

ORIGINAL

Legal Department

Patrick W. Turner
Senior Regulatory Counsel

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0761

March 22, 2002

RECEIVED-FPSC
02 MAR 22 PM 4:39
COMMISSION
CLERK

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. 020129-TP: Joint Petition of US LEC of Florida, Inc., Time Warner Telecom of Florida, LP and ITC^DeltaCom, Communications objecting to and requesting suspension of proposed CCS7 Access Arrangement Tariff filed by BellSouth Telecommunications, Inc.**

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Answer to Petition of US LEC of Florida, Inc., Time Warner Telecom of Florida, LP and ITC^DeltaCom Communications' Objection to and Requesting Suspension of Proposed CCS7 Access Arrangement Tariff, 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 a copy to me. Copies have been served to the parties shown on the attached certificate of service.

Sincerely,



Patrick W. Turner

(22)

Enclosures

- AUS _____ cc: All Parties of Record
- CAF _____ Marshall M. Criser III
- CMP _____ R. Douglas Lackey
- COM _____ Nancy B. White
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- SEC 1
- OTH _____

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

03378 MAR 22 08

FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE
DOCKET NO. 020129-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Electronic Mail and Federal Express this 22nd day of March, 2002 to the following:

Jason Fudge
Staff Counsel
Florida Public Service
Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
jfudge@psc.state.fl.us

Kenneth A. Hoffman, Esq.
Martin P. McDonnell, Esq.
Rutledge, Ecenia, Pumell, Hoffman,
P.A.
P.O. Box 551
Tallahassee, FL 32302-0551
Tel. No. (850) 681-6788
Fax. No. (850) 681-6515
Attys. for US LEC
Ken@Reuphlaw.com

Karen Camechis, Esq.
Pennington Law Firm
P.O. Box 10095
Tallahassee, FL 32302-2095
Tel. No. (850) 222-3533
Fax. No. (850) 222-2126
Atty. for Time Warner
karen@penningtonlawfirm.com

Nanette Edwards
4092 South Memorial Parkway
Huntsville, AL 35802
Tel. No. (256) 382-3856
Fax. No. (256) 382-3936
Atty. for ITC^DeltaCom
nedwards@itcdeltacom.com


Patrick W. Turner (22)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of US LEC of Florida)	
Inc., Time Warner Telecom of Florida, LP)	
and ITC^DeltaCom Communications)	Docket No. 020129-TP
objecting to and requesting)	
Suspension of proposed CCS7)	
Access Arrangement Tariff filed by)	
BellSouth Telecommunications, Inc.)	Filed: March 22, 2002
_____)		

**BELLSOUTH TELECOMMUNICATIONS, INC.'S ANSWER TO
PETITION OF US LEC OF FLORIDA, INC., TIME WARNER TELECOM OF FLORIDA,
LP AND ITC^DELTACOM COMMUNICATIONS OBJECTION TO AND REQUESTING
SUSPENSION OF PROPOSED CCS7 ACCESS ARRANGEMENT TARIFF**

BellSouth Telecommunications, Inc. ("BellSouth") respectfully submits its Answer to the Joint Petition of US LEC of Florida Inc., Time Warner Telecom of Florida, LP and ITC^DeltaCom Communications Objecting to and Requesting Suspension of Proposed CCS7 Access Arrangement Tariff filed by BellSouth Telecommunications, Inc. ("the Petition").

I. INTRODUCTION

The tariff that is the subject of the Petition (the "CCS7 Tariff") went into effect on February 17, 2002. In order to explain the effect of the CCS7 Tariff, it is helpful to explain what CCS7 service is, how carriers like the Petitioners can use BellSouth's CCS7 service, and how carriers like the Petitioners paid for this service prior to this tariff. Generally, CCS7 provides signaling functionality for call routing and completion as well as access to various databases. CLECs, wireless carriers, IXCs, and other ILECs operating in Florida have at least three options for obtaining this functionality in relation to calls placed by their end users. They either can provide their own CCS7 functionality; obtain CCS7 service from various third-party hubbing vendors such as

Illuminet, Southern New England Telephone Corp., or Telecommunications Services Inc.; or obtain CCS7 service from BellSouth.

Carriers choosing to obtain CCS7 service from BellSouth can use the service in relation to three types of calls: (1) local calls; (2) interexchange calls between locations within the state of Florida ("non-local intrastate calls"); and (3) interexchange calls between locations in the state of Florida and locations in other states ("interstate calls"). BellSouth currently is being compensated for providing CCS7 service for these types of calls in the following manner:

- (a) When carriers like the Petitioners use BellSouth's CCS7 service in relation to local calls, they pay the CCS7 rates set forth in their approved local interconnection agreements with BellSouth;¹
- (b) When carriers like the Petitioners use BellSouth's CCS7 service in relation to interstate calls, they pay the CCS7 rates set forth in BellSouth's F.C.C. Tariff No. 1 (the "Federal Tariff"); and
- (c) When carriers like the Petitioners use BellSouth's CCS7 service in relation to non-local intrastate calls, *they pay nothing* because until recently, BellSouth was unable to monitor the messages it provided in relation to a particular carrier's traffic and, therefore, BellSouth did not have an intrastate CCS7 tariff.

When the CCS7 Tariff went into effect, the only thing that changed for carriers like the Petitioners is that instead of receiving CCS7 service in relation to non-local intrastate calls without charge, carriers like the Petitioners now must pay BellSouth for this CCS7 service. In other words, under the tariff:

- (a) When carriers like the Petitioners use BellSouth's CCS7 service in relation to local calls, they *still* will pay the CCS7 rates set forth in their approved local interconnection agreements with BellSouth;²

¹ Third party hubbing vendors that are not CLECs do not have local interconnection agreements with BellSouth, and there was no intrastate CCS7 Tariff in effect in Florida prior to the effective date of the CCS7 Tariff. Prior to the effective date of the CCS7 Tariff, therefore, third party hubbing vendors paid BellSouth nothing for their use of BellSouth's CCS7 service in relation to local calls.

- (b) When carriers like the Petitioners use BellSouth's CCS7 service in relation to interstate calls, they *still* will pay the CCS7 rates set forth in BellSouth's F.C.C. Tariff No. 1; but
- (c) Now that BellSouth is able to monitor the messages it provides in relation to a particular carrier's traffic and has implemented its CCS7 Tariff, when carriers like the Petitioners use BellSouth's CCS7 service in relation to non-local intrastate calls, they pay the rates set forth in the CCS7 Tariff that is the subject of the Petition.

The CCS7 Tariff sets forth a per message Transaction Capabilities Applications Part ("TCAP") rate and a per message Integrated Services Digital Network User Part ("ISUP") rate that applies to messages associated with non-local, intrastate calls.³ See E6.8.1.J.3(a), (b). It also sets forth monthly recurring charges for connections (i.e., links) and terminations (i.e. ports) for CCS7 facilities associated with non-local, intrastate calls. See E6.8.1.J.1(a); E6.8.1.J.2(a). BellSouth's Federal Tariff sets forth a per message TCAP rate and a per message ISUP rate that applies to messages associated with interstate calls. See BellSouth's FCC Tariff No. 1, §6.8.1(I)(3). BellSouth's Federal Tariff also sets forth monthly recurring charges for connections and terminations for CCS7 facilities associated with interstate calls. *Id.*, §6.8.1.(I)(1),(2).⁴

² Under the CCS7 Tariff, when third party hubbing vendors that are *not* CLECs (and thus do not have local interconnection agreements with BellSouth) use BellSouth's CCS7 service in relation to local calls, they pay the CCS7 rates set forth in the CCS7 Tariff. When third party hubbing vendors that *are* CLECs with local interconnection agreements with BellSouth use BellSouth's CCS7 service in relation to local calls, they continue to pay the CCS7 rates set forth in their approved local interconnection agreements.

³ As noted throughout this Answer, the rates set forth in the CCS7 Tariff also will apply when a third party hubbing vendor that does not have an interconnection agreement with BellSouth uses BellSouth's CCS7 services in relation to local calls.

⁴ The TCAP rates, the ISUP rates, and the monthly nonrecurring charges for connections and terminations are the same in the Federal Tariff as they are in the CCS7 Tariff.

Finally, BellSouth's interconnection agreements with various competitive local exchange companies contain per message TCAP rates for messages associated with local calls, per message ISUP rates for messages associated with local calls, and monthly recurring charges for connections and terminations for CCS7 facilities associated with local calls.

No carrier is billed twice for the same message, for the same connection, or for the same termination. Instead, with regard to messages, the percent interstate usage factor ("PIU") and the percent local usage factor ("PLU") that a carrier provides to BellSouth are applied to that carrier's total number of TCAP and ISUP messages to determine the number of such messages that are interstate, non-local intrastate, and local. Once this determination is made, the rates from the Federal Tariff are applied to the interstate messages, the rates from the CCS7 tariff are applied to the non-local intrastate messages, and the rates from any applicable interconnection agreement are applied to the local messages. If no interconnection agreement applies (i.e. if the carrier is a third-party hubbing vendor that is not a CLEC), the rates from the CCS7 Tariff apply to the local messages as well.

The recurring charges for connections and terminations are calculated in a similar manner. Any given connection and termination can carry messages associated with interstate, non-local intrastate, and local calls. BellSouth uses the PIU and PLU factors that a carrier provides to BellSouth to pro-rate the connection and termination charges set forth in the Federal Tariff, the CCS7 Tariff, and any applicable interconnection agreement in order to determine the amount the carrier pays for connections and terminations. Assume, for instance, that a carrier provides BellSouth

with a PIU of 40% (which means that 40% of the messages carried over the connections and terminations purchased by that carrier are associated with interstate calls) and a PLU of 30% (which means that of the 60% of the messages carried over the connections and terminations purchased by that carrier that are *not* associated with interstate calls, 30% are associated with local calls and 70% are associated with non-local intrastate calls).⁵ The rate the carrier will pay for a connection and a termination is the sum of 40% of the connection and termination rates set forth in the Federal Tariff,⁶ 42% of the connection and termination rates set forth in the CCS7 Tariff,⁷ and 18% of the connection and termination rates set forth in any applicable interconnection agreement.⁸

II. ANSWERS TO SPECIFIC ALLEGATIONS

⁵ This means that 18% (60% X 30%) of the of the total messages carried over the connections and terminations purchased by the carrier are associated with local calls and that 42% (60% X 70%) of the messages carried over the connections and terminations purchased by that carrier are associated with non-local intrastate calls. When the 18% of the messages associated with local calls and the 42% of the messages associated with non-local intrastate calls are added to the 40% of the messages that are associated with interstate calls, this adds up to 100% of the messages.

⁶ This is because 40% of the messages carried over that connection and termination are associated with interstate calls.

⁷ This is because, as explained in footnote 6 above, 42% of the messages carried over that connection and termination are associated with non-local, intrastate calls.

⁸ This is because, as explained in footnote 5 above, 18% of the messages carried over that connection and termination are associated with interstate calls. If no interconnection agreement is applicable, the carrier would pay the sum of 40% of the connection and termination rates set forth in the Federal Tariff and 60% of the connection and termination rates set forth in the CCS7 Tariff.

1. Upon information and belief, BellSouth admits the allegations set forth in Paragraph 1 of the Petition.

2. Upon information and belief, BellSouth admits the allegations set forth in Paragraph 2 of the Petition.

3. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 3 of the Petition and, therefore, BellSouth denies these allegations.

4. Upon information and belief, BellSouth admits the allegations set forth in Paragraph 4 of the Petition.

5. In response to the allegations set forth in Paragraph 5 of the Petition, BellSouth incorporates the "Introduction" section of this Answer herein by reference. BellSouth admits that the CCS7 Tariff sets forth a per message TCAP charge of approximately one ten-thousandth of a cent and that the CCS7 Tariff sets forth a per message ISUP charge of approximately three one-hundred-thousandths of a cent. To the extent that the allegations set forth in Paragraph 5 of the Petition are inconsistent with this Paragraph of BellSouth's Answer, they are denied.

6. While BellSouth reserves the right to challenge the Petitioner's application of these general statements to specific facts if and when the need arises, BellSouth admits that in general: CCS7 is a function of the telephone network in Florida and elsewhere in the country; CCS7 provides signaling functionality for call routing and completion as well as access to various databases; CCS7 is used in network management; CCS7 is more efficient than Dual Tone Multi-Frequency ("DTMF") signaling because it allows for faster call setup; and CCS7 is used for virtually every call

in which DTMF is not used. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegation that “[f]or Petitioners, the only remaining use of DTMF is for certain E911 trunks” and, therefore, BellSouth denies that allegation.

While BellSouth reserves the right to challenge the Petitioner’s application of these general statements to specific facts if and when the need arises, BellSouth admits that in general: there are at least five ISUP messages associated with a telephone call; there are at least two TCAP message associated with a telephone call in which a database query is required; ISUP messages provide for call acknowledgment, call set up, and call processing; and TCAP messages is used in connection with providing caller identification, 800 or toll free calls, and calls involving caller name and number data base (CNAM) queries.⁹

To the extent that the allegations set forth in Paragraph 6 of the Petition are inconsistent with this Paragraph of BellSouth’s Answer, they are denied.

7. BellSouth admits that its CCS7 Tariff applies to all telecommunications providers and third party hubbing vendors that purchase CCS7 capability with regard to non-local, intrastate calls from BellSouth. BellSouth also admits that its CCS7 Tariff applies to third party hubbing vendors that do not have local interconnection agreements with BellSouth and that purchase CCS7 capability with regard to local calls from BellSouth. To the extent that the allegations set forth in Paragraph 7 of the Petition are inconsistent with this Paragraph of BellSouth’s Answer, they are denied.

8. BellSouth admits that the Petitioners purport to object to the CCS7 Tariff, which is in effect, on the grounds set forth in subsections (a) through (e) of Paragraph 8

⁹ TCAP messages are used for queries and responses, but they are not used for database “dips.”

of the Complaint. BellSouth denies that the Commission is required to consider any of these objections, and BellSouth denies that any of these objections warrant or require any suspension, alteration, or modification of BellSouth's effective CCS7 tariff. Without waiving these denials, BellSouth responds to each of these grounds as follows:

(a) BellSouth admits that its CCS7 Tariff applies to third party hubbing vendors that do not have local interconnection agreements with BellSouth and that purchase CCS7 capability with regard to local calls from BellSouth. Carriers that are parties to local interconnection agreements with BellSouth will pay the CCS7 rates set forth in their interconnection agreements for CCS7 services BellSouth provides in relation to local calls.

(b) BellSouth admits that the CCS7 tariff is revenue neutral. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegation that "Petitioners have not reviewed any supporting data to confirm the accuracy of BellSouth's statement" and, therefore, BellSouth denies this allegation.

(c) BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in Paragraph 8(c) of the Petition and, therefore, BellSouth denies these allegations.

(d) BellSouth denies any suggestion that its CCS7 Tariff is not currently in effect. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations set forth in Paragraph 8(d) of the Petition and, therefore, BellSouth denies these allegations.

(e) BellSouth denies the allegations set forth in Paragraph 8(e) of the Petition and states that the CCS7 tariff violates neither the provisions of Florida Statutes,

Section 364.051(2), nor the provisions of Florida Statutes, Section 364.163. As noted above, prior to the effective date of the CCS7 Tariff, BellSouth was unable to monitor the messages it provided in relation to a particular carrier's traffic and, therefore, BellSouth did not have an intrastate CCS7 tariff.

9. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the allegations set forth in the first sentence of Paragraph 9 of the Petition and, therefore, BellSouth denies these allegations. BellSouth admits that any carrier that generates CCS7 messages internally, transmits such messages to other carriers, and receives such messages from other carriers during the routing and completion of local and interexchange calls incurs costs in doing so.

10. Upon information and belief, BellSouth admits that Petitioners are certificated as ALECs and/or IXC's in Florida. BellSouth is without knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations set forth in Paragraph 10 of the Petition and, therefore, BellSouth denies these allegations.

11. Petitioners' allegations regarding their "anticipation" of BellSouth's position on the Petitioners' contentions require no response from BellSouth, and BellSouth's responses to the allegations set forth in Paragraph 8 of the Petition speak for themselves.

12. BellSouth denies the allegations set forth in Paragraph 12 of the Petition. BellSouth specifically denies any suggestion that its CCS7 Tariff is not in effect, and it denies that the Commission can or should suspend the CCS7 Tariff, which has already gone into effect.

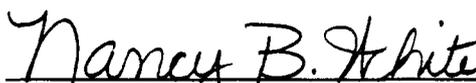
13. BellSouth denies that the Petitioners are entitled to any of the relief requested in the WHEREFORE clause of the Petition.

14. Any allegations not expressly admitted herein are denied.

WHEREFORE, BellSouth respectfully requests that the Commission deny all relief requested in by the Petitioners and dismiss the Petition with prejudice.

Respectfully submitted this 22nd day of March, 2002.

BELLSOUTH TELECOMMUNICATIONS, INC.



Nancy B. White (2#)
James Meza III
150 South Monroe Street
Suite 400
Tallahassee, Florida 32301
(305) 347-5558



R. Douglas Lackey (2#)
Patrick W. Turner
675 West Peachtree Street, Suite 4300
Atlanta, Georgia
(404) 335-0761

439055