.08	$11.80
			3	$33.00	$19.40	$8.90	$20.94
	A.6.1woLMU	2-WIRE ASYMMETRICAL DIGITAL SUBSCRIBER LINE (ADSL) COMPATIBLE LOOP (Nonrecurring w/o LMU)					
		A.6.1 2-Wire Asymmetrical Digital Subscriber Line (ADSL) Compatible Loop	1			$5.82	
			2			$7.08	
			3			$8.90	
A.7	**2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP**						
	A.7.1wLMU	2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP (Nonrecurring w/ LMU)					
		A.7.1 2-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop	1	$9.97	$12.80	$5.18	$7.22
			2	$13.46	$13.55	$6.28	$10.26
			3	$26.00	$16.23	$7.82	$18.21
		A.7.5 2-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop (Nonrecurring w/LMU)					
		A.17.4 Unbundled Loop Modification - Additive					

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	A.7.1woLMU	2-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP (Nonrecurring w/o LMU)					
		A.7.1 2-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop	1			$5.18	
			2			$6.28	
			3			$7.82	
		A.7.6 2-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop (Nonrecurring w/o LMU)					
		A.17.4 Unbundled Loop Modification - Additive					
A.8	**4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP**						
	A.8.1wLMU	4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP (Nonrecurring w/ LMU)					
		A.8.1 4-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop	1	$15.69	$20.81	$8.77	$10.86
			2	$21.17	$20.72	$9.57	$15.44
			3	$40.90	$20.36	$10.80	$27.39
	A.8.1woLMU	4-WIRE HIGH BIT RATE DIGITAL SUBSCRIBER LINE (HDSL) COMPATIBLE LOOP (Nonrecurring w/o LMU)					
		A.8.1 4-Wire High Bit Rate Digital Subscriber Line (HDSL) Compatible Loop	1			$8.77	
			2			$9.57	
			3			$10.80	
A.9	**4-WIRE DS1 DIGITAL LOOP**						
	A.9.1	4-Wire DS1 Digital Loop	1	$73.44	$95.13	$55.39	$70.74
			2	$99.13	$140.36	$74.91	$100.54
			3	$191.51	$332.57	$168.76	$178.39

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	A.9.2	Sub-Loop Feeder Per 4-Wire DS1 Digital Loop	1	$46.27	$50.71	$30.11	$42.59
			2	$62.45	$89.66	$49.96	$60.53
			3	$120.65	$291.77	$152.95	$107.39
A.10	4-WIRE 19, 56 OR 64 KBPS DIGITAL GRADE LOOP						
	A.10.1	4-Wire 19, 56 or 64 Kbps Digital Grade Loop	1	$26.39	$31.42	$15.35	$22.20
			2	$35.62	$49.21	$25.14	$31.56
			3	$68.82	$61.39	$28.21	$55.99
A.12	CONCENTRATION PER SYSTEM PER FEATURE ACTIVATED (OUTSIDE CENTRAL OFFICE)						
	A.12.5	Unbundled Sub-loop Concentration - USLC Feeder Interface	1	$45.17	$71.04	$38.86	$47.81
			2	$60.97	$84.15	$43.46	$67.95
			3	$117.79	$241.84	$100.61	$120.57
A.13	2-WIRE COPPER LOOP						
	A.13.1wLMU	2-Wire Copper Loop - short (Nonrecurring w/ LMU)					
		A.13.1 2-Wire Copper Loop - short	1	$12.65	$14.49	$5.82	$8.30
			2	$17.08	$15.62	$7.08	$11.80
			3	$33.00	$19.40	$8.90	$20.94
	A.13.1woLMU	2-Wire Copper Loop - short (Nonrecurring w/o LMU)					
		A.13.1 2-Wire Copper Loop - short	1			$5.82	
			2			$7.08	
			3			$8.90	
	A.13.7wLMU	2-Wire Copper Loop - long (Nonrecurring w/ LMU)					
		A.13.7 2-Wire Copper Loop - long	1	$37.07	$24.66	$9.94	$17.42
			2	$50.04	$30.55	$13.36	$24.76

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			3	$96.67	$71.39	$26.47	$43.94
	A.13.7woLMU	2-Wire Copper Loop - long (Nonrecurring w/o LMU)					
		A.13.7 2-Wire Copper Loop - long	1			$9.94	
			2			$13.36	
			3			$26.47	
	A.13.12	2-Wire Unbundled Copper Loop - Non Design	1		$13.70	$5.00	$7.69
			2		$15.10	$6.40	$10.92
			3		$20.32	$8.58	$19.38
A.14	**4-WIRE COPPER LOOP**						
	A.14.1wLMU	4-Wire Copper Loop - short (Nonrecurring w/ LMU)					
		A.14.1 4-Wire Copper Loop - short	1	$18.03	$22.85	$9.50	$11.83
			2	$24.34	$25.92	$11.62	$16.81
			3	$47.02	$32.54	$15.50	$29.82
	A.14.1woLMU	4-Wire Copper Loop - short (Nonrecurring w/o LMU)					
		A.14.1 4-Wire Copper Loop - short	1			$9.50	
			2			$11.62	
			3			$15.50	
	A.14.7wLMU	4-Wire Copper Loop - long (Nonrecurring w/ LMU)					
		A.14.7 4-Wire Copper Loop - long	1	$64.52	$46.11	$18.81	$31.10
			2	$87.09	$79.35	$32.21	$44.20
			3	$168.25	$110.46	$42.29	$78.42

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY

ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	A.14.7woLMU	4-Wire Copper Loop - long (Nonrecurring w/o LMU)					
		A.14.7 4-Wire Copper Loop - long	1			$18.81	
			2			$32.21	
			3			$42.29	
A.15	UNBUNDLED NETWORK TERMINATING WIRE (NTW)						
	A.15.1	Unbundled Network Terminating Wire (NTW) per Pair		$0.2286	$0.4572	$0.4572	$0.4572
A.16	HIGH CAPACITY UNBUNDLED LOCAL LOOP						
	A.16.1	High Capacity Unbundled Local Loop - DS3 - Facility Termination		$386.88	$386.88	$287.97	$386.88
	A.16.2	High Capacity Unbundled Local Loop - DS3 - Per Mile		$10.92	$10.92	$10.92	$10.92
	A.16.15	High Capacity Unbundled Local Loop - STS-1 - Facility Termination		$426.60	$426.60	$324.29	$426.60
	A.16.16	High Capacity Unbundled Local Loop - STS-1 - Per Mile		$10.92	$10.92	$10.92	$10.92
A.18	MULTIPLEXERS						
	A.18.1	Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
	A.18.2	Interface Unit - Interface DS1 to DS0 - OCU-DP Card		$2.10	$2.10	$1.37	$2.10
	A.18.3	Interface Unit - Interface DS1 to DS0 - BRITE Card		$3.66	$3.66	$2.70	$3.66
	A.18.4	Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
	A.18.5	Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
	A.18.6	Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
A.20	HYBRID COPPER/FIBER xDSL - CAPABLE LOOP						
	A.20.1	System DSLAM with Administrative DS1					

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.20.1 Hybrid Copper/Fiber xDSL - Capable Loop			$150.08		$109.03
		A.20.3 16 - Port DSLAM, per DSLAM			$374.90	$294.08	$374.90
			1		$524.97		$483.93
					$174.92		$154.95
					$374.90	$294.08	$374.90
			2		$549.82		$529.85
					$420.75		$274.93
					$374.90	$294.08	$374.90
			3		$795.65		$649.83
	A.20.DS1	Copper/Fiber DS1 into DSLAM					
		A.20.1 Hybrid Copper/Fiber xDSL - Capable Loop	1		$150.08		$109.03
			2		$174.92		$154.95
			3		$420.75		$274.93
	A.20.Active End User Activation						
		A.2.2 Sub-Loop Distribution Per 2-Wire Analog Voice Grade Loop	1		$10.57		$6.46
			2		$13.38		$9.18
			3		$33.37		$16.29
B.0	UNBUNDLED LOCAL EXCHANGE PORTS AND FEATURES						
B.1	EXCHANGE PORTS						
	B.1.1	Exchange Ports - 2-Wire Analog Line Port (Res., Bus., Centrex, Coin)		$1.40	$1.40	$1.40	$1.40
	B.1.3	Exchange Ports - 2-Wire DID Port		$8.73	$8.73	$4.93	$8.73

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	B.1.4	Exchange Ports - DDITS Port		$54.95	$54.95	$53.95	$54.95
	B.1.5	Exchange Ports - 2-Wire ISDN Port		$8.83	$8.83	$8.80	$8.83
	B.1.6	Exchange Ports - 4-Wire ISDN DS1 Port		$82.74	$82.74	$81.65	$82.74
D.0	UNBUNDLED TRANSPORT AND LOCAL INTEROFFICE TRANSPORT						
D.2	INTEROFFICE TRANSPORT - DEDICATED - VOICE GRADE						
	D.2.1	Interoffice Transport - Dedicated - 2-Wire Voice Grade - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091
	D.2.2	Interoffice Transport - Dedicated - 2- Wire Voice Grade - Facility Termination		$25.32	$25.32	$15.33	$25.32
D.3	INTEROFFICE TRANSPORT - DEDICATED - DS0 - 56/64 KBPS						
	D.3.1	Interoffice Transport - Dedicated - DS0 - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091
	D.3.2	Interoffice Transport - Dedicated - DS0 - Facility Termination		$18.44	$18.44	$9.51	$18.44
D.4	INTEROFFICE TRANSPORT - DEDICATED - DS1						
	D.4.1	Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	D.4.2	Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
D.5	LOCAL CHANNEL - DEDICATED						
	D.5.1	Local Channel - Dedicated - 2-Wire Voice Grade	1	$21.94	$22.97	$12.64	$19.66
			2	$29.62	$46.76	$31.06	$27.94
			3	$57.22			$49.58
	D.5.2	Local Channel - Dedicated - 4-Wire Voice Grade	1	$22.81	$24.08	$13.58	$20.45
			2	$30.79	$47.87	$32.00	$29.06
			3	$59.48			$51.56
	D.5.24	Local Channel - Dedicated - DS1	1	$35.28	$52.90	$28.25	$36.49

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$47.63	$68.69	$36.30	$51.85
			3	$92.01	$275.93	$123.44	$92.00
D.6	INTEROFFICE TRANSPORT - DEDICATED - DS3						
	D.6.1	Interoffice Transport - Dedicated - DS3 - Per Mile		$3.87	$3.87	$3.87	$3.87
	D.6.2	Interoffice Transport - Dedicated - DS3 - Facility Termination		$1,071.00	$1,071.31	$673.56	$1,071.00
D.10	INTEROFFICE TRANSPORT - DEDICATED - STS-1						
	D.10.1	Interoffice Transport - Dedicated - STS-1 - Per Mile		$3.87	$3.87	$3.87	$3.87
	D.10.2	Interoffice Transport - Dedicated - STS-1 - Facility Termination		$1,056.00	$1,056.07	$645.04	$1,056.00
D.12	INTEROFFICE TRANSPORT - DEDICATED - 4-WIRE VOICE GRADE						
	D.12.1	Interoffice Transport - Dedicated - 4-Wire Voice Grade - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091
	D.12.2	Interoffice Transport - Dedicated - 4-Wire Voice Grade - Facility Termination		$22.58	$22.58	$13.01	$22.58
L.0	ACCESS DAILY USAGE FILE (ADUF)						
L.1	ACCESS DAILY USAGE FILE (ADUF)						
	L.1.1	ADUF, Message Processing, per message		$0.014391	$0.001858	$0.00	$0.001656
	L.1.3	ADUF, Data Transmission (CONNECT:DIRECT), per message		$0.00012973	$0.00012450	$0.00	$0.00012450
M.0	DAILY USAGE FILES						
M.1	ENHANCED OPTIONAL DAILY USAGE FILE						
	M.1.1	Enhanced Optional Daily usage File: Message Processing, Per Message		$0.229109	$0.235115	$0.235115	$0.080698

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ELEMENT	NUMBER & DESCRIPTION		ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
M.2	OPTIONAL DAILY USAGE FILE						
	M.2.1	Optional Daily Usage File: Recording, per Message		$0.0000071	$0.0000071	$0.00	$0.0000071
	M.2.2	Optional Daily Usage File: Message Processing, Per Message		$0.006835	$0.002505	$0.00	$0.002146
	M.2.3	Optional Daily Usage File: Message Processing, Per Magnetic Tape Provisioned		$48.96	$35.91	$35.91	$35.91
	M.2.4	Optional Daily Usage File: Data Transmission (CONNECT:DIRECT), Per Message		$0.00010811	$0.00010375	$0.00	$0.00010375
P.0	UNBUNDLED LOOP COMBINATIONS						
P.1	2-WIRE VOICE GRADE LOOP WITH 2-WIRE LINE PORT (RES, BUS, COIN, CENTREX, PBX)						
	P.1.RESBUS	2-Wire VG Loop/Port Combo (Res, Bus, Coin)					
		P.1.1 2-Wire Voice Grade Loop		$11.77	$13.75	$5.37	$9.77
		P.1.2 Exchange Port - 2-Wire Line Port		$1.17	$1.17	$1.17	$1.17
			1	$12.94	$14.92	$6.53	$10.94
				$15.89	$18.23	$8.02	$13.88
				$1.17	$1.17	$1.17	$1.17
			2	$17.06	$19.40	$9.19	$15.05
				$30.70	$48.99	$18.54	$24.63
				$1.17	$1.17	$1.17	$1.17
			3	$31.87	$50.16	$19.70	$25.80
	P.1.PBX	2-Wire VG Loop/Port Combo (PBX)					
		P.1.1 2-Wire Voice Grade Loop		$11.77	$13.75	$5.37	$9.77
		P.1.2 Exchange Port - 2-Wire Line Port		$1.17	$1.17	$1.17	$1.17
			1	$12.94	$14.92	$6.53	$10.94

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$15.89	$18.23	$8.02	$13.88
				$1.17	$1.17	$1.17	$1.17
			2	$17.06	$19.40	$9.19	$15.05
				$30.70	$48.99	$18.54	$24.63
				$1.17	$1.17	$1.17	$1.17
			3	$31.87	$50.16	$19.70	$25.80
	P.1.CENTREX	2-Wire VG Loop/Port Combo (Centrex)					
		P.1.1 2-Wire Voice Grade Loop		$11.77	$13.75	$5.37	$9.77
		P.1.2 Exchange Port - 2-Wire Line Port		$1.17	$1.17	$1.17	$1.17
			1	$12.94	$14.92	$6.53	$10.94
				$15.89	$18.23	$8.02	$13.88
				$1.17	$1.17	$1.17	$1.17
			2	$17.06	$19.40	$9.19	$15.05
				$30.70	$48.99	$18.54	$24.63
				$1.17	$1.17	$1.17	$1.17
			3	$31.87	$50.16	$19.70	$25.80
P.3	2-WIRE VOICE GRADE LOOP WITH 2-WIRE DID TRUNK PORT						
	P.3	2-Wire VG Loop/2-Wire DID Trunk Port					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		P.3.2 Exchange Ports - 2-Wire DID Port for Combinations		$8.71	$8.71	$4.91	$8.71
			1	$23.21	$25.50	$12.27	$20.95
				$19.57	$21.98	$10.52	$17.40
				$8.71	$8.71	$4.91	$8.71

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$28.28	$30.68	$15.44	$26.11
				$37.82	$52.29	$20.74	$30.87
				$8.71	$8.71	$4.91	$8.71
			3	$46.53	$61.00	$25.66	$39.58
P.4	2-WIRE ISDN DIGITAL GRADE LOOP WITH 2-WIRE ISDN DIGITAL LINE SIDE PORT						
	P.4	2W ISDN Digital Grade Loop/2W ISDN Digital Line Side Port					
		P.4.1 2-Wire ISDN Digital Grade Loop		$17.33	$19.87	$10.57	$15.25
		P.4.2 Exchange Port - 2-Wire ISDN Line Side Port		$7.38	$7.38	$7.35	$7.38
			1	$24.71	$27.25	$17.93	$22.63
				$23.39	$29.25	$15.14	$21.67
				$7.38	$7.38	$7.35	$7.38
			2	$30.77	$36.63	$22.49	$29.05
				$45.18	$62.42	$29.27	$38.46
				$7.38	$7.38	$7.35	$7.38
			3	$52.56	$69.80	$36.63	$45.84
P.5	4-WIRE DS1 DIGITAL LOOP WITH 4-WIRE ISDN DS1 DIGITAL TRUNK PORT						
	P.5	4W DS1 Digital Loop/4W ISDN DS1 Digital Trunk Port					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		B.1.6 Exchange Ports - 4-Wire ISDN DS1 Port		$82.74	$82.74	$81.65	$82.74
			1	$156.18	$177.87	$137.04	$153.48
				$99.13	$140.36	$74.91	$100.54

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$82.74	$82.74	$81.65	$82.74
			2	$181.87	$223.09	$156.56	$183.28
				$191.51	$332.57	$168.76	$178.39
				$82.74	$82.74	$81.65	$82.74
			3	$274.25	$415.31	$250.41	$261.13
P.6	EXTENDED 2-WIRE VOICE GRADE LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT						
	P.6-1	First 2W VG in DS1					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$251.09	$253.38	$141.68	$248.83
				$19.57	$21.96	$10.52	$17.40
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			2	$256.16	$258.57	$144.85	$253.99
				$37.82	$52.29	$20.74	$30.87
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			3	$274.41	$288.88	$155.07	$267.46

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	P.6-2	Per Mile					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.6-3	Additional 2W VG in same DS1					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$15.88	$18.17	$8.12	$13.62
				$19.57	$21.98	$10.52	$17.40
				$1.38	$1.38	$.7634	$1.38
			2	$20.95	$23.36	$11.29	$18.78
				$37.82	$52.29	$20.74	$30.87
				$1.38	$1.38	$.7634	$1.38
			3	$39.20	$53.67	$21.51	$32.25
P.7	EXTENDED 4-WIRE VOICE GRADE LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT						
	P.7-1	First 4W VG in DS1					
		A.4.1 4-Wire Analog Voice Grade Loop		$23.02	$29.39	$14.44	$18.89
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$259.61	$265.99	$148.76	$255.48
				$31.07	$59.21	$29.06	$26.84
				$88.44	$88.44	$61.47	$88.44

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			2	$267.66	$295.80	$163.38	$263.43
				$60.02	$97.25	$45.25	$47.62
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			3	$296.61	$333.85	$179.57	$284.21
	P.7-2	Per Mile					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.7-3	Additional 4W VG in same DS1					
		A.4.1 4-Wire Analog Voice Grade Loop		$23.02	$29.39	$14.44	$18.89
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$24.40	$30.77	$15.20	$20.27
				$31.07	$59.21	$29.06	$26.84
				$1.38	$1.38	$.7634	$1.38
			2	$32.45	$60.59	$29.82	$28.22
				$60.02	$97.26	$45.25	$47.62
				$1.38	$1.38	$.7634	$1.38
			3	$61.40	$98.64	$46.01	$49.00
P.8	EXTENDED 4-WIRE 56 OR 64 KBPS DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT						
	P.8-1	First 4W 56 / 64 in DS1					

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.10.1 4-Wire 19, 56 or 64 Kbps Digital Grade Loop		$26.39	$31.42	$15.35	$22.20
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.2 Interface Unit - Interface DS1 to DS0 - OCU-DP Card		$2.10	$2.10	$1.37	$2.10
			1	$263.70	$268.73	$150.28	$259.51
				$35.62	$49.21	$25.14	$31.56
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$2.10	$2.10	$1.37	$2.10
			2	$272.93	$286.52	$160.07	$268.87
				$68.82	$61.38	$28.21	$55.99
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$2.10	$2.10	$1.37	$2.10
			3	$306.13	$298.71	$163.14	$293.30
	P.8-2	Per Mile					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.8-3	Additional 4W 56 / 64 in same DS1					
		A.10.1 4-Wire 19, 56 or 64 Kbps Digital Grade Loop		$26.39	$31.42	$15.35	$22.20
		A.18.2 Interface Unit - Interface DS1 to DS0 - OCU-DP Card		$2.10	$2.10	$1.37	$2.10
			1	$28.49	$33.62	$16.72	$24.30

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$35.62	$49.21	$25.14	$31.56
				$2.10	$2.10	$1.37	$2.10
			2	$37.72	$51.31	$26.51	$33.66
				$68.82	$61.39	$28.21	$55.99
				$2.10	$2.10	$1.37	$2.10
			3	$70.92	$63.49	$29.58	$58.09
P.11	EXTENDED 4-WIRE DS1 DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT						
	P.11-1	Fixed					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.34	$70.74
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
			1	$161.88	$183.57	$116.86	$159.18
				$99.13	$140.36	$71.91	$100.54
				$88.44	$88.44	$61.47	$88.44
			2	$187.57	$228.80	$136.38	$188.98
				$191.51	$332.57	$168.76	$178.39
				$88.44	$88.44	$61.47	$88.44
			3	$279.95	$421.01	$230.23	$266.83
	P.11-2	Per Mile					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
P.13	EXTENDED 4-WIRE DS1 DIGITAL LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT						
	P.13-1	First DS1 in DS3					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		D.6.2 Interoffice Transport - Dedicated - DS3 - Facility Termination		$1,071.00	$1,071.31	$673.56	$1,071.00
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
			1	$1,369.39	$1,391.39	$902.98	$1,366.69
				$99.13	$140.36	$74.91	$100.54
				$1,071.00	$1,071.31	$673.56	$1,071.00
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			2	$1,395.08	$1,436.62	$922.50	$1,396.49
				$191.51	$332.57	$168.76	$178.39
				$1,071.00	$1,071.31	$673.56	$1,071.00
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			3	$1,487.46	$1,628.83	$1,016.35	$1,474.34
	P.13-2	Per Mile					
		D.6.1 Interoffice Transport - Dedicated - DS3 - Per Mile		$3.87	$3.87	$3.87	$3.87
	P.13-3	Additional DS1 in same DS3					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
			1	$87.20	$108.89	$66.87	$84.50
				$99.13	$140.36	$74.91	$100.54
				$13.76	$13.76	$11.47	$13.76

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$112.89	$154.12	$86.38	$114.30
				$191.51	$332.57	$168.76	$178.39
				$13.76	$13.76	$11.47	$13.76
			3	$205.27	$346.33	$180.23	$192.15
P.15	4-WIRE DS1 DIGITAL LOOP WITH DDITS PORT						
	P.15	4-Wire DS1 Digital Loop with DDITS Port					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		B.1.4 Exchange Ports - DDITS Port		$54.95	$54.96	$53.95	$54.95
			1	$128.39	$150.07	$109.34	$125.69
				$99.13	$140.35	$74.91	$100.54
				$54.95	$54.95	$53.95	$54.95
			2	$154.08	$195.20	$128.86	$155.49
				$191.51	$332.57	$168.76	$178.39
				$54.95	$54.95	$53.95	$54.95
			3	$246.46	$387.52	$222.71	$233.34
P.16	2-WIRE LOOP/ 2 WIRE VOICE GRADE IO TRANSPORT/ 2 WIRE PORT						
	P.16-1	Fixed					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		D.2.2 Interoffice Transport - Dedicated - 2- Wire Voice Grade - Facility Termination		$25.32	$25.32	$15.33	$25.32
		B.1.1 Exchange Ports - 2-Wire Analog Line Port (Res., Bus., Centrex, Coin)		$1.40	$1.40	$1.40	$1.40
			1	$41.22	$43.52	$24.09	$38.96
				$19.57	$21.98	$10.52	$17.40
				$25.32	$25.32	$15.33	$25.32

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UNBUNDLED NETWORK ELEMENTS RECURRING COST SUMMARY							
ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$1.40	$1.40	$1.40	$1.40
			2	$46.29	$48.70	$27.26	$44.12
				$37.82	$52.29	$20.74	$30.87
				$25.32	$25.32	$15.33	$25.32
				$1.40	$1.40	$1.40	$1.40
			3	$64.54	$79.02	$37.48	$57.59
	P.16-2	Per Mile					
		D.2.1 Interoffice Transport - Dedicated - 2-Wire Voice Grade - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091
P.23	EXTENDED 2-WIRE VOICE GRADE LOOP/ 2 WIRE VOICE GRADE INTEROFFICE TRANSPORT						
	P.23-1	Fixed					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		D.2.2 Interoffice Transport - Dedicated - 2- Wire Voice Grade - Facility Termination		$25.32	$25.32	$15.33	$25.32
			1	$39.82	$42.12	$22.69	$37.56
				$19.57	$21.98	$10.52	$17.40
				$25.32	$25.32	$15.33	$25.32
			2	$44.89	$47.30	$25.86	$42.72
				$37.82	$52.29	$20.74	$30.87
				$25.32	$25.32	$15.33	$25.32
			3	$63.14	$77.61	$36.08	$56.19
	P.23-2	Per Mile					
		D.2.1 Interoffice Transport - Dedicated - 2-Wire Voice Grade - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
P.24	EXTENDED 4-WIRE VOICE GRADE LOOP/ 4 WIRE VOICE GRADE INTEROFFICE TRANSPORT						
	P.24-1	Fixed					
		A.4.1 4-Wire Analog Voice Grade Loop		$23.02	$29.39	$14.44	$18.89
		D.12.2 Interoffice Transport - Dedicated - 4-Wire Voice Grade - Facility Termination		$22.58	$22.58	$13.01	$22.58
			1	$45.60	$51.97	$27.44	$41.47
				$31.07	$59.21	$29.06	$26.84
				$22.58	$22.58	$13.01	$22.58
			2	$53.65	$81.78	$42.06	$49.42
				$60.02	$97.26	$45.25	$47.62
				$22.58	$22.58	$13.01	$22.58
			3	$82.60	$119.84	$58.26	$70.20
	P.24-2	Per Mile					
		D.12.1 Interoffice Transport - Dedicated - 4-Wire Voice Grade - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091
P.25	EXTENDED DS3 DIGITAL LOOP WITH DEDICATED DS3 INTEROFFICE TRANSPORT						
	P.25-1	Fixed					
		A.16.1 High Capacity Unbundled Local Loop - DS3 - Facility Termination		$386.88	$386.88	$287.97	$386.88
		D.6.2 Interoffice Transport - Dedicated - DS3 - Facility Termination		$1,071.00	$1,071.31	$673.56	$1,071.00
				$1,457.88	$1,458.19	$961.54	$1,457.88
	P.25-2	Per Mile - Interoffice					
		D.6.1 Interoffice Transport - Dedicated - DS3 - Per Mile		$3.87	$3.87	$3.87	$3.87

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	P.25-3	Per Mile - DS3 Loop					
		A.16.2 High Capacity Unbundled Local Loop - DS3 - Per Mile		$10.92	$10.92	$10.92	$10.92
P.26	**EXTENDED STS1 DIGITAL LOOP WITH DEDICATED STS1 INTEROFFICE TRANSPORT**						
	P.26-1	Fixed					
		A.16.15 High Capacity Unbundled Local Loop - STS-1 - Facility Termination		$426.60	$426.60	$324.29	$426.60
		D.10.2 Interoffice Transport - Dedicated - STS-1 - Facility Termination		$1,056.00	$1,056.07	$645.05	$1,056.00
				$1,482.60	$1,482.67	$969.33	$1,482.60
	P.26-2	Per Mile - Interoffice					
		D.10.1 Interoffice Transport - Dedicated - STS-1 - Per Mile		$3.87	$3.87	$3.87	$3.87
	P.26-3	Per Mile - Loop					
		A.16.16 High Capacity Unbundled Local Loop - STS-1 - Per Mile		$10.92	$10.92	$10.92	$10.92
P.50	**4-WIRE DS1 LOOP WITH CHANNELIZATION WITH PORT**						
	P.50.VG-1	First Voice Grade in DS1					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$96.13	$55.39	$70.74
		B.1.1 Exchange Ports - 2-Wire Analog Line Port (Res., Bus., Centrex, Coin)		$1.40	$1.40	$1.40	$1.40
		Q.1.1 D4 Channel Bank Inside CO - System		$118.06	$118.06	$43.38	$118.06
		Q.1.4 Unbundled Loop Concentration - POTS Card		$0.6402	$0.6402	$0.5422	$0.6402
			1	$193.54	$215.23	$100.71	$190.84
				$99.13	$140.36	$74.91	$100.54

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$1.40	$1.40	$1.40	$1.40
				$118.06	$118.06	$43.38	$118.06
				$0.6402	$0.6402	$0.5422	$0.6402
			2	$219.23	$260.46	$120.23	$220.64
				$191.51	$332.57	$168.76	$178.39
				$1.40	$1.40	$1.40	$1.40
				$118.06	$118.06	$43.38	$118.06
				$0.6402	$0.6402	$0.5422	$0.6402
			3	$311.61	$452.37	$214.08	$298.49
	P.50.VG-2	Additional Voice Grade in same DS1					
		B.1.1 Exchange Ports - 2-Wire Analog Line Port (Res., Bus., Centrex, Coin)		$1.40	$1.40	$1.40	$1.40
		Q.1.4 Unbundled Loop Concentration - POTS Card		$0.6402	$0.6402	$0.5422	$0.6402
				$2.04	$2.04	$1.94	$2.04
	P.50.DID-1	First 2-Wire DID in DS1					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$96.13	$55.39	$70.74
		B.1.3 Exchange Ports - 2-Wire DID Port		$8.73	$8.73	$4.93	$8.73
		Q.1.1 D4 Channel Bank Inside CO - System		$118.06	$118.06	$43.38	$118.06
		Q.1.4 Unbundled Loop Concentration - POTS Card		$0.6402	$0.6402	$0.5422	$0.6402
			1	$200.87	$222.55	$104.25	$198.17
				$99.13	$140.36	$74.91	$100.54
				$8.73	$8.73	$4.93	$8.73
				$118.06	$118.06	$43.38	$118.06
				$0.6402	$0.6402	$0.5422	$0.6402
			2	$226.56	$267.78	$123.77	$227.97

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$191.57	$332.57	$168.76	$178.39
				$8.73	$8.73	$4.93	$8.73
				$118.06	$118.06	$43.38	$118.06
				$0.6402	$0.6402	$0.5422	$0.6402
			3	$318.84	$460.00	$217.62	$305.82
	P.50.DID-2	Additional 2-Wire DID in same DS1					
		B.1.3 Exchange Ports - 2-Wire DID Port		$8.73	$8.73	$4.93	$8.73
		Q.1.4 Unbundled Loop Concentration - POTS Card		$0.6402	$0.6402	$0.5422	$0.6402
				$9.37	$9.37	$5.48	$9.37
	P.50.ISDN-1	First ISDN in DS1					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		B.1.5 Exchange Ports - 2-Wire ISDN Port		$8.83	$8.83	$8.80	$8.83
		Q.1.1 D4 Channel Bank Inside CO - System		$118.06	$118.06	$43.38	$118.06
		Q.1.3 Unbundled Loop Concentration - ISDN (BRITE Card)		$2.92	$2.92	$2.47	$2.92
			1	$203.25	$224.94	$110.05	$200.55
				$99.13	$140.36	$74.91	$100.54
				$8.83	$8.83	$8.80	$8.83
				$118.06	$118.06	$43.38	$118.06
				$2.92	$2.92	$2.47	$2.92
			2	$228.94	$270.17	$129.57	$230.35
				$191.51	$332.57	$168.76	$178.39
				$8.83	$8.83	$8.80	$8.83
				$118.06	$118.06	$43.38	$118.06
				$2.92	$2.92	$2.47	$2.92
			3	$321.32	$462.38	$223.42	$308.20

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	P.50.ISDN-2	Additional ISDN in same DS1					
		B.1.5 Exchange Ports - 2-Wire ISDN Port		$8.83	$8.83	$8.80	$8.83
		Q.1.3 Unbundled Loop Concentration - ISDN (BRITE Card)		$2.92	$2.92	$2.47	$2.92
				$11.75	$11.75	$11.28	$11.75
P.51	EXTENDED 2-WIRE ISDN LOOP WITH DS1 INTEROFFICE TRANSPORT						
	P.51-1	First 2-Wire ISDN in DS1					
		A.5.1 2-Wire ISDN Digital Grade Loop		$21.76	$25.14	$14.19	$19.28
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.3 Interface Unit - Interface DS1 to DS0 - BRITE Card		$3.66	$3.66	$2.70	$3.66
			1	$260.63	$264.01	$150.45	$258.15
				$29.38	$35.23	$19.37	$27.40
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$3.66	$3.66	$2.70	$3.66
			2	$268.25	$274.20	$155.62	$266.27
				$56.76	$67.42	$32.80	$48.62
				$88.44	$88.44	$61.47	$88.44
				$146.77	$146.77	$72.09	$146.77
				$3.66	$3.66	$2.70	$3.66
			3	$295.63	$306.29	$169.05	$287.49
	P.51-2	Per Mile					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	P.51-3	Additional 2-wire IDSN in same DS1					
		A.5.1 2-Wire ISDN Digital Grade Loop		$21.76	$25.14	$14.19	$19.28
		A.18.3 Interface Unit - Interface DS1 to DS0 - BRITE Card		$3.66	$3.66	$2.70	$3.66
			1	$25.42	$28.80	$16.89	$22.94
				$29.38	$35.33	$19.37	$27.40
				$3.66	$3.66	$2.70	$3.66
			2	$32.04	$38.99	$22.06	$31.06
				$56.76	$67.42	$32.80	$48.62
				$3.66	$3.66	$2.70	$3.66
			3	$60.42	$71.08	$35.49	$52.28
P.52	EXTENDED 4-WIRE DS1 DIGITAL LOOP WITH DEDICATED STS-1 INTEROFFICE TRANSPORT						
	P.52-1	First in DS1 in STS1					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		D.10.2 Interoffice Transport - Dedicated - STS-1 - Facility Termination		$1,056.00	$1,056.07	$645.04	$1,056.00
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
			1	$1,354.39	$1,376.16	$874.46	$1,351.69
				$99.13	$140.36	$74.91	$100.54
				$1,056.00	$1,056.07	$645.05	$1,056.00
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			2	$1,380.08	$1,421.38	$893.98	$1,381.49

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$191.51	$332.57	$168.76	$178.39
				$1,056.00	$1,056.07	$645.05	$1,056.00
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			3	$1,472.46	$1,613.60	$987.83	$1,459.34
	P.52-2	Per Mile					
		D.10.1 Interoffice Transport - Dedicated - STS-1 - Per Mile		$3.87	$3.87	$3.87	$3.87
	P.52-3	Additional DS1 in same STS1					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
			1	$87.20	$108.89	$66.87	$84.50
				$99.13	$140.36	$74.91	$100.54
				$13.76	$13.76	$11.47	$13.76
			2	$112.89	$164.12	$86.38	$114.30
				$191.51	$332.57	$168.76	$178.39
				$13.76	$13.76	$11.47	$13.76
			3	$205.27	$346.33	$180.23	$192.15
P.53	EXTENDED 2-WIRE VOICE GRADE LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT W/ 3/1 MUX						
	P.53-1	First 2-Wire VG in First DS1 in DS3					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$476.04	$478.34	$315.70	$473.78
				$19.57	$21.98	$10.52	$17.40
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			2	$481.11	$483.52	$318.87	$478.94
				$37.82	$52.29	$20.74	$30.87
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			3	$499.36	$513.84	$329.09	$492.41
	P.53-2	Per Mile per DS1					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.53-3	Additional 2-Wire VG in same DS1					
		A.1.2 2-Wire Analog Voice Grade Loop - Service Level 2		$14.50	$16.79	$7.36	$12.24

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$15.88	$18.17	$8.12	$13.62
				$19.57	$21.98	$10.52	$17.40
				$1.38	$1.38	$.7634	$1.38
			2	$20.95	$23.36	$11.29	$18.78
				$37.82	$52.29	$21.51	$30.87
				$1.38	$1.38	$.7634	$1.38
			3	$39.20	$53.67	$21.51	$32.25
	P.53-4	Additional DS1 in same DS3					
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
				$248.97	$248.97	$145.03	$248.97
P.54	EXTENDED 4-WIRE VOICE GRADE LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT W/ 3/1 MUX						
	P.54-1	First 4-Wire VG in First DS1 in DS3					
		A.4.1 4-Wire Analog Voice Grade Loop		$23.02	$29.39	$14.44	$18.89
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$484.56	$490.94	$322.78	$480.43
				$31.07	$59.21	$29.06	$26.84
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			2	$492.61	$520.78	$337.40	$488.38
				$60.02	$97.26	$45.25	$47.62
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$1.38	$1.38	$.7634	$1.38
			3	$521.56	$558.81	$353.60	$509.16
	P.54-2	Per Mile per DS1					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.54-3	Additional 4-Wire VG in same DS1					
		A.4.1 4-Wire Analog Voice Grade Loop		$23.02	$29.39	$14.44	$18.89
		A.18.4 Interface Unit - Interface DS1 to DS0 - Voice Grade Card		$1.38	$1.38	$.7634	$1.38
			1	$24.40	$30.77	$15.20	$20.27
				$31.07	$58.21	$29.06	$26.84
				$1.38	$1.38	$.7634	$1.38

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			2	$32.45	$60.59	$29.82	$28.22
				$60.02	$97.26	$45.25	$47.62
				$1.38	$1.38	$.7634	$1.38
			3	$61.40	$98.64	$46.01	$49.00
	P.54-4	Additional DS1 in same DS3					
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
				$248.97	$248.97	$145.03	$248.97
P.55	**EXTENDED 4-WIRE 56 OR 64 KBPS DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT W/ 3/1 MUX**						
	P.55-1	First 4-Wire in First DS1 in DS3					
		A.10.1 4-Wire 19, 56 or 64 Kbps Digital Grade Loop		$26.39	$31.42	$15.35	$22.20
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.2 Interface Unit - Interface DS1 to DS0 - OCU-DP Card		$2.10	$2.10	$1.37	$2.10
			1	$488.65	$493.69	$324.30	$484.46
				$35.62	$49.21	$25.14	$31.56
				$88.44	$88.44	$61.47	$88.44

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$2.10	$2.10	$1.37	$2.10
			2	$497.88	$511.48	$334.09	$493.82
				$68.82	$61.39	$28.21	$55.99
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$2.10	$2.10	$1.37	$2.10
			3	$531.08	$523.66	$337.17	$518.25
	P.55-2	Per Mile per DS1					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.55-3	Additional 4-Wire in same DS1					
		A.10.1 4-Wire 19, 56 or 64 Kbps Digital Grade Loop		$26.39	$31.42	$15.35	$22.20
		A.18.2 Interface Unit - Interface DS1 to DS0 - OCU-DP Card		$2.10	$2.10	$1.37	$2.10
			1	$28.49	$33.52	$16.72	$24.30
				$35.62	$49.21	$25.14	$31.56
				$2.10	$2.10	$1.37	$2.10
			2	$37.72	$51.31	$16.72	$33.66
				$68.82	$61.39	$28.21	$55.99
				$2.10	$2.10	$1.37	$2.10
			3	$70.92	$63.81	$29.58	$58.09

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
	P.55-4	Additional DS1 in same DS3					
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
				$248.97	$248.97	$145.03	$248.97
P.56	EXTENDED LOOP 2-WIRE ISDN WITH DS1 INTEROFFICE TRANSPORT W/ 3/1 MUX						
	P.56-1	First 2-Wire in First DS1 in DS3					
		A.5.1 2-Wire ISDN Digital Grade Loop		$21.76	$25.14	$14.19	$19.28
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77
		A.18.3 Interface Unit - Interface DS1 to DS0 - BRITE Card		$3.66	$3.66	$2.70	$3.66
			1	$485.58	$488.97	$324.47	$483.10
				$29.38	$35.33	$19.37	$27.40
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$3.66	$3.66	$2.70	$3.66
			2	$493.20	$499.16	$329.65	$491.22

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
				$56.76	$67.25	$32.80	$48.62
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
				$146.77	$146.77	$72.09	$146.77
				$3.66	$3.66	$2.70	$3.66
			3	$520.58	$531.25	$343.07	$512.44
	P.56-2	Per Mile per DS1					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.56-3	Additional 2-Wire in same DS1					
		A.5.1 2-Wire ISDN Digital Grade Loop		$21.76	$25.14	$14.19	$19.28
		A.18.3 Interface Unit - Interface DS1 to DS0 - BRITE Card		$3.66	$3.66	$2.70	$3.66
			1	$25.42	$28.80	$16.89	$22.94
				$29.38	$35.33	$19.37	$27.40
				$3.66	$3.66	$2.70	$3.66
			2	$33.04	$38.99	$22.06	$31.06
				$56.76	$67.42	$32.80	$48.62
				$3.66	$3.66	$2.70	$3.66
			3	$60.42	$71.08	$35.49	$52.28
	P.56-4	Additional DS1 in same DS3					
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.1 Channelization - Channel System DS1 to DS0		$146.77	$146.77	$72.09	$146.77

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
				$248.97	$248.97	$145.03	$248.97
P.57	EXTENDED 4-WIRE DS1 DIGITAL LOOP WITH DEDICATED DS1 INTEROFFICE TRANSPORT W/ 3/1 MUX						
	P.57-1	First 4-Wire DS1 in DS3					
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
		A.18.5 Channelization - Channel System DS3 to DS1		$211.19	$211.19	$162.55	$211.19
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
			1	$386.83	$408.62	$290.88	$384.13
				$99.13	$140.36	$74.91	$100.54
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			2	$412.52	$453.75	$310.40	$413.93
				$191.51	$332.57	$168.76	$178.39
				$88.44	$88.44	$61.47	$88.44
				$211.19	$211.19	$162.55	$211.19
				$13.76	$13.76	$11.47	$13.76
			3	$504.90	$645.96	$404.25	$491.78
	P.57-2	Per Mile per DS1					
		D.4.1 Interoffice Transport - Dedicated - DS1 - Per Mile		$0.1856	$0.1856	$0.1856	$0.1856
	P.57-3	Additional 4-Wire DS1 in same DS3					

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
		A.9.1 4-Wire DS1 Digital Loop		$73.44	$95.13	$55.39	$70.74
		A.18.6 Interface Unit - Interface DS3 to DS1		$13.76	$13.76	$11.47	$13.76
		D.4.2 Interoffice Transport - Dedicated - DS1 - Facility Termination		$88.44	$88.44	$61.47	$88.44
			1	$175.64	$197.33	$128.33	$172.94
				$99.13	$140.36	$74.91	$100.54
				$13.76	$13.76	$11.47	$13.76
				$88.44	$88.44	$61.47	$88.44
			2	$201.33	$242.58	$147.85	$202.74
				$191.51	$332.57	$168.76	$178.39
				$13.76	$13.76	$11.47	$13.76
				$88.44	$88.44	$61.47	$88.44
			3	$293.71	$434.77	$241.70	$280.59
P.58	EXTENDED 4-WIRE 56 OR 64 KBPS DIGITAL LOOP WITH DS0 INTEROFFICE TRANSPORT						
	P.58-1	Fixed					
		A.10.1 4-Wire 19, 56 or 64 Kbps Digital Grade Loop		$26.39	$31.42	$15.35	$22.20
		D.3.2 Interoffice Transport - Dedicated - DS0 - Facility Termination		$18.44	$18.44	$9.51	$18.44
			1	$44.83	$49.87	$24.85	$40.64
				$35.62	$48.21	$25.14	$31.56
				$18.44	$18.44	$9.51	$18.44
			2	$54.06	$66.65	$34.64	$50.00
				$68.82	$61.39	$28.21	$55.99
				$18.44	$18.44	$9.51	$18.44

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ELEMENT NUMBER & DESCRIPTION			ZONE	BELLSOUTH APPROVED RATES	BELLSOUTH FILING	AT&T/MCI PROPOSED	COMMISSION APPROVED
			3	$87.26	$79.84	$37.72	$74.43
	P.58-2	Per Mile					
		D.3.1 Interoffice Transport - Dedicated - DS0 - Per Mile		$0.0091	$0.0091	$0.0091	$0.0091

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APPENDIX B - WIRE CENTERS PER ZONE

Zone 1

BCRTFLBT	FTLDFLSU	KYWSFLMA	MIAMFLGR	MIAMFLWM
BCRTFLMA	HLWDFLHA	MIAMFLAE	MIAMFLIC	NDADFLAC
DYBHFLFN	HLWDFLMA	MIAMFLAP	MIAMFLKE	NDADFLOL
FTLDFLCR	JCBHFLSP	MIAMFLBA	MIAMFLME	ORLDFLMA
FTLDFLCY	JCVLFLCL	MIAMFLBC	MIAMFLNM	PMBHFLTA
FTLDFLMR	JCVLFLFC	MIAMFLBR	MIAMFLPB	WPBHFLAN
FTLDFLOA	JCVLFLJT	MIAMFLDB	MIAMFLPL	
FTLDFLSG	JCVLFLSM	MIAMFLFL	MIAMFLWD	

Zone 2

BCRTFLSA	FTLDFLAP	JCVLFLWC	NKLRFLMA	PNSCFLWA
BLGLFLMA	FTLDFLJA	JPTRFLMA	NSBHFLMA	PNVDFLMA
BYBHFLMA	FTLDFLPL	KYLRFLLS	ORLDFLAP	PRRNFLMA
CCBHFLMA	FTLDFLWN	KYLRFLMA	ORLDFLCL	PTSLFLSO
COCOFLMA	GLBRFLMC	LKMRFLMA	ORLDFLPC	SNFRFLMA
COCOFLME	GSVLFLMA	MIAMFLAL	ORLDFLPH	STAGFLBS
DBRYFLDL	GSVLFLNW	MIAMFLCA	ORLDFLSA	STAGFLSH
DBRYFLMA	HBSDFLMA	MIAMFLHL	ORPKFLMA	STRTFLMA
DELDFLMA	HLWDFLPE	MIAMFLNS	ORPKFLRW	TTVLFLMA
DLBHFLKP	HLWDFLWH	MIAMFLOL	OVIDFLCA	VRBHFLBE
DLBHFLMA	HTISFLMA	MIAMFLRR	PAHKFLMA	VRBHFLMA
DRBHFLMA	ISLMFLMA	MIAMFLSH	PCBHFLNT	WPBHFLGA
DYBHFLMA	JCBHFLAB	MIAMFLSO	PMBHFLCS	WPBHFLGR
DYBHFLOB	JCBHFLMA	MICCFLBB	PMBHFLFE	WPBHFLHH
DYBHFLOS	JCVLFLAR	MLBRFLMA	PMBHFLMA	WPBHFLLE
DYBHFLPO	JCVLFLBW	MNDRFLAV	PNCYFLMA	WPBHFLRB
EGLLFLBG	JCVLFLIA	MNDRFLLO	PNSCFLBL	WWSPFLSH
EGLLFLIH	JCVLFLNO	MRTHFLVE	PNSCFLFP	
FLBHFLMA	JCVLFLRV	NDADFLBR	PNSCFLHC	
FRBHFLFP	JCVLFLSJ	NDADFLGG	PNSCFLPB	

Zone 3

ARCHFLMA	EORNFLMA	JCVLFLLF	OLTWFLLN	SYHSFLCC
BGPIFLMA	FTGRFLMA	JCVLFLOW	PACEFLPV	TRENFLMA
BKVLFLJF	FTPRFLMA	KYHGFLMA	PLCSFLMA	VERNFLMA
BLDWFLMA	GCSPFLCN	LKCYFLMA	PLTKFLMA	WELKFLMA
BNNLFLMA	GCVLFLMA	LYNHFLOH	PMPKFLMA	WPBHFLRP
BRSNFLMA	GENVFLMA	MCNPFLMA	PNCYFLCA	WWSPFLHI
CDKYFLMA	HAVNFLMA	MDBGFLPM	PRSNFLFD	YNFNFLMA
CFLDFLMA	HLNVFLMA	MLTNFLRA	PTSLFLMA	YNTWFLMA
CHPLFLJA	HMSTFLAF	MNDRFLLW	SBSTFLFE	YULEFLMA
CNTMFLLE	HMSTFLEA	MNSNFLMA	SBSTFLMA	
CSCYFLBA	HMSTFLHM	MXVLFLMA	SGKYFLMA	
DLSPFLMA	HWTHFLMA	NWBYFLMA	STAGFLWG	
DNLNFLWM	JAY-FLMA	OKHLFLMA	STAGFLMA	