

R. DOUGLAS LACKEY
General Attorney

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0747

January 10, 2001

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

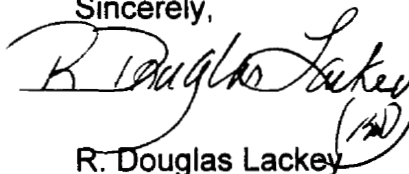
Re: Docket No. 000731-TP (AT&T Arbitration)

Dear Ms. Bayó:

Enclosed please find an original and fifteen copies of the BellSouth Telecommunications, Inc. Pre-Hearing Statement, which we ask that you file in the captioned docket.

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

Sincerely,


R. Douglas Lackey

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

DOCUMENT NUMBER-DATE

00453 JAN 10 2001

FPSC-RECORDS/REPORTING

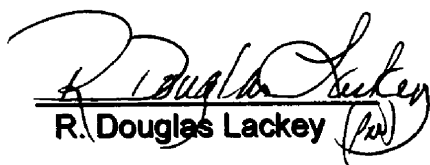
CERTIFICATE OF SERVICE
Docket No. 000731-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via hand delivery or Overnight Mail this 10th day of January, 2001 to the following:

Lee Fordham
Staff Counsel
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Marsha Rule
AT&T Communications of the Southern
States, Inc.
101 North Monroe Street
Suite 700
Tallahassee, FL 32301
Tel. No. (850) 425-6365
Fax. No. (850) 425-6361

Virginia Tate
AT&T Communications of the Southern
States, Inc.
1200 Peachtree Street, N.W.
Suite 8100
Atlanta, GA 30309
Tel. No. (404) 810-4922


R. Douglas Lackey (RDL)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition by AT&T Communications of the)
Southern States, Inc. for arbitration of) Docket No. 000731-TP
certain terms and conditions of a proposed)
agreement with BellSouth) Filed: January 10, 2001
Telecommunications, Inc. pursuant to)
47 U.S.C. Section 252.)
_____)

**PRE-HEARING STATEMENT OF
BELLSOUTH TELECOMMUNICATIONS, INC.**

BellSouth Telecommunications, Inc., (“BellSouth”) pursuant to the Order Establishing Procedure (PSC-00-1634-PCO-TP), issued September 13, 2000, submits its Pre-hearing Statement.

Witnesses

BellSouth proposes to call the following witness to offer testimony on the issues in this docket, as enumerated in Appendix A of the Order Establishing Procedure:

<u>Witness</u>		<u>Issues</u>
1. John A. Ruscilli	(Direct and Rebuttal)	4-12, 16, 22, 23, 27, 33 and 34
2. W. Keith Milner	(Direct and Rebuttal)	8, 13-14, 18-21, 23 and 25
3. D. Daonne Caldwell	(Direct Only)	22
4. Ronald M. Pate	(Direct and Rebuttal)	6, 25, 30, 31 and 32

BellSouth reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony and witnesses to address issues not presently designated that may be designated by the Pre-hearing Officer at the pre-

hearing conference to be held on January 23, 2001. BellSouth has listed the witnesses for whom BellSouth filed testimony, but reserves the right to supplement that list if necessary.

Exhibits

1. John A Ruscilli
 - JAR-1- Florida Prices BST/AT&T Interconnection Agreement
 - JAR-2- Special Access Service Conversions
 - JAR-3 (Revised)-Local Call Flows

2. W. Keith Milner
 - WKM-1-Illustrations of Serving arrangements and access
 - WKM-2-Loop Cutover Process
 - WKM-3-Coordinated Hot Cut process Flow
 - WKM-4-Electronic Coordinated Hot Cut Process Flow
 - WKM-5-Most recent Coordinated Hot Cut Process Flow
 - WKM-6-BST Methods and Procedures for Hot Cuts
 - WKM-7-Letter relating to CFA Audit

3. D. Daonne Caldwell
 - DDC-1-Cost Study Results (Proprietary)

4. Ronald M. Pate
 - RMP-1-Glossary
 - RMP-2-Change Control Process Version 2.0
 - RMP-3-EICCP Steering Committee Meeting Minutes
 - RMP-4-Carrier Notification Letter SN91081679
 - RMP-5-Carrier Notification Letter SN91081733
 - RMP-6-June 26, 2000 CCP Monthly Status Call Minutes
 - RMP-7-August 23, 2000 CCP Monthly Status Call Minutes
 - RMP-8-July 26, 2000 CCP Monthly Status Call Minutes

RMP-9-October 17, 2000 CCP Process Improvement Meeting
Minutes

RMP-10-CCP Interim Document, Version 1.4, with AT&T's
Proposed Changes

RMP-11-CCP Document, Version 2.0, with AT&T's Proposed
Changes

RMP-12-Type 1 System Outages posted on the CCP website

RMP-13-September 28, 1999 EICCP Enhancement Review
Meeting Minutes

RMP-14-March 29, 2000 CCP Monthly Status Call Minutes

RMP-15-October 3, 2000 Parsed CSR Kickoff Meeting Minutes

RMP-16-October 19, 2000 Parsed CSR Sub Team Meeting Minutes

RMP-17-ALEC Complex Services MultiServ® Diagram

RMP-18-BellSouth Retail Complex Services MultiServ® Diagram

RMP-19- Draft Contract Language for 3 Options for OS/DA
(Rebuttal)

RMP-20- AT&T-Specific OS/DA User Requirements (Rebuttal)
(Proprietary)

RMP-21- Carrier Notification Letter SN91082004 (Rebuttal)

RMP-22- CCP Document, Version 2.0 with BellSouth's Proposed
Changes (Rebuttal)

RMP-23- November 16, 2000 Parsed CSR Sub-Team Meeting
Minutes (Rebuttal)

RMP-24- Percent Flow-Through Service Requests Report
(Rebuttal)

RMP-25- Change Request CR0012 (Rebuttal)

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

Statement of Basic Position

The Commission's goal in this proceeding is to resolve each issue in this arbitration consistent with the requirements of Section 251 of the Telecommunications Act of 1996 ("1996 Act"), including the regulations prescribed by the Federal Communications Commission ("FCC"). BellSouth and AT&T have continued to negotiate in good faith, and have resolved a significant number of issues since AT&T's request for arbitration was filed with this Commission.

Nevertheless, there remain a number of issues for which the parties have not been able to reach a solution. These issues range in scope from questions about the security check, if any, that AT&T must perform on its employees who want to enter BellSouth's premises, to questions about how the parties will interconnect their respective networks. BellSouth believes that it has taken reasonable positions on the matters that remain in dispute, and that AT&T's positions on these issues will not bear close scrutiny. For the most part, these issues involve AT&T's unwillingness to pay for the services it wants, and its unrelenting desire to be in control of the entire relationship between BellSouth and AT&T. BellSouth believes that its positions represent

the more balanced position and that the Commission should adopt BellSouth's position on these issues.

BellSouth's Position on the Issues of Law and Fact

Issue 1: Should calls to Internet service providers be treated as local traffic for the purposes of reciprocal compensation?

Position: The parties have stipulated that this issue should be moved to Docket No. 000075-TP.

Issue 2: What are the appropriate performance measurements and enforcement mechanisms that BellSouth should implement?

Position: The parties have stipulated that this issue should be moved to Docket No. 000121-TP.

Issue 3: Should BellSouth be required to adopt validation and audit requirements which will enable AT&T to assure the accuracy and reliability of the performance data BellSouth provides to AT&T, and upon which the FPSC will ultimately rely when drawing conclusions about whether BellSouth meets its obligations under the Act?

Position: The parties have stipulated that this issue should be moved to Docket No. 000121-TP.

Issue 4: What does "currently combines" mean as that phrase is used in 57 C.F.R. §51.315(b)?

Position: "Currently combines" means that the network elements the ALEC wants to purchase from BellSouth as a UNE combination are, in fact, physically combined and providing service to the customer that AT&T wishes to serve. Under the 1996 Act, as construed by the courts and the FCC, there is no legal basis or need for this Commission to adopt an expansive view of "currently combined" so as to obligate BellSouth to combine elements for ALECs. As the FCC made clear in its Third Report and Order, Rule 51.315(b) applies to elements that are "in fact" combined. The FCC declined to adopt the definition of "currently combined," that would include all elements "ordinarily combined" in the incumbent's network, which is the essence of AT&T's position on this issue.

Issue 5: Should BellSouth be permitted to charge AT&T a "glue charge" when BellSouth combines network elements?

Position: As stated in response to Issue 4, BellSouth has no legal obligation to combine unbundled network elements that are not already combined and serving existing customers. Even though it is not obligated to combine such elements, it is willing to do so for AT&T or any other ALEC provided that BellSouth is paid a fair market price for the service it performs. The difference between this market price and the cost of the individual elements has been referred to as a 'glue' charge.

Issue 6: Under what rates, terms, and conditions may AT&T purchase network elements or combinations to replace services currently purchased from BellSouth tariffs? (UNEs, Attachment 2, Section 2.11)

Position: Upon request by AT&T, BellSouth will convert services currently purchased on a month-to-month basis by AT&T to UNEs or UNE combinations at a record change charge. To the extent possible, BellSouth will effect such conversions on a mechanized basis. As to services provided to AT&T under a volume and term agreement or other contract basis, upon request, BellSouth will convert the services to UNEs or UNE combinations upon AT&T's payment of the appropriate early termination liabilities set forth in the volume and term agreement or contract.

Issue 7: How should AT&T and BellSouth interconnect their networks in order to originate and complete calls to end-users? (Local Interconnection, Attachment 3)

Position: BellSouth offers interconnection in compliance with the requirements of the FCC rules and regulations and with any state statute or regulation. Interconnection for AT&T's originating traffic must be accomplished through at least one interface within the BellSouth LATA and may be at an access tandem or local tandem. BellSouth, at its option, may designate one or more interfaces in each LATA for the delivery of its originating traffic to AT&T. When a call originates and terminates in the same local calling area, but due to AT&T's network design, AT&T requires that BellSouth transport the call out of the local calling area to AT&T's interconnection point, AT&T should compensate BellSouth for its transport costs. BellSouth should not be required to incur additional unnecessary costs as a result of AT&T's network design.

Issue 8: What terms and conditions, and what separate rates if any, should apply for AT&T to gain access to and use BellSouth facilities to serve multi-unit installations?

Position: Upon request from an ALEC to gain access to BellSouth's facilities in garden-style apartments, BellSouth will create a separate access terminal and will prewire all pairs in the garden terminal to the access terminal. An ALEC wanting to serve a customer in the garden-style apartment would build its own terminal at that location and wire its cable pair to the appropriate prewired location on the access terminal. For high rise buildings, where complete prewiring of such separate

access terminals is not feasible, BellSouth will create a separate access terminal and will prewire the requested pairs from its own terminal to the access terminal as it receives orders from the ALEC for service. These arrangements will allow the ALECs to have complete access to these buildings, without jeopardizing existing service to BellSouth's other customers. BellSouth has proposed cost-based rates for this access in FPSC Docket No. 990649-TP that will apply to these activities.

Issue 9: Should BellSouth provide local circuit switching at UNE rates to allow AT&T to serve the first three lines provided to a customer located in Density Zone 1 as determined by NECA Tariff No. 4 in effect on January 1, 1999 ("Density Zone 1")?

Position: Withdrawn by AT&T.

Issue 10: Should BellSouth preclude AT&T from purchasing local circuit switching from BellSouth at UNE rates when a Density Zone 1 existing AT&T customer with 1-3 lines increases its lines to 4 or more? (UNEs, Attachment 2, Section 6.3.1.3 and 6.3.1.4)

Position: Withdrawn by AT&T.

Issue 11: Should BellSouth be allowed to aggregate lines provided to multiple locations of a single customer to restrict AT&T's ability to purchase local circuit switching at UNE rates to serve any of the lines of that customer? (UNEs, Attachment 2, Section 6.3.1.3 and 6.3.1.4)

Position: All of the lines provided to an end-user customer, including those at every end user location (where an end user has multiple locations), can be aggregated to relieve BellSouth of its obligation to provide circuit switching at UNE rates. The FCC rule is clear that, if BellSouth has met the regulatory requirements and AT&T's customer has responsibility for 4 or more lines, all within the confines of Density Zone 1 in a top 50 MSA, then BellSouth does not have a statutory obligation to provide AT&T with access to unbundled circuit switching].

Issue 12: Should AT&T be permitted to charge tandem rate elements when its switch serves a geographic area comparable to that served by BellSouth's tandem switch? (Local Interconnection, Attachment 3, Section 1.3)

Position: AT&T must demonstrate to the Commission that (1) its switch serves a geographic area comparable to the area served by BellSouth's tandem switch and (2) its switch performs functions similar to those performed by BellSouth's tandem switch in order to qualify for the tandem switching rate. Simply having switches that are "capable" of serving a comparable geographic area or are "capable" of performing tandem switching functions is not sufficient evidence.

- Issue 13:** What are the appropriate means for BellSouth to provide unbundled local loops for provision of DSL service when such loops are provisioned on digital loop carrier facilities? (UNEs, Attachment 2, Section 3.11.2)
- Position:** Withdrawn by AT&T.
- Issue 14:** What coordinated cut-over process should be implemented to ensure accurate, reliable and timely cut-overs when a customer changes local service from BellSouth to AT&T? (UNEs, Attachment 2, Section 3.8 et seq.)
- Position:** The coordinated cut-over process proposed by BellSouth ensures accurate, reliable and timely cut-overs. Nevertheless, AT&T wants BellSouth to move a step – the facilities check - that occurs during the provisioning phase of completing an order to the pre-ordering phase of placing an order. AT&T also wants BellSouth to hold an order’s place in the provisioning cycle when AT&T makes an error in a facilities assignment. Finally, AT&T wants BellSouth to notify AT&T 48 hours before a scheduled “hot cut” as to whether the cut will occur as scheduled. Doing a facilities check during the pre-ordering phase would require a significant change in BellSouth’s processes, and the result AT&T is attempting to achieve can be accomplished by AT&T itself if it keeps proper records. Holding an erroneous order while AT&T determines what it wants to do with the order disrupts the flow of service to other ALECs and to BellSouth’s retail customers. With regard to the third sub-issue that remains open, BellSouth’s position is that a call should be made to AT&T when BellSouth knows that the hot cut will occur as scheduled, but that call should be made in the 24-48 hour period before the scheduled cut, so that BellSouth will have an additional 24 hours to attempt to complete the cut on time if there is a problem with the order.
- Issue 15:** Should AT&T local calls that use BellSouth’s switching UNE be subject to a “bill and keep” compensation arrangement, even though reciprocal compensation will be paid for terminating local calls not using BellSouth’s UNE Switch? (Local Interconnection, Attachment 3, Section 4.10; Billing & Recording, Attachment 6, Section 2.1.6; Exhibit E and Attachment 3, Section 4.10)
- Position:** Settled.
- Issue 16:** What is the appropriate treatment of outbound voice calls over Internet protocol (“IP”) telephony, as it pertains to reciprocal compensation? (Local Interconnection, Attachment 3, Section 6.1.9)
- Position:** As with any other local traffic, reciprocal compensation should apply to local telecommunications provided via IP Telephony, to the extent that it is technically feasible to apply such charges. To the extent, however, that calls provided via IP

Telephony are long distance calls, access charges should apply, irrespective of the technology used to transport them.

- Issue 17:** In calculating Percent Local Usage (PLU) for purposes of reciprocal compensation, should AT&T be allowed to report the traffic on a monthly, rather than quarterly, basis? (Local Interconnection, Attachment 3, Section 6.1.11)
- Position:** Settled.
- Issue 18:** What are the appropriate intervals for the delivery of collocation space to AT&T? (Collocation, Attachment 4, Section 6.4)
- Position:** Settled.
- Issue 19:** When AT&T and BellSouth have adjoining facilities in a building outside BellSouth's central office, should AT&T be able to purchase cross connect facilities to connect to BellSouth or other ALEC networks without having to collocate in BellSouth's portion of the building? (Collocation, Attachment 4, Section 1.6)
- Position:** AT&T should not be allowed to purchase cross connect facilities in such circumstances. AT&T's proposal has the effect of expanding the definition of premises beyond that which is required by the FCC's regulations or that which is necessary. AT&T simply wishes to take advantage of its former corporate ownership of BellSouth. BellSouth's agreement to AT&T's terms would result in BellSouth providing AT&T with more favorable treatment than other new entrants.
- Issue 20:** Is conducting a statewide investigation of criminal history records for each AT&T employee or agent being considered to work on a BellSouth premises a security measure that BellSouth may impose on AT&T? (Collocation, Attachment 4, Section 11.1, 11.2, 11.4, 11.5)
- Position:** BellSouth performs criminal background checks on its employees prior to hiring and, as such, can require AT&T to do the same in order for AT&T to have unescorted access to BellSouth's central offices and other premises that house the public switched network. Such security requirements are reasonable in light of the assets being protected as well as the number of new entrants and other telecommunications carriers relying on the integrity and reliability of BellSouth's network. AT&T's offer to indemnify BellSouth for bodily injury or property damage is not sufficient in light of the asset at risk.
- Issue 21:** Unless otherwise specified, where Attachment 4 regarding collocation refers to days, should those days be calendar days or business days? (Collocation, Attachment 4)

- Position:** Settled.
- Issue 22:** What are the appropriate recurring and non recurring charges for the collocation items for which charges have not been established or are not TELRIC compliant as listed in Exhibit A to Collocation, Attachment 4 of AT&T's Proposed Interconnection Agreement.
- Position:** There are six collocation items for which cost-based rates have not been determined by the Commission. Those items are (1) subsequent application fee; (2) space preparation fee; (3) space availability report; (4) power; (5) cable records; and (6) security systems. BellSouth has proposed rates based on the costs of these items calculated in accordance with TELRIC pricing as required by this Commission and the FCC.
- Issue 23:** Has BellSouth provided sufficient customized routing in accordance with State and Federal law to allow it to avoid providing Operator Services/Directory Assistance ("OS/DA") as a UNE?
- Position:** BellSouth has available both an AIN solution for customized routing (also referred to as selective routing) as well as the LCC solution that was advocated by AT&T during the last round of arbitrations. AT&T participated in testing BellSouth's AIN customized routing solution. These two custom routing options provide AT&T and other ALECs with sufficient customized routing to allow BellSouth to avoid providing Operator Services/Directory Assistance as unbundled network elements. BellSouth has proposed cost-based rates for selective routing in FPSC Docket No. 990649-TP.
- Issue 24:** Should BellSouth be required to electronically process and provision customer specific orders for OS/DA if AT&T orders on unbranded or AT&T branded platform? Attachment F, Sections 3.20 – 3.24)
- Position:** BellSouth and AT&T have agreed that this issue has been subsumed and incorporated into Issue 25.
- Issue 25:** What procedure should be established for AT&T to obtain loop-port combinations (UNE-P) using both Infrastructure and Customer Specific Provisioning? (Attachment 7, Sections 3.20 – 3.24)
- Position:** BellSouth is not opposed to AT&T making a one-time designation to BellSouth to have all of AT&T's end user calls routed to the appropriate OS/DA platform. If AT&T does so, subsequent local service requests (LSR) for that default routing can be submitted without requiring that the line class codes necessary to route the traffic properly actually be entered on the LSR by AT&T's service representatives. AT&T, however, refuses to make a single designation and seeks instead a variety of OS/DA routing plans, which cannot be handled by a single default plan. In the absence of providing a default routing plan, AT&T should be

required to populate the appropriate line class code on the LSR submitted to BellSouth.

Issue 26: May the Interconnection Agreement contain conditions on the purchase of any BellSouth exchange?

Position: Settled.

Issue 27: Should the Commission or a third party commercial arbitrator resolve disputes under the Interconnection Agreement?

Position: BellSouth should not be precluded from petitioning the Commission for resolution of disputes under the Interconnection Agreement. BellSouth has had experience with commercial arbitration in the resolution of disputes under interconnection agreements negotiated pursuant to 47 USC §252 and has found such arbitrations to be expensive and unduly lengthy in nature. Furthermore, under the 1996 Act, if the Commission chooses to participate in the arbitration process, the Commission is charged with resolving disputes brought before it and it cannot delegate that responsibility without the concurrence of the parties.

Issue 28: What is the proper timeframe for either party to render bills for overdue charges? (Billing & Recording, Attachment 6, Section 1.2.3)

Position: Settled.

Issue 29: What are the proper parameters sufficient to prevent fraudulent billing for reciprocal compensation? (Local Interconnection, Attachment 3, Section 6.1.2)

Position: Settled.

Issue 30: Should the Change Control Process (CCP) be sufficiently comprehensive to ensure that there are processes to handle, at a minimum the following situations: (OSS, Attachment 7, Exhibit A)

- (a) Introduction of new electronic interfaces.
- (b) Retirement of existing interfaces.
- (c) Exceptions to the process
- (d) Documentation, including training.
- (e) Defect correction
- (f) Emergency changes (defect correction)
- (g) An eight-step cycle, repeated monthly.
- (h) A firm schedule for notifications associated with changes initiated by BellSouth.
- (i) A process for dispute resolution including referral to state utility commissions or courts
- (j) A process for the escalation of changes in process.

Position: BellSouth's basic position is that the change control process, which is used to manage changes to and the operation of the interfaces that ALECs use to access BellSouth's operational support systems, is very important, but is regional in nature and should not be addressed by an individual commission. Even with that caveat, however, there is already a detailed documented process for dealing with all of the sub-issues AT&T has raised, and that process should be allowed to operate unhindered by individual arbitrations between two participants in the change control process. Specifically, the current version of the change control process, which is a living document with more changes currently being addressed, makes provision for every issue that AT&T has raised. While any process can be improved as more knowledge is gained, changes should only be addressed in a forum where all affected ALECs across the region can participate, not in this arbitration.

Issue 31: What should be the resolution of the following OSS issues currently pending in the change control process but not yet provided? (OSS, Attachment 7, Exhibit A)

Position: BellSouth will address each of the sub-parts of this issue, but would note that only the issue addressed in the first sub-part has actually been submitted to the change control process. Where the issue has been submitted to the change control process, it should be allowed to be resolved through that process rather than in an arbitration between only two of the parties to the change control process.

Issue 31 (a): Parsed customer service records for pre-ordering.

Position: This subpart is before the CCP. A CCP Change Request was submitted by AT&T requesting a parsed customer service record via TAG. Planning and analysis on this issue has begun in the change control process, but it is not yet complete. In the meanwhile, BellSouth currently provides the ALECs a stream of data via TAG that is sufficient to allow the ALECs to parse information received from BellSouth for themselves. This data is provided to the ALECs in a manner that is consistent with the way the data is provided to BellSouth's retail units.

Issue 31 (b): The ability to submit orders electronically for all services and elements?

Position: This issue is not presently pending in the change control process. There are two ways that ALECs can order access to unbundled network elements from BellSouth. Those orders can be submitted electronically, and this applies to the vast majority of orders. For others, particularly complex orders, the orders must be submitted manually. AT&T wants, without regard to the cost or effort involved, for every order to be able to be submitted electronically. This is not required in order to provide nondiscriminatory access to UNEs. For instance, BellSouth's complex orders for its retail customers are submitted manually. Moreover, the FCC has already recognized that some orders, whether because of their complexity or for other reasons, will be submitted manually and not electronically, and has not found this to be discriminatory.

Issue 31 (c): Electronic processing after electronic ordering, without subsequent manual processing by BellSouth personnel?

Position: For those orders that AT&T can submit electronically, some subsequently fall out for manual handling. This may occur for any number of reasons, including such things as related orders, orders requesting expedited treatment and the like. The FCC in its orders allowing Bell Atlantic and SBC into the interLATA market, specifically recognized that some orders would fall out for manual handling and evidently concluded that this did not constitute discriminatory treatment.

Issue 32: Should BellSouth provide AT&T with the ability to access, via EBI/ECTA, the full functionality available to BellSouth from TAFI and WFA? (OSS, Attachment 7)

Position: BellSouth has provided AT&T with complete and nondiscriminatory access to TAFI. BellSouth has also provided AT&T with nondiscriminatory access to ECTA. AT&T's problem is that ECTA, which can be integrated into AT&T's own computer systems, does not have the precise functionality of TAFI, which cannot be integrated into AT&T's systems. BellSouth has provided AT&T with the exact same access to these systems that BellSouth has, and BellSouth is under no requirement to either rewrite ECTA to include all of the functionality of TAFI or to create an entirely new application with that functionality. The FCC in its Bell Atlantic and SBC orders has specifically considered this issue and has rejected AT&T's position.

Issue 33: Should AT&T be allowed to share the spectrum on a local loop for voice and data when AT&T purchases a loop/port combination and if so, under what rates, terms and conditions? (UNEs, Attachment 2, Section 3.10)

Position: BellSouth is only obligated to permit AT&T to share the spectrum on an unbundled loop when BellSouth provides voice service over the facilities. BellSouth is not obligated to participate in a process that will enable AT&T to share the spectrum on a loop/port combination that AT&T has purchased from BellSouth, although AT&T may use its own resources to split that loop with another carrier. When AT&T purchases the loop/port combination, BellSouth is no longer the voice provider.

Issue 34: What are the appropriate rates and charges for unbundled network elements and combinations of network elements?

Position: The parties have agreed to defer this issue pending the outcome of FPSC Docket No. 990649-TP.

Stipulations

The parties have settled, moved or deferred issues by agreement as shown above. Additionally, by joint stipulation filed on December 22, 2000, the parties have stipulated that: (1) Issue 1 would be moved to Docket No. 000075-TP, the generic ISP docket; (2) the dispute in Issue 6 is limited to the issue of whether termination charges apply to conversion of services purchased by AT&T from a BellSouth tariff to UNEs; (3) AT&T has withdrawn Issue 13; (4) the parties have settled issues 18 and 21; and (5) the parties have deferred Issue 34. Pursuant to the joint stipulation, BellSouth has also agreed to withdraw certain testimony related to these and other matters as delineated in the stipulation.

Pending Motions


BellSouth has a pending request for confidential classification for Ms. Caldwell's exhibit DDC-1 and will be filing a request for confidential classification for Mr. Pate's Exhibit RMP-20. BellSouth also has a pending request for confidential classification for its responses to AT&T's Request for Production of Documents, Items 19, 21, 22 and 24, filed in this proceeding

Other Requirements

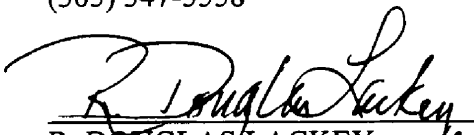
None.

Respectfully submitted this 10th day of January, 2001.

BELLSOUTH TELECOMMUNICATIONS, INC.



NANCY B. WHITE (B)
JAMES MEZE III
c/o Nancy H. Sims
150 So. Monroe Street, Suite 400
Tallahassee, FL 32301
(305) 347-5558



R. DOUGLAS LACKEY (B)
E. EARL EDENFIELD
Suite 4300
675 W. Peachtree St., NE
Atlanta, GA 30375
(404) 335-0747