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Legal Department

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Attorney

01 AUG 31 PM 4:30

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

COMMISSION
CLERK

August 31, 2001

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

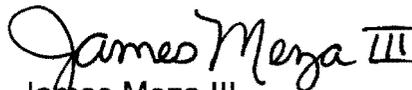
Re: Docket No. 010740-TP (IDS Complaint)

Dear Ms. Bayó:

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

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

Sincerely,



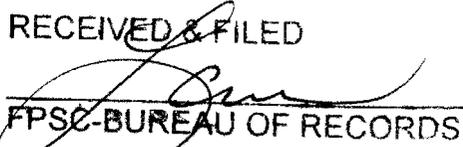
James Meza III

(2#)

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

APP _____
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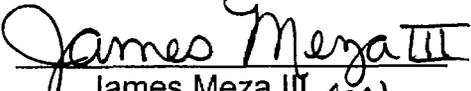
CERTIFICATE OF SERVICE
Docket No. 010740-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
by Electronic Mail and Federal Express this 31st day of August, 2001 to the following:

Mary Anne Helton
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James Meza III (2)

(+) Signed Protective Agreement

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of IDS Long Distance, Inc.) Docket No.: 010740-TP
n/k/a IDS Telecom, L.L.C., Against)
BellSouth Telecommunications, Inc., and)
Request for Emergency Relief)
_____) Filed: August 31, 2001

PREHEARING STATEMENT OF BELL SOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth"), in compliance with the Order Establishing Procedure (Order No. PSC-01-1501-PCO-TP) issued on July 18, 2001, hereby submits its Prehearing Statement for Docket No. 010740-TP.

A. Witnesses

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

<u>Witness</u>	<u>Issue(s)</u>
Ken L. Ainsworth (Direct)	1, 2, 3
Ken L. Ainsworth, Claude P. Morton, and Linda W. Tate (Rebuttal Panel)	1, 2, 3
Mary K. Batcher, Ph.D. (Rebuttal)	3
Sandra Harris (Direct and Rebuttal)	2
Janet Miller-Fields (Direct)	1, 2, 3, 4
Janet Miller-Fields and Robby K. Pannell (Rebuttal Panel)	1, 2, 3, 4
Petra Pryor (Direct)	1, 2

Petra Pryor and Michael Lepkowski (Rebuttal Panel)	1, 2
John A. Ruscilli (Direct)	2, 3, 4, 5
John Ruscilli, Elizabeth Rokholm and Shelley Walls (Rebuttal Panel)	2, 3, 4, 5
Beth Shiroishi (Direct and Rebuttal)	2, 3
Jerry L. Wilson (Direct)	1, 5
Jerry L. Wilson, Pattie Knight, Pat Rand and Jimmy Patrick (Rebuttal Panel)	1, 2, 5

BellSouth reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in prefiled testimony, witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the prehearing conference to be held on September 10, 2001, witnesses who may file supplemental rebuttal testimony, and witnesses identified in IDS' discovery responses produced pursuant to the Commission's Order granting BellSouth's Motion to Compel. BellSouth also reserves the right to determine the order in which it will call the above-identified witnesses.

B. Exhibits

Ken L. Ainsworth	KLA-1	(Confidential) IDS Service Orders
Ken L. Ainsworth, Claude P. Morton, and Linda W. Tate	KLA-2	UNE-P Conversion LMOS Analysis Summary Page July 18 thru August 6, 2001 and June 22 thru August 6, 2001
Mary K. Batcher	MKB-1	Telephone Survey Script Switching Local Telephone Service Providers from IDS to BellSouth
	MKB-2	Chart - First choice of reason for switching local phone service from IDS to BellSouth
	MKB-3	Chart - First choice of reason for switching local phone service from IDS to BellSouth by length of time with IDS
	MKB-4	Chart - Did you receive any calls from BellSouth representatives?
	MKB-5	Chart - Did you receive any calls from BellSouth representatives by length of time with IDS?
John A. Ruscilli	JAR-1	Ltr. to Michael Noshay from Shelley Walls dated, October 28, 1999
	JAR-2	BellSouth's Win Back Review and Implementation

John Ruscilli
Elizabeth Rokholm
Shelley Walls

JAR-3

News Advertisement for
Xspedius, dated August 19, 2001
The Birmingham News - 3D

JAR-4

Ltr. to Network Vice-Presidents
from Hal G. Henderson and J. R.
Satterfield, dated June 22, 2001

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

C. Statement of Basic Position

The underlying theme of IDS' Complaint is that BellSouth has attempted to put IDS out of business by failing to provide IDS non-discriminatory access to OSS and by allegedly engaging in anticompetitive behavior against IDS. IDS' Complaint and the direct testimony it has filed in these proceedings, however, consist of unsupported allegations, theories, and misunderstandings. While there have been isolated problems in provisioning specific UNEs to IDS, on occasion, these problems are not systemic, nor do they constitute evidence of any willful acts on BellSouth's part. Instead, they reflect the complex nature of the business in which BellSouth and IDS

participate. Similarly, there may also have been isolated instances in which BellSouth authorized representatives may have violated BellSouth's policies in attempting to promote BellSouth's win back promotions. As the evidence will show, however, BellSouth has addressed each of these instances in the past and it has taken appropriate measures to prevent these incidents from arising in the future.

Contrary to IDS' theories, the facts at the hearing will show that (1) BellSouth provides IDS nondiscriminatory access to OSS; (2) BellSouth provides IDS nondiscriminatory access to UNEs and UNE-Ps; (3) BellSouth has not engaged in anticompetitive behavior; (4) BellSouth has not improperly used CPNI information; and (5) IDS has failed to prove that it is entitled to any of the remedies it seeks in this proceeding.

D. BellSouth's Position on the Issues

Issue 1: Has BellSouth breached its interconnection agreement with IDS by failing to provide IDS OSS at parity?

Position: No. BellSouth is required by the Telecommunications Act of 1996 to provide ALECs non-discriminatory access to its OSS. Pursuant to this obligation, BellSouth provides IDS non-discriminatory access to its OSS for the purpose of

providing functionality of pre-ordering, ordering, provisioning, maintenance and repair and billing in substantially the same time and manner as it does for itself. BellSouth provides this non-discriminatory access to its OSS via electronic and manual interfaces.

Issue 2: Has BellSouth breached its interconnection agreement with IDS by failing to provide IDS UNEs and UNE-Ps at parity?

Position: No. BellSouth provides IDS non-discriminatory access to UNEs and UNE-Ps. While, as with any large undertaking of such a complex nature, there have been a few problems in the provisioning of some UNEs for IDS, BellSouth submits that it is in compliance with the requirements established by the FCC and the Commission with regard to the rates, terms, and conditions that it offers for UNES, including UNE-P and with regard to providing xDSL service over UNE loops when BellSouth is not the voice provider. Furthermore, BellSouth's most recent analysis of UNE-P conversions establishes that out of 34,063 UNE-P Orders from July 18, 2001 to August 6, 2001, only .53% experienced any type of conversion related problem, with only .17% experiencing a no dial tone disruption of service.

Issue 3: Has BellSouth engaged in anticompetitive activities against IDS in violation of Chapter 364, Florida Statutes, and the Telecommunications Act of 1996?

Position: No. BellSouth is not engaging in anticompetitive behavior through its win back promotions. Due to the nature of the competitive market, it is appropriate for BellSouth to offer win back promotions and BellSouth's promotions are in compliance with FCC and Commission rules. While there have been complaints from ALECs that certain telemarketers were informing end users that certain ALECs were going bankrupt, it is against BellSouth policy for any employee or authorized representative of BellSouth to criticize a competitor to a customer or to interfere with any contract between a competitor and its customers. In those instances where BellSouth learned of such complaints, BellSouth took immediate action to investigate and in fact suspended its outbound win back efforts pending the outcome of its investigation. BellSouth has taken appropriate steps to ensure compliance with BellSouth internal policies regarding sales and marketing practices as well as applicable statutory and regulatory requirements.

Issue 4: Has BellSouth inappropriately utilized IDS' CPNI data in violation of the Telecommunications Act of 1996?

Position: No. BellSouth is in compliance with the FCC's rules regarding win back programs for customers who have converted to a competitor. BellSouth's retail side develops its win back lists using retail information consistent with applicable FCC rulings.

Issue 5: What remedies, if any, should the Commission order BellSouth to provide IDS in the event IDS proves that BellSouth has anticompetitive activities?

Position: The remedies requested by IDS are not reasonable. BellSouth has dealt fairly with IDS and has not, in any manner, attempted to put IDS, or any ALEC, out of business. If the Commission finds that BellSouth breached its Interconnection Agreement with IDS, then the only remedy should be those remedies set forth in that agreement. As to any additional remedies requested by IDS, BellSouth submits that they are unreasonable, unwarranted, and may exceed the Commission's authority.

E. Stipulations

None.

F. Pending Motions

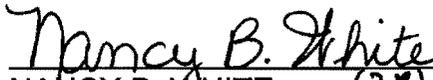
1. Motion for a Continuance;
2. Motion to Defer OSS Issue to Generic Docket Addressing Third Party Testing of BellSouth's OSS; and
3. Motion for Leave to File Supplemental Rebuttal Testimony.

G. Other Requirements

IDS has been ordered to provide BellSouth with complete and responsive discovery responses by September 6, 2001.

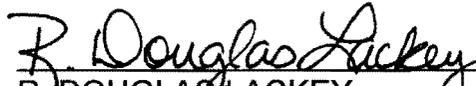
Respectfully submitted this 31st day of August, 2001.

BELLSOUTH TELECOMMUNICATIONS, INC.



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