

BellSouth Telecommunications, Inc.
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A. M. Lombardo Regulatory Vice President

June 20, 1996

Ms. Blanca S. Bayo
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Rm. 110
Tallahassee, Florida 32399-0850

Dear Ms. Bayo:

Subject: BellSouth Tariff Filing Docket No. 920260-TL

On May 31, 1996, BellSouth, pursuant to Order#PSC-94-0172-FOF-TL, Docket 920260-TL, made a tariff filing which consisted of rate reductions totaling \$88.1 million.

As part of the Stipulation and Agreement (page 5 of 17, item 5.D),
"On October 1, 1996, Southern Bell shall further reduce its gross revenues by
\$84 million, on an annualized basis."

Also as part of the Implementation Agreement (pages 5 & 6 of 19, item C),
"On October 1, 1996, Southern Bell will further reduce its Intrastate Switched
Access Charge rates to a level that is in parity with Southern Bell's Interstate
Switched Access Charge rates in effect on January 11, 1994." "The PARTIES
understand that the amount of such reduction will be approximately \$35 million
in annual revenues. The remainder of the \$84 million designated for rate
reductions on October 1, 1996 pursuant to paragraph 5.D of the Stipulation
(approximately \$49 million) will be disposed of in accordance with Paragraphs
3.C and 4 of this Implementation Agreement."

Jan order to bring the interexchange access rates to a level that is in parity with the January 11, 1994, interstate access rates, a reduction of \$40 million is required. Based on the Stipulation and Agreement and the Implementation Agreement, \$44 million remains of the \$84 million in gross revenues to be used for further rate reductions.

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BellSouth's proposal includes \$48 million in additional rate reductions which is \$4 million above what is required. This additional amount should only be considered if BellSouth's proposal is approved as filed. If a proposal other than BellSouth's is adopted by the Commission, then only the required rate reduction amount of \$44 million should be considered available to the Commission in implementing such a proposal.

If you have any questions, or need any additional information, please let me know.

Very truly yours,

Regulatory Vice President

Copy to: Walter D'Haeseleer

Office of Public Counsel

Parties of Record

CERTIFICATE OF SERVICE Docket No. 920260-TL

I HEREBY CERTIFY that a copy of the foregoing has been furnished by United States Mail this 20th day of June, 1996 to:

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