FLORIDA PUBLIC SERVICE COMMISSION
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# M E M O R A N D U M

May 7, 1997

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

**FROM:** DIVISION OF COMMUNICATIONS (NORTON)
DIVISION OF LEGAL SERVICES (STOVER)

**RE:** DOCKET NO. 970286-TP - REQUEST FOR APPROVAL OF INTERCONNECTION AGREEMENT NEGOTIATED BY BELLSOUTH TELECOMMUNICATIONS, INC. AND BELLSOUTH CELLULAR CORPORATION (BCC) PURSUANT TO SECTIONS 251, 252 AND 271 OF THE TELECOMMUNICATIONS ACT OF 1996

**AGENDA:** MAY 19, 1997 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** COMMISSION MUST APPROVE OR DENY BY JUNE 5, 1997 PER TELECOMMUNICATIONS ACT OF 1996

**SPECIAL INSTRUCTIONS:** S:\PSC\CMU\WP\970286TP.RCM

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## CASE BACKGROUND

On March 7, 1997 BellSouth Telecommunications, Inc. (BST) and BellSouth Cellular Corporation (BCC) filed a request for approval of an interconnection agreement under the terms of the Telecommunications Act of 1996 (the Act). Both the Act and revised Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Under 47 U.S.C. § 252(e)(4), the state commission must approve or reject the agreement within 90 days after submission, or the agreement shall be deemed approved. This recommendation addresses the proposed agreement.

## DISCUSSION OF ISSUES

**ISSUE 1:** Should the Commission approve the proposed interconnection agreement between BST and BCC?

**RECOMMENDATION:** Yes, the Commission should approve the proposed interconnection agreement between BST and BCC. If BST and BCC modify their agreement, the Commission should require them to file supplements to their agreement for Commission review under the provisions of 47 U.S.C. § 252(e).

**STAFF ANALYSIS:** BST and BCC seek approval of their proposed interconnection agreement filed March 7, 1997. (Attachment 1) 47 U.S.C. § 252(a)(1) requires that "the agreement shall include a detailed schedule of itemized charges for interconnection and each service or network element included in the agreement." This is a one year contract governing the relationship between the companies regarding local interconnection and the exchange of traffic pursuant to Section 251 of the Telecommunications Act of 1996. The agreement includes provisions covering local and toll interconnection, methods of interconnection, rates, access to BST's 911/E911 service, access to phone numbers and access to databases.

The agreement also includes a provision for a "LATAwide additive" rate which is intended to compensate BST for additional transport and other costs incurred because the local calling area for Commercial Mobile Radio Service (CMRS) providers is larger than traditional wireline local calling areas. The local calling area for a CMRS provider is defined as a Major Trading Area, or MTA, under the terms of this agreement. This distinction in the scope of the local calling areas between CMRS and wireline carriers has traditionally been recognized by the Florida Commission and has now been codified in § 51.701 of the FCC Rules.

Staff has reviewed this agreement for compliance with the Act. We recommend that it be approved as filed effective the day of the vote. We would note, however, that Commission approval of this agreement should in no way be construed to constitute a determination that BST has met the requirements of Section 271 of the Act. We would further note that under the Act, negotiated agreements must be submitted to the state commissions for approval. However, Section 364.02(12), Florida Statutes, specifically excludes mobile carriers from the definition of telecommunications companies. Therefore, we believe that mobile carriers do not have to be certificated as ALECs in Florida nor do they have to file price lists unless they become providers of landline services.

**ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** Yes, with the adoption of staff's recommendation in Issue 1, and issuance of the Commission's order approving the agreement, this docket may be closed.